

# Annual Securities Report

(The 77th Fiscal Year)  
From April 1, 2024 to March 31, 2025

WACOAL HOLDINGS CORP.

29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto, Japan

E00590

The 77th Fiscal Year (from April 1, 2024 to March 31, 2025)

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# Annual Securities Report

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1. This is an English translation of the Annual Securities Report filed pursuant to Paragraph 1, Article 24 of the Financial Instruments and Exchange Act via the Electronic Disclosure for Investors' Network ("EDINET") as set forth in Article 27-30-2 of the same Act.
2. This does not contain English translations of the attachments to the Annual Securities Report filed as set out in the above, other than the audit report, the English translation of which is included at the end of this document.

WACOAL HOLDINGS CORP.

## Certain References and Information

This report is prepared for overseas investors and compiled based on the contents of the Annual Securities Report (“Yukashoken Hokokusho”) of WACOAL HOLDINGS CORP. filed with the Director of the Kanto Local Finance Bureau of Japan on June 25, 2025.

As used in this report, unless the context otherwise requires, “the Company” and “Wacoal Holdings” refer to Wacoal Holdings Corp., and “Wacoal,” “we,” “us,” “our” and similar terms refer to Wacoal Holdings Corp. and its consolidated subsidiaries. References to “U.S. dollars” or “\$” are to the currency of the United States and references to “yen” or “¥” are to the currency of Japan.

All financial statements and information contained in this report have been prepared in accordance with International Financial Reporting Standards (“IFRS”) except where otherwise noted.

### A Cautionary Note on Forward-Looking Statements

This report contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our companies and our industry. You can identify these statements by the fact that they do not relate strictly to historic or current facts. The forward-looking statements discuss future expectations, identify strategies, contain projections of results of operation or of financial position, or state other “forward-looking” information. Forward-looking statements are contained in the sections entitled “II. Operating and Financial Review and Prospects, 1. 【Management Policy, Business Environment and Management Issues】 and 2. 【Sustainability Approaches and Initiatives】 ” and elsewhere in this report.

The forward-looking statements are subject to various risks and uncertainties. Information contained in the sections listed above and elsewhere in this annual report identifies factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied in any forward-looking statement.

We undertake no obligation to update any forward-looking statements contained in this annual report, whether as a result of new information, future events or otherwise.

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## 【Cover】

【Document Filed】	Annual Securities Report (“Yukashoken Hokokusho”)
【Applicable Law】	Paragraph 1, Article 24 of the Financial Instruments and Exchange Act
【Filed to】	Director, Kanto Local Finance Bureau
【Filing Date】	June 25, 2025
【Fiscal Year】	The 77th Fiscal Year (from April 1, 2024 to March 31, 2025)
【Company Name】	<i>KABUSHIKI KAISHA WACOAL HOLDINGS</i>
【Company Name in English】	WACOAL HOLDINGS CORP.
【Position and Name of Representative】	Masaaki Yajima, Representative Director, President and CEO (Group CEO)
【Address of Head Office】	29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto
【Phone No.】	Kyoto (075) 682-1018
【Contact Person】	Shimpei Yuguchi, General Manager of Accounting Department
【Contact Address】	29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto
【Phone No.】	Kyoto (075) 682-1018
【Contact Person】	Shimpei Yuguchi, General Manager of Accounting Department
【Place Where Available for Public Inspection】	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I 【Information on Wacoal Holdings Corp. and its consolidated subsidiaries.】

I. 【Overview of Wacoal Holdings Corp. and its consolidated subsidiaries.】

1. 【Key Financial Data】

(1) Consolidated Financial Data, etc.

(Millions of yen, unless otherwise stated)

Fiscal Year	International Financial Reporting Standards (“IFRS”)				
	77th	76th	75th	74th	Transition date
Year-End	March 2025	March 2024	March 2023	March 2022	April 1, 2021
Revenue	173,896	187,208	188,592	172,072	—
Profit (loss) before tax	5,693	(8,290)	(699)	4,083	—
Profit (loss) attributable to owners of parent	6,989	(8,632)	(1,643)	1,732	—
Comprehensive income attributable to owners of parent	2,401	16,645	4,169	10,476	—
Equity attributable to owners of parent	191,819	211,829	210,197	217,990	212,028
Total assets	272,183	294,029	285,659	299,177	319,215
Equity attributable to owners of parent per share (yen)	3,713.17	3,846.66	3,623.29	3,546.96	3,396.76
Earnings per share attributable to owners of parent: Basic (loss) (yen)	129.65	(151.62)	(27.44)	27.83	—
Earnings per share attributable to owners of parent: Diluted (loss) (yen)	129.16	(151.62)	(27.44)	27.71	—
Ratio of equity attributable to owners of parent to total assets (%)	70.5	72.0	73.6	72.9	66.4
Ratio of profit attributable to owners of parent to equity attributable to owners of parent (%)	3.5	(4.1)	(0.8)	0.8	—
Price earnings ratio (times)	39.28	—	—	66.19	—
Net cash provided by operating activities	4,938	11,291	7,334	16,622	—
Net cash (used in) provided by investing activities	9,382	14,048	3,902	(3,042)	—
Net cash (used in) provided by financing activities	(22,925)	(20,211)	(22,541)	(41,007)	—
Cash and cash equivalents, end of year	23,419	33,547	26,781	37,485	63,987
Number of employees [Average number of part-time employees, etc.] (number of persons)	16,124 [324]	17,408 [348]	19,147 [482]	19,717 [730]	19,824 [492]

- (Notes)
1. The Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) from the 75th fiscal year.
  2. Price earnings ratios for the 75th fiscal year and 76th fiscal year are not shown due to basic loss per share for the fiscal year.
  3. IAS 12, “Income Taxes” (revised in May 2021) has been adopted from the beginning of the 76th fiscal year. The adoption has been applied retrospectively to financial results for the 75th fiscal year shown

(Millions of yen, unless otherwise stated)

Fiscal Year	U.S. GAAP	
	74th	73rd
Year-End	March 2022	March 2021
Revenue	172,860	152,204
Operating income (loss)	5,013	(1,115)
Net income attributable to Wacoal Holdings Corp.	4,608	7,025
Comprehensive income	11,929	13,043
Wacoal Holdings Corp. shareholders' equity	223,005	215,612
Total assets	303,245	322,761
Shareholders' equity per share (yen)	3,628.56	3,454.18
Net income per share attributable to Wacoal Holdings Corp. (yen)	74.04	112.57
Diluted net income attributable to Wacoal Holdings Corp. per share (yen)	73.73	112.09
Shareholders' equity ratio (%)	73.5	66.8
Return on equity (%)	2.1	3.3
Price earnings ratio (times)	24.88	21.81
Net cash provided by operating activities	13,008	4,260
Net cash (used in) provided by investing activities	(3,096)	(2,562)
Net cash (used in) provided by financing activities	(36,349)	33,605
Cash and cash equivalents, end of year	37,982	63,557
Number of employees (number of persons)	19,717	19,824
[Average number of part-time employees, etc.]	[730]	[492]

(Note) The consolidated financial data up to the 74th fiscal year shown above have been prepared based on accounting principles generally accepted in the United States of America (U.S. GAAP).  
Operating income is stated instead of ordinary income.

## (2) Financial Data, etc. of the Company

(Millions of yen, unless otherwise stated)

Fiscal Year	77th	76th	75th	74th	73rd
Year-End	March 2025	March 2024	March 2023	March 2022	March 2021
Operating revenue	13,693	7,276	6,772	6,196	16,429
Ordinary income	8,919	3,002	2,473	1,682	12,048
Net income	15,702	2,817	4,458	2,749	11,544
Common stock	13,260	13,260	13,260	13,260	13,260
Total number of issued and outstanding shares (thousand shares)	55,500	61,000	64,500	65,589	65,589
Net assets	111,602	118,310	130,602	138,332	140,106
Total assets	142,378	154,073	154,705	165,180	191,737
Net assets per share (yen)	2,153.26	2,139.06	2,242.19	2,241.50	2,235.07
Dividends per share (Interim dividends per share) (yen)	100.00 (50.00)	100.00 (50.00)	80.00 (40.00)	50.00 (20.00)	40.00 (20.00)
Net income per share (yen)	291.29	49.50	74.46	44.18	184.98
Diluted net income per share (yen)	289.82	49.29	74.15	43.99	184.16
Shareholders' equity ratio (%)	78.1	76.5	84.1	83.4	72.8
Return on equity (%)	13.7	2.3	3.3	2.0	8.6
Price earnings ratio (times)	17.48	75.03	33.40	41.69	13.27
Dividend payout ratio (%)	34.3	202.0	107.4	113.2	21.6
Number of employees [Average number of part-time employees, etc.] (number of persons)	89 [—]	98 [—]	112 [—]	90 [—]	85 [—]
Total shareholders' return (%)	232.8	169.7	113.2	82.3	106.3
(Benchmark: TOPIX incl. dividends) (%)	(213.4)	(216.8)	(153.4)	(145.0)	(142.1)
Highest share price (yen)	5,623	3,821	2,596	2,612	2,537
Lowest share price (yen)	3,366	2,471	1,784	1,687	1,630

(Note) The highest and lowest share prices shown are market prices on the Prime Market of the Tokyo Stock Exchange since April 4, 2022, and on the First Section of the Tokyo Stock Exchange before then.

## 2. 【History】

June 1946	Wako Shoji founded by late Koichi Tsukamoto
November 1949	Wako Shoji Corp. established with 1 million yen in capital (Nakagyo-ku, Kyoto)
June 1951	Head office relocated to Anekoji-agaru, Muromachi-dori, Nakagyo-ku, Kyoto; plant opened; self-manufacturing begins
November 1957	Company name changed to Wacoal Inc.
November 1959	Tokai Wacoal Sewing Corp. established as a domestic manufacturing company, and seven sewing subsidiaries established in Japan
June 1964	Company name changed to Wacoal Corp.
September 1964	Wacoal listed on the Second Section of the Tokyo and Osaka Stock Exchanges and the Kyoto Stock Exchange
August 1970	A joint venture company, Korea Wacoal Corp. established in Korea
October 1970	A joint venture company, Thai Wacoal Co., Ltd. (current Thai Wacoal Public Co., Ltd.) established in Thailand
October 1970	Taiwan Wacoal Co., Ltd. established as joint venture company
January 1971	Wacoal listed on the First Section of the Tokyo and Osaka Stock Exchanges
April 1978	Singapore office (current Wacoal Singapore Private Ltd.) opened
August 1979	Acquired shares from Torica Inc., a subsidiary of the Company, by way of capital increase through third-party allocation
June 1981	Wacoal America, Inc. (current Wacoal International Corp.) established as an overseas subsidiary
March 1982	Acquired shares from Nanasai Co., Ltd., a subsidiary of the Company, by way of capital increase through third-party allocation
February 1983	Wacoal Hong Kong Co., Ltd., established as an overseas subsidiary
December 1983	Acquired all shares in Teenform Inc., an American corporation (current Wacoal America, Inc.)
January 1986	Beijing Wacoal Co., Ltd. (current Wacoal China Co., Ltd.), established as joint venture company
April 1989	Philippine Wacoal Corp. established as joint venture company
January 1990	Wacoal France S.A. established as an overseas subsidiary (current Wacoal Europe SAS)
January 1991	Indonesia Wacoal Co., Ltd. (current PT.Indonesia Wacoal), established as a joint venture company
April 1993	Joint venture agreement for Korea Wacoal Corp. canceled; investment made into Shinyoung Inc. (current Shinyoung Wacoal Inc.) in Republic of Korea
January 1995	Guangdong Wacoal Inc. established as an overseas subsidiary
June 1997	Vietnam Wacoal Corp. established as an overseas subsidiary
December 2000	Joint venture agreement for Beijing Wacoal Co., Ltd. (current Wacoal China Co., Ltd.), canceled and reestablished as Beijing Wacoal Co., Ltd., a wholly owned subsidiary
May 2003	Wacoal Malaysia Sdn Bhd established as a joint venture company
August 2003	Dalian Wacoal Co., Ltd., established as an overseas subsidiary
October 2005	Company name changed to Wacoal Holdings Corporation pursuant to the transition to holding company system Wacoal Corp. established through incorporation-type company split
January 2008	Peach John Co., Ltd. (“Peach John”), became a wholly owned Wacoal subsidiary through share exchange
August 2009	Lecien Corp. became a wholly owned Wacoal subsidiary through stock exchange
April 2012	Eveden Group Limited (current Wacoal Europe Ltd.) became a wholly owned Wacoal subsidiary through the acquisition of all of the issued and outstanding shares of Eveden Group Limited
January 2016	A Tech Textile Co., Ltd. and one other company established as joint venture companies in Thailand
July 2019	Intimates Online, Inc. became a wholly owned Wacoal subsidiary through the acquisition of all of the issued and outstanding shares
April 2022	Wacoal Holdings Corp. has moved from the First Section of the Tokyo Stock Exchange to the Prime Market of the Tokyo Stock Exchange due to a revision of the Tokyo Stock Exchange’s market classification
July 2024	The shares of Nanasai Co., Ltd. transferred
September 2024	Bravissimo Group Limited became a wholly owned Wacoal subsidiary through the acquisition of all of the issued and outstanding shares

### 3. 【Business Overview】

Our corporate group consists of one holding company (Wacoal Holdings Corp.), 51 subsidiaries, and 7 associates, and is principally engaged in the manufacturing and wholesale of innerwear (primarily foundation wear, lingerie, nightwear, and children's underwear), outerwear, sportswear, and other textile goods and related products, as well as the retail of products to consumers. Our corporate group also conducts business in the restaurant, culture, and service businesses.

The Company falls under the definition of “Specified Listed Companies” as prescribed under Paragraph 2, Article 49 of the Cabinet Office Ordinance on Restrictions on Securities Transactions, etc. For this reason, whether an incident is minor (and not a material fact) under the insider trading restrictions will be determined on the basis of consolidated figures.

Segment information and a summary of the various companies that make up our corporate group are as follows:

#### (1) Wacoal Business (Domestic)

This segment is composed of Wacoal Holdings Corp. and 8 subsidiaries in Japan.

Wacoal Corp. engages in the planning and designing of the above-mentioned products, procurement of materials for the above-mentioned products, commercialization of semifinished products purchased from sewing companies in Japan and overseas and other business associates after inspection, and distribution to end consumers through department stores, general merchandisers, and other general retailers in Japan, as well as directly managed retail stores, E-commerce (EC) websites and distributors in Japan and overseas. Each of our 2 apparel manufacturing companies, including Wacoal Manufacturing Japan Corp., receives a supply of raw materials from Wacoal Corp., conducts sewing and processing of innerwear and sportswear, and delivers the semifinished products to Wacoal Corp. We have sales companies, including Une Nana Cool Corp. and Linge Noel Corp., which conduct retail sales of innerwear, outerwear products.

#### (2) Wacoal Business (Overseas)

This segment is composed of 39 companies, including our overseas subsidiaries and associates.

Among our 33 overseas subsidiaries, 10 companies are located in North and Central America; 7 companies are located in Europe; and 16 companies are located in Asia/Oceania. 6 overseas associates are located in Asia.

Among our 10 overseas subsidiaries in North and Central America, Wacoal Dominicana Corp., an apparel manufacturing company of innerwear products, ships its products to Wacoal America, Inc., a manufacturing and sales company, which supplies these products to end consumers through local department stores, specialty retail stores and EC websites. In addition, Eveden Inc., a sales company, distributes innerwear products, which are mainly supplied from Wacoal Lanka Private Ltd. and Wacoal EMEA Ltd.

Among our 7 overseas subsidiaries in Europe, Wacoal EMEA Ltd. sells products such as innerwear, which are supplied by Wacoal Lanka Private Ltd., to end consumers through department stores and specialty retail stores mainly in the United Kingdom. Bravissimo Limited mainly engages in the retail sales of products that are independently supplied mainly from non-group companies.

Our 2 subsidiaries and 4 associates in Asia/Oceania are manufacturing and sales companies, which distribute products to end-consumers through their local department stores and specialty retail stores, and also distribute a part of their products to Wacoal Corp. and sales companies in Asia. Our sales companies include 6 subsidiaries, including Wacoal Singapore Private Ltd., Eveden Israel Ltd., and 1 associate. These sales companies distribute innerwear products, which are mainly supplied from the group companies to their local department stores, specialty retail stores and directly managed retail stores. Our 8 remaining subsidiaries include 4 apparel manufacturing companies producing innerwear, 2 raw materials manufacturing companies, 1 company that procures materials for subsidiaries and associates in Asia, and 1 investment company which makes investments in the local subsidiaries and local associates that manufacture and sell innerwear.

#### (3) Peach John Business

This segment is composed of 3 companies, including our domestic and overseas subsidiaries.

The 1 domestic subsidiary and 2 overseas subsidiaries are sales companies, and Peach John mainly engages in the retail sales of products that are independently supplied mainly from non-group companies.

(4) Other

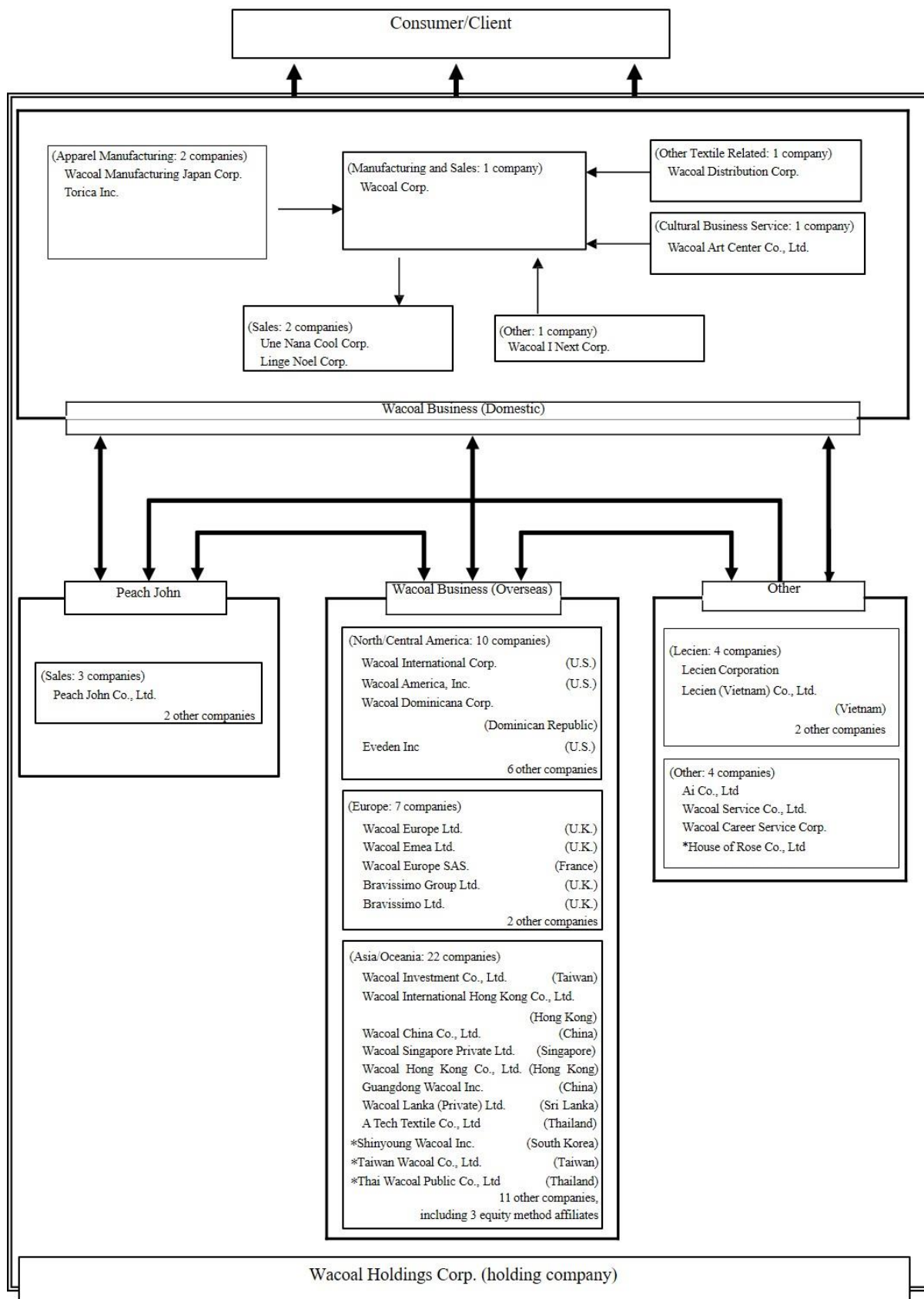
This segment is composed of a total of 8 companies, including 4 domestic subsidiaries, 3 overseas subsidiaries, and 1 domestic associate.

Among the 4 domestic subsidiaries, Lecien Corporation engages in the manufacture and wholesale of women's innerwear and lace and fabrics for handicrafts. Our 3 other subsidiaries engage in sales, other textile-related business, real estate leasing business, and/or other businesses.

3 overseas subsidiaries are located in Asia.

2 of our subsidiaries in Asia are apparel manufacturing companies. The other 1 subsidiary engages in other textile-related business.

The business distribution diagram of these subsidiaries and associates follows on the next page:



Without mark: a consolidated subsidiary

\*: an equity method affiliate

#### 4. 【Information on Subsidiaries and Associated Companies】

Company Name	Location	Capital (Millions of yen)	Principal Business	Percentage of Voting Rights Owned or Held (%)	Relationship	
					Number of Company Officer(s) holding a Position as Officer in such Subsidiaries and Associated Company	Lease/Rent of Facilities
(Consolidated Subsidiary)						
*1, *5 Wacoal Corp.	Minami-ku, Kyoto	5,000	Wacoal Business (Domestic) (Research and development, product planning and sale of innerwear products, etc.)	100	3	Rent of office building
Peach John Co., Ltd.	Minato-ku, Tokyo	90	Peach John Business (Product planning and sale of innerwear products)	100	2	—
Lecien Corp.	Minami-ku, Kyoto	90	Other (Product planning and sale of innerwear products, etc.)	100	2	Rent of office building
Wacoal Manufacturing Japan Corp.	Unzen-shi, Nagasaki	70	Wacoal Business (Domestic) (MTO (make to order) of innerwear products)	100 (100)	1	Rent of office building
Torica Inc.	Ibaraki-shi, Osaka	92	Same as above	60 (60)	1	—
*1 Wacoal International Corp.	New York, USA	20,000 thousand USD	Wacoal Business (Overseas) (a US holding company)	100 (100)	1	—
*5 Wacoal America, Inc.	New York, USA	2,062 thousand USD	Wacoal Business (Overseas) (Product planning and sale of innerwear products)	100 (100)	—	—
Wacoal Dominicana Corp.	Santo Domingo, Dominican Republic	20 thousand USD	Wacoal Business (Overseas) (MTO of innerwear products)	100 (100)	—	—
Wacoal Europe Ltd.	Northampton- shire, UK	175 thousand GBP	Wacoal Business (Overseas) (a holding company)	100	1	—
Wacoal EMEA Ltd.	Northampton- shire, UK	250 thousand GBP	Wacoal Business (Overseas) (Product planning and sale of innerwear products)	100 (100)	—	—
Wacoal Europe SAS.	Saint-Denis, France	8 thousand EUR	Wacoal Business (Overseas) (Sale of innerwear products)	100 (100)	—	—
Bravissimo Group Limited	Warwickshire, UK	54 thousand GBP	Wacoal Business (Overseas) (a holding company)	100 (100)	—	—
Bravissimo Limited	Warwickshire, UK	49 thousand GBP	Wacoal Business (Overseas) (Product planning and sale of innerwear products)	100 (100)	—	—
Wacoal Hong Kong Co., Ltd.	Hong Kong	3,000 thousand HK\$	Same as above	80 (80)	—	—
*1 Wacoal International Hong Kong Co., Ltd.	Hong Kong	373,690 thousand HK\$	Wacoal Business (Overseas) (Procurement of innerwear products and raw materials)	100 (100)	1	—
Vietnam Wacoal Corp.	Bien Hoa, Vietnam	54,604 million VND	Wacoal Business (Overseas) (MTO and sale of innerwear products)	100 (100)	—	—
Wacoal Investment Co., Ltd.	Taipei, Taiwan	59,000 thousand NT\$	Wacoal Business (Overseas) (a Taiwan holding company)	100 (100)	1	—
Guandong Wacoal Inc.	Guangzhou, China	17,730 thousand RMB	Wacoal Business (Overseas) (MTO of innerwear products)	100 (100)	—	—
*1 Wacoal China Co., Ltd.	Beijing, China	189,364 thousand RMB	Wacoal Business (Overseas) (Product planning and sale of innerwear products)	100 (100)	1	—
*1 A Tech Textile Co., Ltd.	Bangkok, Thailand	1,000 million THB	Wacoal Business (Overseas) (Manufacturing of raw materials)	54 (54)	—	—
31 other companies						
(Equity Method Associate)						
Thai Wacoal Public Co., Ltd.	Bangkok, Thailand	120 million THB	Wacoal Business (Overseas) (Product planning, manufacturing and sale of innerwear products)	34 (34)	2	—
PT.Indonesia Wacoal	Bogor, Indonesia	2,500 million IDR	Same as above	42 (42)	1	—
Shinyoung Wacoal Inc.	Seoul, South Korea	4,500 million WON	Same as above	25	1	—
Taiwan Wacoal Co., Ltd.	Taoyuan, Taiwan	800 million NT\$	Same as above	50 (50)	2	—
*4 House of Rose Co., Ltd.	Minato-ku, Tokyo	934	Other (Development and sale of cosmetics and healthcare products, etc.)	21	1	—
2 other companies						

- (Notes) \*1. Wacoal Corp., Wacoal International Corp., Wacoal International Hong Kong Co., Ltd, Wacoal China Co., Ltd. and A Tech Textile Co., Ltd. are categorized as a specified subsidiary under the Financial Instruments and Exchange Act.
2. The number in brackets under the “Percentage of Voting Rights Owned or Held” column means the percentage of indirect holding.
3. The names of operating segments are shown under the “Principal Business” column.
- \*4. House of Rose Co., Ltd. is a company that is obliged to file an annual securities report.
- \*5. Revenue (excluding the internal revenue recorded among consolidated subsidiaries) of Wacoal Corp. and Wacoal America, Inc. account for more than 10% in our consolidated revenue.

Key Income Summary

Wacoal Corp.  
<Japanese GAAP>

(i) Revenue	84,039 million yen
(ii) Ordinary income	205 million yen
(iii) Net income	4,056 million yen
(iv) Net assets	95,160 million yen
(v) Total assets	120,312 million yen

Wacoal America, Inc.  
(IFRS)

(i) Revenue	19,819 million yen
(ii) Profit before tax	106 million yen
(iii) Profit	265 million yen
(iv) Total equity	24,013 million yen
(v) Total assets	32,730 million yen

## 5. 【Employees】

### (1) Employees within group

As of March 31, 2025

Name of Operating Segment	Number of Employees	
Wacoal Business (Domestic)	5,109	[189]
Wacoal Business (Overseas)	9,932	[28]
Peach John Business	383	[21]
Other	700	[86]
Total	16,124	[324]

- (Notes)
- The number of employees is the number of individuals working within our group (excludes individuals seconded from our group to third parties, but includes individuals seconded from third parties to our group). The average number of temporary employees is indicated in brackets for the current fiscal year.
  - Temporary employees include temporary staff and part-time workers whose working period is about 3 months.
  - The number of employees of Wacoal Business (Domestic) decreased by 771 compared to the end of the previous fiscal year, mainly due to the recruitment for the voluntary retirement program as part of restructuring.
  - The number of other employees decreased by 250 compared to the end of the previous fiscal year, mainly due to the removal of Nanasai Co., Ltd. from the scope of consolidation, resulting from a partial transfer of its shares.

### (2) Employees of the Company

As of March 31, 2025

Number of Employees	Average Age	Average Years of Service	Average Annual Salary (Yen)
89	44.6	17.0	5,983,168

- (Notes)
- The number of employees is the number of individuals working within the Company.
  - The average annual salary includes bonus and extra wages.
  - All employees of the Company belong to the Wacoal Business (Domestic) segment.

### (3) Relationship with Labor Union

Employees of the Company are seconded from Wacoal Corp. at which the Wacoal Labor Union is organized. The Wacoal Labor Union is a member of The Japanese Federation of Textile, Chemical, Food, Commercial, Service, and General Workers' Unions.

Certain subsidiaries have their own labor unions.

Our relationship with Labor Unions is very stable and we have nothing to report on this matter.

### (4) Ratio of female employees in managerial positions, ratio of male employees taking child-rearing leave, and differences in wages between male and female employees

#### 1. The Company

Current Fiscal Year				
Ratio of Female Employees in Managerial Positions (%) (Note 1)	Ratio of Male Employees Taking Child-rearing Leave (%) (Note 2)	Differences in Wages between Male and Female Employees (%) (Note 1)		
		All Employees	Full-time Employees	Part-time/fixed-term contract employees
32.0	—	62.2	61.5	65.0

- (Notes)
- The figures shown have been calculated pursuant to the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
  - The figures shown are the ratio of male employees who have taken "childcare leave, etc." as set forth in Paragraph 1, Article 71-6 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver

Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991) pursuant to the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures or the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991).

3. Part-time/fixed-term contract employees comprise contract employees and post-retirement rehires.

## 2. Our Consolidated Subsidiaries

2. Our Consolidated Subsidiaries						Supplemental Explanation
Current Fiscal Year						
Name of Company	Ratio of Female Employees in Managerial Positions (%) (Note 1)	Ratio of Male Employees Taking Child-rearing Leave (%) (Note 2)	Differences in Wages between Male and Female Employees (%) (Note 1)			
			All Employees	Full-time Employees	Part-time/fixed-term contract employees	
Wacoal Corp.	38.6	66.7	49.1	49.9	52.7	(Notes 3, 4)
Peach John Co., Ltd.	82.6	–	40.1	64.5	–	
Wacoal Manufacturing Japan Corp.	0.0	0.1	92.1	92.7	88.9	
Torica Inc.	22.7	0.0	52.1	54.3	86.2	
Wacoal Distribution Corp.	0.0	–	48.7	80.7	84.0	
Wacoal Career Service Corp.	33.3	0.0	82.0	94.0	72.0	
Wacoal Art Center Co., Ltd.	44.4	–	46.7	56.4	–	
Ai Co., Ltd.	77.6	–	50.8	81.6	29.3	

- (Notes)
1. The figures shown have been calculated pursuant to the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
  2. The figures shown are the ratio of male employees who have taken "childcare leave, etc." as set forth in Paragraph 1, Article 71-6 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991) pursuant to the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures or the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991).
  3. To conform to figures released under the Act on Promotion of Women's Participation and Advancement in the Workplace, figures of Wacoal Corp. including those of the Company have been disclosed for each indicator.
  4. Of full-time employees of Wacoal Corp., "Differences in Wages between Male and Female Employees" in "Managerial Positions," "Career-track Positions" and "Sales Positions" is as follows. Details of "Differences in Wages between Male and Female Employees" are provided in "II. Operating and Financial Review and Prospects, 2. 【Sustainability Approaches and Initiatives】 , (3) Human Capital."

(%)

	All Full-time Employees	Of Which Managerial Positions	Of Which Career-track Positions	Of Which Sales Positions
Wacoal Corp.	49.9	90.0	72.7	–

## II. 【Operating and Financial Review and Prospects】

### 1. 【Management Policy, Business Environment and Management Issues】

The group's management policy, business environment and issues to be addressed are described as follows.

Any forward-looking statement contained below is based on our judgments of our group as of the end of the current fiscal year. These future expectations and projections are subject to various factors and uncertainties, and may differ from actual outcome or results.

#### (1) Group Philosophy (Mission, spirit of foundation)

Our group, with the Company as its pure holding company, has been operating innerwear business and other businesses primarily in Japan, the United States, Europe, China and Southeast Asia with the goal of “contributing to society by helping people express their beauty.” In 2022, we have introduced our “Mission,” the social mission statement we aim to fulfill in today's society, defined as “committing to the enrichment of the lives of people around the world,” “helping people realize their individuality, and their inner beauty, rather than uniform external beauty,” and “striving to solve various social issues such as the environment and human rights.” Based on this “Mission” and our “Founding Principles” that we have inherited over our 70-year history, we will strive to enhance our corporate value by promoting sustainability management that aims to both solve social issues and achieve sustainable growth through our business activities, at the same time each of our operating companies utilizing its efforts to address complicated and diversified social issues as future growth opportunities.

In addition, our business activities are built upon accumulation of “mutual trust,” the trust built between people, based on our listening to the voice of each and every one of our customers, and continuously transforming our business with a sense of humility. We aim to become an indispensable presence in society by building relationships of mutual trust with every stakeholder, including shareholders, customers, employees, business partners and local communities, through our continuous endeavors to enhance transparency in corporate management and to ensure fairness and independence.

#### Mission

WACOAL empowers people with the confidence that comes from looking and feeling their best. As a global leader, we welcome everyone into our caring community built on mutual respect, diversity, and inclusion.

At WACOAL, we value each person as an individual and believe in nurturing the body and mind so everyone can be their best.

When people with different backgrounds are empowered to come together and share ideas freely, we as a society will achieve true harmony.

By continuing to evolve, WACOAL leads the way to a world where kindness, inclusivity, and mutual respect are the standards, and the future is full of promise for everyone.

“Global Corporate Message”

Comfortable inside. Confident outside.

\*“Global Corporate Message” above is our common corporate message shared within our group. For details, please see “About Wacoal Group” on our company website:

(<https://www.wacoalholdings.jp/en/group/>).

#### Founding Principles

Our Promise

We will contribute to society by helping women express their beauty.

Our Culture

We, the employees and management of WACOAL, will maintain a refined corporate culture based on mutual trust and will continually strive to make the Company a global leader in the industry.

Our Values

1. Create products loved by customers
2. Develop new products that meet the needs of the times
3. Conduct business in a fair manner with a forward focus
4. Build a better WACOAL through better human resources
5. Fear not failure and boast not of success

#### The Actions of Officers and Employees

“Think about the happiness of others”

Do you consider the happiness of people around you, including the customers, suppliers, and employees coworkers you work with?

“Embrace curiosity and use all five senses”

Have you noticed or discovered anything new lately?

“Consider the reason and purpose”

Do you understand the true meaning and root cause; why and what for?

“Respect diverse opinions”

Do you listen to people’s opinions with humility and have constructive discussions without making assumptions?

“Make decisions for the future”

Do you act not only for immediate results, but also for a successful future?

“Give it a try first”

Do you give up out of fear of risks? Do you support people who take on challenges?

“Work together”

Do you strive for great success through teamwork and collaboration?

“Act with honesty and responsibility”

Do you communicate appreciation for others? Do you have blameless problem-solving approach?

#### (2) Medium- and Long-term Business Strategy frame “VISION 2030”

##### ( i ) Background of the formulation

With the aim of putting the WACOAL Way into practice, we have formulated “VISION 2030” by backcasting from long-term goals while keeping in mind the issues of our business, customer values, and changes in society and the environment. Based on this vision, our 2030 goal is to evolve and grow into a “Global Wacoal Group” by capitalizing on quality and our heightened sensibility to provide each customer with physical and emotional beauty and enrichment. In achieving sustained growth and enhancing enterprise value, we will improve domestic profitability and expand our business areas, expand overseas businesses and transform them into highly profitable structures, strengthen the Group’s management capabilities, and shift to more capital-efficient management.

##### (ii) Overall picture

Corporate vision: Evolve and grow as “Global Wacoal Group” by providing both physical and emotional beauty and richness to individuals through high sensibility and premium quality

##### Definition of “Global Wacoal Group”

- All stakeholders have a high level of trust in the group’s products, services, and initiatives relating to social issues
- We develop on a global scale with a competitive edge by making full use of the group’s human resources, assets, know-how, and networks
- We continue creating new customer experiences with our innovative, high-quality products and services, and thus continue enriching and beautifying the lives of our customers around the world
- Our employees all around the world understand the group’s goals and mission and work to make them a reality without being bound by conventional thinking or the past

Business domain: Widen and deepen the fields of “beauty,” “comfort” and “health” with new products and services supported by our “high sensibility and premium quality”

Implementation policy: To implement the following priority strategies for business expansion and profitability improvement, strengthening of our management base, and others to promote sustainability management that aims to achieve both resolution of social issues and sustainable growth

Key indicators (fiscal year ending March 2031):

Revenue	270 billion yen (Percentage of sales from overseas operations is 40%)
(Reference) Group's revenue including unconsolidated joint ventures	340 billion yen
Operating profit (margin)	27 billion yen (10%)
ROE	10%

Priority strategies:

Priority strategies:		Materialities (material issues)
Promote Sustainability Management	Improve domestic profitability and expand our business areas	<p>Grow steadily in Japan and create new businesses in the health area</p> <ul style="list-style-type: none"> <li>• Restore our domestic market shares by promoting our customer experience strategy</li> <li>• Expand the areas we do business in within the beauty, comfort and health fields</li> </ul>
	Expand overseas businesses and transform them into high-revenue structures	<p>Continue expanding in areas we have entered and grow in the European and Indian markets</p> <ul style="list-style-type: none"> <li>• Strengthen digital marketing to acquire new customers</li> <li>• Strengthen customer relationship management to make existing customers loyal</li> <li>• Strengthen brand investment in new markets</li> </ul>
	Strengthen the Group's management capabilities	<p>Strengthen the Group's corporate governance and develop and utilize diverse human resources and establish both domestic and overseas technology, production and R&amp;D bases</p> <ul style="list-style-type: none"> <li>• Redefine our quality standards, make sewing factories into smart factories, and pursue production and shipping efficiency</li> </ul>
	Shift to more capital-efficient management	<p>Continuously generate ROE that exceeds capital cost and optimize how we distribute value to stakeholders</p> <ul style="list-style-type: none"> <li>• Work to achieve ROE of 10% and optimize the capital structure</li> </ul>

(3) Revised Medium-Term Management Plan (fiscal year ended March 31, 2024 to fiscal year ending March 31, 2026)

(i) Background of the formulation

Meanwhile, in response to the financial results during the fiscal year ended March 2023 falling short of the plan, our group reviewed the medium-term management plan (referred to as “the revised medium-term management plan” hereinbelow) which was disclosed in November 2023. Under the revised medium-term management plan, we will implement “business model reforms to improve profitability,” “growth strategy to achieve VISION2030,” “introduction of ROIC management” and “promotion of asset reduction” to make progress in re-developing supply chain management and strengthening our management platform, in order to improve profitability and capital efficiency and enhance the effectiveness of our strategy. We will also seek to evolve into a Wacoal Group that is capable of offering products and services that can contribute to customers’ individuality on a continuing basis, by supporting our employees’ taking on challenges and their growth.

(ii) Overall picture

Basic policy: To shift to a structure that can steadily generate cash to improve the probability of achieving “VISION2030”

Priority strategies: To work to improve and enhance profitability and capital efficiency, and evolve into a company that is capable of making necessary growth investment for sustainable enhancement of corporate value and continuing to provide returns to stakeholders

Business Model Reforms	<p><b>To implement business model reforms (supply chain management reform and cost structure reform) to recover base profitability</b></p> <p><b><u>Supply chain management reform</u></b></p> <ul style="list-style-type: none"> <li>Implementing SCM* reforms at Wacoal (Japan) to respond quickly to changes in customer needs and the market environment * SCM: supply chain management</li> <li>With the use of digital technology to build SCM linked to demand from the customer's point of view, thoroughly selecting and focusing to optimize the cost structure</li> </ul> <p><b><u>Cost structure reform</u></b></p> <ul style="list-style-type: none"> <li>In order to restore Wacoal (Japan)'s basic profitability, a radical cost structure reform will be implemented</li> </ul> <p><b><u>Dealing with unprofitable businesses</u></b></p> <ul style="list-style-type: none"> <li>Examine the future ideal state of each business and determine an action plan for the continuation, sale, or withdrawal of each business</li> </ul>
Growth Strategy	<p><b>To execute a brand strategy and customer strategy that capitalize on the power of digitalization and our strengths, for the next stage of growth</b></p> <p><b><u>Domestic business:</u></b></p> <ul style="list-style-type: none"> <li>To meet diversifying customer needs, we will contribute to the “beauty, comfort, and health of each customer”</li> </ul> <p style="margin-left: 40px;"><b>Customer strategies</b></p> <p style="margin-left: 40px;">We aim to improve LTV through personalized customer experiences by using accumulated digital assets</p> <p style="margin-left: 40px;"><b>Brand strategies</b></p> <p style="margin-left: 40px;">Through brand management from a “customer's point of view,” we develop attractive brands with clear value</p> <p style="margin-left: 40px;"><b>Focused market segments</b></p> <p style="margin-left: 40px;">Strengthening strategies tailored to market segments in the innerwear business (reinforcing high premium and affordable markets)</p> <p style="margin-left: 40px;">Leveraging our strengths to reinforce our sports and health businesses to maximize market opportunities</p> <p style="margin-left: 40px;"><b>Focused distribution channels</b></p> <p style="margin-left: 40px;">Implementing measures to strengthen the channel for Wacoal EC, other companies EC, and directly managed stores</p> <p><b><u>Overseas business:</u></b></p> <ul style="list-style-type: none"> <li>Amid an uncertain business environment, we will first work to improve our management infrastructure and execute growth strategies for the next medium-term management plan</li> </ul> <p style="margin-left: 40px;"><b>Brand strategies</b></p> <p style="margin-left: 40px;">Expanding contact points with new customers by developing and selling new products based on market analysis in China and other countries in Asia</p> <p style="margin-left: 40px;">In Europe and the U.S., we will promote brand strategies to meet the diverse values of customers</p> <p style="margin-left: 40px;"><b>Efforts to strengthen EC business</b></p> <p style="margin-left: 40px;">Wacoal EC: Enriching original content such as membership programs and strengthening cooperation with physical stores</p> <p style="margin-left: 40px;">Other companies EC: Strategically strengthen cooperation with EC marketplaces</p> <p style="margin-left: 40px;"><b>Exploring untapped markets</b></p> <p style="margin-left: 40px;">Formulating and promoting growth strategies in regions with growth potential, such as Germany, France and India</p>
Introducing ROIC Management	<p><b>Introducing ROIC management to improve capital efficiency and achieve a robust corporate structure</b></p> <ul style="list-style-type: none"> <li>In addition to portfolio management, it is also used as a means of performance management to accurately measure results, and quantitatively link improvement activities on the ground with improvements in profitability and capital efficiency expected by investors and other stakeholders</li> </ul>

Promoting Asset Reduction	<p><b>In order to improve asset and capital efficiency, the Company's basic policy is to sell any assets that do not contribute to raising corporate value</b></p> <ul style="list-style-type: none"> <li>When selling, we will search for investment opportunities that will contribute to business growth, and determine the businesses that should be invested in from the perspective of ROIC</li> </ul> <p>Reducing inventories</p> <p>Reducing inventories through business model reforms (supply chain management reform and cost structure reform)</p> <p>Appropriate disposal of inventory resulting from the withdrawal and consolidation of unprofitable brands</p> <p>Reducing strategic shareholdings</p> <p>Gradually selling the shareholdings that we have agreed to sell</p> <p>Streamlining real estate holdings</p> <p>As for real estate that does not contribute to enhancing corporate value, we will proceed with consideration based on the basic policy of selling</p>
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Key indicators (fiscal year ending March 2026):

The revised medium-term management plan aimed to achieve a revenue of 203 billion yen, an operating profit of 13 billion yen, ROE in a 7% level and PBR of more than 1 time in March 2026, its final year, by striving to improve capital efficiency while working to strengthen our responsiveness to changes in customer needs and our profitability through the execution of business model reforms and a growth strategy. However, the revenue has been revised to 187.5 billion yen by taking into account the removal of a subsidiary from the scope of consolidation as a measure against a profitable business and changes to the external environment. In addition, operating profit is expected to be 22.8 billion yen through measures including asset reduction, leading ROE to 8%.

Our group has decided to introduce ROIC management to improve capital efficiency and realize a robust corporate structure. We will use it not only for managing enterprise-wide financial targets, but also as a means of performance management to accurately measure results and quantitatively link improvement activities on the ground with improvements in profitability and capital efficiency expected by investors and other stakeholders.

	Plan for fiscal year ending March 2026	Revised plan for fiscal year ending March 2026
Revenue	203 billion yen	187.5 billion yen
Operating profit (margin)	13 billion yen (6.4%)	22.8 billion yen (12.2%)
ROE	7%	8%
ROIC	6% to 7%	7%
EPS	200 yen or more	300 yen or more
Inventories Wacoal Corp.: Inventory turnover ratio during fiscal year ending March 2026	2.5 times	2.1 times
Strategic shareholdings	<ul style="list-style-type: none"> <li>To sell strategic shareholdings worth approx. 30 billion yen (to reduce to below 10% of net assets by fiscal year ending March 2026)</li> </ul>	<ul style="list-style-type: none"> <li>To sell strategic shareholdings worth approx. 38 billion yen (to reduce to below 12% of net assets by fiscal year ending March 2026)</li> </ul>
Real estate holdings	<ul style="list-style-type: none"> <li>To consider liquidation of real estate holdings that do not contribute to enhancement of corporate value in accordance with the basic policy</li> </ul>	

Financial policies:

- To improve profitability through business model reforms and a growth strategy as a top priority, while at the same time promoting reduction of inventories, reduction of strategic shareholdings, and streamlining of real estate holdings to improve capital efficiency and ROE

2. To actively return profits to shareholders to improve capital efficiency, while at the same time prioritizing investments for future growth

Dividend policy:

Our basic policy on profit distributions to shareholders is to make stable distributions based on consideration of our consolidated performance, while seeking to increase our enterprise value through active investments aimed at higher profitability and to increase earnings per share (EPS).

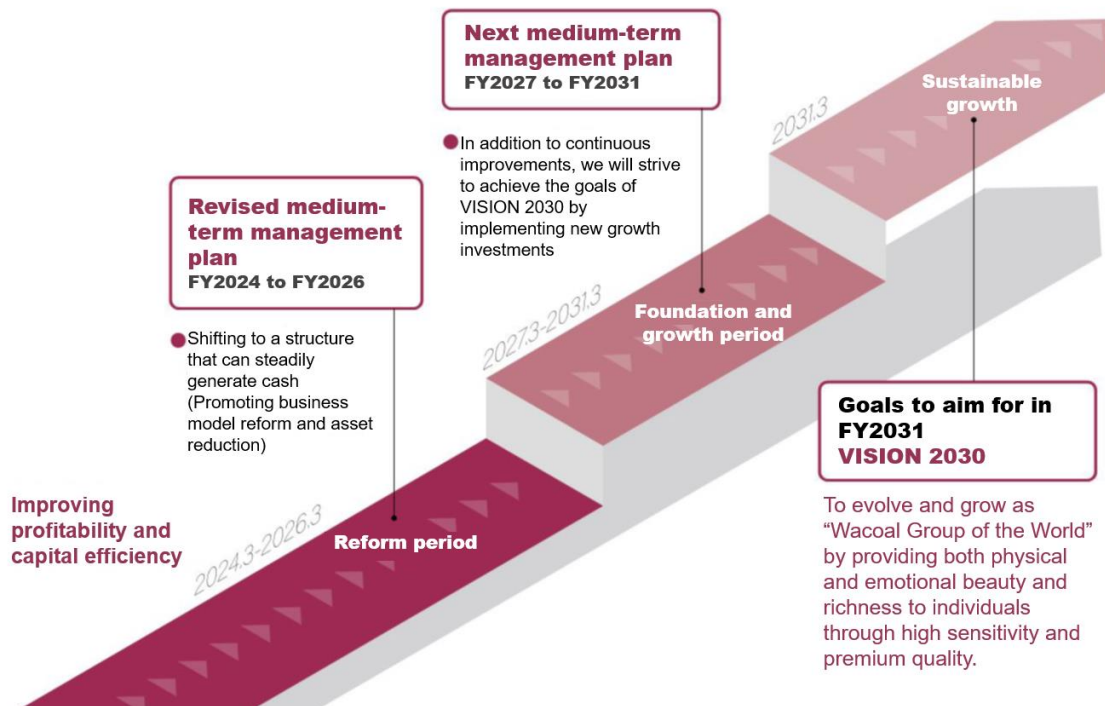
Cash flow allocation (fiscal year ended March 31, 2024 to fiscal year ending March 31, 2026):

During the period of the revised medium-term management plan, we will promote reduction of inventories, reduction of strategic shareholdings, and streamlining of real estate holdings, while striving to improve profitability through structural reforms. We will actively return the cash generated thereby to shareholders in order to improve capital efficiency, while giving priority to investment in growth. We will work to achieve our ROE and ROIC targets through both business and financial strategies.

(Billions of Yen)		
Cash inflow	Net income (excluding impairment losses)	10.0
	Depreciation costs (excluding lease liabilities)	20.0
	Asset reduction and debt utilization	80.0
	<b>Cash generated during the three-year period: Approx. 110 billion yen</b>	
Cash outflow	Investment in new / existing businesses	40.0
	Returning dividends	15.0
	Share repurchase	55.0

(iii) Positioning of the revised medium-term management plan in “VISION2030”

The period of the revised medium-term management plan is viewed as a reform period to achieve “VISION2030,” and we plan to improve profitability and capital efficiency by steadily implementing various measures according to the plan. Further, the next medium-term management plan period and beyond are considered as a “foundation and growth period.” We will reap the results of reforms to be implemented under the revised medium-term management plan, and actively make investment for the next stage of growth. We will increase the probability of achieving the “VISION2030” targets by improving the effectiveness of management through the implementation of the revised medium-term management plan.



(iv) Actions toward management that is conscious of capital cost and stock price

Our group will promote initiatives for enhancement of corporate value under the revised medium-term management plan which was announced on November 9, 2023. In order to enhance corporate value (improve PBR), we aim to realize “improved ROE” in excess of capital cost (about 6%) and “improved PER based on the expectation for continuing and future growth” by steadily implementing various measures set out under the revised medium-term management plan, and achieve ROE of 10% or more over the medium term.

(v) Policy for Fiscal Year ending March 2026

Wacoal Group is promoting a shift in the value proposition from “WACOAL for female beauty” to “WACOAL to empower customers’ individuality,” based on the medium- to long-term strategy framework “VISION 2030.” For the fiscal year ending March 2026, our group is promoting initiatives for “business model reforms to improve profitability,” “growth strategy to achieve VISION2030,” “introducing ROIC management,” and “promoting asset reduction” under the theme of “shifting to a structure that can steadily generate cash” in accordance with the revised three-year medium-term management plan revised in November 2023.

In the domestic business, we will further sophisticate customer strategy and brand strategy. Additionally, to respond to changes to demand swiftly, we will advance the reviewing of supply chains and the effort to reinforce a business performance management system. In parallel, we will continue pushing cost structure reforms with the aim of recovering basic profitability. Since sharp increases in raw materials and other costs are expected to continue, we will consider and implement price revisions and additional measures for reducing costs of sales to minimize such impact.

In the overseas business, the unstable business environment has been prolonged and businesses in existing channels are struggling due to the continued geopolitical risks and price increases as well as the expansion of trade friction arising from the US new administration. Against such a background, we intend to keep the initiative to expand contact points with customers through digitalization toward growth in e-commerce business while striving to work to improve our management base together with main companies.

Based on the above initiatives, we expect revenue of 187.5 billion yen, operating profit of 22.8 billion yen, profit before tax and equity in net income of associated companies of 22.6 billion yen, and net profit attributable to owners of parent of 14.9 billion yen for the consolidated business results for the fiscal year ending March 2026.

Revenue is expected to grow in the expectation of the materialization of effects from a series of measures in the revised medium-term plan, in particular. Operating profit is forecast to increase significantly mainly due to the recording of gain on sales of fixed assets in addition to the effect of a higher revenue. We formulated our plan for the fiscal year ending March 2026 using the key exchange rates of 150.00 yen to the U.S. dollar; 190.00 yen to the Pound sterling; and 20.00 yen to the Chinese yuan.

Regarding the impact of the US tariff policy on the market conditions and supply chains, there are lots of uncertainties. Nonetheless, we have concluded that it is possible for us to be affected to a certain degree and have factored a cost increase into the results of forecast as far as we can predict at the moment. We continue thorough risk management while closely monitoring how the policy will unfold. In the event that further impact occurs to the results of forecast down the road, we will disclose it promptly.

(4) Business and management issues that should be addressed with priority

The group's issues to be addressed are described as follow.

(i) Domestic: To shift to a business model that is capable of responding to diversifying customer needs and shorter trend cycles

We will transform ourselves into a business model that is capable of responding to diversifying customer needs and shorter trend cycles, to achieve a recovery and expansion in top line which has been gradually declining and recover our profitability. By reviewing the uniform product mix and delivery style of new products, we will establish a model that reliably delivers top-selling products to stores to reduce missed sales opportunities. We will also change to a production system to match the demand situation at the store, from the conventional batch production system, to improve the supply ratio for top-selling products. With respect to product planning and development, we will shorten development and delivery lead-time by utilizing existing patterns and reviewing business processes such as planning and development meetings, to accelerate the speed of launching products that capture customer needs and improve sales activities.

(ii) Domestic: To execute cost structure reform toward improvement in profitability

In order to restore basic profitability, a radical cost structure reform will be implemented continuously. We will aggregate product numbers, which have existed in large numbers so far, down to an appropriate level, thereby achieving cost reductions relating to manufacturing and sales activity and enhancing investment efficiency. Additionally, by overhauling the production system and sewing processes, we will strive to reduce the costs of manufacturing and materials. Since sharp increases in raw materials and other costs are expected to continue due to the continuing depreciation of the Japanese yen, we will aim to realize an optimal cost structure by the thorough implementation of selection and concentration.

(iii) Domestic: To execute “brand strategy” and “customer strategy” that capitalize on the power of digitalization and our strengths

In order to switch the offered value from “WACOAL for female beauty” to “WACOAL to empower customers’ individuality,” we will implement fully customer-driven brand management to develop highly attractive brands with clear value offered. We will also promote customer-driven DX to build deep, broad long-lasting relationships with customers and offer optimal customer experience. We will utilize digital technology to analyze “customers’ voice” and “sales staff’s knowledge in customer service,” in addition to the purchase history data of WACOAL Members, for use in providing customer experience. Further, we provide highly satisfactory customer experience throughout at physical stores and online by utilizing a 3D measuring service and apps in addition to consulting service by our sales staff. On top of them, we will advance initiatives for enhancing customer experience from various angles, including stepping up the service of physical stores putting items on hold and handing over items ordered through our e-commerce platform.

(iv) Overseas: To execute growth strategy toward the next medium-term management plan

In the U.S., we will continue our efforts aimed at expanding customer contact points by utilizing digital technology toward the realization of growth in e-commerce. In Europe, we will boost our efforts aimed at growth in e-commerce business and strive to cultivate new channels with a company that we acquired in September 2024 and maximize our synergies. In China, the recovery of revenue has been delayed due to the struggling private consumption resulting from the prolonged deterioration in business confidence. We aim at a return to the growth

path by revising marketing strategy and concentrating resources in e-commerce business. At the same time, we will execute a cost structure reform to enhance business efficiency.

- (v) Governance: To improve profitability and capital efficiency through strengthening of our corporate management platform

Our group has decided to introduce ROIC management to improve capital efficiency and realize robust corporate structure. We will use ROIC not only for managing enterprise-wide financial targets, but also as a means of performance management to accurately measure results and quantitatively link improvement activities on the ground with improvements in profitability and capital efficiency expected by investors and other stakeholders.

- (vi) Other issues

Environment issues such as climate change and human rights issues are becoming increasingly serious, and we believe they require appropriate response and prevention. Our group will continue to promote “sustainability management” that achieves both “resolution of social issues” and “sustainable growth” through our business activities, by viewing our efforts to address increasingly complicated and diversified social issues as future “growth opportunities.” The Company will endeavor to achieve resolving social issues on one hand and sustainable growth on the other hand through our initiatives for “maximizing the value provided to customers,” “building an organization in which each employee can grow and be highly motivated,” “preserving the global environment for future generations,” “realizing a society in which everyone can excel at their roles” and “enhancing governance toward realization of sustainable growth,” which we have defined as our materiality (material issue) items.

## 2. 【Sustainability Approaches and Initiatives】

Any forward-looking statement contained below is based on our judgments of our group as of the end of the current fiscal year. These future expectations and projections are subject to various factors and uncertainties, and may differ from actual outcome or results.

### (1) Sustainability Strategy

As environmental issues such as climate change and human rights issues are becoming more serious, there is a strong demand for actions and efforts toward a sustainable society. In addition to responding to the demands of society, our group will strive to enhance our corporate value by promoting “sustainability management” that aims to both “solve social issues” and “achieve sustainable growth” through our business activities, viewing our efforts to address increasingly complicated and diversified social issues as future “growth opportunities.”

It is also important to increase the number of employees who can act with a clear vision of what the company should be and the company’s mission should be in order to realize the enhancement of our group’s corporate value. By increasing the number of employees practicing our management philosophy, we will achieve personal growth for each employee, as well as corporate growth.

#### (i) Governance

Our group established the Sustainability Committee in April 2022 to promote “sustainability management” and achieve both “solving social issues” and “sustainable growth” through our business activities. We have also established 4 subcommittees under the Sustainability Committee in order to strengthen our response to important sustainability issues. The Sustainability Committee regularly holds a meeting on the same day as the meeting of the Board of Directors to formulate concrete measures to address sustainability issues, monitor progress and evaluate achievements. The Board of Directors receives reports from the Representative Director, President and CEO, who is the chairperson of the Sustainability Committee, and supervises and gives instructions regarding our group’s policies and initiatives to address sustainability issues. (For the sustainability promotion organization chart, please refer to “IV. 【Information on the Company】 , 4. 【Corporate Governance, etc.】 , (1) 【Status of Corporate Governance】 .”)

The Sustainability Committee met 5 times in total out of 17 meetings of the Board of Directors held during the fiscal year ended March 2025. It primarily shared issues in relation to “reduction in greenhouse gas emissions resulting from business activities,” “initiatives for realizing a resource circulation society,” “promoting responsible procurement activities,” and “initiatives for respecting human rights in responsible supply chains, etc.,” set targets for the period of the medium-term management plan, and discussed and managed progress of specific activities.

#### Subcommittees:

##### “Subcommittee for Carbon Neutral”

In order to reduce the environmental impact and environmental risk of Wacoal Group’s business activities and to promote voluntary and active environmental preservation activities, it will deliberate on activity policies and initiatives related to environmental issues, such as climate change measures and reducing the environmental load of back offices, and strategic investment projects related to environmental preservation, and monitor progress.

##### “Subcommittee for Resource Circulation”

In order to promote sustainable use of resources and materials in the supply chain, resource conservation measures, and waste reduction and recycling, and thereby achieve a resource circulation society, it will deliberate on procurement policies and quality standards for environmentally friendly materials, and monitor the progress of waste reduction in production and procurement activities.

##### “Subcommittee for CSR Procurement”

Being responsible for formulating and checking the progress of Wacoal Group’s CSR procurement plans, it will accurately grasp the status of compliance with the Wacoal Group CSR Procurement Guidelines and lead the initiatives to make corrections and improvements continuously, by operating a cycle from monitoring manufacturing contractors and raw material suppliers through self-evaluation, etc., analysis and evaluation feedback, correction and improvement plans, to follow-ups.

“Subcommittee for Human Rights, D&I (Diversity & Inclusion)”

In order to ensure that the obligations of respecting human rights under the Human Rights Policy is fulfilled and the duties are properly carried out, it will provide educational activities related to the protection of human rights and advice and recommendations on implementing human rights due diligence. In addition, it will implement various measures, including holding internal seminars, in order to create a workplace environment that can accommodate diverse employees and maximize their individual abilities.

(ii) Strategy

It is becoming increasingly difficult to predict the future due to the world’s growing population, declining birthrates, aging populations, ongoing digital revolution, globalization, worsening climate change and human rights issues. In formulating our medium- and long-term business strategy frame “VISION 2030,” our group has taken into consideration macro trends and the requirements of various stakeholders, and has gained insight into the business challenges and social and environmental issues that are expected to be faced by 2030. We have established the following materialities (material issues) based on a materiality analysis (materiality assessment) of both “social and environmental issues to be solved” and “corporate growth.”

Materialities (material issues):

Target	Purpose	Materialities (material issues)
Customers	Maximize the value provided to customers	<ul style="list-style-type: none"> <li>• Enhancement of customer experience value by pursuing personalization</li> <li>• Endeavoring to expand business areas</li> <li>• Deepening of product quality and building of service quality</li> </ul>
Employees	Achieve growth of each of our employees and establish an organization that provides rewarding work	<ul style="list-style-type: none"> <li>• Growth into talents who can expand their potential and have confidence, pride, and success</li> <li>• Building of an organization that can demonstrate great results through co-creation and collaboration</li> <li>• Continuous improvement of employees’ health and health awareness</li> </ul>
Environment	Preserve the environment globally for future generations	<ul style="list-style-type: none"> <li>• Promotion of business activities that reduce environmental impact</li> </ul>
Society	Realize a society in which everyone plays an active role in their own way	<ul style="list-style-type: none"> <li>• Promotion of co-creation innovation to solve social issues</li> </ul>
Governance	Enhance governance toward realization of sustainable growth	<ul style="list-style-type: none"> <li>• Implementation of highly transparent management</li> <li>• Strengthening of the risk management system</li> <li>• Continuous improvement of profitability and capital efficiency</li> </ul>

(iii) Risk Management

With respect to risks related to the overall management of our group, we have our Representative Director, President and CEO (Group CEO) acting as the risk management supervising manager, and have established the Corporate Ethics and Risk Management Committee (the Corporate Planning Department which is the Risk Control Department acting as an organizer), chaired by our Representative Director, Vice President and Executive Officer and CFO, to regularly monitor and respond to material risks. The Corporate Ethics and Risk Management Committee also reports to our Representative Director, President and CEO (Group CEO) who serves as the Chair of the Board of Directors and the risk management supervising manager, on a regular basis annually, regarding the status of operation of our group-wide risk management system. Risks that can be managed by each business unit or subsidiary are addressed by the relevant organization in the course of its business activities. For details, please see “3. 【Business Risk and Other】 (1) Risk Management System.”

Further, with respect to risks related to sustainability issues of our group, the Sustainability Committee and its subcommittees examine the impact on the entire supply chain, including direct operations and certain upstream and downstream operations, from a short-, medium-, and long-term perspective. The results are reported to the Board of Directors, the upper decision-making body, which ultimately identifies and evaluates risks. We assess the materiality

of such risks by taking into consideration the degree of potential impact on our business and the likelihood of their occurrence as well as the relevance to our business strategies. At the same time, risks are managed through monitoring and evaluation of achievement by the Sustainability Committee and each subcommittee.

(Reference) Initiatives on human rights due diligence

We conducted a “human rights risk assessment” in October 2023 utilizing the knowledge of outside experts to understand potential human rights risks in our group’s supply chain in preparation for the launch of human rights due diligence. During the “human rights risk assessment” we held cross-divisional workshops participated in by Directors, Corporate Officers and the management to discuss human rights risks in the process from procurement to sales and consumption, in addition to desktop surveys. We then discussed with third party organizations and identified human rights themes that need to be addressed by our group on a priority basis. Three human rights themes that need to be addressed by our group are as follows.

- |                       |   |
|-----------------------|---|
| Human rights theme 1: | “Continuing understanding of human rights issues in our procurement supply chain”               |
| Human rights theme 2: | “Improvement of workplace environment for employees in the workplace and sales staff at stores” |
| Human rights theme 3: | “Respect for consumers’ human rights and diversity”   |

During the fiscal year ended March 2025, the Subcommittee for CSR Procurement and the Subcommittee for Human Rights, D&I cooperated to conduct a survey on actual situations of rights holders in the procurement activities and implement dialogue (impact assessment) through third party organizations, in preparation for the launch of human rights due diligence as stipulated by the Human Rights Policy. As a result, we confirmed no serious human rights issues, although we found some points for consideration such as the lack of multi-language display of postings in factories. We are currently considering correction and/or improvement measures, which will be monitored by the Subcommittee for CSR Procurement. Further, at the same time as promoting the implementation of human rights education as stipulated by the Human Rights Policy, we will continue to promote initiatives aimed at respecting consumers’ human rights and diversity.

(iv) Benchmarks and Targets

In order to promote “sustainability management” and achieve “solving social issues” and “sustainable growth” through our business activities, we have established the following benchmarks for the “11 materialities (material issues).” While the numerical targets were scheduled to be disclosed during the fiscal year ended March 31, 2025, we have also reviewed our materialities (material issues) and target values in conjunction with the formulation of the next medium-term management plan.

Customers: Maximize the value provided to customers

	Materialities (Material Issues)	Concrete efforts toward the resolution of material issues	Non-financial targets by 2030
1	Enhancement of customer experience value by pursuing personalization	Increasing of customer connections and learning from them to wow other customers	Increase in the number of customers with connections to the Group
			Increase in the number of people experiencing Wacoal's unique services that enhance the customer experience
		Creation of products that exceed expectations and are loved	Revitalization of the innerwear business by promoting the development of new products and services that utilize customer data
2	Endeavoring to expand business areas	Tackling challenges in new areas to support customers from every angle	Increase in growth and profitability in businesses other than women's innerwear
			Creation of new business to achieve well-being
			Expansion of internal resources into new fields
		Achievement of global growth to provide inspiration to customers around the world	Overseas business expansion
3	Deepening of product quality and building of service quality	Pursuit of quality control systems and quality levels demanded by the times	Continuous monitoring of product quality and implementation of improvement activities
			Maintenance and improvement of the quality of digital and over-the-counter services

Employees: Achieve growth of each of our employees and establish a highly rewarding organization

	Materialities (Material Issues)	Concrete efforts toward the resolution of material issues	Non-financial targets by 2030
4	Growth into talents who can expand their potential and have confidence, pride, and success	Growth of talents that proactively enhance self-proficiency and take on challenges with enthusiasm, regardless of generation or position	Enhancement of initiatives geared toward self-motivated career design and skill improvement
			Nurturing of talents and creation of an environment in which employees can take on challenges with enthusiasm
5	Building of an organization that can demonstrate great results through co-creation and collaboration	Fostering an organizational culture in which people from diverse backgrounds cooperate and achieve mission	Development of a work environment in which people from diverse backgrounds can work together
			Increase in the number of employees who can act with clarity on what the Company should be and its mission
6	Continuous improvement of employees' health and health awareness	Improvement of employees' mental and physical health	Improvement of "employees' productivity" and "mental and physical health"
			Improve health literacy

Environment: Preserve the environment globally for future generations

	Materialities (Material Issues)	Concrete efforts toward the resolution of material issues	Non-financial targets by 2030
7	Promotion of business activities that reduce environmental impact	Fostering environmental awareness among both employees and consumers	Visualization of ecological activities in business activities
		Achievement of a decarbonized society	Realization of a decarbonized society and reduction in CO2 emissions
		Promotion of waste reduction	Reduction of product disposal rate
		Achievement of a society of recycling resources	Increase in rate of environmentally friendly materials used

\* For details, please see "(2) Response to Climate Change."

Society: Realize a society in which everyone plays an active role in their own way

	Materialities (Material Issues)	Concrete efforts toward the resolution of material issues	Non-financial targets by 2030
8	Promotion of co-creation innovation to solve social issues	Contribution to the improvement of women's quality of life ("QOL")	Supporter of breast-care activities worldwide
			Fulfillment of needs through products and services and development of ideas that contribute to improving women's QOL
			Contribution to women's QOL through ongoing dialogue with stakeholders
		Promotion of diversity and inclusion	Promotion of in-house enlightenment activities to foster an understanding of diversity-related issues such as gender
			Promotion of dialogue and co-creation activities with external stakeholders to foster an understanding of diversity-related issues such as gender
		Promotion of respect for human rights and CSR procurement activities	Establishment and implementation of human rights due diligence and promotion of human rights training
			Expansion of scope of CSR procurement activities

Governance: Enhance governance toward realization of sustainable growth

	Materialities (Material Issues)	Concrete efforts toward the resolution of material issues	Non-financial targets by 2030
9	Implementation of highly-transparent management	Maintenance and establishment of an optimal corporate governance system that will improve effectiveness	Implementation of Japan's Corporate Governance Code
			Demonstration of the Board of Directors' functions and promotion of diversity
			Ongoing improvement of the executive remuneration system to increase corporate value
			Establishment of fair and motivating evaluation and executive remuneration systems
10	Strengthening of the risk management system	Thorough compliance with laws and regulations and development of an organization with high ethical standards	Prevention of inappropriate behavior in corporate activities and enhancement of compliance awareness among all officers and employees
		Strengthening of organizational resilience by steadily responding to business risk	Review of selection methods and response policies for major risks, promotion of information security measures for digital transformation and communication technology operations, and enhancement of the business continuity plan (BCP)
11	Continuous improvement of profitability and capital efficiency	Execution of management strategies and clarification of roles and authorities	Strengthened management of key performance indicators and verification of cost-effectiveness to improve the effectiveness of medium- to long-term strategies
			Implementation of business portfolio management to realize growth
			Establishment of an executive structure for timely and appropriate decision-making

(Reference) Details of Activities of the Sustainability Committee (Subcommittees)

Subcommittee for CSR Procurement:

Purpose and Role	Promotion of CSR Procurement Activities (promoting responsible procurement activities)
3-year Activity Policy (from the fiscal year ended March 31, 2024)	<ul style="list-style-type: none"> <li>Accurate understanding of social requirements such as “human rights,” “labor practices,” “environment and ethics,” and continuous correction and/or improvement thereof</li> <li>Expansion of factories that are subject to activities with effectiveness and rationality</li> </ul>
Details of Activities during the fiscal year ended March 31, 2025	<ul style="list-style-type: none"> <li>Implemented human rights impact assessment for human rights issues in the supply chain</li> <li>Strengthened monitoring for the improved effectiveness of CSR procurement activities</li> </ul>

Subcommittee for Human Rights, D&I:

Purpose and Role	Promotion of respecting human rights and D&I
3-year Activity Policy (from the fiscal year ended March 31, 2024)	<ul style="list-style-type: none"> <li>Identify human rights risks and formulate a system for conducting human rights due diligence</li> <li>Formulate and implement policies to deal with the amended Act for Eliminating Discrimination against Persons with Disabilities and LGBTQ+ customers</li> <li>Formulate and disclose a roadmap for DE&amp;I promotion</li> </ul>
Details of Activities during the fiscal year ended March 31, 2025	<ul style="list-style-type: none"> <li>Implemented human rights impact assessment for human rights issues in the supply chain</li> <li>Prepared and disclosed the guidelines for employees in treating human rights of consumers and diverse customers</li> <li>Formulated a roadmap for DE&amp;I promotion</li> </ul>

\* Please see “(2) Response to Climate Change” for activities of the subcommittee for Carbon Neutral and the subcommittee for Resource Circulation.

(2) Response to Climate Change (Initiatives for Recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”))

We believe that climate change, which has a significant impact on the Earth and our business activities, presents both risks to our group’s management, and at the same time new business opportunities. In order to achieve sound corporate development and a sustainable society, we are promoting initiatives to solve environmental issues and working to expand disclosure of environmental related information.

Approach to Reducing Greenhouse Gas (“GHG”) Emissions:

In order to move forward with measures to realize a carbon-free society and firmly ensure the reduction of greenhouse gas (GHG) emissions along the supply chain, we began calculating GHG emissions for the entire supply chain (Scope 3) of the Wacoal Business (Domestic) from 2021. Moreover, in addition to disclosing reduction targets for Scope 1 and Scope 2 GHG emissions from our operating bases in Japan in pursuit of our 2030 nonfinancial goals, in June 2022 we disclosed reduction targets for the aforementioned Scope 3 GHG emissions of the Wacoal Business (Domestic).

Reduction Process:

Currently, the Subcommittee for Carbon-Neutral, which operates under the Sustainability Committee, takes the lead in reviewing specific action plans for achieving GHG emissions reduction targets. In pursuit of our goal of realizing net-zero GHG emissions at all of our operating bases in Japan, we plan on installing solar power generating systems at Wacoal distribution centers and Wacoal Manufacturing Japan as well as gradually converting to the use of renewable energy at our existing operating bases. Meanwhile, in order to reduce GHG emissions along the supply chain, it is imperative that we work in unison with our suppliers. We intend to develop an action plan and course of action for reducing GHG emissions while urging our suppliers to do their part in helping to reduce GHG emissions along the supply chain.

Response to Initiatives for Recommendations of the TCFD

In September 2021, our group announced our support for the recommendations of the TCFD. In line with the TCFD’s recommendations, our group has disclosed information on four areas of “governance,” “strategy,” “risk management” and “metrics and targets” since the end of June 2022.

(i) Governance

Governance related to climate change is integrated into the governance of our sustainability strategy. For details, please see “(1) Sustainability Strategy – (i) Governance.”

(ii) Strategy

Our group conducts scenario analysis based on the currently available data to assess the impact of climate change issues, with priority placed on risks and opportunities deemed to have high impacts on businesses.

Going forward, we will continue striving to collect analyzable data, sophisticate scenario analysis and expand the scope of analysis.

Risks:

We believe that the major physical risks affecting our group’s business, strategy, financial plans, etc., include, among others, impacts of the intensification of extreme weather, such as storms and floods, on our stores, factories, and distribution warehouses.

Regarding transition risk, we believe that we need to prepare for rising carbon tax prices in terms of policy, laws and regulations.

Opportunities:

By providing products supported by high sensitivity and premium quality and practicing the manufacture of products that are loved by consumers for a long time, our group is able to mitigate environmental impacts over the entire life cycle of the product, which leads to the control of greenhouse gas emissions. In order to achieve this, we implement a thorough program of inspection and control from various aspects, including safety, durability, ease of handling, wearability, and appearance.

Going forward, increased awareness of consumers and society about the environment, including heightened preference for low-carbon merchandise and resource circulatable merchandise, will present opportunities to expand sales of the Wacoal Group.

Scenario analysis based on recommendations of the TCFD:

While the Wacoal Group conducted and published a scenario analysis on climate change based on the recommendations of the TCFD during the fiscal year ended March 31, 2023, we identified risks and opportunities again during the fiscal year ended March 31, 2025 to expand the scope of scenario analysis including the upstream of the supply chain. In the scenario analysis during the fiscal year ended March 31, 2025, we examined countermeasures and identification of risks and opportunities for Wacoal Business (Domestic), which has the highest percentage of overall sales in our group, in two hypothetical scenarios in which the global temperature increased by 2°C and 4°C. The scenario analysis showed that while a rise of 2°C had some positive impacts, such as gaining support from environmentally conscious consumers, transition risks, such as the introduction of carbon taxes and higher costs of raw materials, could have a negative impact on business. In addition, it was found that a rise of 4°C could lead to physical risks, such as storms, floods, and other extreme weather, that could have a negative impact on business. Type of risk or opportunity, their specific details, degree of potential impact, and countermeasures are described in the table below. We will expand the scope of scenario analysis sequentially in the future, and we will continue making efforts to enable detailed risk analysis for the entire group.

Type of Risk or Opportunity				Example	Impact		Countermeasure(s)
					2°C	4°C	
Transition	Policy and Regulations	Introduction of carbon tax	Risk	Carbon tax (*1) and increases in compliance costs such as introducing equipment to restrain GHG emissions	Medium	—	<ul style="list-style-type: none"> <li>Introduce renewable energy and promote energy conservation and creation to avoid or reduce cost increases (Facilities already introduced) Solar power generating systems (Wacoal Distribution Corp. Moriyama Distribution Center, Wacoal Manufacturing Japan Corp. Nagasaki-Unzen Factory)</li> <li>Work with suppliers to promote reduction of CO2 emissions</li> <li>Switch to more energy-efficient equipment to reduce costs after the introduction</li> <li>Improve the efficiency of transportation by utilizing modal shifts and other means</li> </ul>
	Products and Services	Increases in raw materials costs due to strengthened regulations	Risk	Product cost rise due to the increase in the rate of environmentally friendly materials used	Medium	—	<ul style="list-style-type: none"> <li>Control costs by consolidating the number of raw materials used and reduce costs of environmentally friendly materials through cooperation and collaboration with companies in the industry</li> </ul>
	Reputation	Changes in consumer awareness due to heightened environmental awareness	Opportunity	Increase in consumption demand due to the offering of environmentally friendly products	Medium	Medium	<ul style="list-style-type: none"> <li>Contribute to reduced disposal of products by promoting high quality manufacturing, allowing consumers to use products for a long time</li> <li>Expand environmentally friendly products to increase sales to environmentally conscious consumers</li> <li>Disseminate our corporate attitude for sustainability through the appeal of environmentally friendly products and bra recycling campaigns linked to market strategies.</li> </ul>

Type of Risk or Opportunity				Example	Impact		Countermeasure(s)
					2°C	4°C	
Physical	Acute Event	Increased frequency and intensity of extreme weather	Risk	Losses due to damage to stores and decreased sales due to the decreased number of business days for stores as a result of the increased frequency of extreme weather	Small	Medium	<ul style="list-style-type: none"> <li>Strive to change the business model by expanding and strengthening domestic EC business to create a sales system that can cover for the decline in store sales through EC (Target EC ratio) (*2) As of 2022: 20% Target for 2030: 40%</li> </ul>
				Losses due to damage to factories and loss of sales opportunities due to suspension of factories as a result of the increased frequency of extreme weather	Medium	Medium	<ul style="list-style-type: none"> <li>Minimize damages at the time of disasters based on the BCP basic plan and strive to promptly recover operations to enhance resilience</li> <li>For decreased sales due to suspension of factories, minimize damages by diversifying risks through multiple bases for factories</li> </ul>
				Damages and loss of sales opportunities due to damage to distribution warehouses as a result of the increased frequency of extreme weather	Large	Large	<ul style="list-style-type: none"> <li>Minimize damages at the time of disasters based on the BCP basic plan and strive to promptly recover operations to enhance resilience</li> </ul>
	Chronic Event	Increased number of rainy days and higher average temperatures	Risk	Declined store sales due to at-home demand caused by heavy rain and higher temperature as well as fewer opportunities for outing caused by severe heat	(*) <sup>3</sup>	(*) <sup>3</sup>	<ul style="list-style-type: none"> <li>Reduce the risk of decrease in consumers' opportunities and willingness to purchase by improving the convenience of our EC and expanding and strengthening EC businesses including those of other companies</li> </ul>
			Opportunity	Increased demand for new products due to at-home demand caused by heavy rain and higher temperatures as well as increased demand for relief from heat as a result of severe heat	(*) <sup>3</sup>	(*) <sup>3</sup>	<ul style="list-style-type: none"> <li>Recognize changes in consumer needs due to severe heat and heavy rain and reinforce the development of functional products to respond to them</li> <li>Strengthen product development to meet at-home needs, including wireless bras</li> <li>Engage in activities to raise awareness about the importance of innerwear in preparation for disasters</li> </ul>

Impact on operating profit: Large; 500 million yen or more, Medium; 100 million yen or more, and Small; less than 100 million yen

\*1 Cost for carbon tax is assumed to be avoided by achieving carbon neutrality for Scopes 1 & 2 as of 2030.

\*2 Target EC ratio in VISION 2030 described in Appendix to the Revised Medium-Term Management Plan announced in November 2023.

\*3 Chronic risks and opportunities are not evaluated as their strict impact is difficult to calculate at the moment.

### (iii) Risk Management

Risks related to climate change are managed by including them in the risks under our sustainability strategy. For details, please see “(1) Sustainability Strategy – (iii) Risk Management.”

(iv) Metrics and Targets

Our group has set its own environmental activity goals for 2030, the “Environmental Goals for 2030” in order to promote efforts to solve increasingly serious climate change issues and realize a carbon-free society.

Environmental Goals for 2030

- i. In-house Emissions (Scope 1 & 2) “Zero” < Target: Domestic offices >  
Gradually switch to renewable energy, aiming to achieve net zero in-house greenhouse gas emissions (Scope 1 & 2).
- ii. Product disposal “Zero” < Target: Wacoal Corp. >  
Aim for zero discarded products and promote efforts to reduce disposal of waste materials at plants.
- iii. Environmentally friendly materials “50%” < Target: Wacoal Corp. >  
Increase the percentage of environmentally friendly materials used to 50%, such as switching to recycled fibers and yarns.
- iv. “20% Reduction” in Supply Chain Emissions (Scope 3) < Target: Wacoal Business (Domestic) >  
Promote efforts with partner companies to reduce supply chain greenhouse gas emissions (Scope 3) by 20%.

The amount of CO2 emissions of our group is as follows:

In Japan – Changes in CO2 Emissions (Unit: t-CO2)

	Fiscal Year ended March 2020	Fiscal Year ended March 2023	Fiscal Year ended March 2024	Fiscal Year ended March 2025
Scope 1	1,784	1,701	1,578	1,513
Scope 2 (market-based)	4,658	4,179	4,245	3,987
Total	6,442	5,880	5,823	5,500
vs Fiscal Year ended March 2020	—	(9%)	(10%)	(15%)

(Scope in Japan: own business offices, factories, distribution centers)

Overseas factories – Changes in CO2 Emissions (Unit: t-CO2)

	Fiscal Year ended March 2022	Fiscal Year ended March 2023	Fiscal Year ended March 2024	Fiscal Year ended March 2025
Scope 2	11,203	11,476	10,040	8,798

(Overseas scope: own factories)

- \* For our overseas business, we started to understand our own emissions (Scope 2) from sewing factories and raw materials manufacturing factories. In fiscal year ended March 2025, we started investigation on the potential for reducing emissions at target factories. In fiscal year ending March 2026, we will evaluate the potential for reduction and disclose reduction targets. Based on the evaluation result, we may revise the timing for disclosing targets in accordance with the next Medium- Term Management Plan.

- \* For details on other environmental data, please visit our website.  
<https://www.wacoalholdings.jp/en/sustainability/environment/activities/>

(Reference) Details of Activities of the Sustainability Committee (subcommittees)

Subcommittee for Carbon Neutral:

Purpose and Role	Realization of Carbon-Free Society (promoting business activities that reduce environmental impact)
3-year Activity Policy (from the fiscal year ended March 31, 2024)	<ul style="list-style-type: none"> <li>• Domestic: Formulate and implement action plans to reduce greenhouse gas emissions</li> <li>• Overseas: Estimate greenhouse gas emissions and formulate targets for reduction</li> </ul>
Details of Activities during the fiscal year ended March 31, 2025	<ul style="list-style-type: none"> <li>• Executed the reduction programs from business offices with larger degree of potential impact, to reduce greenhouse gas emissions of business offices in Japan</li> <li>• Reviewed the EMS management system and started investigating the potential for reducing emissions in overseas factories</li> </ul>

Subcommittee for Resource Circulation:

Purpose and Role	Realization of Resource Circulation Society and Promotion of Waste Reduction (Target: Wacoal Corp.)
3-year Activity Policy (from the fiscal year ended March 31, 2024)	<ul style="list-style-type: none"> <li>• Increase the percentage of use of environmentally friendly materials (to 20% from 17% during the fiscal year ended March 31, 2023)</li> <li>• Reduce product disposal: return to 1.1% level (which is the level at fiscal year ended March 31, 2020)</li> <li>• Reduce disposal of leftover materials at plants and suppliers (Goal: reduce by approximately 30% from the level in the fiscal year ended March 31, 2021)</li> </ul>
Details of Activities during the fiscal year ended March 31, 2025	<ul style="list-style-type: none"> <li>• Increase the percentage of use of environmentally friendly materials and formulate the standards for environmentally friendly materials</li> <li>• Reviewed and implemented disposal methods with reduced environmental impact for products and strengthened monitoring</li> <li>• Drafted and implemented measures for reducing leftover materials</li> </ul>

\* The interim target (one for fiscal year ending March 31, 2026) is revised from 26% to 20% in consideration of the business environment. There is no change to Environmental Goals for 2030.

### (3) Human Capital

For our group, which has established the majority of its value chains, spanning from basic research and product planning and development to materials procurement, production and sales, using the resources within our group, recognizing “talents” as capital and striving to maximize its value is an important management initiative. We believe that realizing an attractive corporate culture in which each of the employees of our group can work while “being emotionally fulfilled,” “feeling fulfillment in their work,” and “maintaining motivation” will enable each employee to maximize his/her potential, produce organizational results such as improved productivity and competitiveness, and eventually lead to sustainable growth.

#### (i) Governance

In developing human resource strategies based on the business strategies of each operating company, the human resources department of each operating company takes the initiative in formulating and implementing specific measures to address human resource issues, monitoring progress, and evaluating and examining the status of achievement. At the same time, in order to ensure the effective functioning of governance concerning human capital of the entire group, we regularly monitor the status of initiatives at each operating company, mainly from the perspective of human rights, diversity, equity & inclusion (“DE&I”) and compliance, and provide instructions and requests as appropriate.

#### (ii) Strategy

As the business environment is becoming increasingly uncertain, the strategies related to talents, which will play a key role in the rapid transformation of the business model, will only increase in importance. In Japan, in particular, as the working population declines due to the aging of the population and the declining birthrate, competition for talents is certain to intensify more than ever before, and it is therefore necessary to formulate and implement a talent strategy to be an attractive company. To advance the formulation and implementation of decisive structural reforms and growth strategy in parallel and at higher speed, the Company will pursue measures that contribute to further growth of individual employees as well as reforms to create an environment and culture that enable employees to use their individual strengths, thereby leading to strengths of the organization.

In the Group, employees belong to each operating company (0 employee belongs to the Company), and human resources strategies and measures are formulated in tandem with individual companies’ business strategies, and implemented and verified after consultation and arrangement in each employer-employee relationship. Therefore, disclosure on a consolidated basis is difficult, and the status of implementing strategies and measures of Wacoal Corp., which is the core operating company, are provided at present. On a consolidated basis, we view the enhancement of governance related to human capital of the Group, specifically perspectives of human rights/DE&I and compliance, as a major issue, and will continue to give consideration so that we will disclose information of the Group including consolidated companies at a stage where initiatives for these issues are advanced.

### Key Initiatives of Human Capital Strategy (Target: Wacoal Corp.)

Basic policy :	In addition to individual growth, we will further focus on the initiatives to translate individual capability into results, to realize virtuous cycle between “growth of the company” and “investments in human capital and growth of talent.”
Key Initiatives of Human Capital Strategy	I. Recruitment Addressed by materiality: 5 Building of an organization that can demonstrate great results through co-creation and collaboration
	II. Promote employees’ growth (Talent and career development) Addressed by materiality: 4 Growth into talents who can expand their potential and have confidence, pride, and success
	III. Strengthen management capabilities Addressed by materiality: 5 Building of an organization that can demonstrate great results through co-creation and collaboration
	IV. Promotion of DE&I Addressed by materiality: 5 Building of an organization that can demonstrate great results through co-creation and collaboration
	V. Improvement of employees’ well-being Addressed by materiality: 6 Continuous improvement of employees’ health and health awareness

#### I. Acquisition of talents

The Group believes, just as our predecessors have built today’s corporate group without sticking to the precedents, that it would be the source of our competitiveness to continue to value a culture of boldness and daring to take on challenges, and to respect diversity which creates new value by bringing in new ideas. Moreover, under the environment of the aging of the population and the declining birthrate and the decreasing working population, we need to focus our efforts on retention of talents as well.

As specific measures, we revised three elements of the HR system, “Transition to Role-based Grading System,” “Abolition of Positions and Unification of Treatments” and “Evaluation and Treatment.” This would improve the retention of the inhouse human resources and the acquisition of external human resources. We are focusing on recruitment of new graduates as well as lateral hires, including recent graduates and mid-career hires. Going forward, we will continue to use lateral hires for approximately 30% to 50% of the total number of career-track positions, for the purpose of acquiring management candidates, and global, EC, DX, new business and other specialists. In addition, we hold a new short-term internship program “Wacoal Career Journey” to strengthen early contacts with diverse talent. This program aims for participants interact with Wacoal employees in person to touch upon actual ways of work and value, and thereby to have first-hand knowledge of the significance and culture in working for the Company. This will deepen the mutual understanding with the workplace before joining the Company, and lead to laying the groundwork for co-creation and innovation which Wacoal aspires to.

On the other hand, for the beauty advisor position (sales position) for which acquisition of talent is particularly difficult among several positions, as the measure to acquire and retain talent, we have established since August 2020 a system that enables employees to continue working even if the employee in a sales position who was hired with the working area limited moves for his or her own reasons by allowing a change of the work location to his or her new place when certain conditions are met (cumulative total of users of the system as of the end of April 2025: 46). In addition, with “BANK (BA Alumni Network),” a network of retirees, which began operation in April 2022, we have established a structure to continue relationships even after retirement through provision of various information, support for return to work, introduction of their friends, and other means (Number of registrants as of the end of April 2025: 92). In October 2025, we plan to introduce “hiring based on referrals” in which our employees introduce their friends and acquaintances who could be hired based on the introduction, and we will also work on accepting people with high affinity with Wacoal as employees.

Hiring Status of main positions at Wacoal Corp.

Position	Category	Gender	Fiscal Year ended March 2023	Fiscal Year ended March 2024	Fiscal Year ended March 2025
Career-track	Lateral hires	Male	4	1	8
		Female	6	15	8
		Total	10	16	16
	New graduates	Male	6	2	6
		Female	10	10	12
		Total	16	12	18
	Lateral hire ratio		38%	57%	47%
Sales	Lateral hires	Male	0	0	0
		Female	6	14	58
		Total	6	14	58
	New graduates	Male	0	0	0
		Female	16	14	19
		Total	16	14	19
	Lateral hire ratio		27%	50%	75%
Creator Technical/ Research	Lateral hires	Male	0	0	0
		Female	0	0	0
		Total	0	0	0
	New graduates	Male	0	0	0
		Female	0	0	4
		Total	0	0	4
	Lateral hire ratio		0%	0%	0%

## II. Promote employees' growth (Talent and career development)

Aiming to transform into a company where individuality and strengths of each employee are fully realized, our group provides various training programs to support the growth of each employee by providing learning opportunities and career advancement support.

### <Talent Development>

Since the start of operating the talent development system “WACOAL TERA KOYA,” Wacoal Corp has continued upgrading it. In response to rapid changes in recent consumer behaviors and needs, we have conducted a fundamental review of education and training systems to develop talent who can deal with new business environments. In the new system, we have moved the Rank-Based Training Program away from uniform contents and redesigned it to a selective program according to individual growth stages. Moreover, the “departmental mastery training program” aimed at enhancing expertise of the organization has been introduced to strengthen measures that make growth and fulfillment of potential of individuals bear fruit as achievements of the organization. Furthermore, we develop talent capable of innovation by expanding opportunities to participate in a forum of learning and exchanges with businesses outside our industry on a voluntary basis, thereby incorporating various perspectives. In addition, for the purpose of expanding viewpoints through contacts with the outside world, we have started sending employees to short-term business schools. We have developed a system where selected employees learn advanced knowledge on management, strategy, marketing and others, and after returning to the Company, pass their leaning on to those within the organization. With these initiatives, we will aim to realize sustainable growth of Wacoal through the practice of management philosophy and the development of talent who will create new values.

In developing sales positions, we have been working to improve both “customer service skills (practical learning)” and “human skills (ethics learning)” to meet more diversified customer needs and ensure customer satisfaction. Specifically, we have utilized an autonomous learning platform called “GLOPLA LMS (Learning Management System)” of GLOBIS Corporation since April 2022 to provide growth opportunities and foster

motivation to advance the career. Since 2014, we have been working on talent development through the use of tablets, starting with the sharing of product information and data related to sales promotions. Since 2020, there have been more opportunities for remote training and meetings, and we have put in place an environment that allows for real-time sharing of information even with team members who are located away from offices. Since April 2025, we have been offering online lectures on customer service sales twice a month, utilizing one hour in the morning. Around 100 people attend each time, and we are also working to improve customer service and sales skills and expand the newly introduced reservation and ordering services. In addition, we started training specialized in coaching skills, in which 152 heads of divisions to which sales positions belonged and role-appointees of sales positions attended during fiscal year ended March 2025, tackling the “creation of a corporate culture that respects each and every working colleague to think about customers and autonomously think and act.” We aim for the company to grow by changing ways of communication and letting employees grow.

Examples of Our Talent Development Programs  
(Actual Results of Office Workers)

Name of Program	Purpose	Period/No. of hrs. of training per person	Annual number of participants	
			Fiscal Year ended March 2024	Fiscal Year ended March 2025
Rank-Based Training Program	Helps employees understand the roles and the mindset expected of them in new ranks or positions and gives employees an opportunity to consider their career plans in the context of the company's strategies	1 to 6 days (depending on program)	252	349
Business Skills	Enables employees to learn the skills needed by businesspeople through exchanges with talents inside and outside the company and to acquire universal business skills usable inside and outside the company	7.5 hours	38	35
Departmental Mastery Training Program	Shares in-house knowledge, passes on knowledge, and develops organizations through training and seminars conducted by in-house and external instructors	7 hours~	881	1,390
Self-Study	Supports the autonomous development and enhancement of employee capabilities by providing e-learning content that can be studied anywhere at any time	Self-study support program	—	30
		Distance learning/E-learning	—	38
			741	470

(Actual Results of Sales Workers)

Name of Program	Purpose	Period/No. of hrs. of training per person	Annual number of participants	
			Fiscal Year ended March 2024	Fiscal Year ended March 2025
Training at Promotion	At the same time of understanding expectations, roles and actions for each grade, it will lead to improving performance of the overall organization and smooth operations of teams by acquiring the necessary mind and skills. Moreover, it provides an opportunity to think about their own career at the time of promotion.	6 hours~	149	75
Training on Role Appointment	Supports the achievement of efficient business orientation and organizational targets by managing stores as role appointers (supervisors, store managers, etc.), understanding responsibility for talent development and setting the mindset for human resource development.	6 hours~	47	78
Season Business Training	Aims to maximize LTV by learning customer service methods through the understanding of season strategies and product knowledge by sales channels and customer service simulations.	6 hours~	1,292	830
Standard Training	Targeting middle class staff who have acquired the basics of customer service, aims to further improve customer satisfaction and increase sales by acquiring customer service skills (conversational skills and proposing skills) which embody brand image.	6 hours~	574	250

<Career Development>

Wacoal Corp. has introduced the “Meet My Career Program,” which aims to have employees develop their career proactively and positively by expanding the diverse systems and structures for career development and to enhance job satisfaction and revitalize organization by promoting career autonomy. In this program, in addition to conventional self-assessment, career interviews, training / self-development, and transfers, we offer the “Internal Recruitment Program,” the “Job Challenge Program” where employees can request transfer destination by

themselves, the “Cross Boundary Learning” where employees can have experience that cannot be gained in-house through temporary assignment to companies and organizations outside the Group, and the “Internal Internship program” where employees can experience operations in other departments while continuing to belong to their department, the Long-term Leave Program, side-work support, and other programs, aiming to encourage employees to actively practice diverse workstyles, and at the same time, provide opportunities to acquire skills different from the existing skills and refine them to promote realization of diverse careers of individuals by systematically presenting options for employees to develop their career and potential independently. As for the “Internal Recruitment Program,” we broaden career options by also targeting group companies, and have a system that enables both employees and the organization to proactively work on career development and acquisition of talents.

Moreover, in order to support each and every employee’s career more carefully, we gradually conduct career interviews by internal and outside consultants, providing opportunities to promote self-reflection and future design of employees. Furthermore, for the younger generations, we conduct “Career Design Training” to make them aware of proactive career development from an early stage, striving to foster abilities to find out their own strengths and orientations and envision future career plans.

For employees in sales positions, targeting employees turning 50 years old, we conducted “Career Training” in which 25 employees participated in fiscal year ended March 2025. We provide an opportunity to learn about retirement life design and think about preparations for retirement. Moreover, in April 2021, as one of roles for sales positions, we established a role called “Career Coordinator” to be assumed by members who have obtained a national qualification of career consultant, engaging in career interviews proactively. During fiscal year ended March 2025, we conducted 120 interviews, providing each and every beauty advisor with opportunities to consider his or her career together.

Going forward, we will continue to provide opportunities for employees to widen their career independently, and work on development of diverse talents.

Name of Program	Purpose	Number of Applicants	
		Fiscal Year ended March 2024	Fiscal Year ended March 2025
Job Challenge, Internal Recruitment	As a part of forming self-reliance talents: “Job Challenge” supports job rotation opportunities for those who express desires to self-transfer based on their own will and motivation, thereby revitalizing the organization as a whole; “Internal Recruitment” will strengthen the departments by acquiring the talents that they seek, thereby revitalizing the entire internal organization.	25	11
Cross Boundary Learning	In times of rapid changes, this program helps employees enhance adaptability and resilience by incorporating diverse perspectives and values, updating knowledge and reskilling through work experience outside the company.	42	31
Side-Work	1. Enhance their own skills, abilities and expertise as they engage in activities outside the company and to increase their ability to perform for their principal occupation. 2. Build external networks and acquire new knowledge and skills looking ahead to future career plans. 3. Work on their hobbies and interests and achieve a diversified lifestyle by earning additional income.	30	29
Long-term Leave Program	This program supports the continuation of employment by allowing absence for a certain period of time “for the purpose of self-enlightenment and self-development” and “if a spouse relocates or if an employee marries someone who lives in a remote area.”	10	11

### III. Strengthen management capabilities

In order to enhance management effectiveness, it is an extremely important issue to strengthen management capabilities to make accurate and fast decision-making and contribute to organizational achievements. We will, once again, work to cultivate, develop and appoint management talents based on the succession plan. We also recognize that it is essential to foster a healthy feedback culture from the perspective of strengthening organizational capabilities. We will promote efforts to secure and develop management talents who can realize our vision, implement our strategies, and motivate members to link individuals’ strengths to organizational results.

In November 2024, we introduced “Management Prospective Practical Learning Program,” for which Executive Officers serve as mentors, as an opportunity to learn in a practical manner the knowledge of management strategies and business operations. This program aims for the acquisition of the perspective required for management and decision-making process while linking them to on-site issues, contributing to changing awareness and expanding perspectives of leaders for the next generation. Moreover, for general managers, we promote their participation in programs for management in collaboration with external training institutions, further strengthening acquisition of external perspectives and management capabilities.

In order to strengthen organizational capabilities, we have been working to improve engagement. We will continue to hold town hall meetings on an ongoing basis, as these provide opportunities for dialogue between management and employees, and function effectively as a venue to deepen understanding of management policy and business strategy, and to share information from the frontline. In addition, by creating opportunities for dialogue with the Human Resources Department, centered on the new personnel system, and establishing meetings for human resources development at the level of individual departments and divisions, we will cultivate human resources that are rooted in the front line, thus forming a corporate culture that enables improvements in organizational capabilities.

#### IV. Promotion of DE&I

Our group is building a sound corporate culture and a strong management structure by pursuing a system that enhances the job satisfaction of each employee, while at the same time by ensuring the quantitative and qualitative appropriateness of human resources. We aim to create a work environment that is receptive to diverse talents and values, deepens relationships of mutual trust and that allows each employee to perform to the best of his/her ability. We will continue to expand the diverse career paths and work options, and will implement talent measures that will enable us to take advantage of the diversity of employees in organizational decision-making for a rapidly changing market.

##### <Active roles for female>

As many of our employees at Wacoal Corp. and customers are female and we need to reflect more diverse viewpoints in its management decision-making, Wacoal Corp. considers promoting active roles for female as an important management goal. Therefore, Wacoal Corp. has established a workplace environment that is appropriate and in line with women’s unique life stages, promotes more flexible work styles, and has instituted a system for promotion and advancement based on ability and performance, regardless of gender or age.

##### <Promotion of Women in Managerial Position>

In September 2024, Wacoal Corp. formulated a new general employer action plan based on the Act on the Promotion of Women’s Active Engagement in Professional Life. The percentage of women in managerial positions (section manager and higher level) was 38.6% as of April 1, 2025, exceeding 30% as the percentage of women in managerial positions. However, since there is an issue that the percentage of women general managers and above who are involved in more important decision-making remains low, we have the target of working on increasing the percentage of women in managerial positions (general manager and higher level) to 30% or higher by the end of fiscal year 2028. We will aim to improve diversity and optimize decision-making by increasing the percentage of women general managers and above who are involved in more important decision-making.

We continue to identify talents with a high aptitude for leadership from an early stage, regardless of gender, and further promote the provision of training opportunities to candidates for managerial positions, in order to reflect the values of diverse talents in management decisions. We will also develop talents capable of being in charge of managerial and executive positions by supporting the autonomous growth of employees, encouraging them to gain experience in a variety of businesses and positions, and continuously working to foster career awareness. (For details, please visit our website.)

: Action Plan Based on the Act on the Promotion of Women’s Active Engagement in Professional Life

<https://www.wacoalholdings.jp/en/sustainability/resource/diversity/>

: ESG Data Book (Diversity & Inclusion etc.)

[https://www.wacoalholdings.jp/en/ir/library/esg\\_presentation/](https://www.wacoalholdings.jp/en/ir/library/esg_presentation/)

: (Website of Ministry of Health, Labor and Welfare) The Database on Promotion of Women's Participation and Advancement in the Workplace – Wacoal Corp.

<https://positive-ryouritsu.mhlw.go.jp/positivedb/detail?id=284> (Japanese only)

#### <Differences in Wages between Male and Female Employees>

The difference in wages between male and female employees, one of the metrics for active roles for female, is 49.1% (full-time employees: 49.9%, part-time and fixed-term employees: 52.7%, career-track positions: 72.7% and managerial positions: 90.0%) at the Company and Wacoal Corp. At the Company, there is no wage differential due to gender for the same role. Therefore, the difference at the Company and Wacoal Corp. is due to (i) men accounting for approximately 61% of the managerial positions, (ii) the ratio of female employees in career-track positions, especially in the hiring of new graduates, having been increasing year by year, resulting in a higher ratio of female employees among employees who are below managerial positions and have been with the company for 10 years or less (10 years or less: 134 employees or 59.2%; over 10 years: 43 employees or 42.6%), and (iii) women comprising an overwhelmingly higher proportion of employees in sales-related jobs than the relatively higher-paid career-track positions.

In addition to our existing efforts to increase the ratio of women in new graduates and mid-career hires for career-track positions, we will ensure promotion based on capabilities, regardless of age and gender, to increase the ratio of women in the managerial positions and executive positions in order to close the gap in wages between male and female employees.

#### <Promotion of Foreign Nationals to Managerial Positions>

Our group, as a corporate group operating in countries and regions around the world, appoints local talents to the positions of representative (president) and key managerial positions in each of our overseas entities, including the U.S. and Europe. The representatives (president) of Wacoal Hong Kong Co., Ltd. and Philippine Wacoal Corp. are served by females. We will continue to hire diverse local talents regardless of nationality and promote them to key managerial positions in order to expand our business from the customer's perspective and strengthen our competitive advantage in the overseas markets.

#### <Work-Life Balance>

Wacoal Corp. is developing workplace environments that enable employees to lead fulfilling lives and to make the best use of their skills. For example, as part of our initiatives to help employees to balance work and child-rearing commitments, we are working to establish programs and culture with a view to creating an environment that is easy and rewarding to work in not only for employees with child-rearing commitments but also for coworkers who support them. Further, we formulated an action plan based on Japan's Act on Advancement of Measures to Support Raising Next-Generation Children and implemented measures to achieve the targets, which resulted in "Platinum Kurumin" certification in addition to the third "Kurumin" certification in 2018. We plan to continue to create a mechanism that allows employees to use their time flexibly so that they can be actively engaged with not only work and family but also society to increase the diversity of their individual experiences and skills, thereby creating innovation at work.

#### <Employment of People with Disabilities>

Our group is working to improve the working environment and provides work support by conducting training so that everyone is able to work proactively, and through individual interviews to listen to their opinions. In addition, we actively cooperate with external support organizations to gain experts' knowledge, and provide support to relevant persons for retention support and conduct training for all employees to promote the understanding of disabilities. In February 2018, Wacoal I Next Corp. was founded to promote the employment of people with disabilities and to create opportunities for their active participation. In December 2018, the company was certified as a special subsidiary under the Employment Promotion Act for Persons with Disabilities.

Wacoal I Next Corp. has adopted flexible working styles that facilitate the development of skills of individual employees without limiting the scope of the work, such as "multi-tasking" where an employee is responsible for multiple tasks, and "work sharing" where multiple employees undertake parts of a larger task, with the aim to create a workplace where each and every employee can have a sense of fulfillment and growth. It is necessary for a company to satisfy legal employment quotas; however, we don't see those as just numerical targets. Under the mutual trust advocated by Wacoal, we will contribute to the realization of a society that takes advantage of diversity by working as the group to create a workplace where everyone can play an active role for development.

For information on the employment of people with disabilities and the reemployment system, etc., please visit our website:

<https://www.wacoalholdings.jp/en/sustainability/resource/diversity/>

<Responses based on policies for serving diverse customers>

From the fiscal year 2024, we clarify policies for serving diverse customers (creation of an inclusive sales floor environment) and express Wacoal's stance on facing initiatives for respect of human rights. To this end, we have started internal educational activities of "businesses and human rights" by holding explanatory meetings targeting managerial positions in the sale department and role-appointees.

V. Improvement of employees' well-being

In order to achieve "to evolve and grow as "Global Wacoal Group" by providing both physical and emotional beauty and richness to individuals through high sensitivity and premium quality" as addressed under our medium- to long-term strategy framework "VISION 2030," it is essential to increase the satisfaction of our employees, who are key stakeholders, and to improve the productivity of the organization as a whole.

At Wacoal Corp., we believe that improving the job satisfaction of each employee is the driving force to achieve high productivity, and we will implement initiatives to achieve well-being to improve employee engagement.

<Promotion of Diverse Working Styles>

We are promoting initiatives at Wacoal Corp. that seek to raise awareness of labor productivity and change behavior through the introduction of a "super flexible time" system, which does not designate any core time, for the promotion of flexible hours, the operation of a location-based employment system and Wacoal version of ABW\* with the reorganization of the business offices in Kyoto district. We have also adopted systems that address various lifestyles, such as a long-term self-development leave program. While promoting organizational reforms which emphasize performance and achievements, we are focusing on creating a corporate culture that respects each individual as a business partner by recognizing diverse values.

\* Wacoal version ABW:

ABW = "Activity Based Working" is a work style that allows employees to select time and place depending on work autonomously. \* Wacoal version ABW assumes a free address workspace for any positions and job titles (with some exceptions). It is defined as the work style in which a person autonomously and flexibly chooses a floor and area to work, depending on the job details and time, as well as collaborating partners to maximize the benefits of the work arrangement and avoid being restricted by a specific floor or area.

<Health Management>

Viewing the health of employees as an important asset for sustained growth, Wacoal Corp strategically promotes the health management by working together with the health insurance society and labor union as a trinity. One of the material issues set forth in VISION 2030 is the continuous improvement of employees' health and health awareness. Our goal under the Wacoal GENKI Project 2025 formulated for promoting health management is to improve the physical and mental well-being of employees, leading to increased productivity and improved employee engagement. As one of the health management efforts, we conducted an activity to have male managers go through a simulated experience to feel period pain to understand women's health issues and change the managers' behavior. While continuing with various health maintaining countermeasures to address lifestyle diseases and cancer, we will step up on our efforts for improvement in the mental health of employees in sales-related jobs and health issues of female workers which have been particularly important issues.

For information on Wacoal GENKI Project 2025, please see our website.

<https://www.wacoalholdings.jp/en/sustainability/resource/wellbeing/>

(iii) Risk Management

Risks related to human resources are managed with the risks under sustainability strategy and overall management. For details, please see "(1) Sustainability Strategy – (iii) Risk Management."

(iv) Metrics and Targets

Human Capital Issues based on Management Strategies	Initiatives to Maximize Human Capital	Metrics and Targets (KPI)		
		Metrics	Targets	Results for the fiscal year ended March 31, 2025
Recruit, train and promote talents who will be responsible for the company’s growth  Addressed by materiality: 5	I. Acquisition of talents  II. Promote employees’ growth (Talent and career development)	Status of lateral hires (career-track positions)	Achieve lateral hires of 30% - 50% in total hires of career-track positions	Total number of hires: 34 Of which lateral hires are 16 persons (47.1%)
		Investment costs in talent development and training Number of participants in programs and hours invested in learning (as compared to working hours)	Not yet formulated (to be formulated during fiscal year ending March 31, 2026)	<ul style="list-style-type: none"><li>I took the training necessary to carry out jobs effectively: 50.4%</li></ul>
		Employee engagement score (to measure contribution to achieving proactive career development)	To obtain 60% or higher positive responses for questions related to career achievement in engagement survey	An environment where a variety of career options and opportunities to take on challenges are provided and can be utilized: 42.8% <ul style="list-style-type: none"><li>Overall, I believe I can achieve my career goals at the company: 33.0%</li><li>I have meaningful discussions regarding my career development with my direct supervisor: 22.4%</li></ul>
Improve management capabilities to connect individuals’ strengths to organizational results  Addressed by materiality: 4	III. Strengthen management skills	Employee engagement score (to measure contribution to management that leads to sustainable growth)	To obtain 60% or higher positive responses for questions related to potentials and future prospects in engagement survey	<ul style="list-style-type: none"><li>Find the company has a promising future: 19.9%</li><li>Future-oriented management: 42.3%</li><li>Future-oriented department heads / general managers and managers: 46.5%</li></ul>
Foster organizational culture of high engagement and psychological safety  Addressed by materiality: 4, 5		Employee engagement score (to measure contribution to fostering a feedback culture)	To obtain 60% or higher positive responses for questions related to approval/praise and fair evaluation in engagement survey	<ul style="list-style-type: none"><li>I have been recognized when I did a good job: 55.8%</li><li>We give praise when we achieved good teamwork: 57.4%</li><li>I receive a fair salary for the work I am assigned: 30.8%</li><li>My salary fluctuates in line with my individual performance adequately: 23.9%</li></ul>
		IV. Promotion of DE&I V. Improvement of employees’ well-being	Promotion of women to managerial positions	Ratio of female employees in managerial positions (section manager and higher level) of at least 30% by fiscal year 2028
		Employment of people with disabilities	Statutory employment rate of 2.5% for fiscal year 2025	2.68% (as of March 2025)

\*Materialities (Material Issues)

- 4 Growth into talents who can expand their potential and have confidence, pride, and success
- 5 Building of an organization that can demonstrate great results through co- creation and collaboration

### 3. 【Business Risk and Other】

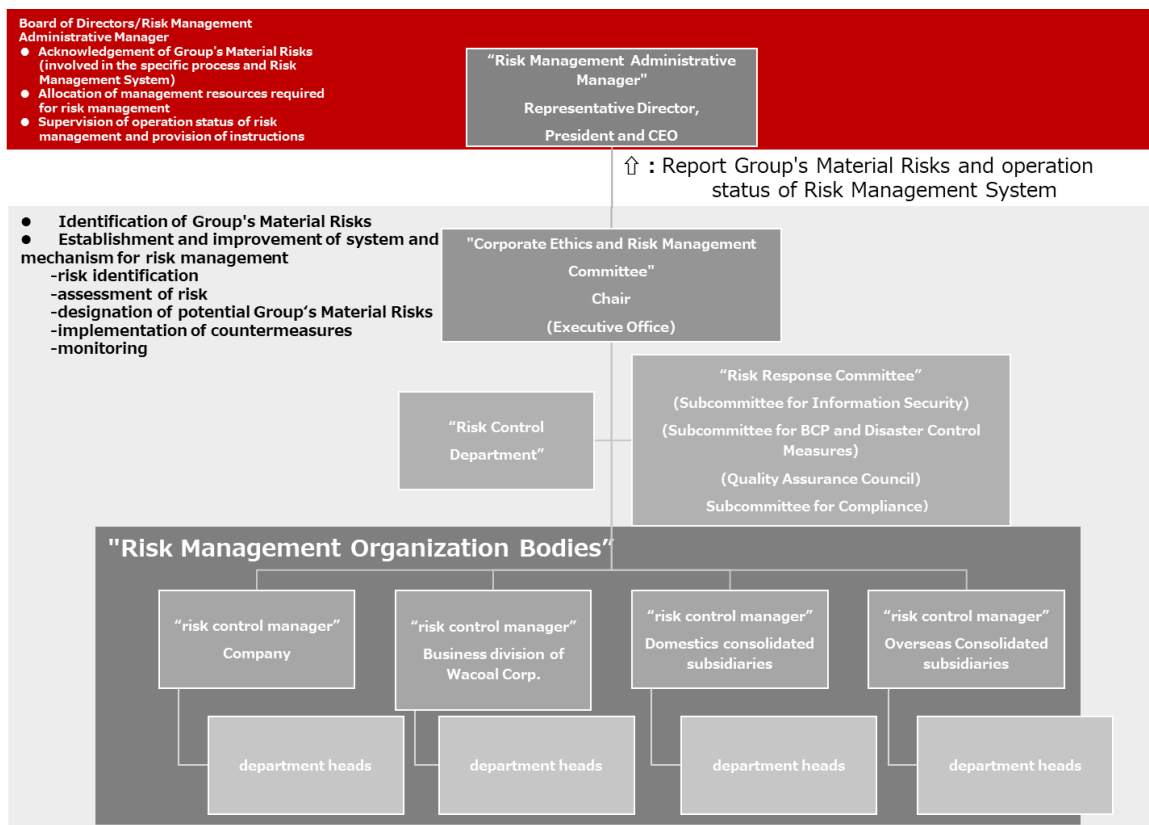
In our Risk Management Basic Rules, “risks” are defined as “all factors that may hinder the achievement of the business objectives of our group.” Further, “risk management” is defined as a series of measures aimed at continuing improvement by identifying and assessing risks and engaging in activities to mitigate risks (risk management during normal times), and prompt response to emergencies such as material problems and/or incidents in relation to management (risk management in emergency).

In accordance with the Rules, we recognize risks, assess the likelihood of their occurrence and degree of potential impact, set priorities and decide on how to address them, to engage in activities to mitigate the possibilities of such risks’ materializing to the extent possible. In addition, we take risk management measures that are designed to minimize the impact of such risks on stakeholders including communities and society by responding promptly to any problems and/or incidents that may occur if such risks materialize.

#### (1) Risk Management System

As shown in the diagram below, our group’s Risk Management System is headed by our Representative Director, President and CEO (Group CEO) who acts as the risk management supervising manager, and is under direct control of our Representative Director, Vice President and Executive Officer and CFO who acts as the Chair of the Corporate Ethics and Risk Management Committee, which consists of members appointed by the Chair. In addition, the Corporate Ethics and Risk Management Committee has established various subgroups including the Risk Control Department and Subcommittee for Risk Response which formulate policies on activities and monitor important issues across the entire group, and the Risk Management Organization, which manages risks by identifying, assessing, responding to and monitoring risks as determined by the Corporate Ethics and Risk Management Committee and the risk control managers of the Risk Management Organization bodies.

The Corporate Ethics and Risk Management Committee evaluates risks identified by each of Risk Management Organization bodies from the perspective of their likelihood of occurrence and degree of potential impact of such risks, and annually presents the risk items that are determined as having a significant potential impact on the management of our group to the risk management supervising manager (our Representative Director, President and CEO (Group CEO)) for approval as “Group’s Material Risks.” The Risk Control Department or the Subcommittee for Risk Response then proceeds to work on countermeasures aligned for each item of the Group’s Material Risks to minimize these risks, and a meeting of Corporate Ethics and Risk Management Committee is held quarterly, and whenever necessary from time to time, to monitor whether our Risk Management System is working effectively.

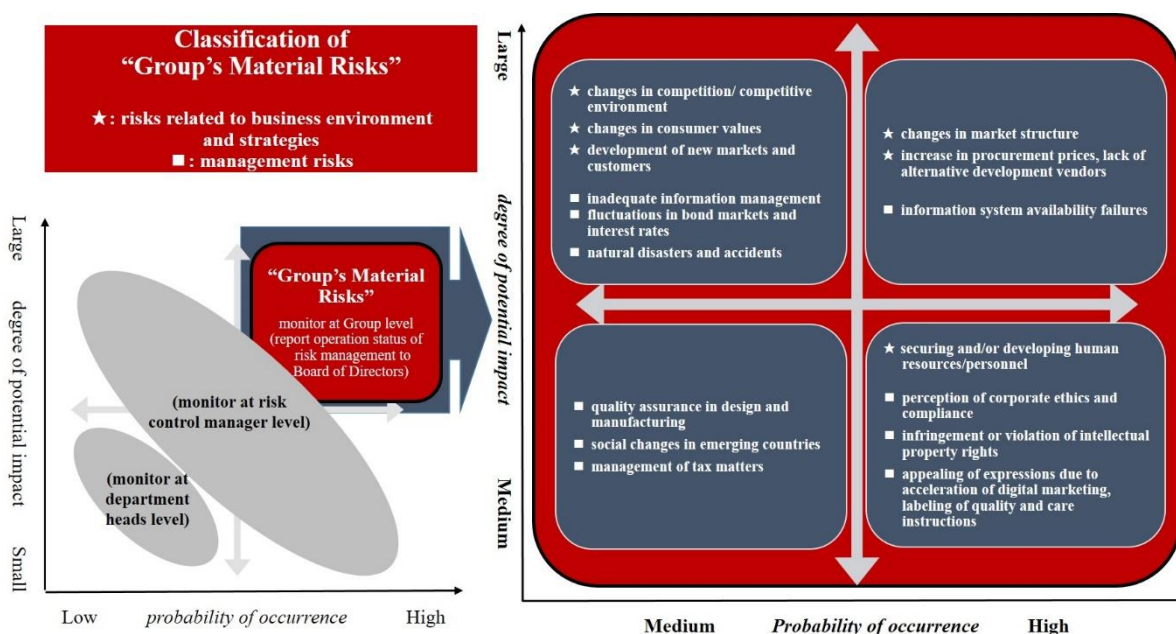




## (2) Business Risk Factors

Among matters related to "II. Operating and Financial Review and Prospects" described in this report, major risk factors as identified by the management that may significantly impact the financial position, results of operation and cash flows within group, and their countermeasures are as follows. Forward-looking statements in this report are made by our group based on information available as of the end of current fiscal year.

In addition, as described above, the Corporate Ethics and Risk Management Committee presents risk items that are identified / evaluated as having a significant potential impact on the management of our group for approval as "Group's Material Risks" to the risk management supervising manager (our Representative Director, President and CEO (Group CEO)) for approval. In the below diagram, ★ indicates a risk related to "business environment and strategies," and ■ indicates an "operational" risk.



(2)-1 Risks related to business environment and strategies

➤ Risks related to changes in market structure	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details A decline in the number of large-scale retailers and commercial facilities, including department stores and mass merchandisers may significantly impact our group's business performance, which has a large share of sales from department stores and mass merchandisers. In addition, a decrease in consumer contact points (physical stores) may affect a decline in brand recognition and a decrease in consumer's willingness to purchase. The change in the market structure may result in restructuring of existing business platforms, or changes in sales policies, which may affect our group's business performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures The retail market is undergoing structural change (expansion of online markets such as online malls and flea market apps), and the sales share of wholesale outlets such as traditional department stores, mass merchandisers, and specialty stores is expected to gradually decline. To develop its product brands and expand e-commerce business, Wacoal Corp. changed its system by assigning brand managers to nine product brands ((i) Wacoal, (ii) Wing, (iii) AMPHI, (iv) CW-X, (v) Salute, (vi) Yue, (vii) WACOAL MEN, (viii) Wacoal Size Order, and (ix) GOCOCi) to conduct integrated brand management through product planning, sales and profit management processes. Moreover, by implementing the rebranding of WACOAL and reorganizing the product mix into three categories, "WACOAL COLLECTION," "WACOAL BASIC," and "WACOAL PREMIUM," we make proposals that meet customers' needs. Meanwhile, by developing and offering products that meet clear customer needs with short lead times and flexibly manufacturing and supplying them according to demand, we are improving the in-store demand fulfillment rate and reducing sales opportunity loss due to product shortages. In addition, we are aiming to enhance sales and improve inventory efficiency by developing strong standard products through the combination of optimal product mix and demand-linked production.</li> </ul>	

➤ Risks related to increase in procurement prices	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details The structural changes in the supply chain may cause an increase in purchase prices due to an increase in raw material prices, higher labor costs in production regions and higher transportation costs, and may affect our group's business performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures In the procurement of materials and production of products, we are increasing our emphasis on procurement and production in ASEAN countries and regions led by Vietnam and Myanmar, while appropriately matching both quality and cost aspects. In addition, we are working to minimize the number of material varieties to the extent possible in the planning and designing stages of products on the premise of consolidating materials and colors, expand our overseas suppliers for materials, and minimize the number of products, materials that end up in landfills, and improve production efficiency through the introduction of labor-saving equipment. We are working to make our product inspection process and materials quality standards simplified and more appropriate, and increase production lots and improve work efficiency by reorganizing our product brands. Meanwhile, the domestic sewing company aims to both strengthen our competitive superiority and improve business efficiency by reorganizing and consolidating the production sites into two factories, one in Unzen, Nagasaki and another in Sakai, Fukui and establishing a demand-linked production system that can quickly respond to the changes in customers' needs and markets, while inheriting the high level of sewing technology in Japan. At the same time, it is working to enhance our business effectiveness by playing a role in realizing generic use of new technologies and new facilities at plants within our group and providing technical support, and developing a comprehensive production system that is capable of catering to short delivery time, high complexity, and small-lot sizes.</li> </ul>	

➤ Risks related to changes in competition/competitive environment	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details In domestic and overseas markets, as competitors, low-priced products and new entrants from other industries intensify the competition in the market, we may fail to make appropriate proposals in terms of products, services, advertising and sales promotion, and business category development, which may result in a decline in brand recall / recognition and a loss of sales share, and a decline in business performance in a long-term.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures An increase in competition will lead to lower prices, increased advertising costs, and reduced sales and market share, which will significantly impact the business, performance and financial position of our group. In order to improve profitability and return to a growth trajectory at Wacoal Corp., we believe it is essential to continue to offer products and services that draw out customers' individuality and empower them, by making use of our competitive advantages such as customer database accumulated over many years, research and knowledge on a wide range of body types, manufacturing technology that realizes comfort, and organizational capability to provide services tailored to personalized needs, combined with digital technology, based on our customer-oriented strategy. By allocating the Growth Strategy Director to three segments - high premium, young, and senior - we are striving to develop brands that are loved and enhance trust in our brands, and create bonds that will lead to "deep, broad long-lasting" relationships with customers. Furthermore, regarding our overseas business, we are reinforcing a customer-oriented product lineup. In the European market, we have implemented product development optimization tailored to the needs of each region. In the U.S. market, we developed products to address the shift toward casual innerwear and customers' demand for comfortable products. In the Chinese market, we adjusted our product mix to suit the characteristics of each channel, region, and EC platform.</li> </ul>	

➤ Risks related to changes in consumer values	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details Our brand strategy, products, or services may not match the changes in consumer values and we may fail to attract customers or may lose customers, resulting in a decline in business. In addition, failure in brand management and marketing mix may result in unsuccessful attraction of younger generations of customers, while defection of existing customers may damage our brand value. Further, as import prices of raw materials and products increase due to soaring resource prices, higher wages and changes in the foreign exchange market, if we fail to realize the provision of customer value that corresponds to the prices of products, it may result in a failure to acquire new customers and/or a loss of existing customers.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures In terms of our customer strategy, we utilize digital technology to promote the provision of an optimal customer experience. Moreover, we are establishing a deep, broad, and long relationship with customers by utilizing their data and voices, leveraging in-store sales staff's knowledge in customer service, and strengthening digital communication, with online communication as a base. As for our channel strategy, we are efficiently operating wholesale channels and working on strengthening our efforts on the e-commerce sites of Wacoal and other companies, as well as developing new directly managed stores. Regarding our brand strategy, we are organizing and consolidating our product brands into nine brands. By concentrating and selecting brand communication and marketing costs linked with such an approach, we expand both the quality and quantity of our messages to our customers. At the same time, we are strengthening our efforts in sustainability activities to enhance and establish our reputation with society and other stakeholders.</li> </ul>	

➤ Risks related to development of new markets and customers	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details In light of a relative decline in customers' interest in innerwear and fashion and the shrinking domestic market due to a decline in population and fewer children with an aging society in Japan, our group is working to develop new markets by developing overseas markets and entering into new business categories and fields. However, if we fail to respond to consumers' values which are likely to diversify further and to generate the planned outcome, it may affect our group's business performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures In the domestic market, we are struggling to acquire new customers due to lack of developed products and marketing measures that can stimulate purchase motivation among potential customers who have little contact with our brands, particularly the young and those oriented for products at affordable prices. We examine a series of customer experiences and purchasing behavior (customer journey) to promote an initiative to re-consider how to be an inevitable choice by customers, and are also working to re-design our brand portfolio with clearer values offered to customers and strong consciousness for expanding our customer base, targeting the young and those oriented for products at affordable prices. On the other hand, our efforts to strengthen retention marketing to existing loyal customers are steadily yielding results, and we are able to build ever deeper bonds with them as loyal customers. We will prioritize and further focus our efforts on maximizing LTV, which can be realized as the value offered by our group, by expanding our wardrobe assortment for our loyal customers. In Europe, we seek to accelerate the conversion to e-commerce-focused business model by investing in digital marketing aggressively, aiming for business growth of the brand portfolio developed by the group, including Bravissimo Group, which we welcomed into the Group, beyond Wacoal brand. We are making considerations in order to grow and improve quality and speed by strengthening sales activities in new areas with great growth potential, such as Germany and France, while cultivating existing markets, and expanding the sales network, including e-commerce and physical stores. In the United States, we started the operation of the CRM system on our e-commerce website and began UX improvements and a review of promotions. In China, we conduct an omnidirectional review of our channel strategy to select and concentrate on profitable sales channels, with e-commerce as a core. In addition, by developing product merchandising that is linked to sales and advertising strategies, we are converting our business structure to secure profits.</li> </ul>	

➤ Risks related to securing and/or developing human resources/personnel	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details If we fail to secure and/or foster human resources/personnel especially for manufacturing (planning, technical and R&amp;D capabilities), IT and digital technology, sales representative, personnel specialized in the area of management of foreign companies and logistics, we may not achieve future growth or gain advantages against competitors, which may adversely affect our group's business performance. If we cannot efficiently assign sales staff, it could lower the efficiency of personnel expenses and motivation, potentially leading to sluggish business results.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures Our group hires and retains necessary personnel by implementing new recruiting methods such as job-focused employment and develops human resources through group lectures and online professional expertise training, and enhances opportunities for onsite training through our on-the-job training, and cross-industry learning conducted jointly by other companies. In addition to expanding mid-career hires, we are also focusing on hiring based on referrals in an effort to revitalize our group by securing a diverse workforce. Regarding sales staff, due to changes in market structure, we are reviewing the evaluation based on the number of customers served and the satisfaction level from customers' perspective. Moreover, for post-retirement rehires, we aim to enhance their motivation by allocating the right talent to the appropriate position by increasing job groups with more responsibilities and higher-level roles for employees who renew their agreements. Further, in order to realize balanced treatment (compensation system) based on professional duties and roles, including the implementation of revisions to starting salaries and increases in base salaries, we are promoting institutional reforms that make clear our stance to invest in human capital such as treatment according to work value and achievement, and a review of role-based pay to secure human resources who play a central role in our businesses and create future value.</li> </ul>	

## (2)-2 Operational Risks

➤ Risks related to information system availability failures	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details In the event business continuity becomes difficult due to errors or delays in system development, or failure of critical systems, we may lose the trust of all stakeholders, including our business partners and customers. If the core system or e-commerce website become inaccessible due to malicious attacks from outside or natural disaster damage, or if confidential information is leaked from file servers or employee's PCs, our business may be adversely affected.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures The Company prescribes "Basic Policies on Information Security," "Regulations on Information Security" and others to promote understanding of the necessity and responsibility of information protection among all employees. We have established the Subcommittee for Information Security under the Corporate Ethics and Risk Management Committee to understand and improve the current information management system, and collect information regarding data destruction or leakage due to unauthorized access to customer information and important information, as well as cyber-attacks aimed at disrupting business operations due to viruses and ransomware, and investigate and analyze the current status to identify information security risks, in order to prevent an incident from occurring or mitigate impacts in the event that it occurs. At the same time, we formulate our group's activity policies and specific countermeasures, establish, revise or abolish related regulations, and discuss strategic investment projects, in an effort to reduce information security risks in the supply chain. In particular, we have been operating security tools that monitor systems and devices in real time in preparation for unexpected system failures and malfunctions, while also ensuring that critical systems have appropriate hardware and network configurations, that cloud computing has been selected, and that appropriate maintenance of IT assets is being performed. In addition, for domestic consolidated subsidiaries, we conduct periodic targeted e-mail drills and alert employees to information-related accidents, such as those recently reported in the media, in order to mitigate risks from both sides by raising employee awareness and establishing a framework.</li> </ul>	

➤ Risks related to inadequate information management	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details In the event of leakage or loss of confidential information or personal information due to inadequate information management, we may be affected adversely in our business activities and suffer significant loss such as loss of social credibility and suspension of business operations.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures The Company has established the "Regulations on Information Security," "Rules on Protection of Personal Information" and others to appropriately classify all information treated in terms of confidentiality, consistency and availability, as well as to protect and prevent leaks. In addition, to ensure thorough protection and management of material information, we have prepared a list of material information of our group and are working on measures to protect material information, citing specific examples of insider information in the categories of management, business and sales strategies, product development, in-house know-how, personal information, information system and other categories. We possess personal information of our various customers for business purposes. Looking to the future, Wacoal Corp. addresses customer strategy, which is to provide the best customer experience to each person by fully utilizing digital technology, as the pillar of our growth, and promotes the reengineering of the business model using digital data including collected personal information. Overseas, we are also moving forward with plans to strengthen our e-commerce business, which directly obtains the personal information of customers, and to make it a pillar of our growth. The protection of personal information is becoming increasingly important in our group's business activities, not only in response to the implementation of the Amended Act on the Protection of Personal Information in Japan. The Subcommittee for Information Security, established under the Corporate Ethics and Risk Management Committee, is responsible for strengthening the protection and management of personal information, complying with related laws and regulations, and educating our employees, and also</li> </ul>	

conducts surveys on information management status of our domestic and overseas associated companies, in order to protect personal information from external threats utilizing external experts as well. It also started preparing a security measures roadmap by company aiming for further improvement of the level.

➤ Risks related to fluctuations in bond markets and interest rates	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details The market value of listed equity securities and bonds held by the Company may decline, resulting in recording impairment losses. In addition to that, a decline in valuation and underfunding of plan assets may require additional contribution or provisions, which may affect our group's business performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures Please see “IV. Information on the Company – 4. Corporate Governance, etc. (5) 【Information on Shareholdings】 ” for information on shareholdings by the Company and Wacoal Corp., our specified wholly owned subsidiary. The revised medium-term management plan disclosed in November 2023 sets out a policy of reducing strategic shareholdings by 30 billion yen or more by the end of fiscal year ending March 2026 (based on the market value as of the end of March 2023) to less than 10% of consolidated net assets. The Board of Directors examined whether income realized from each stock holding exceeds the Company's capital cost, and whether such strategic shareholding contributes to the enhancement of our corporate value. Based on results of such examination, we disposed of and reduced a total of 5 stocks that had diluted value amounting to approximately 5.7 billion yen (based on the market value as of the end of March 2023) during the fiscal year ended in March 2025. Consequently, the total amount of disposal and reduction in the fiscal year ended March 2024 and the fiscal year ended March 2025 amounted to 20.5 billion yen (based on the market value as of the end of March 2023). In addition to that, costs and obligations for termination and retirement benefits are based on the actuarial assumptions that are used for the calculation of the expected rate of return on plan assets or projected benefit obligations for termination and retirement benefits. Such costs and obligations for termination and retirement benefits may increase if the actual results differ from the assumptions or if there is any change to the assumptions, due to fluctuations in the market for securities as well as the interest rate environment. Our approach to establishing the discount rate is based upon domestic corporate bond indices. For discount rates, please see “V. Financial Information – Notes to the consolidated financial statements, 23. Employee Benefits.” In order to fulfill the expected functions as an asset owner of a corporate pension plan, we have established the Pension Committee, composed of the heads of Finance, Human Resources and Accounting Divisions, to review asset management policy, policy asset composition, and other matters on a quarterly basis, while using an outside management consulting firm to supplement our expertise and knowledge.</li> </ul>	

➤ Risks related to natural disasters and accidents	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Large
<ul style="list-style-type: none"> <li>● Risk details Natural disasters such as earthquakes, fires, or explosions may cause damage to business and production sites, and our employees may suffer damages. In addition, closed traffic, energy outage, blocked communication lines, or damages to large retail stores, directly managed stores, e-commerce website or logistics networks may trigger disruption in our operation.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures In preparation for large-scale accident emergencies such as “earthquake directly beneath the Tokyo metropolitan area,” the Subcommittee for BCP and Disaster Control Measures, established under the Corporate Ethics and Risk Management Committee, is working on business continuity management from the perspectives of prevention/mitigation, emergency/first response, and recovery/restoration, including the sequential development of a BCP plan in the event of damage to our major business sites. Specifically, in addition to the environmental improvements such as earthquake-resistant buildings, cloud computing for data-related servers, employee safety confirmation system in the event of a disaster, and remote work, we are also working to reduce risks by establishing operational backup systems at sales offices and decentralized arrangement of production sites in times of emergency, in line with our social responsibility.</li> </ul>	

➤ Risks related to perception of corporate ethics and compliance	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details We may be pointed out and publicized by a third party on human rights, labor or environmental issues in our supply chain, which may affect our business activities or damage our corporate value. In addition, an increase in violations of corporate ethics and compliance, or problems with advertising expressions and statements, including those on social media or blogs, and other websites, could lead to a loss of public trust and may adversely affect our group’s performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures In the event of any violation of laws and regulations in Japan and overseas applicable to our group, or any act in contrary to any social order, we may suffer an economic and/or social impact as a result of punishment or loss of trust from society. We have not only established the “Corporate Ethics: Wacoal Standards of Conduct,” which were distributed to our employees to ensure that they are well informed of it, but also made efforts to strengthen legal compliance by expanding measures such as compliance awareness training for employees, an internal alert system, and compliance review by external experts through the activities of the Subcommittee for Compliance, which was established under the Corporate Ethics and Risk Management Committee. In the fiscal year ended March 2025, we promoted compliance awareness activities, including rank-based group training and e-learning that focused on the content of the Corporate Ethics: Wacoal’s Code of Conduct and the continuation of the regular publication of the Group Compliance Newsletter (“Konpura Kwaraban”). In particular, we focus on labor and human rights issues in our supply chain for our group’s businesses. We faced concerns raised by a non-profit human rights organization in the past about working conditions and human rights issues at an overseas sewing factory with which our consolidated subsidiary had a contract. In Japan, it was discovered that there were unpaid overtime allowances for foreign technical intern trainees at a secondary manufacturing contractor. Through the activities of the Subcommittee for CSR Procurement, which was established under the Sustainability Committee, we are currently proactively making efforts to conduct self-assessment and on-site audit at each of our manufacturing contractors from the perspectives of respect for human rights, harmony with environment and society, compliance with laws and regulations, labor practices and business practices, and to formulate and monitor correction and/or improvement plans. During the fiscal year, we collaborated with an NPO that works on human rights. We conducted a survey on foreign technical intern trainees and implemented human rights due diligence through the assessment of interviews. In addition, we disclose the list of manufacturing contractors for CSR procurement activities on our website.</li> </ul>	

➤ Risk related to infringement or violation of intellectual property rights	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details Infringement or violation of intellectual property rights may result in litigation or economic loss. In recent years, there has been a proliferation of “spoof advertisements that lead to fake websites” on the Internet that spoof our brand names. Failure to take appropriate measures such as alerts to customers and elimination of such spoof advertisements and fake websites could lead to a loss of trust from consumers and markets, and failure to strategically protect or utilize intellectual property rights may affect our business.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures Our group recognizes that intellectual property rights are involved in all business activities and are important assets to ensure our competitive advantage. In order to protect and utilize intellectual property rights for our brands, proprietary technologies, designs and services as a source of competitiveness, while respecting and avoiding infringement of the intellectual property rights of other companies, we educate our employees by holding seminars and share information on trends of intellectual property in the industry to promote proper understanding. We are also enhancing the knowledge of the department in charge of intellectual property by strengthening cooperation with the outside experts to protect and utilize the intellectual property rights in DX and CX strategies and new businesses. In addition, we take strict measures against infringement of intellectual property rights in Japan and overseas, including counterfeit products and unauthorized use of our trademarks and patents by other companies, by asserting our rights against the infringing parties. In recent years, with regard to the damage to brand value due to the borderless nature of the e-commerce business, particularly the emergence of “spoof” advertising and sales that spoof our brands, mainly through social networking services (“SNS”), we are making efforts to protect our consumers and brands beyond Japan, by alerting our customers, tracking and monitoring sales channels and implementing elimination measures.</li> </ul>	

➤ Risks related to appeal to express due to acceleration of digital marketing, labeling of quality and care instructions	
<input type="checkbox"/> Probability of occurrence: High	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details In digital marketing, the content of messages on social networking services, including those involving employee participation, and the occurrence of issues related to the expression and comments on sustainability on websites, may cause social problems, including negative campaigns and defamation of the sender, which may adversely affect our business performance. In addition to that, violations of laws and regulations related to quality labeling and inappropriate expressions in functional labeling may damage public trust. We may suffer economic loss due to costs incurred to recall or change the labeling of products, or due to the discontinuation of sales.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures We recognize that quality labeling, which helps the consumers to select and use products appropriately, covers a wide range of areas, including statutory labeling attached to the products themselves, in-store and media advertising and promotion, promotional expressions, and intellectual property protection labeling, and that this is a case in which risks are likely to become apparent. We are also aware of the risk that our transmissions and the words and actions of our participants through social networking services on the back of overheating digital marketing are exposed to social criticism, or in recent years the risk that such social criticism spreads regardless of the truth of their content. Through the activities of the Quality Assurance Council and the Quality Control Committee under the Corporate Ethics and Risk Management Committee, we have established and are operating a rule-based system that includes a labeling confirmation system based on a double-checking at the department that determines the content of labeling, systemization of the labeling determination process to the extent possible, prompt response to labeling errors when they occur, and thorough investigation of the cause and implementation of countermeasures to prevent recurrence after a problem occurs. We also regularly conduct internal awareness raising activities and training for those in charge of quality labeling. We are striving to fulfill our social mission by establishing a system to have the Sustainability Committee and/or related departments check our expressions and comments on sustainability on websites during operation. At the same time, we have established SNS operation rules for each domestic and overseas associated company in light of their business environment to ensure that our employees are aware of such rules, and we are promoting training for our employees in marketing and communications departments to check the content of transmissions in advance and judge whether they are appropriate or not. In addition, with regard to “spoof” advertising and sales that spoof our brands, we not only alert consumers but also focus firmly on tracking and monitoring sales channels and implementing elimination measures, etc. Furthermore, the Company is working to mitigate risks by formulating and revising various guidelines in connection with the Antimonopoly Act, Act against Unjustifiable Premiums and Misleading Representations, and the Pharmaceutical Affairs Law, and by providing training for employees through e-learning. In addition, with respect to functionality and efficacy expression, we are reorganizing the notation rules along with the collaboration among the commercialization planning department, the research department and the quality assurance department, and we are establishing a system to supervise evidence data with an outside institution.</li> </ul>	

➤ Risks related to quality assurance in design and manufacturing	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details If we sell defective products or if our products harm our customers' health, we may suffer costs for compensation to customers and product recalls and our reputation as a producer of high-quality products may be damaged and we may lose trust from society, which may adversely affect our business performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures Our ability to provide high-quality products on a global basis is one of our strengths. We established the Quality Assurance Council as a subcommittee of the Corporate Ethics and Risk Management Committee, and while we maintain our safety guidelines, we are also working to ensure compliance with safety clearance rules upon product planning, design and development, thorough inspections during manufacturing, pursuing the causes of problems and formulating measures to prevent their recurrence. By horizontally deploying and sharing about these activities and information across our group's domestic and overseas associates, we are raising quality awareness and raising the level of the management system across our group as a whole. Under the direction of the Quality Assurance Council, we operate the Quality Control Committee, which is composed of members elected by each department responsible for commercialization plans, and which operates to follow up on individual issues and conducts internal training on quality control in general. In addition to thorough quality control and inspection as stipulated, the production sites are working to eliminate products that do not meet standards under the operation of product acceptance lock system (acceptance of only products that meet material standards), and standardize the skills of inspection personnel.</li> </ul>	

➤ Risks related to social changes in emerging countries	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details Our group, which has production bases in emerging countries, may experience delays in materials procurement and production due to political instability, legal or institutional changes, the occurrence of strikes, or difficulties in securing human resources, or delays in improvement in business efficiency or a large amount of new investment required due to the continuation of protectionism policies (such as import tariffs and restrictions on foreign investment), which may affect our business performance.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures At all times, we pay close attention to trends in laws and regulations in each country and region, and make efforts to collect and analyze local information. We are working to develop and implement measures to understand the actual situation in the community in cooperation with the local "risk control manager," and if necessary, with the support from an outside counsel, consultant or other specialized organizations. In addition to trends in laws and regulations, we pay close attention to the responses to human rights issues in Myanmar, which continues to be under the control of the military regime. Also, in light of geopolitical risks, we are working to mitigate risks by appropriately diversifying our production bases. Other than these, in India where high import tariffs are applicable, we strive to strengthen our competitive advantage by increasing the ratio of product planning / production in the country.</li> </ul>	

➤ Risks related to management of tax matters	
<input type="checkbox"/> Probability of occurrence: Medium	<input type="checkbox"/> Degree of potential impact: Medium
<ul style="list-style-type: none"> <li>● Risk details A large amount of taxation due to tax reform or investigation on transfer pricing may affect our group's financial position and business performance, in addition to reputational damage.</li> </ul>	
<ul style="list-style-type: none"> <li>● Countermeasures According to our current accounting standards, deferred tax assets are recorded based on reasonable assumptions about our future taxable income. However, deferred tax assets may decrease due to changes in the estimated amount of future taxable income or changes in tax rates following tax reforms, which could have an adverse impact on our group's business performance and financial position. Based on this, the Company reviews, as appropriate, its estimates of future taxable income in light of changes in the business environment and other factors to make a reasonable judgment of collectability. We have formulated our "Tax Code of Conduct" with the aim of complying with the laws and regulations of countries and regions in which we operate, as well as international tax laws, managing taxes in a highly transparent manner, and gaining the trust of our stakeholders. The Tax Code of Conduct provides guidelines for domestic and foreign consolidated subsidiaries to establish a group tax system, including obtaining the latest information on taxation and awareness activities through training, dealing with uncertain tax positions, application of preferential tax treatment, transactions among group companies, prohibition of tax avoidance, and disclosure on tax matters. The status of application of guidelines described in the said Code is monitored by receiving reports from domestic and overseas consolidated subsidiaries at the end of each fiscal year, along with the status of the responses based on the IFRIC23 guidelines. In addition, we are working to improve our group's tax system by tracking the trends in tax reform and international taxation, including BEPS, and sharing the latest information with our domestic and overseas consolidated subsidiaries as appropriate.</li> </ul>	

#### 4. 【Analyses of Financial Position, Results of Operation, and Cash Flows by Management】

The overview of financial position, results of operation and cashflows (“business performance, etc.”) of our group (the Company, consolidated subsidiaries and equity method associates) and analysis and consideration of business performance from the viewpoint of management for the current fiscal year are as follows.

Any forward-looking statements contained below are based on our judgment as of the end of the current fiscal year.

##### (1) Results of operation

	Previous Fiscal Year (ended March 2024)	Current Fiscal Year (ended March 2025)	(Millions of Yen)	
			Increased/(Decreased) from previous fiscal year	
			Amount	%
Revenue	187,208	173,896	(13,312)	(7.1)
Cost of sales	83,123	76,452	(6,671)	(8.0)
Sales profit	104,085	97,444	(6,641)	(6.4)
Selling, general and administrative expenses	100,575	100,841	+266	+0.3
Business (loss) profit	3,510	(3,397)	(6,907)	—
Other income	1,990	11,211	+9,221	+463.4
Other expenses	15,003	4,486	(10,517)	(70.1)
Operating profit (loss)	(9,503)	3,328	+12,831	—
Finance income	2,529	2,170	(359)	(14.2)
Finance costs	328	618	+290	+88.4
Share of profit of investments accounted for using equity method	(988)	813	+1,801	—
Profit (loss) before tax	(8,290)	5,693	+13,983	—
Net profit (loss) attributable to owners of parent	(8,632)	6,989	+15,621	—

The business conditions of our group during the current fiscal year (from April 1, 2024 to March 31, 2025) was severely affected by the continued sluggish sales of our core women’s innerwear products in major countries. In Japan, sales remained slow, affected by factors such as the closure of underperforming stores, the closedown of some stores by large-scale retailers, and a decline in the number of customers at physical stores. In the United States, the uncertainty of asset price outlook increased, and slack business conditions continued mainly at our core channel, department stores. In the United Kingdom, consumer sentiment remained low as inflationary pressure intensified again, and sales growth was weak, particularly at our main channel, specialty stores. In China, where the economy is still stagnant, consumers’ purchasing behavior remains cautious, and it is taking time for sales to pick up again.

Under such circumstances, our group has been working on the initiatives for “business model reforms to improve profitability,” “growth strategy to achieve VISION2030,” “introducing ROIC management,” and “promoting asset reduction” to achieve the revised three-year medium-term management plan, whose final fiscal year is the one ending March 2026. During the current fiscal year, as the business model reforms, we promoted the establishment of a new supply chain that flexibly provides products according to fluctuating demands and determined and executed the consolidation of domestic production sites and the transfer of subsidy shares. In addition, as part of our growth strategy, we have introduced a brand manager system and reorganized our domestic brand portfolio, rebranded “Wacoal” brand, our focused investment target brand, and strengthened sales promotions of “CW-X” products by featuring famous athletes. In overseas, with the aim of expanding our sales channels in Europe, we acquired the U.K.-based Bravissimo Group Limited (the “Bravissimo Group”). We completed the preparation to introduce ROIC management to improve capital efficiency and enhance business management

functions during the current fiscal year and plan to commence its full-scale implementation starting from the fiscal year ending March 31, 2026. In addition, we sold the Asakusabashi Building and the site of the former Fukuoka Office, and took steps reduce our policy-held shareholdings.

As a result of the above, for the current fiscal year, consolidated revenue was 173.896 billion yen (a decrease of 7.1% as compared to such revenue for the previous fiscal year) and business loss was 3.397 billion yen (as compared to business profit of 3.510 billion yen for the previous fiscal year). We recorded 3.328 billion yen of consolidated operating profit (as compared to 9.503 billion yen of consolidated operating loss for the previous fiscal year) as a result of the gain from sale of property, plant and equipment related to the sale of Asakusabashi Building and the site of the former Fukuoka Office, etc. (9.439 billion yen). While consolidated profit before tax was 5.693 billion yen (as compared to 8.290 billion yen of consolidated loss before tax for the previous fiscal year), consolidated profit attributable to the owners of parent was 6.989 billion yen (as compared to 8.632 billion yen of consolidated loss attributable to the owners of parent for the previous fiscal year) as a result of recording deferred tax assets due to an increase in losses available for use within the group following the reorganization of subsidiaries.

The key exchange rates used for the current fiscal year (the previous fiscal year) were: 152.58 yen (144.62 yen) to the U.S. dollar; 194.61 yen (181.76 yen) to the Pound sterling; and 21.10 yen (20.14 yen) to the Chinese yuan.

The following is a summary of results of operations by operating segments.

(Millions of Yen)							
		Previous Fiscal Year (ended March 31, 2024)		Current Fiscal Year (ended March 31, 2025)		Increased/(Decreased) from previous fiscal year	
		Amount	Composition Ratio (%)	Amount	Composition Ratio (%)	Amount	%
Total Revenue		187,208	100.0	173,896	100.0	(13,312)	(7.1)
	Wacoal Business (Domestic)	94,198	50.3	87,828	50.5	(6,370)	(6.8)
	Wacoal Business (Overseas)	67,757	36.2	67,237	38.7	(520)	(0.8)
	Peach John Business	10,741	5.7	10,469	6.0	(272)	(2.5)
	Other	14,512	7.8	8,362	4.8	(6,150)	(42.4)

(Millions of Yen)						
	Previous Fiscal Year (ended March 31, 2024)		Current Fiscal Year (ended March 31, 2025)		Increased/(Decreased) from previous fiscal year	
	Amount	% to Sales	Amount	% to Sales	Amount	%
Operating profit (loss)	(9,503)	—	3,328	1.9	+12,831	—
Wacoal Business (Domestic)	(4,193)	—	2,970	3.4	+7,163	—
Wacoal Business (Overseas)	(5,145)	—	459	0.7	+5,604	—
Peach John Business	(239)	—	(266)	—	(27)	—
Other	74	0.5	165	2.0	+91	+123.0

(i) Wacoal Business (Domestic)

During the current fiscal year, sales were sluggish due to a decline in the number of customers visiting retail stores, in addition to the closure of underperforming stores and delivery adjustments aimed at optimizing in-store inventory. On the other hand, sales from our e-commerce business remained strong as sales of our own e-commerce websites continued to increase due to proactive sales promotion activities, and sales from third-party e-commerce websites also remained strong due to our continued efforts to strengthen cooperation with the third-party e-commerce website operators.

By products, while sales of bras, our mainstay product, continued to be sluggish, sales of cup-style innerwear and wireless bras achieved growth, and “CW-X,” our performance wear brand, which features Major League Baseball player Shohei Ohtani as its brand ambassador, also showed strong sales.

In the current fiscal year, despite the impact of soaring cost of sales due to the rise in raw materials and labor costs caused by the yen’s depreciation, the impact on revenue and income was minimized by an increase in the composition of the e-commerce business and retail price revisions.

As a result of the above, revenue attributable to our “Wacoal Business (Domestic)” segment was 87.828 billion yen (a decrease of 6.8% as compared to such revenue for the previous fiscal year). Operating profit was 2.970 billion yen (as compared to an operating loss of 4.193 billion yen for the previous fiscal year) due to the gain on sale of property, plant and equipment related to the sale of the Asakusabashi Building and the former site of the Fukuoka Office, offset by increases in expenses related to the rebranding of our core brand “Wacoal” and advertising expenses incurred for the promotion of “CW-X” product line, as well as the impairment charges recorded on assets held following the decision to transfer our consolidated subsidiary, Lecien Corporation.

(ii) Wacoal Business (Overseas)

Sales from Wacoal International Corp. (U.S.) fell below the level in the previous fiscal year on a local currency basis due to the impact of the business withdrawal of Intimates Online, Inc. as well as the sluggish sales resulting from a sharp downturn in the market in the fourth quarter of the current fiscal year and beyond. In terms of our retail stores, weak in-store sales led to stricter procurement restrictions by some of our wholesale customers. While we launched our CRM system for our e-commerce websites, sales have not yet recovered. On the other hand, sales from third-party e-commerce websites continued to remain strong driven by the major platforms.

Sales from Wacoal Europe Ltd. significantly increased from the level of the previous fiscal year on a local currency basis due to the contribution of the sales from the Bravissimo Group which we acquired in September 2024. Although sales remained weak in the United Kingdom and North America due to factors such as reduced procurement by some of our wholesale customers, and concerns over the outlook for the U.S. tariff policy, which led to the suspension of deliveries to certain customers who have warehouses in Mexico, sales from continental Europe, particularly Germany and France, continued to grow. On the other hand, operating profit fell below the level of the previous fiscal year due to the one-time impact of the acquisition of the Bravissimo Group.

Wacoal China Co., Ltd. continued to struggle in both its retail stores and e-commerce business due to the growing preference among consumers for lower prices. Despite our efforts to renegotiate with our wholesale customers on commercial terms and withdraw from underperforming stores, the impact of a decrease in sales was significant and we were unable to improve profitability. In addition, we recorded restructuring expenses of 1.044 billion yen for the current fiscal year for inventory valuation loss and expenses incurred for store closures in order to improve our profitability structure looking ahead in the next fiscal year and beyond.

As a result of the above, revenue attributable to our “Wacoal Business (Overseas)” segment on a Japanese yen basis was 67.237 billion yen (a decrease of 0.8% as compared to such revenue for the previous fiscal year). Operating profit was 0.459 billion yen (as compared to an operating loss of 5.145 billion yen for the previous fiscal year mainly due to the impairment charges on goodwill) mainly due to the poor performance in the United States and China, the one-time impact of the acquisition of the Bravissimo Group and the recording of the restructuring expenses incurred in China.

(iii) Peach John Business

During the current fiscal year, we set our business policy as “strengthening the acquisition of new customers” and reviewed our customer communication measures and product strategies. As a result, sales began to recover in the third quarter of the current fiscal year and beyond. However, sales fell below the level of the previous fiscal year due to the sluggish sales from our directly managed stores and e-commerce website during the period before the third quarter of the current fiscal year. Sales from third-party e-commerce websites continued to remain strong driven by the major platforms.

As a result of the above, revenue attributable to our “Peach John Business” segment was 10.469 billion yen (a decrease of 2.5% as compared to such revenue for the previous fiscal year). We recorded an operating loss of 0.266 billion yen (as compared to an operating loss of 0.239 billion yen for the previous fiscal year).

(iv) Other

Revenue attributable to our “Other” segment for the current fiscal year was 8.362 billion yen (a decrease of 42.4% as compared to such revenue for the previous fiscal year). We recorded an operating profit of 0.165 billion yen (an increase of 123.0% as compared to such profit for the previous fiscal year).

(Reference) Revenue and Operating Profit/ (Loss) of Major Subsidiaries

(Millions of Yen)

Revenue	Previous Fiscal Year (ended March 31, 2024)		Current Fiscal Year (ended March 31, 2025)		Increased/(Decreased) from previous fiscal year	
	Amount	Composition Ratio (%)	Amount	Composition Ratio (%)	Amount	%
Wacoal Corp.	88,701	47.4	82,369	47.4	(6,332)	(7.1)
Wacoal International Corp. (U.S.)	28,038	15.0	24,917	14.3	(3,121)	(11.1)
Wacoal Europe Ltd.	20,353	10.9	25,201	14.5	+4,848	+23.8
Wacoal China Co., Ltd.	10,396	5.6	9,085	5.2	(1,311)	(12.6)
Peach John Co., Ltd.	10,741	5.7	10,469	6.0	(272)	(2.5)
Lecien Corporation	2,583	1.4	2,880	1.7	+297	+11.5

\*Revenue to external customers only

(Millions of Yen)

Operating profit (loss)	Previous Fiscal Year (ended March 31, 2024)		Current Fiscal Year (ended March 31, 2025)		Increased/(Decreased) from previous fiscal year	
	Amount	% to Sales	Amount	% to Sales	Amount	%
Wacoal Corp.	(3,061)	—	6,180	7.5	+9,241	—
Wacoal International Corp. (U.S.)	(6,884)	—	681	2.7	+7,565	—
Wacoal Europe Ltd.	1,816	8.9	897	3.6	(919)	(50.6)
Wacoal China Co., Ltd.	(998)	—	(1,844)	—	(846)	—
Peach John Co., Ltd.	(239)	—	(266)	—	(27)	—
Lecien Corporation	(167)	—	0	0.0	+167	—

(2) Financial Position

Our total assets as of March 31, 2025 were 272.183 billion yen, a decrease of 21.846 billion yen from the end of the previous fiscal year, mainly due to decreases in other financial assets and cash and cash equivalents.

Our liabilities were 77.291 billion yen, a decrease of 1.596 billion yen from the end of the previous fiscal year, mainly due to decreases in deferred tax liabilities, trade and other payables, despite an increase in borrowings.

Equity attributable to owners of parent was 191.819 billion yen, a decrease of 20.010 billion yen from the end of the previous fiscal year, mainly due to repurchase of treasury stock.

As a result of the above, the ratio of equity attributable to owners of parent to total assets as of March 31, 2025 was 70.5%, a decrease of 1.5 points from the end of the previous fiscal year.

(3) Cash Flow Status

The balance of cash and cash equivalents at the end of fiscal year 2025 was 23.419 billion yen, a decrease of 10.128 billion yen as compared to the end of the previous fiscal year.

(Cash flow provided by operating activities)

Cash flow provided by operating activities was 4.938 billion yen, a decrease of 6.353 billion yen as compared to the previous fiscal year, after adjustments for changes in assets and liabilities to net profit of 6.788 billion yen plus adjustments for depreciation and amortization expenses, income tax expense and other items.

(Cash flow provided by investing activities)

Cash flow provided by investing activities was 9.382 billion yen, a decrease of 4.666 billion yen as compared to the previous fiscal year, due to proceeds from sale of property, plant and equipment.

(Cash flow used in financing activities)

Cash flow used in financing activities was 22.925 billion yen, an increase of 2.714 billion yen as compared to the previous fiscal year, due to repurchase of treasury stock.

(4) Production, Orders Received, and Revenue

(i) Production Results

Our consolidated production results by operating segment for fiscal year ended March 2025 are as follows. No data is available for the Peach John Business since all of its entities are sales companies. The production results for Other segment are not shown since it is hard to define such term in this segment.

Name of Operating Segment	Amount (Millions of yen)	Changes as Compared to Previous Fiscal Year (%)
Wacoal Business (Domestic)	35,336	96.1
Wacoal Business (Overseas)	18,165	88.0
Total	53,501	93.2

- (Notes)
1. Inter-segment transactions are offset and eliminated from calculation.
  2. The amount of results of operation is based on the manufacturing costs.

(ii) Orders Received

Among Other, the department of Nanasai Co., Ltd., which handles interior design and construction of stores at commercial facilities, adopts the build-to-order production system.

The status of orders received for other segment for fiscal year ended March 2025 is as follows:

Name of Operating Segment	Amount of Orders Received (Millions of yen)	Changes as Compared to Previous Fiscal Year (%)	Balance of Amount of Orders Received (Millions of yen)	Changes as Compared to Previous Fiscal Year (%)
Other	794	17.2	—	—

- (Notes)
1. Inter-segment transactions are offset and eliminated from calculation.
  2. Amount of Orders Received and Balance of Amount of Orders Received decreased due to the removal of Nanasai Co., Ltd. from the scope of consolidation, resulting from a partial transfer of its shares.

(iii) Revenue Results

Our consolidated sales results by operating segment for fiscal year ended March 2025 are as follows:

Name of Operating Segment	Amount (Millions of yen)	Changes as Compared to Previous Fiscal Year (%)
Wacoal Business (Domestic)	87,828	93.2
Wacoal Business (Overseas)	67,237	99.2
Peach John Business	10,469	97.5
Other	8,362	57.6
Total	173,896	92.9

- (Notes)
1. Inter-segment transactions are offset and eliminated from calculation.
  2. Revenue Results of Other decreased due to the removal of Nanasai Co., Ltd. from the scope of consolidation, resulting from a partial transfer of its shares.
  3. None of the customers' sales accounts for 10% or more of the total sales results.

(5) Capital Resources and Liquidity

Our current policy is to fund our cash needs from cash flows from operating activities, which allows us to secure most of working capital, make capital investments, and pay dividends without relying on substantial borrowings or other financing from outside of our group companies. As of March 31, 2025, we had credit facilities at financial institutions totaling 53.365 billion yen, and the balance of loan which established line of credit amounted to 14.161 billion yen. Of these loans, 7.854 billion yen is available to the Company, 1.645 billion yen is available to Wacoal International Corp. and 3.876 billion yen is available to Wacoal Europe Ltd.

In general, most of our credit facilities have automatically renewed terms, and we are not aware of any issues with respect to any of our lenders that could cause these facilities to become unavailable. Even if any of our subsidiaries loses access to funds from our credit facilities, we believe that it is possible for other companies in our group to provide any necessary funds. Our borrowing requirements are not affected by seasonality.

We are not aware of any restrictions on the transfers of funds from a subsidiary to a parent company in the form of a cash dividend.

We plan to continue securing liquidity of our funds based on strict assessment of purpose and profitability.

(i) Capital Investments

Please see "III. Property, Plants and Equipment – 1. Summary of Capital Investment, etc."

(ii) Cash Flows

Please see "(3) Cash Flow Status."

(6) Significant Accounting Estimates and Assumptions

The consolidated financial statements of our group are prepared in accordance with IFRS. The preparation of the consolidated financial statements requires our group to make significant estimates and assumptions.

The significant accounting policies, accounting estimates and assumptions used in making such estimates are described in "V. Financial Information – Notes to the consolidated financial statements, 3. Significant Accounting Policies and 4. Significant Accounting Estimates and Judgments."

5. 【Material Agreements, etc.】

The Company resolved, at the Board of Directors meeting held on September 26, 2024, to conclude the share transfer agreement to acquire all shares issued by Bravissimo Group Limited, which conducts planning and development of items including women's innerwear and swimwear and sales at their directly managed shops and e-commerce website in the United Kingdom, through our subsidiary, Wacoal Europe Limited (hereinafter referred to as "WEL"). WEL signed the share transfer agreement on the same day (as of the time zone of the United Kingdom). For more details, please see "V. Financial Information – Notes to the consolidated financial statements, 7. Business Combination."

## 6. 【Research and Development】

Our research and development activities are mainly conducted by our Human Science Research & Development Center to provide services and products that support people's mind and body.

Since 1964, we have been conducting research into the female body in order to accurately understand the Japanese woman's physique. In particular, we have developed a silhouette analysis system and introduced a three-dimensional measuring system. We are also working on an even more advanced measurement of sensory comfort. Our research and development activities focus on addressing the proportional, physiological, and mental aspects of garment design. One of our most important research results was the enrichment of our research on sensory comfort through our participation in a project led by the Ministry of Trade and Industry (presently the Ministry of Economy, Trade and Industry) from 1995 to 1998. Based on this research, we have been focusing on developing new products that are not only comfortable for the wearer, but also have a positive physiological effect based on the basic study from three factors, which are pressure, heat, and touch. In 2005, we developed and created a new market for our breakthrough Style Science series products, which support the creation of a healthy and beautiful body by changing the idea of everyday walking to walking for exercise. In 2010, we analyzed body shape changes of the same subject from his/her 20s to 50s and published the principles of aging-related body changes, and strengthened the development of new products that respond to aging-related body changes. We also developed new functional products inspired by the lifestyle habits of people with smaller body shape changes due to aging, and in 2020, based on the research report "Research on Bust Movement and Skin due to Gravity," we held a research presentation conference on the importance of protecting bust from the effect of gravity and developed new functional products such as "gravity-proof bust-care bras" and "gravity-proof hips-care girdle" based on such research. In 2021, we launched "Body Culture Research Project," a co-creation project with universities and other companies. In March 2022, we held "Body Culture Symposium" at the Tokyo Aoyama Spiral Hall for the participants and related parties of the project. In May 2019, we have launched the operation of the self-measurement service using a 3D body scanner, which utilizes the size determination algorithm developed and supervised by the Wacoal Human Science Research & Development Center.

During the current fiscal year, with the enhanced functions of SCANBE, our 3D measurement service, we expanded the scope of measurement to include not only women but also children and men. We also worked on the development of Melooop technology, which enables us to create 3D objects using the melt-blown technique.

As a result of the above, we recorded 361 million yen for our research and development during the fiscal year ended March 2025.

Our research and development activities cover a wide range of research from basic research to product development, mainly of women's innerwear. Therefore, it is difficult to relate each of such activities to a specific segment, and thus, we do not provide information regarding such research and development by segment.

In order to promote "the realization of an industry supporting women with unbounded living beauty," we will make efforts to enrich research and development activities that contribute to the improvement of customer satisfaction and corporate value based on the key concepts of beauty, comfort, and health. We will also work toward developing new products, information and services that empower our customers.

### III. 【Property, Plants, and Equipment】

#### 1. 【Summary of Capital Investment, etc.】

The total amount of capital investment for the fiscal year ended March 31, 2025 was 3,875 million yen, mainly including expenditures for system investments made by the Company and our subsidiaries, and expenditures for the maintenance and repair of real estate owned by our group.

The amounts of capital investment made in Wacoal Business (Domestic), Wacoal Business (Overseas), Peach John Business, and Other were 2,115 million yen, 1,073 million yen, 505 million yen, and 182 million yen, respectively.

#### 2. 【Major Property, Plants, and Equipment】

The table below shows our major property, plants, and equipment within our group (Company and consolidated subsidiaries).

##### (1) Wacoal Holdings Corp.

As of March 31, 2025

Facility (Location)	Segment	Type of Equipment and Facilities	Book Value (Millions of yen)				Number of Employee(s)
			Buildings and Structures	Machinery and Equipment	Land (m <sup>2</sup> )	Total	
Head Office (Minami-ku, Kyoto) and other	Wacoal Business (Domestic)	Facilities for administration affairs, etc.	17,973	1,316	14,983 (255,091)	34,274	89 [—]

##### (2) Domestic Subsidiaries

As of March 31, 2025

Name of Company (Location)	Segment	Type of Equipment and Facilities	Book Value (Millions of yen)				Number of Employee(s)
			Buildings and Structures	Machinery, Vehicle, Equipment, and Fixtures	Land (m <sup>2</sup> )	Total	
Wacoal Corp. Head Office (Minami-ku, Kyoto) Two other business office in Kyoto district	Wacoal Business (Domestic)	Facilities for administration affairs	42	121	—	164	1,718 [50]
Wacoal Corp. Tokyo Office (Chiyoda-ku, Tokyo) One other business office in Tokyo	Wacoal Business (Domestic)	Facilities for administration affairs Sales facilities	93	20	—	113	1,191 [27]
Wacoal Distribution Corp. Moriyama Logistics Center (Moriyama, Shiga)	Wacoal Business (Domestic)	Facilities for merchandise management	21	246	—	267	290 [—]
Wacoal Manufacturing Japan Corp. Nagasaki Factory (Unzen, Nagasaki)	Wacoal Business (Domestic)	Manufacturing facilities	—	116	—	116	254 [—]
Torica Inc. (Saihakugun Nanbucho, Tottori) Three other plants	Wacoal Business (Domestic)	Manufacturing facilities	388	43	180 (40,840)	611	120 [53]

## (3) Overseas Subsidiaries

As of March 31, 2025

Name of Company (Location)	Segment	Type of Equipment and Facilities	Book Value (Millions of yen)				Number of Employee(s)
			Buildings and Structures	Machinery, Vehicle, Equipment, and Fixtures	Land (m <sup>2</sup> )	Total	
Wacoal America, Inc. (New Jersey, USA)	Wacoal Business (Overseas)	Facilities for administration affairs/ merchandise management	866	524	361 (32,300)	1,750	190 [–]
Wacoal Dominicana Corp. (Santo Domingo, Dominican Republic)	Wacoal Business (Overseas)	Manufacturing facilities	1,387	556	252 (34,356)	2,194	2,055 [–]
Wacoal Singapore Private Ltd. (Singapore)	Wacoal Business (Overseas)	Facilities for administration affairs	9	37	275 (235)	322	38 [4]
Wacoal Hong Kong Co., Ltd. (Hong Kong)	Wacoal Business (Overseas)	Facilities for administration affairs	276	–	–	276	101 [23]
Wacoal China Co., Ltd. (Beijing, China)	Wacoal Business (Overseas)	Facilities for administration affairs/ manufacturing facilities	132	9	– (–) [11,871]	141	433 [–]
Guandong Wacoal Inc. (Guangzhou, China)	Wacoal Business (Overseas)	Manufacturing facilities	85	103	– (–) [11,224]	188	403 [–]
Vietnam Wacoal Corp. (Bien Hoa City, Vietnam)	Wacoal Business (Overseas)	Facilities for administration affairs/ manufacturing facilities	24	97	– (–) [25,195]	120	1,478 [–]
Dalian Wacoal Co., Ltd. (Dalian, China)	Wacoal Business (Overseas)	Manufacturing facilities	99	255	– (–) [27,543]	354	547 [1]
A Tech Textile Co., Ltd. (Kabin Buri, Thailand)	Wacoal Business (Overseas)	Manufacturing facilities	62	185	285 (56,296)	532	223 [–]

- (Notes)
1. Area of land under lease by the Company is shown in brackets.
  2. None of our major facilities is currently out of service.
  3. Buildings and land regarding certain domestic subsidiaries under (2) above are under lease by the Company. The book value of the buildings and land are as follows:

Name of Business Office (Location)	Segment	Type of Equipment and Facilities	Book Value (Millions of yen)	
			Buildings and Structures	Land (m <sup>2</sup> )
Wacoal Corp. Head Office (Minami-ku, Kyoto) Two other business office in Kyoto district	Wacoal Business (Domestic)	Facilities for administration affairs	9,253	1,885 (11,208)
Wacoal Corp. Tokyo Office (Chiyoda-ku, Tokyo) One other business office in Tokyo	Wacoal Business (Domestic)	Facilities for administration affairs Sales facilities	1,389	5,859 (2,864)
Wacoal Distribution Corp. Moriyama Logistics Center (Moriyama, Shiga)	Wacoal Business (Domestic)	Facilities for merchandise management	4,778	1,419 (38,923)
Wacoal Manufacturing Japan Corp. Nagasaki Factory (Unzen, Nagasaki)	Wacoal Business (Domestic)	Manufacturing facilities	197	52 (19,369)

4. The average number of temporary employees during the period is in brackets.

5. The details of the major leased facilities by other entities other than the above consolidated subsidiaries are as follows.

(1) Domestic Subsidiaries

Name of Business Office (Location)	Segment	Type of Equipment and Facilities	Buildings (m <sup>2</sup> )	Land (m <sup>2</sup> )	Annual Lease Amount (Millions of yen)
Peach John Co., Ltd. Head Office (Minato-ku, Tokyo)	Peach John Business	Facilities for administration affairs	969	—	49

(2) Overseas Subsidiaries

Name of Company (Location)	Segment	Type of Equipment and Facilities	Buildings (m <sup>2</sup> )	Land (m <sup>2</sup> )	Annual Lease Amount (Millions of yen)
Wacoal America, Inc. (New York, USA)	Wacoal Business (Overseas)	Facilities for administration affairs	4,772	—	449

3. 【Plans for Capital Investment, Disposals of Property, Plants, and Equipment, etc.】

(1) Additions of Important Facilities

Not applicable.

(2) Disposals of Important Facilities

Not applicable.

#### IV. 【Information on the Company】

##### 1. 【Information on the Company's Stock, etc.】

###### (1) Total number of shares, etc.

###### (i) Total number of shares

Class	Total Number of Shares Authorized to be Issued
Common stock	250,000,000
Total	250,000,000

###### (ii) Number of Shares Issued

Class	Number of Shares Issued as of the end of Fiscal Year (March 31, 2025) (shares)	Number of Shares Issued as of the Filing Date (June 25, 2025) (shares)	Names of Stock Exchanges on which the Company is listed or Names of Authorized Financial Instruments Firms Association	Description
Common stock	55,500,000	52,500,000	Prime Market of Tokyo Stock Exchange	Shareholders have unlimited standard rights. The number of shares constituting a unit is 100.
Total	55,500,000	52,500,000	—	—

(Note) Our Board of Directors adopted a resolution at a meeting held on May 15, 2025 regarding cancellation of treasury stock and 3,000,000 shares of treasury stock have been cancelled as of May 23, 2025. As a result, the number of shares issued as of the date of this report is 52,500,000 shares.

###### (2) Status of Stock Acquisition Rights

###### (i) 【Stock Option Plans】

###### (1st Stock Acquisition Rights / 2nd Stock Acquisition Rights)

Date of resolution	July 30, 2008	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 5
Number of stock acquisition rights	19 [–] (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 9,500 [–] (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2008 until September 1, 2028	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,275 yen Amount capitalized as common stock: 1,138 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). As for the matters revised between the end of the current fiscal year and the end of the month preceding the filing date (May 31, 2025), the information as of the end of the month preceding the filing date is listed in [ ]. The content of other matters has remained unchanged since the last day of the current fiscal year.

(Notes) 1. The number of shares represented by one stock acquisition right is 500 shares.  
2. In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares

represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\frac{\text{Number of Allotted Stock after adjustment}}{\text{Number of Allotted Stock before adjustment}} = \text{Ratio of stock split or reverse stock split} \times$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date.

In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2027  
From September 2, 2027 until September 1, 2028.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:

To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.

- (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
- (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
- (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
  - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 40-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
  - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
- (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
- (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:
  - (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

## (3rd Stock Acquisition Rights / 4th Stock Acquisition Rights)

Date of resolution	July 30, 2009	
Category and number of eligible grantees	Director of the Company 4	Director of subsidiary 4
Number of stock acquisition rights	20 [-] (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 10,000 [-] (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2009 until September 1, 2029	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,169 yen Amount capitalized as common stock: 1,085 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). As for the matters revised between the end of the current fiscal year and the end of the month preceding the filing date (May 31, 2025), the information as of the end of the month preceding the filing date is listed in [ ]. The content of other matters has remained unchanged since the last day of the current fiscal year.

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:
$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date.

In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.
  - Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
    - Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding

the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:

(i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2028  
From September 2, 2028 until September 1, 2029.

(ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):

For 15 days from the day after the date of said approval.

(3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.

4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:

(1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:

The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.

(2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:

Common stock of the Surviving Company.

(3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:

To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.

(4) Amount Capitalized upon Exercise of Stock Acquisition Rights:

The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.

(5) Exercise Period for Stock Acquisition Rights:

From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.

(6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:

(i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.

(ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.

(7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:

The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.

(8) Provisions for the Acquisition of Stock Acquisition Rights:

In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(5th Stock Acquisition Rights / 6th Stock Acquisition Rights)

Date of resolution	July 30, 2010	
Category and number of eligible grantees	Director of the Company 4	Director of subsidiary 3
Number of stock acquisition rights	21 [-] (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 10,500 [-] (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2010 until September 1, 2030	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,163 yen	Amount capitalized as common stock: 1,082 yen
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). As for the matters revised between the end of the current fiscal year and the end of the month preceding the filing date (May 31, 2025), the information as of the end of the month preceding the filing date is listed in [ ]. The content of other matters has remained unchanged since the last day of the current fiscal year.

- (Notes)
1. The number of shares represented by one stock acquisition right is 500 shares.
  2. In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the

conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2029  
From September 2, 2029 until September 1, 2030.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.

- (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
- (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
- (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
  - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
- (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
- (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:
- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

## (7th Stock Acquisition Rights / 8th Stock Acquisition Rights)

Date of resolution	July 29, 2011	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 5
Number of stock acquisition rights	24 [-] (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 12,000 [-] (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2011 until September 1, 2031	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 1,757 yen Amount capitalized as common stock: 879 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). As for the matters revised between the end of the current fiscal year and the end of the month preceding the filing date (May 31, 2025), the information as of the end of the month preceding the filing date is listed in [ ]. The content of other matters has remained unchanged since the last day of the current fiscal year.

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:
$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date.

In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.
  - Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
    - Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding

the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:

- (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2030  
From September 2, 2030 until September 1, 2031.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
  - (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
    - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
    - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
  - (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
  - (8) Provisions for the Acquisition of Stock Acquisition Rights:

In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(9th Stock Acquisition Rights / 10th Stock Acquisition Rights)

Date of resolution	July 31, 2012	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 4
Number of stock acquisition rights	25 (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 12,500 (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 4, 2012 until September 3, 2032	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 1,599 yen	Amount capitalized as common stock: 800 yen
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\text{Number of Allotted Stock after adjustment} = \text{Number of Allotted Stock before adjustment} \times \text{Ratio of stock split or reverse stock split}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date.

In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights from the time when they lose any position of Director, (including Executive Officer at company with a committee), Audit and Supervisory Board Member or Executive Officer of the Company and Wacoal Corp. (hereinafter referred to as the "Date of Loss of Status"). provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the date on which five years have elapsed since the following day of the Date of Loss of Status (hereinafter referred to as the "Exercise Start Date.")
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2031  
From September 2, 2031 until September 3, 2032.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the

Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.

(5) Exercise Period for Stock Acquisition Rights:

From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.

(6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:

- (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
- (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.

(7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:

The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.

(8) Provisions for the Acquisition of Stock Acquisition Rights:

In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
- (ii) a proposed corporate division agreement or plan under which the Company would be split;
- (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
- (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
- (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.

(9) Other Conditions relating to the Exercise of Stock Acquisition Rights:

To be determined pursuant to Note 3 above.

## (11th Stock Acquisition Rights / 12th Stock Acquisition Rights)

Date of resolution	July 31, 2013	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 6
Number of stock acquisition rights	25 (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 12,500 (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 3, 2013 until September 2, 2033	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 1,837 yen Amount capitalized as common stock: 919 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\frac{\text{Number of Allotted Stock after adjustment}}{\text{Number of Allotted Stock before adjustment}} = \text{Ratio of stock split or reverse stock split}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

- Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
  - Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
    - if the Exercise Start Date of the Option holder has not occurred by September 1, 2032

From September 2, 2032 until September 2, 2033.

- (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):

For 15 days from the day after the date of said approval.

- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
- (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
  - (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
    - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
    - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
  - (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
  - (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative

executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(13th Stock Acquisition Rights / 14th Stock Acquisition Rights)

Date of resolution	July 31, 2014	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 5
Number of stock acquisition rights	22 (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 11,000 (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2014 until September 1, 2034	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 1,875 yen Amount capitalized as common stock: 938 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}} \times \text{Ratio of stock split or reverse stock split}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2033  
From September 2, 2033 until September 1, 2034.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.

- (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
- (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
  - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
- (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
- (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:
- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(15th Stock Acquisition Rights / 16th Stock Acquisition Rights)

Date of resolution	July 31, 2015	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 4
Number of stock acquisition rights	18 (Note 1)	—
Class, description and number of shares represented by stock acquisition rights	Common stock 9,000 (Note 2)	—
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2015 until September 1, 2035	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,839 yen Amount capitalized as common stock:	1,420 yen
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

(Notes) 1. The number of shares represented by one stock acquisition right is 500 shares.

2. In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\frac{\text{Number of Allotted Stock after adjustment}}{\text{Number of Allotted Stock before adjustment}} = \text{Ratio of stock split or reverse stock split}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date.

In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2034  
From September 2, 2034 until September 1, 2035.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.

- (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
- (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
- (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
- (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
  - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
  - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
- (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
- (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:
  - (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

## (17th Stock Acquisition Rights / 18th Stock Acquisition Rights)

Date of resolution	July 29, 2016	
Category and number of eligible grantees	Director of the Company 4	Director of subsidiary 6
Number of stock acquisition rights	23 (Note 1)	4 (Note 1)
Class, description and number of shares represented by stock acquisition rights	Common stock 11,500 (Note 2)	Common stock 2,000 (Note 2)
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2016 until September 1, 2036	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,089 yen Amount capitalized as common stock: 1,045 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:
$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.
  - Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
    - Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
      - if the Exercise Start Date of the Option holder has not occurred by September 1, 2035

From September 2, 2035 until September 1, 2036.

- (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):

For 15 days from the day after the date of said approval.

- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
- (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
  - (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
    - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
    - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
  - (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
  - (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative

executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(19th Stock Acquisition Rights / 20th Stock Acquisition Rights)

Date of resolution	July 31, 2017	
Category and number of eligible grantees	Director of the Company 4	Director of subsidiary 7
Number of stock acquisition rights	20 (Note 1)	4 (Note 1)
Class, description and number of shares represented by stock acquisition rights	Common stock 10,000 (Note 2)	Common stock 2,000 (Note 2)
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From September 2, 2017 until September 1, 2037	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,919 yen Amount capitalized as common stock:	1,460 yen
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 500 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}} \times \text{Ratio of stock split or reverse stock split}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date.

In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by September 1, 2036  
From September 2, 2036 until September 1, 2037.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:

From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.

- (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
- (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
  - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
- (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
- (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:
- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

## (21st Stock Acquisition Rights / 22nd Stock Acquisition Rights)

Date of resolution	July 20, 2018	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 5
Number of stock acquisition rights	111 (Note 1)	18 (Note 1)
Class, description and number of shares represented by stock acquisition rights	Common stock 11,100 (Note 2)	Common stock 1,800 (Note 2)
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From August 18, 2018 until August 17, 2038	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 3,006 yen Amount capitalized as common stock: 1,503 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 100 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:
$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.
  - Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
    - Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
      - if the Exercise Start Date of the Option holder has not occurred by August 17, 2037

From August 18, 2037 until August 17, 2038.

- (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):

For 15 days from the day after the date of said approval.

- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
- (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
  - (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
    - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
    - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
  - (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
  - (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative

executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
- (ii) a proposed corporate division agreement or plan under which the Company would be split;
- (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
- (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
- (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.

- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(23rd Stock Acquisition Rights / 24th Stock Acquisition Rights)

Date of resolution	June 27, 2019	
Category and number of eligible grantees	Director of the Company 4	Director of subsidiary 6
Number of stock acquisition rights	146 (Note 1)	32 (Note 1)
Class, description and number of shares represented by stock acquisition rights	Common stock 14,600 (Note 2)	Common stock 3,200 (Note 2)
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From July 23, 2019 until July 22, 2039	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 2,517 yen Amount capitalized as common stock:	1,259 yen
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 100 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:

$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}} \times \text{Ratio of stock split or reverse stock split}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.

3. (1) Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
- (2) Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
  - (i) if the Exercise Start Date of the Option holder has not occurred by July 22, 2038  
From July 23, 2038 until July 22, 2039.
  - (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):  
For 15 days from the day after the date of said approval.
- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
  - (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.

- (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
- (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
  - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
- (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
- (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:
- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

## (25th Stock Acquisition Rights / 26th Stock Acquisition Rights)

Date of resolution	June 26, 2020	
Category and number of eligible grantees	Director of the Company 5	Director of subsidiary 6
Number of stock acquisition rights	194 (Note 1)	56 (Note 1)
Class, description and number of shares represented by stock acquisition rights	Common stock 19,400 (Note 2)	Common stock 5,600 (Note 2)
Amount to be paid upon exercise of stock acquisition rights	One yen per share	
Exercise period	From July 18, 2020 until July 17, 2040	
Issue price for shares issued through the exercise of the stock acquisition rights and the amount capitalized as common stock	Issue price: 1,769 yen Amount capitalized as common stock: 885 yen	
Terms and conditions for exercising the stock acquisition rights	(Note 3)	
Matters related to transfer of the stock acquisition rights	Subject to the approval of the Board of Directors	
Matters related to the grant of stock acquisition rights accompanying reorganization acts	(Note 4)	

\* Above is based on information available as of the end of the current fiscal year (March 31, 2025). No change has been made as of the end of the month preceding the filing date (May 31, 2025).

- (Notes)
- The number of shares represented by one stock acquisition right is 100 shares.
  - In the event that the Company conducts a stock split (including the free allocation of shares of common stock of the Company; hereinafter the same) or a reverse split of its common stock, the number of shares represented by stock acquisition rights (the Number of Allotted Stock) will be adjusted in accordance with the following formula:
$$\text{Number of Allotted Stock after adjustment} = \frac{\text{Number of Allotted Stock before adjustment}}{\text{Ratio of stock split or reverse stock split}}$$

This adjustment will apply from the day following the record date in the case of a stock split and from the day on which the reverse stock split becomes effective in the case of a reverse stock split. However, in the event that the Company conducts a stock split that is conditioned on approval at a general meeting of shareholders of the Company of an increase in stockholders' equity or additional paid-in capital by decreasing the amount of surplus, and provided that the record date for such stock split is set prior to the conclusion of such general meeting of shareholders, from the day following the conclusion of such general meeting of shareholders, the adjustment will apply retroactively from the day following the record date. In addition to the above, the Number of Allotted Stock shall be reasonably adjusted as may be required in unavoidable circumstances.

Any fractional shares that result from the above adjustment will be rounded down to the nearest whole share.

Furthermore, in case of any adjustment of the Number of Allotted Stock, the Company shall make any necessary notification or announcement to Option holders no later than the day immediately preceding the day on which the Number of Allotted Stock after adjustment becomes effective. However, if the Company is unable to provide such notification or announcement by such date, the Company shall provide prompt notification or announcement thereafter.
  - Option holders may exercise their stock acquisition rights on the Date of Loss of Status; provided, however, that in such case, such Option holder may only exercise his or her stock acquisition rights until the earlier of (i) the expiration date of the exercise period as stipulated in the table above and (ii) the five-year anniversary of the Exercise Start Date.
    - Notwithstanding the foregoing, during the exercise period set forth in the table above, the Option holders may exercise their stock acquisition rights in the following cases (for item (ii), excluding the case where the stock acquisition rights of the Surviving Company are granted to the Option holders pursuant to Note 4 below) only during the respective periods designated below:
      - if the Exercise Start Date of the Option holder has not occurred by July 17, 2039

From July 18, 2039 until July 17, 2040.

- (ii) if the general meeting of shareholders of the Company approves a merger agreement pursuant to which the Company is to be dissolved or a stock swap agreement or share transfer plan that makes the Company a wholly owned subsidiary (or, in the event a resolution of the general meeting of shareholders is not required, if a resolution of the board or determination by the chief executive officer of the Company is passed):

For 15 days from the day after the date of said approval.

- (3) If an Option holder waives his or her stock acquisition rights, such Option holder may not exercise the said stock acquisition rights.
4. In the event that the Company conducts Organizational Restructuring, stock acquisition rights of the Surviving Company shall be granted to each holder of the Residual Stock Acquisition Rights in accordance with the following terms and conditions. In such case, the remaining stock acquisition rights shall be canceled, and the Surviving Company shall issue new stock acquisition rights; provided, however, that this shall be limited to the case where the grant of stock acquisition rights of the Surviving Company pursuant to the following conditions is stipulated in the absorption-type demerger agreement, incorporation-type demerger agreement, merger and spin-off agreement, new spin-off plan, stock swap agreement, or share transfer plan:
- (1) Number of Stock Acquisition Rights of the Surviving Company to Be Granted:  
The number of stock acquisition rights to be granted shall be equal to the number of Residual Stock Acquisition Rights.
  - (2) Class of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
Common stock of the Surviving Company.
  - (3) Number of Shares of the Surviving Company to be Issued upon Exercise of the Stock Acquisition Rights:  
To be determined pursuant to Note 2 above after taking into consideration the terms and conditions of the Organizational Restructuring.
  - (4) Amount Capitalized upon Exercise of Stock Acquisition Rights:  
The amount capitalized upon the exercise of each stock acquisition right to be granted shall be the amount paid after restructuring as prescribed below multiplied by the number of shares of the Surviving Company to be issued upon the exercise of the stock acquisition rights as determined in accordance with (3) above. The amount paid after restructuring shall be one yen per share of the Surviving Company, which may be granted upon exercise of each stock acquisition right to be granted.
  - (5) Exercise Period for Stock Acquisition Rights:  
From the later of (i) the starting date of the exercise period for stock acquisition rights as stipulated in the table above and (ii) the effective date of Organizational Restructuring, and lasting until the expiration date for the exercise of stock acquisition rights as stipulated in the table above.
  - (6) Matters concerning Increases in Capital Stock and Additional Paid-in Capital in Case of Issuance of Shares Due to the Exercise of Stock Acquisition Rights:
    - (i) In the event that shares are issued due to the exercise of stock acquisition rights, shareholders' equity shall be increased by half the limit for increases in common stock that are calculated in accordance with Article 17-1 of the Japanese Company Accounting Regulations. Any amount less than one yen shall be rounded up to the nearest yen.
    - (ii) In the event that shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall be increased by the amount remaining after deducting the increase in the limit for increase in common stock stipulated in (i) above.
  - (7) Limitation on Acquisition of Stock Acquisition Rights by Transfer:  
The acquisition of stock acquisition rights by transfer shall be subject to approval by resolution of the board.
  - (8) Provisions for the Acquisition of Stock Acquisition Rights:  
In the event that a general meeting of shareholders of the Company approves any of the following (or, when shareholder approval is not necessary, in the event that the board or the representative

executive officer approves of any of the following), the Company may acquire stock acquisition rights without compensation on a date separately specified by the board:

- (i) a proposed merger agreement under which the Company is to be dissolved;
  - (ii) a proposed corporate division agreement or plan under which the Company would be split;
  - (iii) a proposed stock swap agreement or plan that makes the Company a wholly owned subsidiary;
  - (iv) a proposed amendment to the Articles of Incorporation to add a provision that prescribes that the Company, with respect to all of its issued shares, shall be required to obtain the approval of the Company for the acquisition of such shares by transfer; or
  - (v) a proposed approval for an amendment to the Articles of Incorporation to add a provision that prescribes that the Company shall be required to obtain the approval of the Company for the acquisition of the shares to be issued upon the exercise of stock acquisition rights by transfer or that the Company shall obtain all of the shares of said class by a resolution of the general meeting of shareholders.
- (9) Other Conditions relating to the Exercise of Stock Acquisition Rights:  
To be determined pursuant to Note 3 above.

(ii) 【Right Plans】

Not applicable.

(iii) 【Other Stock Acquisition Rights】

Not applicable.

- (3) Status of Exercise of Bonds with Stock Acquisition Rights Containing a Clause for Exercise Price Adjustment  
Not applicable.

(4) Trends in the Total Number of Shares Issued, Common Stock, etc.

Date	Changes in the Total Number of Shares Issued (Thousands of shares)	Balance of Total Number of Shares Issued (Thousands of shares)	Changes in Common Stock (Millions of yen)	Balance of Common Stock (Millions of yen)	Changes in Legal Capital Surplus (Millions of yen)	Balance of Legal Capital Surplus (Millions of yen)
May 25, 2020 (Note 1)	(3,000)	65,589	—	13,260	—	29,294
May 23, 2022 (Note 1)	(1,089)	64,500	—	13,260	—	29,294
May 26, 2023 (Note 1)	(3,500)	61,000	—	13,260	—	29,294
August 31, 2023 (Note 2)	—	61,000	—	13,260	(29,294)	—
May 24, 2024 (Note 1)	(5,500)	55,500	—	13,260	—	—

- (Notes)
1. The decrease was due to the cancellation of treasury stock.
  2. The Company reduced the amount of legal capital surplus and transferred the same amount to additional other capital surplus pursuant to the provisions of Paragraph 1, Article 448 of the Companies Act.
  3. Our Board of Directors adopted a resolution at a meeting held on May 15, 2025 regarding cancellation of treasury stock and 3,000,000 shares of treasury stock have been cancelled as of May 23, 2025.

## (5) Status of Shareholders

As of March 31, 2025

Category	Status of Shares (1 unit = 100 shares)								Shares Less Than One Unit (Shares)
	National and Local Governments	Financial Institutions	Securities Companies	Other Corporations	Foreign Shareholders		Individuals and Other	Total	
					Foreign shareholders other than individuals	Individuals			
Number of shareholders	–	34	25	127	168	14	11,971	12,339	–
Number of shares held (units)	–	223,784	41,771	38,869	128,783	47	120,717	553,971	102,900
Ratio (%)	–	40.39	7.54	7.02	23.25	0.01	21.79	100	–

- (Notes)
1. Out of the treasury stock of 3,840,910 shares, 38,409 units are included under “Individuals and Other,” and 10 shares of less than one unit are included under “Shares less than One Unit.”
  2. Shares under “Other Corporations” and “Shares less than One Unit” include 2 units and 27 shares, respectively, held under the name of the Japan Securities Depository Center.

## (6) Status of Major Shareholders

As of March 31, 2025

Name of Shareholder	Address	Number of Shares Held by Shareholder (Thousands of shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	5,594	10.83
Meiji Yasuda Life Insurance Company	2-1-1, Marunouchi, Chiyoda-ku, Tokyo	3,050	5.90
The Bank of Mitsubishi UFJ, Ltd.	1-4-5, Marunouchi, Chiyoda-ku, Tokyo	2,704	5.24
The Bank of Kyoto, Ltd.	700, Yakushimae-cho, Karasuma-dori, Matsubara-agaru, Shimogyo-ku, Kyoto	2,352	4.55
GOLDMAN SACHS INTERNATIONAL (Standing proxy: Goldman Sachs Japan Co., Ltd.)	Plumtree Court, 25 Shoe Lane, London EC4A 4AU, UK (Toranomon Hills Station Tower, 2-6-1 Toranomon, Minato-ku, Tokyo)	1,737	3.36
Nippon Life Insurance Company	1-6-6, Marunouchi, Chiyoda-ku, Tokyo (Nippon Life Insurance Securities Services)	1,569	3.04
The Shiga Bank, Ltd.	1-38, Hamamachi, Otsu-shi, Shiga	1,569	3.04
Mitsubishi UFJ Trust and Banking Corporation	1-4-5, Marunouchi, Chiyoda-ku, Tokyo	1,525	2.95
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	1,512	2.93
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) (Standing proxy: Nomura Securities Co., Ltd.)	1 Angel Lane, London, EC4R 3AB, United Kingdom 1-13-1, Nihonbashi, Chuo-ku, Tokyo	1,230	2.38
Total	—————	22,845	44.22

- (Notes)
1. The Company is holding 3,840 thousand shares of treasury stock, which are not listed in the above list of major shareholders.
  2. The numbers of shares held by The Master Trust Bank of Japan, Ltd. (Trust Account) and Custody Bank of Japan, Ltd. (Trust Account) are related to their respective trust services.
  3. The substantial shareholding report (change report) dated July 24, 2024, filed by Mitsubishi UFJ Financial Group, Inc. and its joint holders, which is publicly available, indicates that they hold shares stated below as of July 17, 2024. However, as we are unable to confirm the actual status of the shareholdings of these shareholders except MUFG Bank, Ltd. as of March 31, 2025, those shareholdings have not been reflected in the above list.

The content of such a large volume holding report (change report) is as follows:

Name of Shareholder	Location	Number of Shares Held by Shareholder (Thousands of shares)	Shareholding Ratio (%)
The Bank of Mitsubishi UFJ, Ltd.	1-4-5, Marunouchi, Chiyoda-ku, Tokyo	2,704	4.87
Mitsubishi UFJ Trust and Banking Corporation	1-4-5, Marunouchi, Chiyoda-ku, Tokyo	2,376	4.28
Mitsubishi UFJ Asset Management Co., Ltd.	1-9-1, Higashi-Shinbashi, Minato-ku, Tokyo	226	0.41
Mitsubishi UFJ Morgan Stanley Japan Securities Co., Ltd.	1-9-2, Otemachi, Chiyoda-ku, Tokyo	312	0.56
Total		5,619	10.13

4. The substantial shareholding report (change report) dated November 14, 2024, filed by 3D Investment Partners Pte. Ltd., which is publicly available, indicates that it holds shares stated below as of November 7, 2024. However, as we were unable to confirm the actual status of shareholdings as of March 31, 2025, those shareholdings have not been reflected in the above list.

The content of such a large volume holding report (change report) is as follows:

Name of Shareholder	Location	Number of Shares Held by Shareholder (Thousands of shares)	Shareholding Ratio (%)
3D Investment Partners Pte. Ltd.	1 Temasek Avenue #20-02A Millenia Tower, Singapore 039192	5,975	10.77

5. The substantial shareholding report (change report) dated March 21, 2025, filed by Nomura Securities Co., Ltd. and its joint holders, which is publicly available, indicates that they hold shares stated below as of March 14, 2025. However, as we are unable to confirm the actual shareholdings of these shareholders as of March 31, 2025, those shareholdings have not been reflected in the above list.

The content of such a large volume holding report (change report) is as follows:

Name of Shareholder	Address	Number of Shares Held by Shareholder (Thousands of shares)	Shareholding Ratio (%)
Nomura Securities Co., Ltd.	1-13-1, Nihonbashi, Chuo-ku, Tokyo	1,046	1.89
NOMURA INTERNATIONAL PLC	1 Angel Lane, London EC4R 3AB, United Kingdom	350	0.63
Nomura Asset Management Co., Ltd.	2-2-1, Toyosu, Koto-ku, Tokyo	1,347	2.43
Total		2,744	4.94

## (7) Status of Voting Rights

## (i) Shares Issued

As of March 31, 2025

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Category	Number of Shares (Shares)	Number of Voting Rights (Units)	Description
Shares without voting rights	—	—	—
Shares with restricted voting rights – treasury stock, etc.	—	—	—
Shares with restricted voting rights – other	—	—	—
Shares with full voting rights – treasury stock, etc.	(Treasury stock) Common stock 3,840,900	—	Shareholders have unlimited standard rights. The number of shares constituting a unit is 100.
Shares with full voting rights – other	Common stock 51,556,200	515,562	Same as above
Shares less than one unit	Common stock 102,900	—	Same as above
Total number of shares issued	55,500,000	—	—
Total voting rights held by all shareholders	—	515,562	—

(Note) Shares under “Shares with full voting rights – other” include 200 shares held under the name of the Japan Securities Depository Center. Also, 2 units of the voting right under the “Number of Voting Rights” are related to the shares with full voting rights held under the name of the Japan Securities Depository Center.

## (ii) Treasury Stock, etc.

As of March 31, 2025

Name of Shareholder	Address	Number of Shares held under Own Name (Shares)	Number of Shares held under the Name of Others (Shares)	Total Number of Shares held (Shares)	Shareholding Ratio (%)
(Treasury stock) Wacoal Holdings Corp.	29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto	3,840,900	—	3,840,900	6.92
Total	—	3,840,900	—	3,840,900	6.92

## 2. 【Information on Acquisition etc. of Treasury Stock】

<Class of shares>

Acquisition of shares of common stock under the condition set forth in Article 155, Item 3 of the Companies Act, acquisition of shares of common stock under the condition set forth in Article 155, Item 7 of the Companies Act, acquisition of shares of common stock under the condition set forth in Article 155, Item 8 of the Companies Act, and acquisition of shares of common stock under the provision set forth in Article 155, Item 13 of the Companies Act

(1) Acquisition of Treasury Stock based on a Resolution of General Meeting of Shareholders

Not applicable.

(2) Acquisition of Treasury Stock based on a Resolution of Board of Directors

Acquisition pursuant to Article 155, Item 3 of the Companies Act

Category	Number of Shares (Shares)	Total Amount (Yen)
Status of Resolution of Board of Directors (May 15, 2024) (Period for acquisition: From June 3, 2024 to March 21, 2025)	7,300,000	25,000,000,000
Treasury stock acquired prior to the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	3,473,500	16,946,796,600
Total number of remaining shares under the resolution and their aggregated value	3,826,500	8,053,203,400
Unexercised percentage as of the end of the current fiscal year (%)	52.42	32.21
Treasury stock acquired during the current period	—	—
Unexercised percentage as of the filing date of this report (%)	52.42	32.21

Category	Number of Shares (Shares)	Total Amount (Yen)
Status of Resolution of Board of Directors (May 15, 2025) (Period for acquisition: From May 19, 2025 to March 24, 2026)	5,800,000	28,500,000,000
Treasury stock acquired prior to the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	—	—
Total number of remaining shares under the resolution and their aggregated value	—	—
Unexercised percentage as of the end of the current fiscal year (%)	—	—
Treasury stock acquired during the current period	198,900	999,930,500
Unexercised percentage as of the filing date of this report (%)	96.57	96.49

(Note) The number of shares of treasury stock acquired during the period indicated above does not include the number of shares of treasury stock acquired during the period from June 1, 2025 until the filing date of this report.

Acquisition pursuant to Article 155, Item 8 of the Companies Act

Category	Number of Shares (Shares)	Total Amount (Yen)
Status of Resolution of Board of Directors (April 30, 2024) (Period for acquisition: April 30, 2024)	17,146	59,153,700
Treasury stock acquired prior to the current fiscal year	—	—
Treasury stock acquired during the current fiscal year	17,146	59,153,700
Total number of remaining shares under the resolution and their aggregated value	—	—
Unexercised percentage as of the end of the current fiscal year (%)	—	—
Treasury stock acquired during the current period	—	—
Unexercised percentage as of the filing date of this report (%)	—	—

- (Notes)
1. This is acquisition through purchase of shares from untraceable shareholders pursuant to the provisions of Paragraph 3 and Paragraph 4 of Article 197 of the Companies Act.
  2. The purchase unit price is the closing price of the Company's shares on Tokyo Stock Exchange, Inc. on the purchase date.

- (3) Acquisition of Treasury Stock not based on a Resolution of Ordinary General Meeting of Shareholders or Board of Directors

Acquisition pursuant to Article 155, Item 7 of the Companies Act

Category	Number of Shares (Shares)	Total Amount (Yen)
Treasury stock acquired during the current fiscal year	596	2,629,695
Treasury stock acquired during the current period	30	149,130

- (Note) The number of shares of treasury stock acquired during the current period does not include the number of shares less than one unit purchased during the period from June 1, 2025 until the filing date of this report.

Acquisition pursuant to Article 155, Item 13 of the Companies Act

Category	Number of Shares (Shares)	Total Amount (Yen)
Treasury stock acquired during the current fiscal year	334	—
Treasury stock acquired during the current period	—	—

- (Notes)
1. Due to the acquisition of restricted stock free of charge.
  2. The number of shares of treasury stock acquired during the current period does not include the number of shares of restricted stock acquired free of charge during the period from June 1, 2025 until the filing date of this report.

(4) Status of Disposition and Holding of Acquired Treasury Stock

Category	Current Fiscal Year		Current Period	
	Number of Shares (Shares)	Total Disposition Value (Yen)	Number of shares (Shares)	Total Disposition Value (Yen)
Acquired treasury stock that was offered to subscribers for subscription	—	—	—	—
Acquired treasury stock that was canceled	5,500,000	16,011,441,759	3,000,000	14,055,246,983
Acquired treasury stock that was transferred due to merger, stock swap, stock delivery, or company split	—	—	—	—
Other (transfer of shares less than one unit per purchase request)	35	101,920	—	—
Other (exercise of stock acquisition rights)	68,600	247,777,800	42,000	196,476,000
Other (restricted stock)	13,700	39,894,400	—	—
Number of shares of treasury stock held	3,840,910	—	997,840	—

(Note) The number of shares of treasury stock held during the current period does not include shares less than one unit purchased or sold during the period from June 1, 2025 until the filing date of this report.

### 3. 【Dividend Policy】

Our basic policy on profit distributions to shareholders is to make stable distributions based on consideration of our consolidated performance, while seeking to enhance our enterprise value through active investments aimed at higher profitability and to increase net income per share.

Our basic policy is to distribute earnings twice a year in the form of interim and year-end dividends subject to the resolutions of the Board of Directors as prescribed in our Articles of Incorporation pursuant to the provisions of Paragraph 1, Article 459 of the Companies Act.

In principle, we distribute a year-end dividend of 50.00 yen per share as a distribution of earnings for the current fiscal year. As a result, the annual cash dividend per share, including an interim dividend of 50.00 yen per share, is 100.00 yen per share for the current fiscal year.

As for retained earnings, from the viewpoint of improving our corporate value, we have invested them in maintaining competitiveness and boosting growth power through measures including expanding and deepening contact points with customers in Japan and overseas as strategic investments whereby we strive to return profits to shareholders through a future earnings increase.

(Note) The distribution of earnings for which record date belongs to the current fiscal year is as follows:

Date of Resolution	Total Dividend Amount (Millions of yen)	Dividend Amount per Share (Yen)
November 11, 2024 Resolution of Board of Directors' meeting	2,709	50.00
May 15, 2025 Resolution of Board of Directors' meeting	2,583	50.00

#### 4. 【Corporate Governance, etc.】

##### (1) 【Status of Corporate Governance】

###### (i) Fundamental Policies of Corporate Governance

The basic policy and purpose of our group's corporate governance is to continuously enhance our corporate value by increasing transparency and ensuring the fairness and independence of our corporate management in order to establish “mutual trust” in relationship with all stakeholders, including our shareholders, customers, employee, clients and the local community.

Please access our website below for our Corporate Governance Guidelines, including our basic policy.  
<https://www.wacoalholdings.jp/en/group/governance/>

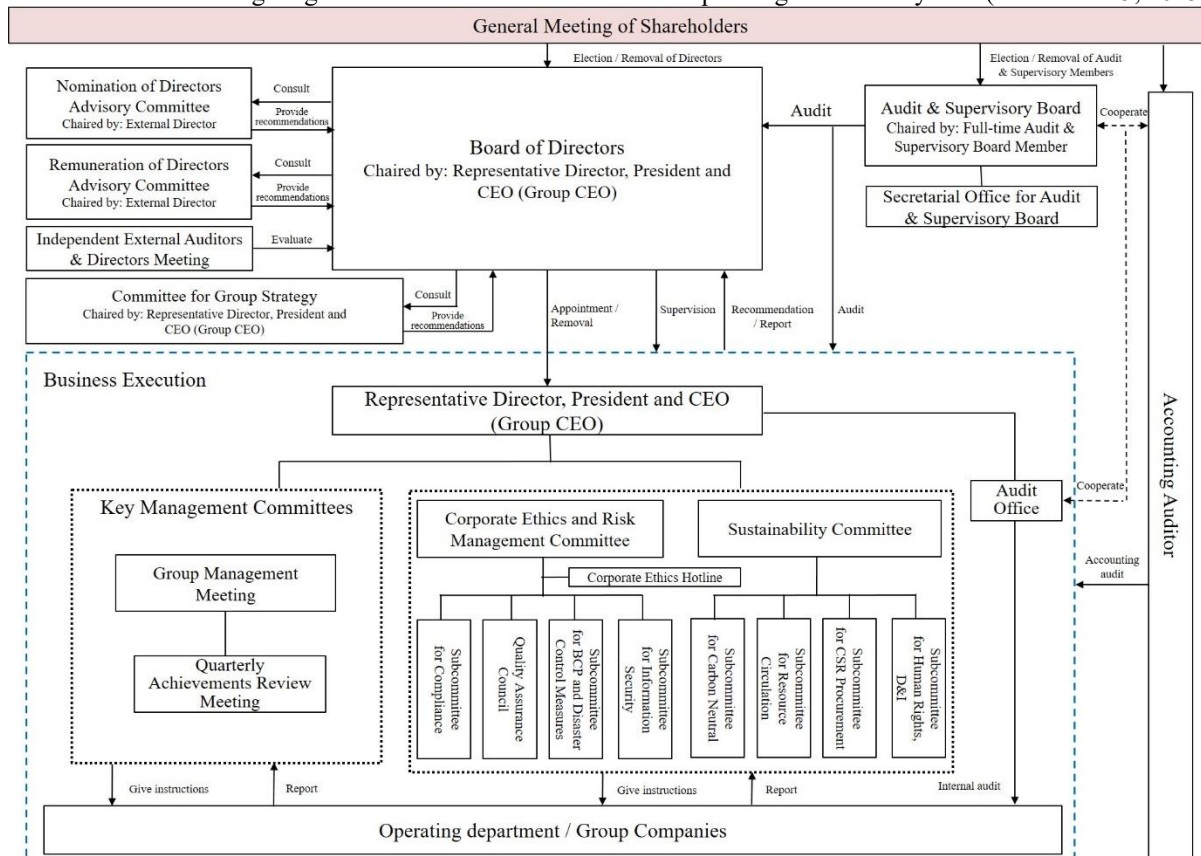
###### (ii) Outline of System of Corporate Governance and Reason for Adoption of such System

###### a. Outline of System of Corporate Governance

We, as a holding company, have adopted the Company with Audit and Supervisory Board system in accordance with the Companies Act for the purpose of ensuring the corporate governance of group companies, and have both the Board of Directors and the Audit and Supervisory Board monitor and audit the management and operation of the Company.

In addition, we have voluntarily established the Nomination of Directors Advisory Committee and Remuneration of Directors Advisory Committee as the advisory bodies to the Board of Directors, which are chaired by External Directors (Independent) and have External Directors (Independent) making up the majority of their members. In addition, as for important matters to be resolved at the Board of Directors meetings and main management issues, etc. such as the Wacoal Group's management philosophy, management policy, medium- and long-term management strategy, medium-term business strategy and allocation of management resources, which are positioned as the core, the Board of Directors consults with the Committee for Group Strategy, in which the President and CEO (Group CEO) acts as the Chair and all independent officers (External Directors (Independent) and External Audit and Supervisory Board Members (Independent)) attend to fully discuss from various perspectives and provide their advice.

The following diagram illustrates the outline of our corporate governance system (as of June 25, 2025).



The members and chairpersons of the Board of Directors, the Audit and Supervisory Board and the committees established on a voluntary basis are as follows. While the members of the Group Management Meeting and the Corporate Ethics and Risk Management Committee include the employees of the Company as well as the Directors and employees of our domestic and overseas group companies, only the Directors, Audit and Supervisory Board Members and Corporate Officers are shown below: (as of June 25, 2025)

Title	Name	Female	Board of Directors	Audit and Supervisory Board	Nomination of Directors Advisory Committee	Remuneration of Directors Advisory Committee	Independent External Auditors & Directors Meeting	Committee for Group Strategy	Group Management Meeting	Corporate Ethics and Risk Management Committee	Sustainability Committee
Representative Director, President and CEO (Group CEO)	Masaaki Yajima		◎		○			◎	○	☆	☆◎
Representative Director, Vice President, Executive Officer and CFO	Akira Miyagi		○		○	○	◎	○	◎	◎	○
Director and Corporate Officer	Keisuke Kawanishi		○					○	○	○	○
External Director (Independent)	Tsunehiko Iwai		○		◎	◎	○	○			△
External Director (Independent)	Chizuru Yamauchi	○	○		○	○	○	○			△
External Director (Independent)	Hisae Sato	○	○		○	○	○	○			△
External Director (Independent)	Koji Nitto		○		○	○	○	○			△
External Director (Independent)	Tetsuro Harada		○		○	○	○	○			△
Audit and Supervisory Board Member	Shinichi Kitagawa		□	◎			○	△	○	△	△
Audit and Supervisory Board Member	Katsuhiro Okamoto		□	○			○	△	○	△	△
External Audit and Supervisory Board Member (Independent)	Hitoshi Suzuki		□	○	△	△	○	△			△
External Audit and Supervisory Board Member (Independent)	Motoko Tanaka	○	□	○			○	△			△
External Audit and Supervisory Board Member (Independent)	Harunobu Shiho		□	○			○	△			△
Corporate Officer	Katsuya Hirooka		△				○	○	○	○	○
Corporate Officer	Atsuko Shinozuka	○	△					○	○	○	○
Corporate Officer	Takuya Yoshidomi		△					○	○	○	
Corporate Officer	Manabu Tochio										
Corporate Officer	Hirofumi Inoue									●	
Corporate Officer	Shinsuke Fukazawa		△			○	△		○	○	
Corporate Officer	Yoshitaka Nakada									●	

(☆: supervisor, ◎ chair or chairperson, ○ member, □ attendee, △ observer, ● non-standing member)

The outline of the Board of Directors, the Audit and Supervisory Board and the committees established on a voluntary basis is as follows:

Name	Outline	
Board of Directors	Members	<ul style="list-style-type: none"> <li>8 members (including 5 External Directors (Independent) and 5 Audit and Supervisory Board Members (including 3 External Audit and Supervisory Board Members (Independent)))</li> <li>Representative Director, President and CEO (Group CEO), Mr. Masaaki Yajima serves as the Chair of the Board of Directors.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>Our Board of Directors is entrusted by shareholders and makes the best decisions based on fair judgment. In addition, our Board of Directors exercises its supervisory function for the execution of its business and aims to maximize corporate value.</li> <li>Our Board of Directors conducts a review of the Group's management philosophy, the management policy, the medium- and long-term management strategy and social issues, as well as decision-making regarding material matters as stipulated in applicable laws and regulations or in our Articles of Incorporation. The Company will formulate basic policies on sustainability issues, and monitor the allocation of management resources and the implementation of business portfolio strategies to contribute to sustainable growth.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>In accordance with the number of Directors as prescribed in our Articles of Incorporation, the Board of Directors is composed of an appropriate number of Directors who are capable of performing the functions of the Board of Directors in the most effective and efficient manner, taking into account the portfolio and size of business.</li> <li>The Board of Directors consists of a diverse group of Directors, taking into account gender, international experience and background, professional experience, age and other factors in order to ensure that the Board of Directors have the balance of skills that should be held, such as knowledge, experience and expertise in light of management strategies.</li> <li>External Directors shall include those who have management experience at other companies, and at least one-third of Directors shall be External Directors (Note 1). (Note 1: The majority of all Directors are External Directors.)</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, the ordinary meeting of the Board of Directors is held once a month, while extraordinary meetings are convened whenever necessary.</li> </ul>

Name	Outline	
Audit and Supervisory Board	Members	<ul style="list-style-type: none"> <li>5 members (including 3 External Audit and Supervisory Board Members (Independent))</li> <li>Audit and Supervisory Board Member Mr. Shinichi Kitagawa serves as the Chair of the Board.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>At the Audit and Supervisory Board, Audit and Supervisory Board Members entrusted by shareholders deliberate or resolve on important matters relating to audit and establish a high-quality corporate governance system that responds to social trust.</li> <li>The Board builds a system to enhance the effectiveness of audit by each Audit and Supervisory Board Member.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>The Company appoints a person who has appropriate experience and ability as well as necessary knowledge to perform the audit function as an Audit and Supervisor Board Member. Especially, we will make efforts to appoint at least one Audit and Supervisory Board Member who has sufficient knowledge of finance and accounting.</li> <li>A majority of the members are External Audit and Supervisory Board Members (Independent).</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, the Board holds a meeting every month prior to the ordinary meeting of the Board of Directors, while extraordinary meetings are convened whenever necessary.</li> </ul>

Name	Outline	
Nomination of Directors Advisory Committee	Members	<ul style="list-style-type: none"> <li>7 members (including 5 External Directors (Independent))</li> <li>External Director (Independent) Mr. Tsunehiko Iwai serves as the Chair of the Committee.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>This Committee discusses and provides recommendations to our Board of Directors on matters related to evaluation, election and dismissal of Directors as well as candidates for promotion, and on matters regarding establishment and revisions of rules and bylaws for Directors.</li> <li>A committee meeting can be officially held by the attendance of the majority of committee members, and approvals shall be unanimous.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>This Committee is composed of the following members. Representative Director and President, Director in charge of Group Business Management, and External Director (Independent)</li> <li>A majority of the Committee members are External Directors (Independent), with an External Director (Independent) serving as the Chair, to enhance its fairness, independence and objectivity.</li> <li>The Committee is also attended by one External Audit and Supervisory Board Member (Independent) as an observer.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, the Committee holds meetings in July, November and January when the Board of Directors' meetings are held, while extraordinary meetings are convened whenever necessary.</li> </ul>

Name	Outline	
Remuneration of Directors Advisory Committee	Members	<ul style="list-style-type: none"> <li>7 members (including 5 External Directors (Independent))</li> <li>External Director (Independent) Mr. Tsunehiko Iwai serves as the Chair of the Committee.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>This Committee discusses and provides recommendations to our Board of Directors on matters regarding performance review and remuneration of Directors, and matters regarding remuneration system of Directors.</li> <li>A committee meeting can be officially held by the attendance of the majority of committee members, and approvals shall be unanimous.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>This Committee is composed of the following members. Director in charge of Group Business Management, Director (or Corporate Officer) in charge of Human Resources, and External Director (Independent)</li> <li>A majority of the Committee members are External Directors (Independent), with an External Director (Independent) serving as the Chair, to enhance its fairness, independence and objectivity.</li> <li>The Committee is also attended by one External Audit and Supervisory Board Member (Independent) as an observer.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, the Committee holds meetings in April, July and February when the Board of Directors' meetings are held, while extraordinary meetings are convened whenever necessary.</li> </ul>

Name	Outline	
Independent External Auditors & Directors Meeting	Members	<ul style="list-style-type: none"> <li>12 members (including 5 External Directors (Independent) and 3 External Audit and Supervisory Board Members (Independent))</li> <li>Representative Director, Vice President and Executive Officer and CFO, Mr. Akira Miyagi serves as the Chair of the Committee.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>The meeting attendees, mainly composed of our External Directors (Independent) and External Audit and Supervisory Board Members (Independent), exchange and share opinions regarding corporate governance and our Board of Directors. The meeting attendees analyze and evaluate the effectiveness of our Board of Directors, identify issues, compile improvement measures, and provide recommendations to our Board of Directors.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>This Meeting is composed of all External Directors (Independent) (5 members), External Audit and Supervisory Board Members (Independent) (3 members), Director in charge of Group Business Management, Audit and Supervisory Board Members (2 members) as well as General Manager of Corporate Planning Dept.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>The Meeting convenes at least once a year to discuss issues and measures with the aim of improving the effectiveness of our Board of Directors.</li> </ul>

Name	Outline	
Committee for Group Strategy	Members	<ul style="list-style-type: none"> <li>11 members (including 5 External Directors (Independent))</li> <li>Representative Director, President and CEO (Group CEO), Mr. Masaaki Yajima serves as the Chair of the Committee.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>The Committee is attended by all External Directors (Independent) and External Audit and Supervisory Board Members (Independent) to fully discuss the Group's management philosophy, the management policy, the medium- and long-term management strategy, important matters to be decided by the Board of Directors, such as medium-term business strategy and allocation of management resources, which are positioned as the core, main management issues, etc. from various perspectives and make a report at the Board of Directors.</li> <li>It also monitors the progress of the contents of the report and supervise to ensure that appropriate adjustment is made in a timely manner.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>This Committee is composed of the Representative Director, President and CEO (Group CEO), who serves as the Chair, the Executive Directors, the Corporate Officers who are appointed by the Chair, and all External Directors (Independent).</li> <li>In addition, all External Audit and Supervisory Board Members (Independent) and Audit and Supervisory Board Members are invited as observers.</li> <li>In addition, depending on the topic of the recommendation requested by the Board of Directors, external advisors and experts are invited.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, it is held on the date of the ordinary meeting of the Board of Directors to monitor the progress status of the contents of the report and as required depending on the topic of the recommendation.</li> </ul>

Name	Outline	
Group Management Meeting	Members	<ul style="list-style-type: none"> <li>9 members (Note: excluding the employees of the Company as well as the Directors and employees of our domestic and overseas group companies)</li> <li>Representative Director, Vice President and Executive Officer and CFO, Mr. Akira Miyagi serves as the Chair of the Meeting.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>The Group Management Meeting considers matters related to group management strategy and important management issues under the medium- to long-term management strategies determined by the Board of Directors.</li> <li>The Meeting also conducts preliminary deliberations on important matters mainly related to business execution, prior to resolutions by the Board of Directors, from the viewpoint of legality, objectivity and rationality.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>This Meeting is composed of Executive Directors who are below the Representative Director, President and CEO, and the Audit and Supervisory Board Members, as well as the Corporate Officers who are appointed by the Chair, and the employees of the Company as well as the Directors and employees of our domestic and overseas group companies who are responsible for execution.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, the Meeting is held twice a month (early and later in the month).</li> </ul>

Name	Outline	
Corporate Ethics and Risk Management Committee	Members	<ul style="list-style-type: none"> <li>10 members (Chair and standing committee members) (in addition, 6 non-standing committee members) (Note: including the employees of the Company as well as the Directors and employees of our domestic and overseas group companies)</li> <li>Representative Director, Vice President and Executive Officer and CFO, Mr. Akira Miyagi serves as the Chair of the Committee.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>The Committee identifies risks related to the overall management of our group, and builds and strengthens our risk management system.</li> <li>This Committee prescribes the “Risk Management Basic Rules,” subject to the approval of the Board of Directors. The Committee clarifies the responsibilities by risk category pursuant to the rules, and formulates a risk management system that thoroughly and comprehensively controls potential risk within our group.</li> <li>This Committee promotes risk-mitigation initiatives, identifies risks, monitors the implementation of countermeasures, and reports the operation status of our risk management system to the Board of Directors on a periodic basis.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>This Committee is composed of the Representative Director, President and CEO (Group CEO), who serves as the supervising manager, the Executive Corporate Officer, and the Corporate Officers who are appointed by the Chair, and the employees of the Company, as well as the Directors and employees of our domestic and overseas group companies.</li> <li>This Committee is composed of the following three subcommittees and one council: Subcommittee for Information Security, Subcommittee for BCP and Disaster Control Measures, Quality Assurance Council and Subcommittee for Compliance.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>In principle, the Committee holds quarterly meetings, while extraordinary meetings are convened whenever necessary.</li> </ul>

Name	Outline	
Sustainability Committee	Members	<ul style="list-style-type: none"> <li>• 5 members</li> <li>• Representative Director, President and CEO (Group CEO), Mr. Masaaki Yajima serves as the Chair of the Committee.</li> </ul>
	Purpose	<ul style="list-style-type: none"> <li>• In order to accelerate our initiatives to achieve balancing “to resolve social issues” and “sustainable growth” through our business, this Committee formulates specific measures, monitors progress, and evaluates the status of achievement based on our basic policy on sustainability issues including climate change, global environmental issues and human rights issues.</li> <li>• The Board of Directors monitors the allocation of management resources and the implementation of strategies related to the business portfolios to ensure that the initiatives of the Sustainable Committee contribute to sustainable growth.</li> </ul>
	Structure	<ul style="list-style-type: none"> <li>• This Committee is composed of the Representative Director, President and CEO (Group CEO), who serves as the supervising manager, the Executive Corporate Officer, and the Corporate Officers who are appointed by the Chair.</li> <li>• This Committee is composed of the following four subcommittees: Subcommittee for Human Rights, D&amp;I, Subcommittee for CSR Procurement, Subcommittee for Resource Circulation and Subcommittee for Carbon Neutral.</li> </ul>
	Frequency	<ul style="list-style-type: none"> <li>• The Committee broadly categorizes issues surrounding sustainability, and holds quarterly meetings on the same day as the Board of Directors meeting in principle, while extraordinary meetings are convened whenever necessary.</li> </ul>

b. Reason for Adopting Such Corporate Governance System

The Company has adopted the organization design of a “Company with Audit and Supervisory Board,” defined by the Companies Act, with a governance system consisting of a “Board of Directors” composed of internal Directors who are experts in each business area and External Directors (Independent) with diverse careers, and an “Audit and Supervisory Board” including External Audit and Supervisory Board Members (Independent). We, as a holding company, believe that this governance system is effective in supervising and auditing the execution of duties at our group companies and to realize and maintain high-quality management.

In addition, the Nomination of Directors Advisory Committee and the Remuneration of Directors Advisory Committee have been established as advisory bodies to the Board of Directors. The fairness, independence and objectivity are enhanced by having a majority of both of these Committees composed of External Director (Independent) and by having an External Director (Independent) serve as the Chair of each of these Committees.

For the foregoing reason, we have adopted our current governance system.

c. Analysis and Evaluation on Effectiveness of Board of Directors

The Company conducts an annual evaluation on the effectiveness of the Board of Directors, and strives to continuously enhance the functions and effectiveness of the Board of Directors from the two viewpoints of “enhancing trust from stakeholders (creating social value)” and “improving organizational performance (enhancing corporate value).” We work on the improvement measures for issues identified by the evaluation, and confirm the status of improvement during the evaluation of the Board of Directors in the following fiscal year, while at the same time continuing to confirm the evaluation of the current issues.

i) Evaluation Process

Starting from the fiscal year ended March 31, 2022, we have changed to a method of analyzing and/or evaluating the effectiveness of the Board of Directors using a third-party evaluation design (including, among other things, preparation and analysis of questionnaire survey as well as comparison with other companies, identifying issues, drafting action plans).

The analysis and/or evaluation based on the questionnaire survey and interviews using the third-party evaluation design is conducted every other year. During the interval year, we focus on initiatives to improve the issues identified from the questionnaire survey, while at the same time conducting evaluation through monitoring and by collecting opinions at the Independent External Auditors & Directors Meeting for the Effectiveness of Board of Directors.

In the effectiveness evaluation in the fiscal year under review (ended March 31, 2025), we updated the evaluation scheme, putting emphasis on the status of improvement activities for issues identified in the previous fiscal year, and reviewed improvement activities in the fiscal year under review for issues identified based on the effectiveness evaluations made in the fiscal years ended March 31, 2023, and March 31, 2024.

The Secretariat of the Independent External Auditors & Directors Meeting conducted a questionnaire survey targeting all of the Directors and Audit and Supervisory Board Members, and in addition to scrutinizing their answers of the questionnaire and their awareness of issues, we asked their opinions on the future roles and responsibilities of Directors and the improvement measures to enhance the effectiveness of the Board of Directors.

Then, the improvement measures are discussed at the Independent External Auditors & Directors Meeting freely, and recommendations are provided to the Board of Directors.

ii) Evaluation Results of Effectiveness and Progress on Initiatives for Improvement

With the deliberation by the Board of Directors based on the answers to the questionnaire survey, we confirmed overall proper functioning and effectiveness of the Board of Directors of the Company.

The reasons why we confirmed that the effectiveness is secured are as follows.

- a) The External Directors and the External Audit and Supervisory Board Members engage in the continuous effort of understanding the Company’s business through activities outside the Board of Directors meetings, including visits to business sites and exchange opportunities with Corporate Officers, Brand Managers, and other employees, and they offer valuable opinions in discussions based on their understanding gained through these activities.
- b) The Board of Directors, of which the majority is composed of External Directors (Independent), has open and lively discussions based on their knowledge and management experiences gained outside of the Company.

- c) There was periodical reporting regarding the progress of activities for the main business issues raised in the medium-term management plan (revised), and there were deep discussions.
- d) A certain amount of progress has been made in improvement activities for issues raised in the effectiveness evaluation of the previous fiscal year.

	Evaluation Result (Issues and Concerns)	Progress/Plan of Initiatives for Improvement
<p>Current Fiscal Year (ended March 31, 2025)</p> <p>Evaluation results on issued identified in previous years</p>	<p>i) Allocation of more time to the consideration of important business matters, such as medium- to long-term strategies, and at the same time, utilization of knowledge of External Directors (Independent) and promotion of more active discussion at the meetings of the Board of Directors</p>	<p>(Activity status)</p> <ul style="list-style-type: none"> <li>For each activity item for the main business issues raised in the medium-term management plan (revised), a year-round schedule was drawn up and periodical progress report was made.</li> <li>A number of discussion sessions were held on issues in overseas businesses (in China and other countries) and business improvement KPIs, based on reports from the management personnel of local companies.</li> </ul> <p>(Plan)</p> <ul style="list-style-type: none"> <li>The next medium-term management plan will be defined in the next fiscal year. Accordingly, we will carefully select agenda items of Board of Directors meetings to activate and prioritize discussions on important business issues and medium- and long-term business strategies to define the next medium-term management plan.</li> </ul>
	<p>ii) Further improvement in the quality of deliberations based on communication with our employees and inspection of local business offices in order to understand the reality of business conditions as well as risks and opportunities.</p>	<p>(Activity status)</p> <ul style="list-style-type: none"> <li>We had visits and inspection trips to stores, distribution centers, real estate holdings, domestic and foreign factories, etc. to properly respond to the changes in the business environment.</li> <li>We provided the Independent Officers with opportunities to have discussions with brand managers regarding brand strategies and opportunities to have exchange with Corporate Officers.</li> </ul> <p>(Plan)</p> <ul style="list-style-type: none"> <li>In addition to continuing to provide opportunities to visit stores, distribution centers, real estate holdings, etc., we will enhance exchange opportunities for Independent Officers with section managers and department managers who engage in Supply Chain Management (SCM) reform and sales activities.</li> </ul>
	<p>iii) We will put in place an organizational system that can correct plans in a proper and timely way as necessary through unfailing reporting of the statuses and results of executing Board of Directors resolutions, including the progress of the medium-term management plan.</p>	<p>(Activity status)</p> <ul style="list-style-type: none"> <li>There was a progress report and deep discussions on activities for the main business issues raised in the medium-term management plan (revised) and the structural reform of the specified wholly-owned subsidiary company (Wacoal Corporation).</li> <li>Structural decisions were made on stock transfer, business transfer, and the consolidation and restructuring of domestic factories based on the monitoring of the profitability of each subsidiary company.</li> <li>Periodical reports were made on activities for asset reduction, and a resolution was made to sell some of the real estate holdings.</li> </ul> <p>(Plan)</p> <ul style="list-style-type: none"> <li>Included in “item v” listed below.</li> </ul>

	Evaluation Result (Issues and Concerns)	Progress/Plan of Initiatives for Improvement
	iv) Reinforcement of the distribution of meeting materials in advance and the improvement of the quality of discussion by clarifying the argument of the materials	<p>(Activity status)</p> <ul style="list-style-type: none"> <li>Requirements for meeting documents were defined and communicated to those who prepare meeting documents in order to improve the clarity of discussion points. However, there is room for improvement in descriptions of executive summaries, in which clear statements should be made on the intention and background of submitting the document to the Board of Directors, discussion points, and findings in the Management Meeting.</li> </ul> <p>(Plan)</p> <ul style="list-style-type: none"> <li>We will work for early submission of meeting documents to secure time for the Board of Directors secretariat to check and correct them in order to further improve the quality of discussions by clarifying discussion points through observing the meeting document requirements.</li> </ul>
	v) Arrangement of the system that allows us to identify risks and opportunities and take the risks adequately accommodating to the changes in the business environment	<p>(Activity status)</p> <ul style="list-style-type: none"> <li>Progress has been made in improving meeting materials to clearly state matters that should be recognized as risks (uncertainties) when discussing the transfer of shares or businesses, or M&amp;A deals, but there is room for improvement in the area of uncovering risks and opportunities of wider scope that take into account the external environment and the situation of the Company itself, and of deepening discussions of the same</li> </ul> <p>(Plan)</p> <ul style="list-style-type: none"> <li>For the definition of the next medium-term management plan, we will list items to be prepared before plan definition and revise the format to facilitate progress management against the planned schedule.</li> <li>We will improve the process of defining business plans to facilitate the effectiveness evaluation of strategic scenarios and to activate discussions and decisions on recovery plans and on the need for strategy changes when risks or opportunities materialize.</li> </ul>

	Evaluation Result (Issues and Concerns)	Progress/Plan of Initiatives for Improvement
	vi) Development of a successor nurturing plan including the selection and nurturing process of candidates and the implementation of monitoring	<p>(Activity status)</p> <ul style="list-style-type: none"> <li>We consulted the Nomination of Directors Advisory committee on the process of selecting board member candidates targeting Corporate Officers and department managers, and had discussions based on responses from the committee.</li> <li>We implemented a human resource development program for management personnel candidates of the specified wholly-owned subsidiary company (Wacoal Corporation) naming a Corporate Officer of the subsidiary as the mentor.</li> </ul> <p>(Plan)</p> <ul style="list-style-type: none"> <li>We will clarify the selection/deselection criteria targeting department managers and those in higher positions, and start the construction of a successor pool and the promoting and nurturing of human resources.</li> </ul> <p>Our plan is to further strengthen the supervisory and/or advisory functions of our Board of Directors by further utilizing the knowledge of External Directors (Independent), in addition to implementing the initiatives described above.</p>

(iii) Other Matters regarding Corporate Governance

a. Status of Internal Control System

To ensure that the execution of duties by the Directors of the Company complies with laws, regulations, and the Articles of Incorporation and that the business conduct of the business group comprising the Company and its subsidiaries is appropriate, we conduct a yearly review of the systems required by the applicable Ordinance of Ministry of Justice to make continuous improvement for the construction of better and more efficient systems in accordance with the provisions of Item 6, Paragraph 4, Article 362 of the Companies Act (Authorities of Directors, etc.).

System to Ensure Appropriate Business Conduct and Operation Status of the System

(i) System to ensure that execution of duties by Directors and/or employees is in compliance with laws and regulations and the Articles of Incorporation

- To ensure that all Directors and employees of the business group comprised of the Company and its subsidiaries (“the Wacoal Group”) comply with laws and regulations and the Articles of Incorporation and conduct business based on sound social norms, we have enacted the “Wacoal Code of Ethics” and “Corporate Ethics and Wacoal Standards of Conduct.”

Operation status

We are working to disseminate the above-mentioned policies in domestic and overseas subsidiaries by reviewing the framework of our management philosophy in June 2022, revising the “Corporate Ethics: Wacoal Standards of Conduct” to version 7 in April 2024 in response to changes in the environment surrounding our businesses, and doing other activities. In the fiscal year ended March 31, 2025, we conducted awareness-raising activities including classroom training sessions for different occupational layers and e-learning programs focusing on the above-mentioned policies, as well as the continuation of the periodical distribution of Group Compliance Communique (Compula-Kawara-Ban).

- We have established a Corporate Ethics and Risk Management Committee, for which our Representative Director, President and CEO (Group CEO) acts as the supervising manager and our Representative Director, Vice President and Executive Officer and CFO acts as the chairperson, in order to improve our system of compliance, to consider any compliance issues which may have a material impact on the Wacoal Group, to enhance awareness and enlightenment on corporate ethics and to effectively promote control of any management risks on the Wacoal Group.

Operation status

In order to specifically develop and operate our compliance system, we have established a Subcommittee for Compliance under the Corporate Ethics and Risk Management Committee. The subcommittee convenes quarterly to discuss such things as methods of compliance awareness-raising and the status of internal alert incidents. In the fiscal year ended March 31, 2025, the subcommittee meetings were held four times in June, September, December, and March. From the fiscal year ended March 31, 2025, the subcommittee made February the month of corporate ethics strengthening, in which they conduct awareness-raising activities such as enhanced communication opportunities through the intranet and offer e-learning programs in order to disseminate “Corporate Ethics and Wacoal Standards of Conduct.”

- We have established a system under which our legal/compliance department could be promptly notified if a Director and/or employee of the Wacoal Group becomes aware of a compliance issue which may have violated the “Wacoal Code of Ethics” or the “Corporate Ethics and Wacoal Standards of Conduct,” or of any other compliance issues. The system includes an internal alert system (corporate ethics hotline to the legal/compliance department and an external law firm) in which, after being notified and/or alerted, the legal/compliance department conducts an investigation and formulates preventive measures after discussions with the related department. If the issue is critical, the legal/compliance department will refer the matter to the Corporate Ethics and Risk Management Committee and will report the results of its deliberation to the Board of Directors and/or Audit and Supervisory Board.

Operation status

The content of internal alerts and actions taken for them are all reported to the Compliance Committee and the Corporate Ethics and Risk Management Committee, and also reported to the Board of Directors and the Audit and Supervisory Board every quarter.

The internal alert system is communicated to domestic subsidiaries by the Group Compliance Communique (Compula-Kawara-Ban), and the dissemination status of the system to overseas subsidiaries is evaluated through a questionnaire survey and interviews. Also, the operation status of the system is announced to the employees on the intranet bulletin board at the end of each fiscal year.

- The “Corporate Ethics and Wacoal Standards of Conduct” prescribes that Directors and employees shall firmly refuse to comply with demands of antisocial forces. Also, in order to deal with unreasonable

requests from antisocial forces, the Company collaborates with external specialized institutions, collects and manages information on antisocial forces, and develops a corporate system.

(ii) System concerning the Storage and Management of Information related to Execution of Duties by Directors

- With the approval of the Board of Directors, we have enacted “Document Management Rules” pursuant to which we store the following documents (including electromagnetic records, hereafter the same) along with any related materials:  
\*Minutes of the general meeting of shareholders, minutes of the Board of Directors’ meetings, minutes of the Committee for Group Strategy, minutes of the Group Management Meeting, documents for which a Director is the final decision-maker and any other documents prescribed in the “Document Management Rules”
- The retention period and the place for storage of the documents prescribed in the preceding paragraph shall be subject to the “Document Management Rules,” but such retention period shall be at least 10 years. The Directors and Audit and Supervisory Board Members shall have access to these documents at all times.

Operation status

Documents prescribed in the “Document Management Rules” have been properly stored in accordance with the applicable management rules and the Directors and Audit and Supervisory Board Members have access to these documents on a timely basis.

(iii) Rules and Other Systems concerning Risk Management of Losses

- In order to understand the management risk within the Wacoal Group in general and to improve and/or strengthen our risk management system, we have established a Corporate Ethics and Risk Management Committee, for which our Representative Director, President and CEO (Group CEO) acts as the supervising manager and our Representative Director, Vice President and Executive Officer and CFO in charge of Group Business Management acts as the chairperson.

Operation status

In the fiscal year ended March 31, 2025, the Committee convened five times in April, June, September, December, and March.

- The Corporate Ethics and Risk Management Committee prescribes “Risk Management Basic Rules,” subject to the approval of the Board of Directors, which form the basis for our risk management system. The Corporate Ethics and Risk Management Committee clarifies the responsibilities by risk category pursuant to these rules, and formulates a risk management system that thoroughly and/or comprehensively controls potential risk within the Wacoal Group.

Operation status

The Corporate Ethics and Risk Management Committee scores and evaluates risks identified by the risk management organizations designated by the Committee, from the viewpoints of materialization probabilities and the magnitude of impact based on the Risk Management Basic Rules, using the Business Risk Evaluation Sheet. Risks that are determined to have a major potential impact on the management of the Wacoal Group are designated and controlled by the Committee as “Group Major Risks” after approval by the risk management supervising manager.

- The Corporate Ethics and Risk Management Committee regularly reports on the operations of the Wacoal Group’s risk management system to the Board of Directors.

Operation status

The Committee promotes risk-mitigation initiatives, identifies risks, monitors the implementation of countermeasures, and reports to the Board of Directors on a quarterly basis and on an ad hoc basis as necessary. In the fiscal year ended March 31, 2025, a report was made five times in April, June, September, December, and March.

- In order to formulate our basic policy on issues related to sustainability surrounding the Wacoal Group, we have established the Sustainability Committee, where our Representative Director, President and CEO (Group CEO) acts as the supervising manager and the Chair (concurrently served).
- The Sustainability Committee meets regularly on the same day as a meeting of the Board of Directors is held, to formulate specific measures, monitor progress, and evaluate the status of achievement based on our basic policy on sustainability issues including climate change, global environmental issues and human rights issues.

Operation status

In the fiscal year ended March 31, 2023, we established a new Sustainability Committee to accelerate our initiatives to achieve a balance between “resolving social issues” and “corporate growth” through our business. In the fiscal year ended March 31, 2025, the Committee met five times in May, August, September, February, and March to monitor the progress of specific initiatives with respect to issues surrounding sustainability and evaluated achievements.

- The Board of Directors oversees the implementation of strategies related to the allocation of management resources and the business portfolios to ensure that the initiatives of the Sustainability Committee contribute to sustainable growth.

(iv) System to Ensure Effective Execution of Duties by Directors

- The Board of Directors consists of a diverse group of Directors, taking into account gender, international experience and background, professional experience, age and other factors, while ensuring that the Directors have the requisite balance of skills, such as knowledge, experience and expertise, each in light of management strategies.
- Independent External Directors shall include those who have management experience at other companies, and in order to enhance appropriate decision-making by our Directors, at least one-third of all Directors shall be independent External Directors.

Operation status

We engage in highly transparent decision-making by appointing 5 External Directors (Independent) among our 8 Directors.

- In addition to decision-making on significant matters as stipulated in the applicable laws and regulations and/or our Articles of Incorporation, the Board of Directors formulates a management plan to be shared by the Directors and/or employees within the Wacoal Group based on consideration of medium- to long-term management strategies and social issues, directs courses of action and performance targets in the medium to short term that are consistent with this plan and supervises the progress of its implementation.
- The Group Management Meeting is responsible for the group's management strategies and other important management issues under the medium- to long-term management strategies determined by the Board of Directors. In addition, as for important matters to be resolved at the Board of Directors and main management issues, etc. such as the Wacoal Group's management philosophy, management policy, medium- and long-term management strategy, medium-term business strategy and allocation of management resources, which are positioned as the core, the Board of Directors consults with the Committee for Group Strategy, in which the President and CEO (Group CEO) acts as the Chair and all independent officers (External Directors (Independent) and External Audit and Supervisory Board Members (Independent)) attend to fully discuss from various perspectives and provide their advice. The Committee also monitors the progress of the contents of the report and supervise to ensure that appropriate adjustment is made in a timely manner.

Operation status

Based on the medium- to long-term management strategies of the Wacoal Group, the persons responsible for business execution (internal Directors and Corporate Officers) fully deliberate important management issues through the Group Management Meeting, which is followed by the decision-making at a meeting of the Board of Directors.

Continued from the fiscal year ended March 31, 2024, the Committee for Group Strategy had multi-faceted in-depth discussions on important resolution items of the Board of Directors and major management issues such as business model reform, growth strategy, and asset reduction, which are identified as core issues in the medium-term management plan (revised), and the discussion results were reported to the Board of Directors. In the fiscal year ended March 31, 2025, the Committee convened 16 times in April, May, June, July, August (2 times), September, October (2 times), November (3 times), December, January, February, and March.

- We will follow the business results of each Wacoal Group company on a monthly basis and report back to the Board of Directors. In addition, we hold quarterly meetings of the Quarterly Achievements Review Meeting, in which we review and confirm the quarterly business results and the implementation of measures and policies, and consider enhancement measures as may be necessary.

Operation status

We hold quarterly meetings of the Quarterly Achievements Review Meeting, to confirm the business results and implementation of measures, and implement remedial measures as necessary.

- In the specified wholly owned subsidiaries of the group, we establish an appropriate and efficient system by delegating authority and clarifying responsibilities through the corporate officer system.

(v) System to Ensure Appropriate Business Conduct within Group Companies

- We have enacted our "Group Management Rules," which prescribes basic policies regarding the management of our group companies and matters to be decided by our Board of Directors, as well as matters to be reported to the Company and manages our group companies in accordance with the rules.
- We conduct any intercompany transaction fairly in compliance with laws and regulations, accounting principles and the tax system.

Operation status

Matters to be decided and reported by the Company and its subsidiaries are appropriately managed in accordance with the “Group Management Rules.” The Group Management Rules also stipulate fair conduct in inter-group business transactions, and this is communicated to group members.

- Our Audit Office will conduct audits of operations within the Wacoal Group, including audits of the establishment and/or operation of our compliance system and risk management system, and will report the results of its audits to the Board of Directors and the responsible departments and give guidance and/or advice related to the above to our group companies to ensure appropriate conduct of business.

#### Operation status

Our Audit Office develops an audit plan for each fiscal year and conducts audits on the operation and internal controls of the Company and our domestic and overseas subsidiaries.

- Our foreign subsidiaries will comply with the laws and regulations of their respective home countries and will adopt a system that is in line with our policies to the extent reasonable.

#### (vi) Matters concerning Assistants to Audit and Supervisory Board Members

- Audit and Supervisory Board Members may appoint employees of the Company as their assistants who are to assist the duties of the Audit and Supervisory Board Members.

#### Operation status

Our Audit Office assists the duties of the Audit and Supervisory Board Members upon their request from time to time.

Audit and Supervisory Board Members have not requested an assistant, and therefore no assistant for their duties has been appointed.

- Such assistants shall serve on a full-time basis. In order to ensure the effectiveness and independence of such assistants, decisions on personal affairs, including appointment, evaluation, relocation and discipline of such assistants, will be subject to the consent of the Audit and Supervisory Board Members.

#### (vii) Reporting System of Directors and Employees to the Audit and Supervisory Board Members and Other Systems related to the Report to Audit and Supervisory Board Members

- Directors of the Wacoal Group shall promptly report to the Audit and Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or Articles of Incorporation of each company, misconduct or a fact that may cause significant damage to any company of the Wacoal Group.
- Employees of the Wacoal Group may directly report to the Audit and Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or Articles of Incorporation of each company, misconduct or a fact that may cause significant damage to any company of the Wacoal Group. Any employee who makes such report will not be at a disadvantage for the reason of making such report.
- Through the reporting of the following matters in addition to statutory matters to the Audit and Supervisory Board Members by Directors and employees of the Wacoal Group, we strive to have the Audit and Supervisory Board Members’ audit conducted effectively.

Matters referred to the Committee for Group Strategy and the Group Management Meeting

Monthly and quarterly Group management conditions

Audit result of business execution

Status of reports through the internal alert system

Other significant matters

#### Operation status

The Audit and Supervisory Board Members attend primary meetings and receive reports on matters that are discussed and on the management condition.

The Audit and Supervisory Board Members also receive reports, from time to time, on the results of audits on the operation by the Audit Office and matters reported through the internal alert system.

#### (viii) Other Systems to Ensure Effective Audits by Audit and Supervisory Board Members

- The majority of the Audit and Supervisory Board Members of the Company will be External Audit and Supervisory Board Members (Independent) to enhance the transparency and neutrality of audit.
- The Audit and Supervisory Board Members may order employees who belong to the Audit Office to perform any tasks that are required to provide their services. In addition, the Audit and Supervisory Board Members may request the Company for reimbursement of expenses incurred for performing their duties.

#### Operation status

The Company reimburses any and all expenses incurred by the Audit and Supervisory Board Members for performing their duties.

- Audit and Supervisory Board Members will attend meetings of the Board of Directors and may also attend other primary meetings of the Wacoal Group.

- The Audit and Supervisory Board Members will regularly meet with the Audit Office and the Accounting Auditor to receive reports and to exchange opinions.
- The Audit and Supervisory Board may consult legal counsel, certified public accountants, consultants or other outside advisors as it deems necessary.

#### Operation status

We enhance the effectiveness of audit by appointing 3 External Audit and Supervisory Board Members (Independent) among the 5 Audit and Supervisory Board Members.

The Audit and Supervisory Board Members attend meetings of the Board of Directors and other important meetings, conduct interviews with the Directors and also visit our subsidiaries to conduct audits. In addition, the Audit and Supervisory Board Members preside at the Group Audit and Supervisory Board Meeting and receive periodic reports from the Auditors of the domestic subsidiaries.

- b. Matters Concerning Limitation of Liability Agreements with External Directors (Independent) and External Audit and Supervisory Board Members (Independent)

Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and our Articles of Incorporation, the Company has executed an agreement with its Directors (excluding executive directors, etc.) and Audit and Supervisory Board Members to bear their liability for damages as stipulated in Paragraph 1, Article 423 of the Companies Act up to the minimum amount stipulated in Paragraph 1, Article 425 of the Companies Act.

- c. Outline of Directors' and Officers' Liabilities Insurance

The Company maintains directors' and officers' liabilities insurance as stipulated in the provisions of Paragraph 1, Article 430-3 of the Companies Act with an insurance company to cover the insured's losses and losses incurred from disputes, etc. The scope of the insured under this insurance policy is all of the officers (i.e., Directors and Audit and Supervisory Board Members) of the Company, all of the officers of our domestic consolidated subsidiaries, including Wacoal Corp., as well as the officers who are Japanese nationals and on secondment to our overseas subsidiaries and associated companies. The insured does not bear the premiums.

Provided, however, that in order to ensure that the appropriate conduct of the insured when performing their duties is maintained, this insurance policy will not cover the insured's losses related to activities engaged while being aware of violations of the laws and regulations.

- d. Number of Directors

Our Articles of Incorporation prescribe that the number of Directors of the Company shall be not more than 8.

- e. Requirement for Appointment of Directors

Our Articles of Incorporation prescribe that resolutions to appoint Directors shall be made by a majority vote of the voting rights of shareholders present at a General Meeting of Shareholders, where such shareholders present shall hold shares representing one-third or more of the voting rights of all shareholders who are entitled to exercise such voting rights and that resolutions to appoint Directors shall not be adopted by cumulative voting.

- f. Matters to Be Resolved at the General Meeting of Shareholders that can be Resolved by the Board of Directors

Our Articles of Incorporation prescribe that matters such as dividends of surplus and share repurchase set out in Items of Paragraph 1, Article 459 of the Companies Act shall be determined by the resolution of the Board of Directors, unless otherwise provided for in any laws or regulations, to enable agile capital-policy-making and expeditious profit return to our shareholders.

- g. Requirement for Special Resolutions at General Meeting of Shareholders

Our Articles of Incorporation prescribe that a resolution as stipulated in Paragraph 2, Article 309 of the Companies Act shall be adopted by a two-thirds majority of the voting rights held by the shareholders present at the General Meeting of Shareholders, who shall represent one-third or more of the total number of voting rights of the shareholders who are entitled to exercise such voting rights.

(iv) Status of Activity of Board of Directors, Nomination of Directors Advisory Committee and Remuneration of Directors Advisory Committee and the Committee for Group Strategy (Fiscal Year ended March 31, 2025)

The following table shows the members and chairpersons of the Board of Directors, the Nomination of Directors Advisory Committee, the Remuneration of Directors Advisory Committee, and the Committee for Group Strategy as well as their meetings and attendance record for the fiscal year ended March 31, 2025:

Title	Name	Board of Directors	Meeting Attendance	Nomination of Directors Advisory Committee	Meeting Attendance	Remuneration of Directors Advisory Committee	Meeting Attendance	Committee for Group Strategy	Meeting Attendance
Representative Director, President and CEO (Group CEO)	Masaaki Yajima	◎	17/17 (100%)	○	8/8 (100%)			◎	16/16 (100%)
Representative Director, Vice President, Executive Officer and CFO	Akira Miyagi	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
Director and Corporate Officer	Keisuke Kawanishi	○	13/13 (100%)					○	16/16 (100%)
External Director (Independent)	Shigeru Saito	○	3/4 (75%)	○	1/1 (100%)	○	1/1 (100%)	○	2/3 (67%)
External Director (Independent)	Tsunehiko Iwai	○	17/17 (100%)	◎	8/8 (100%)	◎	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Chizuru Yamauchi	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Hisae Sato	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Koji Nitto	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Tetsuro Harada	○	13/13 (100%)	○	7/7 (100%)	○	3/3 (100%)	○	13/13 (100%)
Audit and Supervisory Board Member	Shinichi Kitagawa	□	17/17 (100%)					△	
Audit and Supervisory Board Member	Katsuhiro Okamoto	□	17/17 (100%)					△	
External Audit and Supervisory Board Member (Independent)	Mitsuhiro Hamamoto	□	17/17 (100%)					△	
External Audit and Supervisory Board Member (Independent)	Hitoshi Suzuki	□	16/17 (94%)	△		△		△	
External Audit and Supervisory Board Member (Independent)	Motoko Tanaka	□	17/17 (100%)					△	
Corporate Officer	Mitsuru Sekiguchi	△						○	7/8 (88%)
Corporate Officer	Katsuya Hirooka	△						○	16/16 (100%)
Corporate Officer	Atsuko Shinozuka	△						○	16/16 (100%)
Corporate Officer	Takuya Yoshidomi	△						○	1/1 (100%)
Corporate Officer	Manabu Tochio							○	7/7 (100%)
Corporate Officer	Shinsuke Fukazawa	△				○	4/4 (100%)		
Corporate Officer	Teruo Fukumoto								

(◎ chair or chairperson, ○ member, □ attendee, △ observer)

a. Activities of Board of Directors

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Board of Directors	<ul style="list-style-type: none"> <li>• In addition to the matters as prescribed by laws and regulations and the Articles of Incorporation, all the major management issues and important matters related to our business, such as the medium- and long-term management strategies, the medium-term business strategy, and the allocation of management resources, are discussed.</li> <li>• The following matters were mainly discussed and considered during the current fiscal year ended March 31, 2025. <ul style="list-style-type: none"> <li>i) Corporate Governance <p>As a result of the evaluation of the skill balance of the Board of Directors, the “Nomination of Directors Advisory Committee” submitted a list of one proposed candidate for External Director, who has abundant knowledge of corporate management, investment and financial asset market, human resource development, and organization development and one proposed candidate for Internal Director, who has knowledge and experience in global operations and marketing. The list was approved and then included in the agenda of the general meeting of shareholders held in June 2024.</p> <p>Also, in selecting candidates for Board of Director Members and Audit and Supervisory Board Members and submitting them to the Ordinary General Meeting of Shareholders, we consulted the Nomination of Directors Advisory Committee about the revision of the criteria of Director nomination/removal to improve the supervision function of the Board of Directors. We received the deliberation result of the nomination/removal criteria and resolved them.</p> <p>Meanwhile, we received the result of deliberation, made as part of the review of the remuneration system for Directors, from the Remuneration of Directors Advisory Committee on the introduction of “Remuneration System with Performance-based Shares with Restriction on Transfer” targeting the Company’s Board of Director Members (excluding External Directors). This remuneration system further clarifies the link between the compensation of the Company’s Directors (excluding External Directors), consolidated financial results, and the value of the Company’s stock, and provides an incentive to continuously improve corporate value and promote value-sharing with shareholders. We approved the result of deliberation on the introduction of the remuneration system, and submitted it to the Ordinary General Meeting of Shareholders held in June 2024.</p> </li> <li>ii) Sustainability <p>We received periodic reports from the Sustainability Committee on business risks and opportunities related to climate change (response to TCFD), issues related to sustainability such as responsible procurement (CSR procurement) regarding respect for human rights and DE&amp;I, due diligence on human rights in supply chains, ensuring diversity including promotion of activities by women, and maximization of human assets, as well as a plan for initiatives and its progress by our group.</p> <p>Based on these reports, we discussed how we should respond to important management issues such as the cost of reducing greenhouse effect gas through efforts including the increased use of environment-friendly materials, gender equality (respect for diversity and removal of disparity), and human-rights infringement risks that lurk in supply chains such as the treatment of foreign technical intern trainees and languages used in information delivery.</p> <p>We shall continue allocating our management resources and monitoring the execution of strategies to achieve both the solution of social issues through our business and sustainable growth.</p> </li> <li>iii) Corporate Ethics and Risk Management <p>The Corporate Ethics and Risk Management Committee conducts a scoring evaluation of potential risks related to the business environment and/or business strategies, and operational risks from the perspective of their likelihood of occurrence and impact of such risks. The risk items that are evaluated as having a significant potential impact on the management of our group are annually reviewed based on the recommendations of the Corporate Ethics and Risk Management Committee and approved as the Group’s Material Risk.</p> </li> </ul> </li> </ul>	17

	<p>Subsequently, we conducted supervision and received progress reports on a regular basis to ensure that the initiatives to prevent, transfer, mitigate or accept risks are being appropriately implemented, and monitored measures related to incidents to prevent recurrence.</p> <p>Also, for cyberattacks, which are frequently causing damage inside and outside Japan, we conducted security assessment on domestic and overseas subsidiaries following global standard frameworks. Based on the assessment results, we discussed the management system for ensuring security and the implementation of required countermeasures.</p> <p>iv) Medium- to Long-Term Business Strategies</p> <p>With regard to the implementation of two challenges: “Allocation of more time to the consideration of important business matters, such as medium- to long-term strategies, and at the same time, utilization of knowledge of External Directors (Independent) and promotion of more active discussion at the meetings of the Board of Directors” and “Arrangement of the system to make sure to report the status and results of the matters resolved and executed, such as the progress of the medium-term management plan, and work on the amendment to the plan in a timely and adequate way if required,” which are identified for the improvement of the effectiveness of the Board of Directors, we had a number of active and in-depth discussions on the progress of initiatives for major management issues identified in the medium-term management plan (revised) focusing on each item at a time, as mentioned in sections on the evaluation on effectiveness of Board of Directors and the status of improvement activities.</p> <p>As a result of these discussions, we made several resolutions including the acquisition of a company based in the UK that plans, develops, and sells ladies’ underwear, launch of brand-boosting global communication featuring a major leaguer, and growth investment in overseas markets that the Company focuses on.</p> <p>We will continue to aim to maximize our corporate value, and confirm the effectiveness of our strategies and status of progress of our plans. We will also deepen our discussions on fundamental initiatives to achieve sustainable growth.</p> <p>v) Capital Efficiency</p> <p>Following the policy of the medium-term management plan (revised), we reviewed the Company’s portfolio to appropriately reallocate management resources and discussed in depth the policy of handling non-profitable businesses of the Group. As a result, we resolved to transfer the stock of Nanasai Co., Ltd. and Lecien Corporation, subsidiaries of the Company. Also, as part of asset reduction (disposal of assets that does not contribute to corporate value improvement), we decided to sell real estate (Company’s buildings and land) in Tokyo, Fukuoka, Kyoto, and other districts and consolidate, rearrange, and transfer some factories in Japan.</p> <p>Other than these efforts, we engage in stepwise introduction of ROIC-oriented management with continuous study for improving return on invested capital, which includes the use of ROIC as a performance index in business planning and evaluation scheme design.</p> <p>vi) Other</p> <p>In addition to the above, monthly reports are made on the status of execution from Corporate Officers and officers of subsidiaries by rotation and on deliberations in the Group Management Meeting.</p>	
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b. Activities of Nomination of Directors Advisory Committee

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Nomination of Directors Advisory Committee	<ul style="list-style-type: none"> <li>As a result of the evaluation of the skill balance of the Board of Directors, the Nomination of Directors Advisory Committee named one proposed candidate for External Director, who has abundant knowledge of corporate management, investment and financial asset market, human resource development, and organization development and one proposed candidate for Internal Director, who has knowledge and experience in global operations and marketing. The proposal of these candidates was submitted to the Board of Director in May. (Submitted to and resolved by the 76th Ordinary General Meeting of Shareholders)</li> <li>In selecting candidates for Board of Director Members and Audit and Supervisory Board Members and submitting them to the Ordinary General Meeting of Shareholders, the Board of Directors consulted the Nomination of Directors Advisory Committee about the revision of the criteria of Director nomination/removal to improve the supervision function of the Board of Directors. The Nomination of Directors Advisory Committee submitted its deliberation result on the revision of the criteria of Director nomination/removal to the Board of Directors in February.</li> <li>In the light of the policy of “development of a successor nurturing plan including the selection and nurturing process of candidates and the implementation of monitoring,” which is a challenge for improving the effectiveness of the Board of Directors, the Committee discussed how candidates for top management successors should be selected and confirmed that a human resource pool (successors) should be built as candidates for Corporate Officers based on the succession plan. Also, targeting department managers, the Committee agreed on the requirements and aptitudes for candidates for successors of officers.</li> <li>The Committee organized a revision plan of the committee rules aiming at improving its maneuverability and effectiveness. (A report will be made at a meeting of the Board of Directors to be held in April 2025.)</li> </ul>	8

c. Activities of Remuneration of Directors Advisory Committee

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Remuneration of Directors Advisory Committee	<ul style="list-style-type: none"> <li>The Committee submitted its opinion of not paying performance-based bonus based on the consolidated business performance of the previous fiscal year (ended March 31, 2024) at a meeting of the Board of Directors held in May 2024.</li> <li>As a result of several opinion exchange meetings and continuous discussion on the current issues and improvements to be made in the remuneration system for Directors, the Committee submitted the introduction plan of “Remuneration System with Performance-based Shares with Restriction on Transfer,” which will give an incentive for continuous improvement of corporate value and promote value-sharing with shareholders, in the Board of Directors meeting held in May. (Submitted to and resolved by the 76th Ordinary General Meeting of Shareholders)</li> <li>We confirmed the payment policy (no payment) on the performance-based bonus payable based on the projected consolidated performance and performance-based remuneration of shares with restriction on transfer (paid at a later time) for the current fiscal year (ended March 31, 2025).</li> <li>In order to clarify the implication of the introduction of ROIC management stipulated in the medium-term management plan (revised), the Committee discussed changing the performance evaluation index from ROE to ROIC for the Remuneration System with Performance-based Shares with Restriction on Transfer from the next fiscal year. (A report will be made at a meeting of the Board of Directors held in May 2025.)</li> </ul>	4

d. Activities of the Committee for Group Strategy

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Committee for Group Strategy	<ul style="list-style-type: none"> <li>• The following matters were mainly discussed during the current fiscal year ended March 31, 2025 and reported to the Board of Directors.</li> <li>i) Arrangement of the Foundation for Group Management Continued from the previous fiscal year, the Committee met several times to discuss the effective use of business-use fixed assets (real estate holdings), and submitted its opinion on the consolidation and reallocation of business-use fixed assets and reasonable prices of the transfer of individual asset items, aiming for the steady advancement of asset reduction stipulated in the medium-term management plan (revised). The Committee blueprinted a medium- to long-term roadmap for the realization of capital-efficiency-oriented management toward the introduction and entrenchment of ROIC management, and submitted the discussion result to the Board of Directors meeting held in September. The Committee will monitor the progress of the contents of the report and supervise to ensure that appropriate adjustment is made in a timely manner.</li> <li>ii) Growth Strategy for Overseas Business The Committee evaluated the business environments in Europe, America, China, and other markets that have room for development (by region and segment), and discussed risk-taking and the allocation of required management resources. Also, the committee reviewed past acquisition projects regarding the processes of acquisition decision, planning after acquisition, and business execution, and then submitted its opinion on the necessity and reasonability of the acquisition of the UK company.</li> <li>iii) Portfolio of Domestic Business The Board of Directors consulted the Committee about the transfer of shares and businesses of domestic subsidiaries. The Committee considered the future business portfolio and the criteria of continuation/withdrawal of businesses in the light of changes in the business environment and had an in-depth discussion on the reasonability of the consideration.</li> <li>iv) Business Structure Reform The Committee continued the discussion on the recovery of growth and profitability of Wacoal Corp., the core of our domestic business. The Committee established a brand portfolio that further clarifies provided values and checked the progress of the SCM reform that achieves demand-linked operation and lead time reduction for improved business efficiency. Especially, the Committee discussed several times the enhancement of demand-linked production, which is the core challenge of the SCM reform, and proposed clarifying the enhancement-plan KGI for target products and factories as well as implementing proper progress management that reflects milestones. Also, the Committee regularly checks the progress of the cost structure reform and supervises operations to make proper adjustments with an eye on business environment changes.</li> </ul>	16

(2) Officers

(i) List of Officers

Male: 10 persons, Female: 3 persons (which accounted for 23.1% of the total number of Directors and Audit and Supervisory Board Members)

Title	Name	Date of Birth	Business Experience and Position(s) and Office(s)		Office Term	Number of Shares Held by Shareholder (Hundreds of shares)
Representative Director, President and CEO (Group CEO)	Masaaki Yajima	Sep. 30, 1960	Mar. 1984	Joined the Company	Note 1	204
			Jun. 2004	Director and President of Wacoal International Hong Kong Co., Ltd.		
			Apr. 2007	Head of Sales Group, International Headquarters of Wacoal Corp.		
			Sep. 2008	Director and Deputy General Manager of Wacoal China Co., Ltd.		
			Apr. 2009	Director and General Manager of Wacoal China Co., Ltd.		
			Apr. 2011	Corporate Officer of Wacoal Corp.		
			Apr. 2015	Corporate Officer and Head of Technology and Manufacturing Div., Wacoal Corp.		
			Apr. 2016	Director, Corporate Officer and Head of Technology and Manufacturing Div., Wacoal Corp.		
			Apr. 2018	Director, Executive Corporate Officer and Head of Wholesale Div., Wacoal Corp.		
			Apr. 2021	Director, Executive Corporate Officer and Head of Global Operations Div., Wacoal Corp.		
			Apr. 2022	Director and Executive Corporate Officer, Wacoal Corp.		
			Apr. 2022	Head of Global Operations Div.		
			Jun. 2022	Director, Executive Corporate Officer and Head of Global Operations Div.		
			Apr. 2023	Director, Executive Corporate Officer		
			May 2023	Director, Executive Corporate Officer and Head of Global Operations Div.		
			Jun. 2023	Representative Director, President and CEO (Group CEO), and Head of Global Operations Div.		
			Apr. 2024	Representative Director, President and CEO (Group CEO) (present position)		
Representative Director, Vice President, Executive Officer and CFO	Akira Miyagi	Oct. 18, 1960	Mar. 1984	Joined the Company	Note 1	187
			Oct. 2007	Manager of Business Management and Administration of Wacoal Brand Operation Div. of Wacoal Corp.		
			Apr. 2011	Director and Deputy General Manager of Wacoal China Co., Ltd.		
			Apr. 2014	General Manager of Corporate Planning Dept.		
			Apr. 2017	Corporate Officer of Wacoal Corp.		
			Jun. 2018	Director, Head of Corporate Planning Dept.		
			Jun. 2019	Executive Director, Head of Corporate Planning Dept.		
			Apr. 2020	Director and Executive Corporate Officer in charge of Group Finance		
			Jun. 2021	Director, Executive Corporate Officer and CFO		
			Jun. 2022	Director, Vice President, Executive Officer and CFO		
			Dec. 2022	Representative Director, Vice President, Executive Officer and CFO (present position)		

Title	Name	Date of Birth	Business Experience and Position(s) and Office(s)		Office Term	Number of Shares Held by Shareholder (Hundreds of shares)
Director, Executive Officer	Keisuke Kawanishi	Oct. 7, 1971	Apr. 1994	Joined the Company	Note 1	113
			May 2015	Director and Vice Chairman of Wacoal America, Inc. Director and President of Wacoal International Corp.		
			Apr. 2020	Corporate Officer of Wacoal Corp.		
			May 2020	Director and Chairman of Wacoal America, Inc. Director and President of Wacoal International Corp.		
			Apr. 2022	Director, Corporate Officer, Head of Marketing Div. of Wacoal Corp.		
			Apr. 2023	Representative Director, President and CEO of Wacoal Corp.		
			Jun. 2024	Director and Corporate Officer in charge of Japan Domestic Operations (present position)		
			Oct. 2024	Representative Director, President and CEO, and Head of Product Development and Merchandising Div. of Wacoal Corp.		
			Apr. 2025	Representative Director, President and CEO of Wacoal Corp. (present position)		
Director	Tsunehiko Iwai	May 28, 1953	Apr. 1979	Joined Shiseido Co., Ltd.	Note 1	3
			Apr. 2002	General Manager of Product Commercialization, Planning Department, Shiseido Co., Ltd.		
			Apr. 2008	Corporate Officer, General Manager of Technical Department, Shiseido Co., Ltd.		
			Jun. 2014	Director, Corporate Executive Officer in charge of Research & Development, Production and Technical Affairs, Shiseido Co., Ltd.		
			Jan. 2016	Representative Director, Executive Vice President, Chief Technology & Innovation Officer, Shiseido Co., Ltd.		
			Mar. 2018	Senior Advisor, Shiseido Co., Ltd.		
			Jun. 2018	Director of the Company (present position)		
Director	Chizuru Yamauchi	Feb. 25, 1957	Apr. 1975	Joined Nippon Life Insurance Company	Note 1	8
			Mar. 2009	Head of Kagayaki Promotion Office, Nippon Life Insurance Company		
			Mar. 2014	General Manager, Service Planning Dept., Nippon Life Insurance Company		
			Mar. 2015	Executive Officer, General Manager, CSR Promotion Dept., Nippon Life Insurance Company		
			Mar. 2019	Managing Executive Officer, General manager of Health & Productivity Management Promotion Division, Nippon Life Insurance Company		
			Jul. 2019	Director and Managing Executive Officer, General manager of Health & Productivity Management Promotion Division, Olympic & Paralympic Games Promotion Dept., Public Affairs Dept., CSR Promotion Dept., Health Management Dept., Nippon Life Insurance Company		
			May 2021	Chair, Diversity and Inclusion Sub Committee, Labor Policy Committee, Kansai Economic Federation		
			Mar. 2022	Director, Nippon Life Insurance Company		
			Jun. 2023	Director of the Company (present position)		

Title	Name	Date of Birth	Business Experience and Position(s) and Office(s)		Office Term	Number of Shares Held by Shareholder (Hundreds of shares)
Director	Hisae Sato	Oct. 16, 1961	Apr. 1985	Joined the Hokkaido Takushoku Bank, Limited	Note 1	1
			Sep. 1997	Joined Watson Wyatt K.K. (current Towers Watson Investment Services K.K.)		
			Feb. 2004	Joined AIG Global Investment Corp., Japan (current PineBridge Investments Japan Co., Ltd.) as Deputy General Manager of Institutional Business Development Division		
			Sep. 2005	Joined Nissan Motor Co., Ltd. as Shukan, Chief Investment Officer, Treasury Department		
			Apr. 2008	Member of the Investment Committee, the Government Pension Investment Fund of Japan		
			Jun. 2016	Councilor, International Christian University (present position)		
			Jun. 2017	Trustee, International Christian University		
			Jun. 2023	Director of the Company (present position)		
Director	Koji Nitto	Feb. 1, 1961	Apr. 1983	Joined OMRON Corporation	Note 1	17
			Jun. 2011	Executive Officer, Senior General Manager, Global Resource Management HQ, OMRON Corporation		
			Apr. 2013	Managing Executive Officer, Senior General Manager, Global SCM and IT Innovation HQ, OMRON Corporation		
			Apr. 2014	Senior Managing Executive Officer, Global Strategy HQ, OMRON Corporation		
			Jun. 2014	Director, Senior Managing Executive Officer, Global Strategy HQ, OMRON Corporation		
			Apr. 2017	Director, Senior Managing Executive Officer, Chief Financial Officer (CFO), Global Strategy HQ, OMRON Corporation		
			Apr. 2023	Director, OMRON Corporation		
			Jun. 2023	Director of the Company (present position)		
Director	Tetsuro Harada	Sep. 22, 1965	Apr. 1981	Joined Japan Maritime Self-Defense Force	Note 1	—
			Apr. 1990	Joined Nippon Life Insurance Company		
			May 1996	Completed master's degree at University of California, Berkeley		
			Oct. 2000	Joined Dream Incubator Inc.		
			Jan. 2003	Project Manager, Dream Incubator Inc.		
			Jun. 2006	Executive Officer, Dream Incubator Inc. (in charge of Corporate Division)		
			Jun. 2018	Director, Dream Incubator Inc. (in charge of Corporate Division and ipet Insurance Co., Ltd.)		
			Jun. 2020	Representative Director, President and CEO, Dream Incubator Inc.		
			Jun. 2023	Director, Chairman of the Board, Dream Incubator Inc.		
			Jun. 2024	Director, Audit & Supervisory Committee Member and Chairman of the Board, Dream Incubator Inc. (present position)		
			Jun. 2024	Director of the Company (present position)		

Title	Name	Date of Birth	Business Experience and Position(s) and Office(s)		Office Term	Number of Shares Held by Shareholder (Hundreds of shares)
Audit and Supervisory Board Member (Full Time)	Shinichi Kitagawa	Dec. 29, 1962	Mar. 1985	Joined the Company	Note 3	17
			Apr. 2008	Director and General Manager of Accounting and Administration Div. of Studio Five Corp.		
			Apr. 2009	Director and General Manager of Business Control Div. of Studio Five Corp.		
			Apr. 2013	IR/Public Relations Officer		
			Apr. 2018	General Manager of Accounting Dept.		
			Jun. 2020	Audit and Supervisory Board Member (present position)		
			Jun. 2021	Auditor of Wacoal Corp. (present position)		
Audit and Supervisory Board Member (Full Time)	Katsuhiro Okamoto	Oct. 20, 1963	Mar. 1986	Joined the Company	Note 4	7
			Apr. 2010	General Manager of Materials Control, Technology & Manufacturing Division of Wacoal Corp.		
			May 2012	Representative Director and President of Hokuriku Wacoal Sewing Corp.		
			Apr. 2014	Representative Director and President of Kyushu Wacoal Manufacturing Corp.		
			Apr. 2016	General Manager of Innerwear Merchandising Supervisory Division, Wacoal-Brand Operations of Wacoal Corp.		
			Apr. 2018	Corporate Officer, General Manager of Wacoal-Brand Innerwear Products Supervisory Division, Wholesale Division of Wacoal Corp.		
			Jun. 2021	Auditor of Wacoal Corp. (present position)		
			Jun. 2021	Audit and Supervisory Board Member of the Company (present position)		
Audit and Supervisory Board Member	Hitoshi Suzuki	Jan. 8, 1954	Apr. 1977	Joined The Mitsubishi Bank, Ltd. (current “MUFG Bank, Ltd.”)	Note 5	—
			May 2002	General Manager, Treasury Planning Office, The Bank of Tokyo-Mitsubishi, Ltd. (BTM) (current “MUFG Bank, Ltd.”)		
			Jun. 2005	Executive Officer and General Manager, Treasury Planning Office and Treasury IT Planning Office, BTM		
			Jun. 2008	Managing Director, Chief Executive, Global Markets Unit, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) (current “MUFG Bank, Ltd.”)		
			May 2011	Senior Managing Director, Chief Executive, Global Markets Unit, BTMU		
			Jun. 2012	Deputy President, BTMU		
			Jun. 2014	Corporate Auditor, BTMU		
			Jun. 2016	Director, Audit and Supervisory Committee Member, BTMU		
			Jun. 2017	Advisor, BTMU		
			Jul. 2017	Member of the Policy Board, Bank of Japan		
			Jun. 2023	Audit and Supervisory Board Member of the Company (present position)		

Title	Name	Date of Birth	Business Experience and Position(s) and Office(s)		Office Term	Number of Shares Held by Shareholder (Hundreds of shares)
Audit and Supervisory Board Member	Motoko Tanaka	Dec. 13, 1959	Oct. 1989 Mar. 1993 Oct. 1995 Jul. 2003 Jul. 2020 Jun. 2023	Joined Tohmatsu Awoki & Sanwa (current “Deloitte Touche Tohmatsu LLC”) Registered as Certified Public Accountant Deloitte & Touche LLP, New York Partner of Deloitte Touch Tohmatsu LLC Managing Partner of Tanaka CPA Office (present position) Audit and Supervisory Board Member of the Company (present position)	Note 5	2
Audit and Supervisory Board Member	Harunobu Shiho	Oct. 17, 1976	Oct. 2003 Dec. 2005 Dec. 2006 Jan. 2011 Apr. 2016 Jan. 2020 Apr. 2020 Nov. 2020 Nov. 2022 Apr. 2024 Jun. 2025	Registered as an attorney Joined Nagashima Ohno & Tsunematsu Joined Miyake Imai Ikeda Law Office Auditor of Euglena Co., Ltd. Partner at Miyake Imai Ikeda Law Office (present position) Deputy Secretary-General of the Bankruptcy Law Division of the Tokyo Bar Association Committee member of the “Transaction Law Study Group” of the Japan Institute of Business Law Secretary of the Bankruptcy Law Review Committee of the Japan Federation of Bar Associations Deputy Secretary-General of the Bankruptcy Law Division of the Tokyo Bar Association Member of the Financial Services Agency’s “Study Group on the Ideal State of Loans and Reconstruction Practices to Support Business Viability” Committee member of the Financial Services Agency’s Financial System Council “Working Group on the Framework for Supporting Lending Practices Focused on Business Viability” Secretary General of the Bankruptcy Law Division of the Tokyo Bar Association Audit and Supervisory Board Member of the Company (present position)	Note 4	—
Total						559

- (Notes)
1. The term of office of a Director is one year from the conclusion of the Ordinary General Meeting of Shareholders held on June 25, 2025.
  2. Directors Mr. Tsunehiko Iwai, Ms. Chizuru Yamauchi, Ms. Hisae Sato, Mr. Koji Nitto and Mr. Tetsuro Harada are External Directors (Independent).
  3. The term of office of an Audit and Supervisory Board Member is 4 years from the conclusion of the Ordinary General Meeting of Shareholders to be held on June 25, 2024.
  4. The term of office of an Audit and Supervisory Board Member is 4 years from the conclusion of the Ordinary General Meeting of Shareholders to be held on June 25, 2025.
  5. The term of office of an Audit and Supervisory Board Member is 4 years from the conclusion of the Ordinary General Meeting of Shareholders to be held on June 28, 2023.
  6. Audit and Supervisory Board Members Mr. Hitoshi Suzuki and Ms. Motoko Tanaka, and Mr. Harunobu Shiho are External Audit and Supervisory Board Members (Independent).
  7. We have adopted the corporate officer system in order to clarify executive responsibility and accelerate the speed of execution of duties.  
The Corporate Officers who do not concurrently serve as Directors as of the filing date of this report are as follows.

	Title	Name
Corporate Officer	General Manager of Corporate Planning and Leader of Group IT Promotion	Katsuya Hirooka
Corporate Officer	In charge of Group Digital Transformation (DX) Marketing	Atsuko Shinozuka
Corporate Officer	Head of Global Operations Div.	Takuya Yoshidomi
Corporate Officer	Deputy Head of Global Operations Div.	Manabu Tochio
Corporate Officer	Head of Store Development Office	Hirofumi Inoue
Corporate Officer	In charge of Group Personnel	Shinsuke Fukazawa
Corporate Officer	In charge of Group Technology and Manufacturing	Yoshitaka Nakada

(ii) Status of External Officers

We have 5 External Directors (Independent) and 3 External Audit and Supervisory Board Members (Independent).

We have elected those persons having extensive knowledge and experience as executives and persons having insight into investment and financial capital markets, as our External Directors (Independent), and each of such persons takes a role in improving the appropriateness of the decision-made by the Board of Directors by giving objective and independent advice based on their long careers in each business area and extensive professional knowledge. Also, we have elected those persons who have experience as business administrators in the financial industry, extensive knowledge from their experience as a member of the Policy Board of the Bank of Japan, independent certified public accountants having a considerable degree of finance and accounting knowledge, or independent attorneys at law as our External Audit and Supervisory Board Members (Independent). Each External Audit and Supervisory Board Member (Independent) conducts a strict audit on the legality of Directors' decision-making and execution of their duties from a professional perspective by maintaining high levels of independence.

The Company prescribes "Criteria for Appointment or Removal of Officers" and "Criteria for Appointment of External Officers (that ensures independence)" for appointing a Director and an Audit and Supervisory Board Member.

In making the appointment or removal of an External Director (Independent), the "Nomination of Directors Advisory Committee" submits a list of candidates based on the following criteria to the Board of Directors. Candidates for External Audit and Supervisory Board Member (Independent) are appointed at a Board of Directors' meeting after the consent of the Audit and Supervisory Board is obtained. The lists of candidates are then submitted to a general meeting of shareholders as an agenda item.

<Criteria for Election of Directors>

1. They must have a suitable character for being a director of the Company. For example, they must be suitable in terms of taking the initiative in embodying the Company philosophy and code of conduct, and in terms of maintaining the dignity required of a director.
2. They must possess physical and mental health and toughness required to fulfill the heavy responsibilities of a director.
3. They must possess sufficient experience and expertise to contribute to sustainable growth and the enhancement of corporate value over the medium to long term
4. They must possess at least one of the skills that have been set in the skills matrix.
5. When they are reelected, they must be deemed to have contributed to enhancing corporate value and business performance during their term of office.
6. They must not fall under any of the grounds for disqualification from being a director that are stipulated in each of the items in Article 331, Paragraph 1 of the Companies Act.
7. Internal directors must have at least one year of experience as an executive officer or higher at the Company or a major operating company.
8. Independent external directors must be concurrently serving as officers at no more than three listed companies other than the Company.
9. At least half of the directors must be external directors, and external directors must not violate the "Criteria for the Independence of External Officers" stipulated separately by the Company.
10. As a result of elections based on the criteria in 1 to 9, the composition of the directors must be balanced in terms of knowledge, experience, professional capability, gender, generation, internationality, etc., and

diversity in decision-making and governance must be ensured.

<Criteria for Election of Audit and Supervisory Board Member>

1. They must have a suitable character for being an audit and supervisory board member of the Company. For example, they must be suitable in terms of taking the initiative in embodying the Company philosophy and code of conduct, and in terms of maintaining the dignity required of an audit and supervisory board member.
2. They must possess physical and mental health and toughness required to fulfill the heavy responsibilities of an audit and supervisory board member.
3. With their independence from all managerial and executive aspects ensured, they must be capable of monitoring management in a manner that is based on extensive experience, adopt a company-wide perspective, and take a fair, neutral, and objective standpoint.
4. They must not fall under any of the grounds for disqualification from being an audit and supervisory board member that are stipulated in each of the items in Article 331, Paragraph 1 of the Companies Act that apply mutatis mutandis in Article 335, Paragraph 1 of the same Act.
5. For one of the full-time audit and supervisory board members, the Company must strive to elect someone who possesses sufficient knowledge of finance and accounting.
6. External audit and supervisory board members must not violate the “Criteria for the Independence of External Officers” stipulated separately by the Company.
7. As a result of elections based on the criteria in 1 to 6, the composition of the audit and supervisory board members must be balanced in term of knowledge, experience, and professional capability.

<Criteria for Removal of Directors and Audit and Supervisory Board Members>

1. Situations in which it becomes clear that the selection criteria above are not satisfied, even if only in part.
2. Situations involving the emergence of a material fact related to misconduct or violations of laws and regulations or the Articles of Incorporation of the Company.
3. In the event of an individual contravening either 1 or 2 above, the Board of Directors shall resolve to put a proposal for the dismissal of the Director or Audit and Supervisory Board Member before a general meeting of shareholders, based on the findings of the Nomination of Directors Advisory Committee in the case of a Director, and on the approval of the Audit and Supervisory Board in the case of an Audit and Supervisory Board Member.

The Company believes that External Directors (Independent) and External Audit and Supervisory Board Members (Independent) should have sufficient independence to avoid conflicts of interest with general shareholders of the Company. From this perspective, the Company appoints candidates for External Officers who do not fall under any of the following categories:

1. Persons who have served as a business director<sup>\*1</sup> at any time for Wacoal or its consolidated subsidiaries (hereinafter collectively referred to as the Wacoal Group) in the past;
2. Major shareholders who hold 5% or more of Wacoal shares in terms of voting rights either in their own name or another person's name. If the major shareholder in question is a corporation, association, or other such organization (hereinafter referred to as legal entities), business executives who belong to the relevant legal entity
3. Any of the following parties
  - Main business partners<sup>\*2</sup> of the Wacoal Group, or parties who count the Wacoal Group as a main business partner. If the party in question is a legal entity, business executives who belong to the relevant legal entity
  - Main lenders of the Wacoal Group<sup>\*3</sup>. If the party in question is a legal entity, business executives who belong to the relevant lender
  - Business executives who belong to Wacoal's lead securities brokerage
  - Business executives who belong to legal entities in which Wacoal holds 5% or more of the shares in terms of voting rights
4. Certified public accountants who work for auditing companies that audit the accounts of the Wacoal Group
5. Lawyers, accountants, tax accountants, patent attorneys, consultant, or other such specialists who receive large sums<sup>\*4</sup> or other assets from the Wacoal Group. If the party in question is a legal entity, specialists who belong to the relevant legal entity.
6. Persons who have received large donations<sup>\*5</sup> from the Wacoal Group. If the party in question is a legal entity, business executives who belong to the relevant legal entity
7. Executives of other companies that are mutually inaugurated by outside officers.

8. Spouses or close family members (up to two degrees of separation) of persons who fall under categories 1 to 7 above (only applicable to important persons<sup>\*6</sup>)
9. Persons who fell under any of the categories 2 to 8 in the last three years.
10. Any other persons deemed to be in exceptional circumstances that may result in a conflict of interest with Wacoal's general shareholders

It should be noted, however, that a candidate who falls under any of the items under 2 through 9 above, but who fulfills the requirements of an external officer under the Companies Act, may under exceptional circumstances become a candidate for an External Officer if the Company deems it appropriate for such candidate to be appointed as an External Officer and if the Company describes its reasons for making such judgement.

- \*1 Business executive refers to managing directors, executive officers, corporate officers, and other employees equivalent to these.
- \*2 Main business partner refers to a counterpart who is a buyer or a supplier from the perspective of the Wacoal Group or the relevant party, and whose average annual transactions over the past three years exceeds 2% of the consolidated sales of the Wacoal Group or the relevant party.
- \*3 Main lender refers to financial institutions or individuals from whom the Wacoal Group borrows, and where the balance of borrowed funds as of the end of the fiscal year for the last three years constitutes more than 2% of the consolidated assets of Wacoal or the relevant lender.
- \*4 Large sums refer to an average amount of more than 10 million yen annually over the last three years for services rendered, regardless of whether the services were rendered to the Wacoal Group by the specialist in question as an individual or by an organization to which they belong.
- \*5 Large donations refer to donations that exceed 10 million yen annually over the last three years.
- \*6 Important persons refer to (i) employees or equivalent persons in the case of certified public accountants who belong to an auditing or accountant firm, partners or equivalent persons in the case of lawyers who belong to a law office, or equivalent persons in the case of specialists who belongs to another legal entity, or (ii) managing directors, executive officers, corporate officers, and senior managers with the rank of department manager or higher, or officials such as councilors, administrative officers, and auditor secretaries in the case of business executives belonging to legal entities, and persons objectively and logically deemed to have equivalent importance.

For our External Directors (Independent), the Management Planning Department hands out documents setting out the proposals presented to the Board of Directors' meetings in advance and gives prior explanations on important matters to them. For External Audit and Supervisory Board Members (Independent), internal Audit and Supervisory Board Members do so.

Four of our External Directors (Independent) and one of our External Audit and Supervisory Board Members (Independent) hold 2,900 and 200 shares of common stock of the Company, respectively. Other than the foregoing, there are no special interests between our External Directors (Independent) or External Audit and Supervisory Board Members (Independent) and the Company.

The reasons for the election of our External Directors (Independent) and External Audit and Supervisory Board Members (Independent) are as follows:

External Directors (Independent)

Name	Status of significant concurrent positions	Reasons for Election
Tsunehiko Iwai	External Director of Cross Plus Inc.	<p>Mr. Tsunehiko Iwai served as the Representative Director of a cosmetics manufacturer and distributor which operated globally. Mr. Tsunehiko Iwai's extensive knowledge and insight as a company manager, as well as his expertise on research &amp; development, production and technology enable him to contribute to the management of the Company. He also provides valuable opinions and advice based on his knowledge on compliance and sustainable management and knowledge acquired at a company which "pursues beauty" like our Company. He also serves as the Chair of both the Nomination of Directors Advisory Committee and the Remuneration of Directors Advisory committee of the Company. We expect that he will provide advice that will contribute to enhance our corporate value and strengthen oversight over the Company. We therefore request that Mr. Tsunehiko Iwai continue to be elected as an External Director (Independent).</p> <p>Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.</p>
Chizuru Yamauchi	Advisor of Nippon Life Insurance Company	<p>Ms. Chizuru Yamauchi has extensive knowledge and experience as an executive, as well as expertise in diversity and inclusion, which enable her to contribute to the management of the Company. We expect that she will continue to provide advice on human resources and organization strategies, such as women's empowerment, human resource development and organizational development, as well as advice that will contribute to enhancing corporate value, and supervise the management of the Company. We therefore request that Ms. Chizuru Yamauchi continue to be elected as an External Director (Independent).</p> <p>Also, because she meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated her as an independent officer.</p> <p>Ms. Chizuru Yamauchi is the Advisor of Nippon Life Insurance Company, which is one of our major shareholders; however, the shareholding ratio is 3.0% on a voting right basis and there is no concern with respect to her independence.</p>

Name	Status of significant concurrent positions	Reasons for Election
Hisae Sato	<p>Councilor of International Christian University;  Member of Fund Management Committee of Local Public Service Mutual Aid Associations;  Member of Fund Management Committee of Pension Fund Association for Local Government Officials;  Member of the JST* Investment Advisory Committee  *JST: Japan Science and Technology Agency;  Member of Pension Actuarial Subcommittee of the Social Security Council, Ministry of Health, Labor and Welfare;  Member of Fund Management Subcommittee of the Social Security Council, Ministry of Health, Labor and Welfare;  Member of Subcommittee on Asset Management Nation of the Council of New Form of Capitalism Realization, Cabinet Secretariat;  Member of user review committee for “Innovation of Inclusive Community Platform,” Cross-ministerial Strategic Innovation Promotion Program (SIP) of National Institutes of Biomedical Innovation, Health and Nutrition;  Member of stage-gate evaluation committee for “Innovation of Inclusive Community Platform,” Cross-ministerial Strategic Innovation Promotion Program (SIP) of National Institutes of Biomedical Innovation, Health and Nutrition</p>	<p>Ms. Hisae Sato has experience as an asset management consultant at a foreign-affiliated organization/personnel/asset management consulting firm, and as a chief investment officer overseeing pension assets on a global level for a global automobile manufacturing and sales company, which enables her to contribute to the management of the Company. Ms. Hisae Sato also has a wealth of knowledge and insight, particularly in the areas of investment and financial capital markets, having served as a member of various investment-related committees for public pension funds and government agencies in Japan, and has provided valuable opinions and suggestions relating to those matters. We expect that she will continue to utilize her experience and expertise to improve the Company’s corporate value, and contribute to strengthening the supervisory function of the Board of Directors. We therefore request that Ms. Hisae Sato continue to be elected as an External Director (Independent). Although Ms. Hisae Sato has never been involved in corporate management other than serving as an external officer, we believe that she will be able to appropriately fulfill her role as an External Director (Independent) for the above reasons and her experience of being involved in management of an incorporated educational institution as a trustee and a councilor.</p> <p>Also, because she meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated her as an independent officer.</p>

Name	Status of significant concurrent positions	Reasons for Election
Koji Nitto	Director of CiRA Foundation; Outside Director of GS Yuasa Corporation; Outside Director (Audit and Supervisory Committee Member), T&D Holdings, Inc.	Mr. Koji Nitto has extensive experience as a manager who can incorporate finance into management strategies, serving as a CFO and Senior Management Executive Officer of the Global Strategy Division of an electronic equipment manufacturing and sales company that operates control equipment and healthcare businesses globally, which enables him to contribute to the management of the Company. In particular, we believe his knowledge and insight based on his experience leading return on invested capital (ROIC) management at the above electronic equipment manufacturing and sales company with multiple business portfolios will contribute to improving our profitability and capital efficiency. We expect that he will continue to utilize his experience and expertise to improve the Company's corporate value and contribute to strengthening the supervisory function of the Board of Directors. We therefore request that Mr. Koji Nitto continue to be elected as an External Director (Independent). Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.
Tetsuro Harada	Director, Audit & Supervisory Committee Member and Chairman of the Board of Dream Incubator Inc. External Director, Mandom Corporation	Mr. Tetsuro Harada has extensive experience as a consultant in providing strategic consulting, management development, and venture investment development for major corporations in various industries, and various knowledge based on such experience, which enables him to contribute to the management of the Company. We believe his knowledge and various insight he has derived through implementing structural reforms in a short period of time as a top-level management executive will contribute valuably to the formulation and execution of our management strategy. We expect that he will continue to utilize his experience and expertise to improve our corporate value and contribute to strengthening the supervisory function of the Board of Directors. We therefore request that Mr. Tetsuro Harada continue to be elected as an External Director (Independent). Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer. The Group consigns consulting services to Dream Incubator Inc. ("DI"); however, Mr. Tetsuro Harada has not been a person who executes business at DI since June 2023 and the transaction value between DI and the Group accounts for less than 0.05% of consolidated revenue of the Company, and less than 1.3% of consolidated revenue of DI. Accordingly, there is no concern with respect to his independence.

#### External Audit and Supervisory Board Members (Independent)

Name	Status of significant concurrent positions	Reasons for Election
Hitoshi Suzuki		After Mr. Hitoshi Suzuki fulfilled his duties at a major financial institution in overseas location and in the market sector, Mr. Hitoshi Suzuki gained experience in deliberating monetary policy as a member of the Policy Board, which is the highest decision-making body of the Bank of Japan, and has been utilizing such experience to perform the audit of the Company. In order to continue to utilize such experience for the audit system of the Company, we appoint him as External Audit and Supervisory Board Member (Independent). Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer. Until June 2014, Mr. Hitoshi Suzuki held a position to execute business at The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current "MUFG Bank, Ltd."), a major shareholder and lender of the Company. It has been 11 years since he retired from the said bank as an executive and accordingly, there is no concern with respect to his independence. He already has retired as an advisor of MUFG Bank, Ltd.

Name	Status of significant concurrent positions	Reasons for Election
Motoko Tanaka	Managing Partner of Tanaka CPA Office; External Director and Audit & Supervisory Committee Member of TOWA Corporation	<p>Ms. Motoko Tanaka has extensive experience working at a major audit firm as a certified public accountant and U.S. certified public accountant and has a high level of expertise in finance and accounting, and has been utilizing such experience to perform the audit of the Company. In order to continue to utilize such experience for the audit system of the Company, we appoint her as External Audit and Supervisory Board Member (Independent).</p> <p>Although Ms. Motoko Tanaka has never been directly involved in corporate management other than serving as an external officer, we believe that she will be able to appropriately fulfill her role as an External Audit and Supervisory Board Member (Independent) for the above reasons.</p> <p>Also, because she meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated her as an independent officer.</p> <p>Until June 2020, Ms. Motoko Tanaka held a position at Deloitte Touche Tohmatsu LLC, our Accounting Auditor, but Ms. Motoko Tanaka has never engaged in audits of the Company during the said period and there is no concern with respect to her independence.</p>
Harunobu Shiho	Partner at Miyake Imai Ikeda Law Office Secretary of the Japanese Association for Business Recovery	<p>Mr. Harunobu Shiho is a legal expert with ample experience and a proven track record as an attorney. In addition, he has a deep insight into corporate governance, risk management, compliance, etc., and experience as an external director at other companies. In order to utilize such knowledge and experience for the audit system of the Company, we appoint him as External Audit and Supervisory Board Member (Independent).</p> <p>Although Mr. Harunobu Shiho has never been involved in corporate management other than serving as an external officer, we believe that he will be able to appropriately fulfill her role as an External Director (Independent) for the above reasons.</p> <p>Also, because he meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.</p> <p>The Group has advisory contracts with other lawyers of Miyake Imai Ikeda Law Office at which Mr. Harunobu Shiho belongs as a partner; however, the annual amount of the fees (the average over the most recent three business years) is less than 2.5 million yen and there is no concern with respect to his independence.</p>

(iii) Mutual Collaboration among Supervision or Audit by External Directors (Independent) or External Audit and Supervisory Board Members (Independent), Internal Audit, Audit by Audit and Supervisory Board Members, and Accounting Audit, as well as Relationship with Internal Control Division

External Directors (Independent) fulfill the supervisory function of management by providing recommendations at the Board of Directors meetings based on their extensive knowledge and experience after they receive necessary documents and are explained about agenda items which they receive prior to the Board of Directors meetings, as well as by serving as the chair or a member of the Nomination of Directors Advisory Committee and the Remuneration of Directors Advisory Committee. They also contribute to the implementation and/or maintenance of the internal control system by receiving various reports from the Audit Office.

External Audit and Supervisory Board Members (Independent) perform the audit of the internal control system, including fair presentation of financial statements, by attending meetings of the Audit and Supervisory Board, and by establishing sufficient communication channels and coordinating with the Audit and Supervisory Board Members, who in turn report to the External Audit and Supervisory Board Members (Independent) regarding the status of audit on operations, details of important meetings and other matters as necessary, as well as by receiving various reports from the Accounting Auditor and internal audit department (Audit Office). In addition, based on matters discussed at the meetings of the Audit and Supervisory Board, External Audit and Supervisory Board Members (Independent) attend the Board of Directors meetings and other important meetings and enhance the effectiveness of audit by visiting and conducting interviews with our subsidiaries.

In addition to the above, External Directors (Independent) and External Audit and Supervisory Board Members (Independent) exchange opinions on issues raised in connection with the operation of the Board of Directors' meeting at the Independent External Auditors & Directors Meeting for the Effectiveness of Board of Directors, and they also seek to coordinate with each other through, for example, participation by External Directors as observers in interviews, conducted by Audit and Supervisory Board Members, of Executive Directors and others.

### (3) Status of Audits

#### (i) Status of Audits by Audit and Supervisory Board Members

Our Audit and Supervisory Board Members and audit system as of the date of this report are as follows.

##### a. Organization and Members

Our Audit and Supervisory Board are composed of 5 members, who are 2 Audit and Supervisory Board Members and 3 External Audit and Supervisory Board Members (Independent) with female members accounting for 20% of the Audit and Supervisory Board. Audit and Supervisory Board Member Mr. Shinichi Kitagawa serves as the chairperson of the Audit and Supervisory Board. Audit and Supervisory Board Member Mr. Shinichi Kitagawa, who has had experience as the General Manager of Accounting Department of the Company, and External Audit and Supervisory Board Member (Independent) Ms. Motoko Tanaka, who is a certified public accountant, have a considerable degree of finance and accounting knowledge. Audit and Supervisory Board Member Mr. Katsuhiro Okamoto provides audit and advice based on his extensive knowledge and experience at Wacoal Corp., our core operating entity, as well as our overseas subsidiaries. External Audit and Supervisory Board Member (Independent) Mr. Hitoshi Suzuki provides audit and advice based on extensive knowledge from his services in the financial industry and experience as a member of the Policy Board of the Bank of Japan. External Audit and Supervisory Board Member (Independent) Mr. Harunobu Shiho provides audit and advice based on his legal knowledge as a lawyer and experience in business law, which is his area of specialization. In addition, we have a full-time assistant for the Secretarial Office for the Audit and Supervisory Board to assist the duties of the Audit and Supervisory Board Members and our Audit Office assists the duties of the Audit and Supervisory Board Members upon their request from time to time.

##### b. Activities of Audit and Supervisory Board and Detailed Matters Discussed

The Audit and Supervisory Board generally meets once a month before the Board of Directors meeting and also from time to time as necessary. We held 18 meetings during the current fiscal year. The time required for reporting and deliberation per meeting was approximately 75 minutes. The attendance record of each Audit and Supervisory Board Member is as follows.

Title	Name	Meeting attendance (Attendance rate)
Audit and Supervisory Board Member	Shinichi Kitagawa	18/18 (100%)
Audit and Supervisory Board Member	Katsuhiro Okamoto	18/18 (100%)
External Audit and Supervisory Board Member (Independent)	Mitsuhiro Hamamoto	18/18 (100%)
External Audit and Supervisory Board Member (Independent)	Hitoshi Suzuki	17/18 (94%)
External Audit and Supervisory Board Member (Independent)	Motoko Tanaka	18/18 (100%)

The Audit and Supervisory Board prepares an audit report, determines appointment and removal of Audit and Supervisory Board Members, audit policies, procedures of investigation on the conduct of the business, the assets and properties and matters regarding the execution of duties of Audit and Supervisory Board Members in accordance with the Companies Act. The Audit and Supervisory Board also examines matters to be resolved by the Audit and Supervisory Board such as matters regarding appointment and removal or non-reappointment of the Accounting Auditor, consent on the amount of remuneration, etc. paid for the Accounting Auditor, consent on appointment of Audit and Supervisory Board Members, examines the agenda of the Board of Directors in advance, exchanges information and opinions in relation to audit including the proceedings of the important meetings attended by the Audit and Supervisory Board Members, exchanges opinions with the Representative Director, and conducts interviews on the execution of duties with our executive Directors and the Directors of Wacoal Corp., our major subsidiary. The Audit and Supervisory Board monitors and inspects the status of the audit by the Accounting Auditor through results of review during the fiscal year, the status of its accounting audit at the end of the fiscal year, interviews on the system to ensure the appropriate execution of duties of the Accounting Auditor and the results of audits on the internal controls as appropriate as well as accompanying actual audits as required. In addition, we discussed with the Accounting Auditor and requested explanations, as necessary, regarding the content

of the Key Audit Matters (KAM) required to be included in the auditor's report for companies subject to audits under the Financial Instruments and Exchange Act.

The key matters reported by and discussed with the Accounting Auditor on the audit of the financial statements etc. for the current fiscal year were as follows.

Key Matters Reported and Discussed	Month											
	4	5	6	7	8	9	10	11	12	1	2	3
Explanation of audit plan (including policies and fees)				◆	◆						◆	
Report on results of audit pursuant to Companies Act		◆										
Report on review during the fiscal year								◆				
Report on results of audit pursuant to Financial Instruments and Exchange Act and Internal Control Audit			◆									
Notification of matters regarding the execution of duties of the Accounting Auditor		◆			◆						◆	
Consideration regarding Key Audit Matters		◆	◆	◆							◆	
Sharing and review of status of accounting audit and accounting issues	◆				◆			◆			◆	
Other information exchanges	◆ *1				◆ *1		◆ *1	◆ *2			◆ *1	

\*1: Procedures for prior approval for provision of non-assurance services by the Accounting Auditor

\*2: Discussion on fraud risks

#### c. Activities of Audit and Supervisory Board Members

The Audit and Supervisory Board Members attend meetings of the Board of Directors and other important meetings such as the Group Management Meeting, express their opinions as necessary and hear explanation on important operational matters from the Directors etc. in accordance with the audit standards prescribed by the Audit and Supervisory Board. The Audit and Supervisory Board Members also monitor and inspect the system to ensure appropriate business conduct to perform audits on legality and appropriateness of the execution of duties of the Directors. Audit and Supervisory Board Members make efforts to communicate with the Directors and employees, maintain an environment for information-gathering and auditing, conduct audits on the status of principal offices and the assets and properties, receive monthly reports on topics related to internal audit from the Audit Office and share the information with External Audit and Supervisory Board Members, in accordance with the audit policies and the assignment of work responsibilities prescribed by the Audit and Supervisory Board. Audit and Supervisory Board Members also hold meetings of Group Audit and Supervisory Board annually to receive reports from auditors of the domestic subsidiaries, and visit the domestic subsidiaries to conduct audits together with External Audit and Supervisory Board Members to the extent possible, and strive to understand the management condition through interviews with the management. In addition, Standing Audit and Supervisory Board Members receive monthly reports regarding the management conditions of the major overseas subsidiaries from the Global Operations Div.

The following is a summary of priority audit items for the current fiscal year and the results of major audit activities corresponding to these priority audit items.

Priority Audit Items	Status of Major Audit Activities and Summary of Audit Results
Improvement of corporate governance by enhancing effectiveness of the Board of Directors	<ul style="list-style-type: none"> <li>• All Audit and Supervisory Board Members attended the meetings of the Board of Directors based on the prior confirmation of the agenda items to be submitted</li> <li>• One of the External Audit and Supervisory Board Members (Independent) attended the meetings of the voluntary Advisory Committees (Nomination of Directors and Remuneration of Directors) as an observer on behalf of others, and provided feedback on the deliberative process to the Audit and Supervisory Board</li> <li>• All Audit and Supervisory Board Members reviewed the results of the “Evaluation on Effectiveness of Board of Directors” provided by the “Independent External Auditors &amp; Directors Meeting for the Effectiveness of Board of Directors” and monitored the improvement activities for improvement by the Secretarial Office for the Board of Directors</li> <li>• Audit and Supervisory Board Members determined that there were incremental improvements made to various issues related to the operation of the Board of Directors which had been extracted in the valuation process for the effectiveness of the Board of Directors, and recognized that themes for improvement with respect to the constitution of the Board of Directors were identified</li> </ul>
Development and operation of internal control system of the business group	<ul style="list-style-type: none"> <li>• All Audit and Supervisory Board Members received reports from the “Corporate Ethics and Risk Management Committee,” and confirmed that changes in business environment during the current fiscal year were reasonably reflected in the reassessment of “business risks” presented to the said Committee</li> <li>• Audit and Supervisory Board Members received reports, as appropriate, from the Audit Office with respect to the matters discovered through internal audit, etc., and provided feedback on the contents of the reports to the Audit and Supervisory Board</li> <li>• Audit and Supervisory Board Members monitored, through inspection or interview, the review of business processes at the central business units and the Company’s initiatives, such as compliance training, and provided feedback on the details to the Audit and Supervisory Board</li> <li>• Audit and Supervisory Board Members determined that a series of processes in relation to the identification of important risks through treatments thereto was re-organized, resulting in improved effectiveness</li> <li>• Audit and Supervisory Board Members recognized that continuous improvement for the development of the internal control system, such as improving the control environment and reviewing operational procedures, are required</li> </ul>
Management status of the Group in accordance with the revised medium-term management plan	<ul style="list-style-type: none"> <li>• All Audit and Supervisory Board Members attended the Committee for Group Strategy and understood the group’s commonly shared important issues and the policy on the approach</li> <li>• All Audit and Supervisory Board Members conducted interviews with the Executive Directors and the Directors, etc. of Wacoal Corp., our major subsidiary, with respect to the execution of duties and the achievement of KPIs. Audit and Supervisory Board Members conducted interviews with the Corporate Officers of the Company and Wacoal Corp. and shared the details with the Audit and Supervisory Board</li> <li>• All Audit and Supervisory Board Members attended the meetings of Board of Directors and the Audit and Supervisory Board Members attended other important meetings to confirm that the decisions were made in accordance with the revised medium-term management plan and that efforts were made to achieve the targets</li> <li>• All Audit and Supervisory Board Members attended the Sustainability Committee, and Audit and Supervisory Board Members also attended meetings of its various subcommittees, confirming that for important themes such as climate change, human rights, and investments in human capital, internal and external interests were being coordinated and issues resolved in accordance with the relevant policies, and that the process of deliberations was being reported and submitted to the Board of Directors in timely fashion</li> </ul>

	<ul style="list-style-type: none"> <li>While on the one hand it was determined that specific measures had been devised in accordance with the basic policies set out in the revised medium-term management plan, on the other hand it was recognized that monitoring and ongoing improvements were required in relation to the reasonableness of initial assumptions, the status of resources to be committed, and the performance and return of the various measures</li> </ul>
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(ii) Status of Internal Audit

Pursuant to the “Internal Audit Regulations,” our Audit Office, the internal audit department, which is directly under the control of the Representative Director and President, audits the legality and appropriateness of the execution of operations at the Company and our domestic and overseas subsidiaries, and evaluates the effectiveness of the internal controls. During the current fiscal year, as part of internal control activities related to financial reporting, we audited 9 divisions for their group-wide systems and initiatives, 40 sites for daily administrative operations and Ai Co., Ltd. for purchasing and sales process as part of the operational audit.

In addition, for the purpose of ensuring that internal control over financial reporting functions effectively and that the relevant departments proactively improve and promote internal control, we have appointed a person in charge of promoting internal control, hold semi-annual meetings, and have established a system for sharing information on internal control.

The number of staff of our internal audit department (Audit Office) was 4 as of March 31, 2025.

Our Audit and Supervisory Board Members and internal audit department (Audit Office) have a regular meeting for reporting and confirmation once a month. The main purpose of such meeting is to report the discussions at major meetings at which our Audit and Supervisory Board Members attended, and plans and achievements by our Audit Office. We have implemented an audit system allowing the sharing of documents and information necessary for audit so that audit working papers are mutually exchanged and confirmed by our Audit and Supervisory Board Members and Audit Office, and the audit can be performed more efficiently and effectively through coordination between our Audit and Supervisory Board Members and Audit Office.

In terms of the reporting line of the internal audit department (Audit Office), it not only reports semi-annually to the Representative Director and President and Director in charge of Group Business Management pursuant to the “Internal Audit Regulations” mentioned above, but also to the Board of Directors, the Audit and Supervisory Board Members, and the Audit and Supervisory Board. Specifically, the internal audit department (Audit Office) reported the audit results on internal control to the Board of Directors and the Audit and Supervisory Board at their meetings held in April 2025.

(iii) Status of Accounting Audit

a. Name of Audit Firm

An accounting audit agreement has been executed between the Company and Deloitte Touche Tohmatsu LLC (“Tohmatsu”) pursuant to the Companies Act and the Financial Instruments and Exchange Act.

b. Consecutive Number of Years During Which Audit Was Performed

57

c. Certified Public Accountants Who Were Engaged in the Audit

Names of the certified public accountants who were engaged in the audit:

Designated Limited Liability Partners and Managing Members: Koichiro Tsukuda, Tomomi Tsuji

d. Composition of the Assistants for the Audit Services

The assistants for the accounting audit services for the Company include the following:

11 certified public accountants, 6 persons who passed the certified public accountant examination and 24 other persons

e. Policies and Reason for Appointing Audit Firm

The Audit and Supervisory Board selects the certified public accountants, etc. on the condition that such certified public accountants do not fall under any of the item under Paragraph 1, Article 340 of the Companies Act and that there is no event that may impair the eligibility and independence of such certified public accountants.

We have selected Tohmatsu based on the fact that it has the required independence, expertise, and appropriateness and adequacy in auditing activities, and on our judgment that it has the system to ensure that the accounting audit of the Company will be conducted appropriately and sufficiently.

- f. Evaluation of Audit Firm by Audit and Supervisory Board Members and Audit and Supervisory Board  
Under the discussion and resolution on the appointment and non-appointment of Tohmatsu, the Company's Audit and Supervisory Board performed an evaluation from the following seven perspectives: (1) quality control of the audit firm; (2) audit team; (3) audit fees, etc.; (4) communication with Audit and Supervisory Board Members; (5) relationships with management, etc.; (6) group audit; and (7) fraud risk.

(iv) Audit Fees

a. Fees to Certified Public Accountants

Category	Fiscal Year Ended March 31, 2024		Fiscal Year Ended March 31, 2025	
	Fees for Audit Services (Millions of yen)	Fees for Non-audit Services (Millions of yen)	Fees for Audit Services (Millions of yen)	Fees for Non-audit Services (Millions of yen)
The Company	132	–	132	–
Consolidated subsidiaries	12	–	12	–
Total	144	–	144	–

b. Fees to the same network as the CPA (Deloitte) (excluding a.)

Category	Fiscal Year Ended March 31, 2024		Fiscal Year Ended March 31, 2025	
	Fees for Audit Services (Millions of yen)	Fees for Non-audit Services (Millions of yen)	Fees for Audit Services (Millions of yen)	Fees for Non-audit Services (Millions of yen)
The Company	–	6	–	12
Consolidated subsidiaries	156	63	189	95
Total	156	69	189	107

For both fiscal years ended March 31, 2024 and 2025, the Company paid fees for non-audit services to the accounting auditor or certified public accountants as compensation for the advice and guidance regarding tax.

For both fiscal years ended March 31, 2024 and 2025, the consolidated subsidiaries paid fees for non-audit services to the accounting auditor or certified public accountants as compensation for the advice and guidance regarding tax.

c. Other material audit fees

Not applicable.

d. Policy on determination of audit fees

The Company determines the amount of audit fees to be paid to the accounting auditor and certified public accountants, after taking into account the number of days and system required for the audit, the operational characteristics of the Company and other factors, and after negotiation with such accounting auditor or certified public accountants and with the approval of the Audit and Supervisory Board.

e. Reason by Audit and Supervisory Board Members for giving consent on the amount of fees payable to the Accounting Auditor

The Audit and Supervisory Board of the Company has obtained necessary documents and received explanations regarding the comparison of the estimated time under the audit plan from the previous fiscal year and the actual time used for audit performance and the trend in the amount of compensation paid for the audit performance during the past fiscal years from the Directors, the relevant departments and the Accounting Auditor, has reviewed the details of audit performed by the Accounting Auditor for the previous fiscal year and the details of audit planning, basis for calculating compensation and level of compensation presented by the accounting auditor for the current fiscal year, and after deliberating whether the amount of compensation for the audit performance is appropriate to maintain the independence of the Accounting Auditor and to carry out its accounting audit under appropriate audit system and audit plan for the assessment of risks related to the audit

environment and internal control system of the business group (including the Company and its consolidated subsidiaries), the Audit and Supervisory Board has deemed the amount of compensation for the current fiscal year is appropriate. Based on the above, the Audit and Supervisory Board has given its consent, pursuant to the provisions of Paragraph 1, Article 399 of the Companies Act, to the amount of compensation payable to the Accounting Auditor.

(4) Remunerations, etc. paid to officers

- (i) Details and policies of calculation methods for amount of remunerations, etc. paid to officers or method of calculating such amount

The Company has established a policy on determining the details of remunerations, etc. payable to each Director (this “Policy”). The remunerations paid to Directors under our executive remuneration system consists of “Basic Remuneration,” the amount of which is fixed, and “Bonus,” which is linked to the business results of each fiscal year, as well as “Restricted Stock,” which is linked to medium- and long-term business results, and “Performance Share Unit,” for which the Company’s Board of Directors has set a certain period of time as the performance evaluation period. In the case of External Directors (Independent) and Audit and Supervisory Board Members who shall be in the position independent from the management, only “Basic Remuneration,” the amount of which is fixed.

<Basic Remuneration>

The basic remuneration is based on the so-called single-rate remuneration system, in which the same remuneration is paid for the same position. The Company annually verifies the adequacy of the level of remuneration, which has been set according to the business results and scale of the Company and is based on comparison with other companies within the same industry or of the same scale through the investigation results on remuneration prepared by an external advisory.

Specific details of basic remuneration amount for Directors are determined by the Board of Directors based on the reports prepared by the Remuneration of Directors Advisory Committee, which is chaired by External Directors (Independent) and the majority of which are composed of External Directors (Independent). The basic remuneration amount for Audit and Supervisory Board Members is determined after discussion within the Audit and Supervisory Board.

<Performance-based Bonus (performance-based remuneration)>

The total amount of the performance-based bonus is based on achievement as a percentage of the consolidated operating income recorded for each fiscal year, plus other performance factors (consolidated revenue, consolidated profit before tax), to increase the degree of linkage between bonuses and consolidated business performance. Performance-based bonus is paid once a year after approval at the general meeting of shareholders for the relevant fiscal year.

The amount of performance-based bonus to Directors is resolved at a Board of Directors meeting and the total amount is approved at the general meeting of shareholders based on reports prepared by the Remuneration of Directors Advisory Committee, which is chaired by External Directors (Independent) and the majority of which are composed of External Directors (Independent).

<Restricted Stock (non-monetary remuneration)>

Restricted stock is determined in consideration of the monthly amount of basic remuneration and the fair value of stock, which in turn are determined pursuant to the recommendations of the Remuneration of Directors Advisory Committee, and will be allotted in the number determined and resolved at a Board of Directors meeting once a year. Allotted shares will be subject to transfer restriction during the period from the date allotted shares are granted until the date such Director, Audit and Supervisory Board Member or Corporate Officer designated by the Company retires from their position. The transfer restrictions on all allotted shares will be removed upon the expiration of the transfer restriction period if such eligible grantee has continuously held the position of Director, Audit and Supervisory Board Member or Corporate Officer until the date of the first Ordinary General Meeting of Shareholders after the start date of the transfer restriction period. The Company may repurchase all of the allotted shares bearing transfer restrictions as a result of a breach of restricted stock allotment agreement without consideration.

<Performance Share Unit (non-monetary remuneration)>

As for the performance share unit, the Company allots to Eligible Directors our common stock in the number of shares in accordance with the degree of achievement to the numerical targets of business performance, etc., set by the Board of Directors during the performance evaluation period for a certain period of time determined by the Company’s Board of Directors.

The Board of Directors of the Company shall determine performance evaluation indicators and coefficients that are necessary in the specific calculation of the number of performance share unit to be delivered, such as respective numerical targets to be used in allotting the shares of the performance share unit.

Allotment of the number of shares that was resolved at the Board of Directors of the Company based on the calculation method is conducted once after the completion of the performance evaluation period. The Eligible Director needs to have continuously held the position of Director, Audit and Supervisory Board Member, or Corporate Officer as designated by the Company's Board of Directors during the performance evaluation period and satisfy other requirements that the Board of Directors designates as necessary.

The transfer restriction period shall be the period from the date on which such shares of the performance share unit are granted until the date of retirement from the positions of Director, Audit and Supervisory Board Member, or Corporate Officer as designated by the Company, with the conditions for removing the transfer restrictions to be provided separately. If an Eligible Director resigns from any position of Director, Audit and Supervisory Board Member, or Corporate Officer as designated by the Company, the Company shall naturally acquire the Allotted Shares free of charge, unless the Company's Board of Directors justifies a reason not to.

**Performance Share Unit granted for the 77th Fiscal Year (for the period from April 2024 to March 2025)**

Indicator	Target value (Millions of yen)	Weight	Actual value (Millions of yen)
(i) ROE	7%	50%	3.5%
(ii) Consolidated business profit	13,000	50%	(3,397)
Actual payment	—	—	—

**Performance Share Unit granted to Directors of the subsidiaries for the 77th Fiscal Year (for the period from April 2024 to March 2025)**

Indicator	Target value (Millions of yen)	Weight	Actual value (Millions of yen)
(i) Operating profit	6,000	100%	(2,541)
Actual payment	—	—	—

Performance evaluation indicators for the 78th fiscal year will be changed to the following, with the aim of increasing the linkage with the medium-term management plan and having ROIC management fully embraced.

Performance evaluation indicators and performance payment rates for the target period of the 78th fiscal year

Performance Evaluation Indicator 1		Performance Evaluation Indicator 2	
Consolidated ROIC (7%)	Performance payment rate	Consolidated business profit (13,000 million yen)	Performance payment rate
Achievement rate of 100% or higher	50%	Achievement rate of 100% or higher	50%
Achievement rate of below 100%	0%	Achievement rate of below 100%	0%

\* ROIC = Earnings before interest and after taxes / (Interest-bearing debt + Shareholders' Equity)

\* Business profit = Revenue – (Cost of sales + Selling, general and administrative expenses)

Performance evaluation indicators and performance payment rates for Directors of the subsidiaries shall be as follows:

Performance Evaluation Indicator 1	
Wacoal Corp.: operating profit (6,000 million yen)	Performance payment rate
Achievement rate of 100% or higher	100%
Achievement rate of below 100%	0%

Upon determination of the remuneration and other matters with respect to each Director for the current fiscal year, the Remuneration of Directors Advisory Committee holds discussions and deliberations, including with respect to the

consistency of the draft with this Policy, and reports to the Board of Directors of the Company. The Board of Directors of the Company respects the Committee's recommendations and believes that the determination is generally consistent with this Policy.

The maximum annual amounts of the basic remuneration paid to Directors and Audit and Supervisory Board Members were determined to be 350 million yen (excluding the amount paid as salaries for employees to the Directors who concurrently serve as employees) and 75 million yen, respectively, by the resolution adopted at the 57th Ordinary General Meeting of Shareholders held on June 29, 2005. The numbers of Directors and Audit and Supervisory Board Members upon the close of the 57th Ordinary General Meeting of Shareholders were 7 and 5, respectively.

The amount of Performance-Linked bonuses was determined to be such amount as is determined according to the business results of each fiscal year, which is resolved at Ordinary General Meeting of Shareholders.

Further, the maximum annual amount of restricted stock was determined to be 70 million yen by the resolution adopted at the 73rd Ordinary General Meeting of Shareholders held on June 29, 2021. The number of Directors (excluding External Director (Independent)) who are eligible recipients upon the close of the Ordinary General Meeting of Shareholders was 4.

In addition, the maximum annual amount of the performance share unit was determined to be 70 million yen by the resolution adopted at the 76th Ordinary General Meeting of Shareholders held on June 25, 2024. The number of Directors (excluding External Director (Independent)) who are eligible recipients upon the close of the Ordinary General Meeting of Shareholders was 3.

The ratios of basic remuneration, performance-based bonus, restricted stock compensation and performance share unit are as follows, when the performance-based bonus is at the level of the reference value.

Basic remuneration 55 to 56%; performance-based bonuses 14%; restricted stock 19 to 20%; performance share unit 11 to 12%

(Assuming the performance-based bonus is at the level of the reference value, the higher the position is, the lower the ratio of basic remuneration.)

The retirement allowance system for officers was abolished by the resolution adopted at the 57th Ordinary General Meeting of Shareholders held on June 29, 2005.

- (ii) Aggregate amount of remunerations, etc., paid to each category of officers, aggregate amount of remunerations, etc., by type thereof, as well as the number of relevant officers

Category of Officers	Aggregate Amount of Remunerations, etc. (Millions of yen)	Aggregate Amount of Remunerations, etc., by Type Thereof (Millions of yen)				Number of Relevant Officers
		Fixed remuneration	Performance-based Bonus	Share-based compensation	of which, Non-monetary remuneration	
Directors (excluding External Directors (Independent))	168	124	–	44	44	3
Audit and Supervisory Board Members (excluding External Audit and Supervisory Board Members (Independent))	41	41	–	–	–	2
External Officers	70	70	–	–	–	9

- (Notes)
1. The numbers of Directors, Audit and Supervisory Board Members and External Officers were 3, 2 and 8, respectively. The numbers of External Officers in the table above include one (1) External Officer who resigned upon the close of the 76th Ordinary General Meeting of Shareholders held on June 25, 2024.
  2. Aggregate amount of remunerations, etc. to Directors (excluding External Directors (Independent)) include officers' remuneration from the consolidated subsidiaries.
  3. Non-monetary remuneration, etc. to Directors (excluding External Directors (Independent)) comprises share-based compensation in the amount of 44 million yen.

(5) 【Information on Shareholdings】

(i) Standard and Concept for Categories of Investment Stocks

With respect to the category of the investment stocks that are held for the purpose of pure investment and that are held for the purposes other than pure investment, the Company does not hold any shares for the purpose of pure investment as part of asset management, but holds shares of other companies for purposes other than pure investment that are strategically important for our group, to maintain and enhance business transactions, to build, maintain and enhance cooperative and transactional relationships for business expansion, and to maintain steady financial transactions.

(ii) Equity securities held by Wacoal Corp.

Shares held by Wacoal Corp., which holds the largest amount of investment stocks on the balance sheet (i.e., the balance sheet amount of investment stocks) among the Company and our consolidated subsidiaries, are as follows.

A. Equity securities held for purposes other than pure investment

- a. Policies and method to verify the rationality of shareholding, as well as the verification process at the meeting of Board of Directors regarding appropriateness of holding individual issues

The Company examines whether it is appropriate to hold shares from a medium- to long-term perspective and whether risks associated with such holding are worth the cost of capital. To be more specific, we evaluate items such as yield of dividends received and report to the Board of Directors on a regular basis. The Board of Directors then examines whether the holding will enhance corporate value of the Company from a medium- to long-term perspective based on such verification results, and determines whether to continue to hold or dispose of such shares.

b. Number of Issues and Amount Recorded in the Balance Sheet

	Number of issues (Issue)	Total Amount Recorded in the Balance Sheet (Millions of yen)
Unlisted stocks	24	1,428
Stocks other than unlisted stocks	18	33,925

(Issues the number of whose shares increased during the current fiscal year)

	Number of issues (Issue)	Total Acquisition Amount due to Increase in the Number of Shares (Millions of yen)	Reason for Increase in the Number of Shares
Unlisted stocks	–	–	–
Stocks other than unlisted stocks	2	4	Acquisition of shares due to stock dividends and through share ownership plan for shares in clients

(Issues the number of whose shares decreased during the current fiscal year)

	Number of issues (Issue)	Total Disposal Amount due to Decrease in the Number of Shares (Millions of yen)
Unlisted stocks	1	3
Stocks other than unlisted stocks	7	7,521

c. Information on specified investment stocks and stocks deemed to be held, including the number of shares and the amount recorded in the balance sheet by issue

Specified investment stocks:

Issue	Current Fiscal Year	Previous Fiscal Year	Purpose of Holding, Overview of Business Alliances, etc., Quantitative Effects of Shareholding (Note 2) and Reason for Increase in Number of Shares	Whether Issuer Holds Company Shares
	Number of Shares (Shares)	Number of Shares (Shares)		
	Amount Recorded in the Balance Sheet (Millions of yen)	Amount Recorded in the Balance Sheet (Millions of yen)		
Mitsubishi UFJ Financial Group, Inc.	2,885,850	2,885,850	We engage in overall financial transactions with the issuer as a major financial institution and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes (Note 3)
	5,803	4,493		
Aeon Co., Ltd.	1,546,918	1,546,473	We engage in a transaction involving innerwear products and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value. The number of shares has increased due to participation in the stock ownership association.	Yes
	5,800	5,559		
Kyoto Financial Group, Inc.	2,279,988	2,279,988	We engage in a financial transaction with the issuer, as a major local financial firm, and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes
	5,188	6,295		

Issue	Current Fiscal Year	Previous Fiscal Year	Purpose of Holding, Overview of Business Alliances, etc., Quantitative Effects of Shareholding (Note 2) and Reason for Increase in Number of Shares	Whether Issuer Holds Company Shares
	Number of Shares (Shares)	Number of Shares (Shares)		
	Amount Recorded in the Balance Sheet (Millions of yen)	Amount Recorded in the Balance Sheet (Millions of yen)		
SCREEN Holdings Co., Ltd.	434,358	434,358	We have a close connections with the issuer, as a local firm, through information sharing, and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of business strategy.	Yes
	4,167	8,671		
Tokio Marine Holdings, Inc.	411,000	822,000	We have various general insurances to minimize business risks and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes (Note 3)
	2,357	3,865		
Horiba, Ltd.	230,000	230,000	We have a close connections with the issuer, as a local firm, through information sharing, and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of business strategy.	Yes
	2,287	3,686		
Shiga Bank, Ltd.	398,000	398,000	We engage in a financial transaction with the issuer, as a major local financial firm, and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes
	2,093	1,669		
Saha Pathana Inter-Holding PLC	7,606,666	7,606,666	We have a close cooperative relationship in business deployment in the Kingdom of Thailand and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value in the Kingdom of Thailand.	No
	2,075	2,238		
Takara Holdings Inc.	1,000,000	1,000,000	We have a close connections with the issuer, as a local firm, through information sharing, and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of business strategy.	No
	1,145	1,070		
Seven & i Holdings Co., Ltd.	464,907	464,907	We engage in a transaction involving innerwear products and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	No
	1,005	1,025		

Issue	Current Fiscal Year	Previous Fiscal Year	Purpose of Holding, Overview of Business Alliances, etc., Quantitative Effects of Shareholding (Note 2) and Reason for Increase in Number of Shares	Whether Issuer Holds Company Shares
	Number of Shares (Shares)	Number of Shares (Shares)		
	Amount Recorded in the Balance Sheet (Millions of yen)	Amount Recorded in the Balance Sheet (Millions of yen)		
AEON Financial Service Co., Ltd.	687,300	687,300	Issuer is a group company of Aeon Co., Ltd. with which we engage in a transaction of innerwear products and continue to hold the issuer's shares to maintain and strengthen our good relationship with Aeon group from the perspective of business strategy.	No
	906	965		
I.C.C INTERNATIONAL PLC	3,362,357	2,677,300	We have a close cooperative relationship in business deployment in the Kingdom of Thailand and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value in the Kingdom of Thailand. The number of shares has increased due to stock dividends.	Yes
	443	517		
Matsuya Co., Ltd.	205,000	205,000	We engage in a transaction of various products, mainly innerwear products, and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes
	218	232		
FUJI CO., LTD.	62,600	62,600	We engage in a transaction involving innerwear products and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes
	135	116		
King Co., Ltd.	168,000	168,000	We have a close connection with the issuer through information sharing as apparel manufacturers and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of business strategy.	Yes
	125	120		
Toray Industries, Inc.	100,000	100,000	As the issuer is one of the major suppliers of textile-related products, we continue to hold the issuer's shares to enhance corporate value and to maintain and strengthen our good relationship through a stable supply.	Yes
	101	74		
Sankyo Seiko Co., Ltd.	94,380	94,380	We have a close connection with the issuer through information sharing as apparel manufacturers and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of business strategy.	Yes
	58	70		

Issue	Current Fiscal Year	Previous Fiscal Year	Purpose of Holding, Overview of Business Alliances, etc., Quantitative Effects of Shareholding (Note 2) and Reason for Increase in Number of Shares	Whether Issuer Holds Company Shares
	Number of Shares (Shares)	Number of Shares (Shares)		
	Amount Recorded in the Balance Sheet (Millions of yen)	Amount Recorded in the Balance Sheet (Millions of yen)		
IZUMI Co., Ltd.	3,348	45,648	We engage in a transaction involving innerwear products and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	No
	10	160		
Chori Co., Ltd.	—	548,890	As the issuer is one of the major suppliers of textile-related products, we continued to hold the issuer's shares to enhance corporate value and to maintain and strengthen our good relationship through a stable supply.	No
	—	1,868		
Kyocera Corporation	—	891,800	We have a close connection with the issuer, as a local firm, through information sharing and continued to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of business strategy.	No
	—	1,803		
Heiwado Co., Ltd.	—	517,531	We engage in a transaction involving innerwear products and continued to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	No
	—	1,052		
Hisamitsu Pharmaceutical Co., Inc.	—	90,000	We continued to hold the issuer's shares to maintain and strengthen our good relationship as we have a close connection in building a cooperative and transactional relationship in business deployment.	No
	—	357		
Kintetsu Department Store Co., Ltd.	—	74,700	We engage in a transaction of various products, mainly innerwear products, and continued to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value.	Yes
	—	177		

- (Notes) 1. “—” indicates that we do not hold any shares of such issue.
2. The quantitative effects of shareholding are difficult to describe as they relate to individual transactions.
3. The company in which we hold the shares does not hold any shares of the Company, while its subsidiary holds shares of the Company.

Stocks deemed to be held:

Issue	Current Fiscal Year	Previous Fiscal Year	Purpose of holding, Overview of business alliances, etc., Quantitative Effects of Shareholding (Note 2) and Reason for Increase in Number of Shares	Whether Issuer Holds the Company's Shares
	Number of Shares (Shares)	Number of Shares (Shares)		
	Amount Recorded in the Balance Sheet (Millions of yen)	Amount Recorded in the Balance Sheet (Millions of yen)		
KDDI Corporation	2,544,000	2,544,000	We engage in a transaction involving communications equipment and infrastructure with the issuer and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value. We currently have a retirement benefit trust agreement under which we withhold our right to give directions on the exercise of voting rights.	No
	12,005	11,402		
Mitsubishi UFJ Financial Group, Inc.	3,365,000	3,365,000	We engage in overall financial transactions with the issuer as a major financial institution and continue to hold the issuer's shares to maintain and strengthen our good relationship from the perspective of enhancing corporate value. We currently have a retirement benefit trust agreement under which we withhold our right to give directions on the exercise of voting rights.	Yes (Note 3)
	6,767	5,239		

- (Notes) 1. The specified investment stocks and stocks deemed to be held are not combined when selecting the largest issues based on the amount recorded in the balance sheet.
2. The quantitative effects of shareholding are difficult to describe as they relate to individual transactions.
3. The company in which we hold the shares does not hold any shares of the Company, while its subsidiary holds shares of the Company.

d. Equity securities held for pure investment

Not applicable.

e. Equity securities reclassified from "held for pure investment" to "held for purposes other than pure investment" during the current fiscal year

Not applicable.

f. Equity securities reclassified from "held for purposes other than pure investment" to "held for pure investment" during the four previous fiscal years and the current fiscal year

Not applicable.

(iii) Equity securities held by Wacoal Holdings Corp.

A. Equity securities held for purposes other than pure investment

a. Policies and method to verify the rationality of shareholding, as well as the verification details at meetings of Board of Directors and others regarding appropriateness of holding individual issues

The Company examines whether it is appropriate to hold shares from a medium- to long-term perspective and whether risks associated with such holding are worth the cost of capital. To be more specific, we evaluate items such as yield of dividends received and report to the Board of Directors on a regular basis. The Board of Directors then examines whether the holding will enhance corporate value of the Company from a medium- to long-term perspective based on such verification results, and determines whether to continue to hold or dispose of such shares.

The information on quantitative effects of shareholding is omitted since they relate to individual transactions.

b. Number of Issues and Amount Recorded in the Balance Sheet

	Number of issues (Issue)	Total Amount Recorded in the Balance Sheet (Millions of yen)
Unlisted stocks	3	233
Stocks other than unlisted stocks	—	—

(Issues the number of whose shares increased during the current fiscal year)

	Number of issues (Issue)	Total Acquisition Amount due to Increase in the Number of Shares (Millions of yen)	Reason for Increase in the Number of Shares
Unlisted stocks	1	75	To promote measures to create new businesses
Stocks other than unlisted stocks	—	—	—

(Issues the number of whose shares decreased during the current fiscal year)

	Number of issues (Issue)	Total Disposal Amount due to Decrease in the Number of Shares (Millions of yen)
Unlisted stocks	—	—
Stocks other than unlisted stocks	—	—

c) Information on specified investment stocks and stocks deemed to be held, including the number of shares and the amount recorded in the balance sheet by issue

Not applicable.

d. Equity securities held for pure investment

Not applicable.

e. Equity securities reclassified from “held for pure investment” to “held for purposes other than pure investment” during the current fiscal year

Not applicable.

f. Equity securities reclassified from “held for purposes other than pure investment” to “held for pure investment” during the current fiscal year

Not applicable.

## V. 【Financial Information】

### 1. Preparation of consolidated financial statements

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”), pursuant to the provisions of Article 312 of the “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Ministry of Finance Order No. 28 of 1976, the “Regulation on Consolidated Financial Statements”).

### 2. Audit attestation

Pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, the consolidated financial statements for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) have been audited by Deloitte Touche Tohmatsu LLC.

### 3. Special efforts to ensure fair presentation of consolidated financial statements and other public filings as well as internal system to appropriately prepare consolidated financial statements and other public filings in accordance with IFRS

The Company makes special efforts to ensure fair presentation of consolidated financial statements and other public filings as well as internal system to appropriately prepare consolidated financial statements and other public filings in accordance with IFRS. The details are as follows.

- (1) In order to have an appropriate understanding about the contents of the accounting standards and other principles and to develop a system so that the Company can properly respond to the changes in the accounting standards and other principles, the Company has become a member of the Financial Accounting Standards Foundation and participates in seminars held by organizations and bodies with expertise.
- (2) In order to apply IFRS appropriately, the Company keeps itself updated about the latest IFRS by obtaining press releases and standards disclosed by the International Accounting Standards Board. In addition, in order to prepare consolidated financial statements appropriately in accordance with IFRS, the Company has developed group accounting policies that comply with IFRS and prepared the consolidated financial statements based on the policies.

【Consolidated Financial Statements】

(1) 【Consolidated Financial Statements】

(i) 【Consolidated Statement of Financial Position】

(Millions of yen)

Accounts	Note	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Assets			
Current assets:			
Cash and cash equivalents	8	33,547	23,419
Trade and other receivables	9,36	22,141	16,835
Other financial assets	10,36	1,996	2,007
Inventories	11	49,989	50,226
Other current assets	12,13	4,464	7,488
Total current assets		112,137	99,975
Non-current assets:			
Property, plant and equipment	14	45,478	43,252
Right-of-use assets	20	11,471	12,038
Goodwill	15	11,805	15,191
Intangible assets	15	11,890	12,047
Investment property	16	2,839	1,634
Investments accounted for using equity method	17	20,347	20,064
Other financial assets	10,36	54,451	42,022
Retirement benefit assets	23	18,795	18,399
Deferred tax assets	18	3,995	6,879
Other non-current assets	12	821	682
Total non-current assets		181,892	172,208
Total assets		294,029	272,183

(Millions of yen)

Accounts	Note	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Liabilities and Equity			
Liabilities			
Current liabilities:			
Borrowings	19,36	7,200	11,915
Lease liabilities	20,36	4,898	4,704
Trade and other payables	21,36	17,406	15,778
Other financial liabilities	22,36	995	916
Income taxes payable		4,074	3,019
Other current liabilities	13,25	14,566	13,716
Total current liabilities		49,139	50,048
Non-current liabilities			
Borrowings	19,36	1,946	2,554
Lease liabilities	20,36	6,598	7,663
Retirement benefit liability	23	2,947	1,621
Deferred tax liabilities	18	16,934	14,112
Other non-current liabilities	24,25	1,323	1,293
Total non-current liabilities		29,748	27,243
Total liabilities		78,887	77,291
Equity			
Common stock	26	13,260	13,260
Additional paid-in capital	26	20,550	4,311
Retained earnings	26	148,494	153,579
Other components of equity	26	46,784	38,637
Treasury stock, at cost	26	(17,259)	(17,968)
Total equity attributable to owners of parent		211,829	191,819
Noncontrolling interests		3,313	3,073
Total equity		215,142	194,892
Total liabilities and equity		294,029	272,183

( ii ) 【Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income】  
【Consolidated Statement of Profit or Loss】

(Millions of yen)

Accounts	Note	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Revenue	28	187,208	173,896
Cost of sales		(83,123)	(76,452)
Selling, general and administrative expenses	29	(100,575)	(100,841)
Other income	30	1,990	11,211
Other expenses	30	(15,003)	(4,486)
Operating profit (loss)		(9,503)	3,328
Finance income	31	2,529	2,170
Finance costs	31	(328)	(618)
Share of profit of investments accounted for using equity method	17	839	828
Impairment charges of investments accounted for using equity method	17	(1,827)	(15)
Profit (loss) before tax		(8,290)	5,693
Income tax expense	18	(453)	1,095
Profit (loss)		(8,743)	6,788
Profit (loss) attributable to:			
Owners of parent		(8,632)	6,989
Noncontrolling interests		(111)	(201)
Profit (loss)		(8,743)	6,788
Earnings per share:	33		
Basic profit (loss) per share (Yen)		(151.62)	129.65
Diluted profit (loss) per share (Yen)		(151.62)	129.16

**【Consolidated Statement of Comprehensive Income】**

(Millions of yen)

Accounts	Note	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit (loss)		(8,743)	6,788
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income	32	14,584	(3,506)
Remeasurement of defined benefit plans	32	1,679	(332)
Share of other comprehensive income of investments accounted for using equity method	17,32	86	(117)
Total of items that will not be reclassified to profit or loss		16,349	(3,955)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	32	8,417	(421)
Share of other comprehensive income of investments accounted for using equity method	17,32	769	(142)
Total of items that may be reclassified subsequently to profit or loss		9,186	(563)
Total other comprehensive (loss) income		25,535	(4,518)
Comprehensive income		16,792	2,270
Comprehensive income (loss) attributable to:			
Owners of parent		16,645	2,401
Noncontrolling interests		147	(131)
Comprehensive income		16,792	2,270

(iii) 【Consolidated statement of changes in equity】  
Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

Item	Note	Equity attributable to owners of parent						Non-controlling interests	Total equity
		Share capital	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2023		13,260	29,029	151,779	32,023	(15,894)	210,197	3,285	213,482
Loss				(8,632)			(8,632)	(111)	(8,743)
Other comprehensive income	32				25,277		25,277	258	25,535
Total comprehensive income		–	–	(8,632)	25,277	–	16,645	147	16,792
Repurchase of treasury stock	26					(10,001)	(10,001)		(10,001)
Cancellation of treasury stock	26		(8,572)			8,572	–		–
Share-based payment transactions	35		(5)			64	59		59
Dividends	27			(5,169)			(5,169)	(99)	(5,268)
Changes in ownership interest in subsidiaries			98				98	(20)	78
Transfer from other components of equity to retained earnings	26			10,516	(10,516)		–		–
Total transactions with owners		–	(8,479)	5,347	(10,516)	(1,365)	(15,013)	(119)	(15,132)
Balance at March 31, 2024		13,260	20,550	148,494	46,784	(17,259)	211,829	3,313	215,142

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

Item	Note	Equity attributable to owners of parent						Non-controlling interests	Total equity
		Share capital	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2024		13,260	20,550	148,494	46,784	(17,259)	211,829	3,313	215,142
Profit (loss)				6,989			6,989	(201)	6,788
Other comprehensive income	32				(4,588)		(4,588)	70	(4,518)
Total comprehensive income		–	–	6,989	(4,588)	–	2,401	(131)	2,270
Repurchase of treasury stock	26					(17,008)	(17,008)		(17,008)
Disposal of treasury stock	26		0			0	0		0
Cancellation of treasury stock	26		(16,011)			16,011	–		–
Share-based payment transactions	35		(228)			288	60		60
Dividends	27			(5,463)			(5,463)	(107)	(5,570)
Disposal of subsidiaries							–	(2)	(2)
Transfer from other components of equity to retained earnings	26			3,559	(3,559)		–		–
Total transactions with owners		–	(16,239)	(1,904)	(3,559)	(709)	(22,411)	(109)	(22,520)
Balance at March 31, 2025		13,260	4,311	153,579	38,637	(17,968)	191,819	3,073	194,892

## (iv) 【Consolidated statement of cash flows】

(Millions of yen)

Accounts	Note	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Operating activities			
Profit (loss)		(8,743)	6,788
Depreciation and amortization		11,861	11,822
Impairment charges		6,860	2,369
Finance income		(2,529)	(2,170)
Finance costs		328	618
Share of profit of investments accounted for using equity method		(839)	(828)
Impairment charges of investments accounted for using equity method		1,827	15
Income tax expense		453	(1,095)
(Gain) loss on sale and disposal of property, plant and equipment-net		99	(9,227)
Decrease(increase) in trade and other receivables		(990)	4,816
Decrease in inventories		6,569	1,025
Increase in other assets		(112)	(192)
Decrease in trade and other payables		(778)	(1,844)
Decrease in retirement benefit asset or liability		(4,542)	(220)
Decrease in other liabilities		(82)	(2,405)
Other		3,628	(917)
Subtotal		13,010	8,555
Interest received		308	488
Dividends received		2,002	1,794
Interest paid		(292)	(604)
Income taxes (paid) refunded		(3,737)	(5,295)
Net cash provided by operating activities		11,291	4,938
Investing activities			
Proceeds from withdrawal of time deposits		747	2,115
Payments into time deposits		(1,099)	(1,695)
Purchase of property, plant and equipment		(1,815)	(2,496)
Proceeds from sale of property, plant and equipment		610	11,569
Purchase of intangible assets		(1,566)	(1,379)
Purchase of other financial assets		(230)	(234)
Proceeds from sale or amortization of other financial assets		17,173	7,825
Payments for acquisition of subsidiaries	7	—	(7,270)
Proceeds from sale of subsidiaries		—	858
Other		228	89
Net cash provided by investing activities		14,048	9,382
Financing activities			
Net increase in short-term bank loans with original maturities of three months or less	34	678	88
Proceeds from long-term bank loans	34	—	6,971
Repayments of long-term bank loans	34	—	(1,680)
Repayments of lease obligations	34	(5,690)	(5,726)
Payments for purchase of treasury stock		(10,001)	(17,008)
Proceeds from disposal of treasury stock		0	0
Dividends paid to owners of parent	27	(5,169)	(5,463)
Dividends paid to noncontrolling interests		(99)	(107)
Proceeds from sale of interests in subsidiaries to noncontrolling interests		78	—
Payments for acquisition of interests in subsidiaries from noncontrolling interests		(8)	—
Net cash used in financing activities		(20,211)	(22,925)

(Millions of yen)

Accounts	Note	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Effect of exchange rate changes on cash and cash equivalents		1,638	(228)
Net decrease in cash and cash equivalents resulting from transfer to assets held for sale		—	(1,295)
Net decrease (increase) in cash and cash equivalents		6,766	(10,128)
Cash and cash equivalents at beginning of period	8	26,781	33,547
Cash and cash equivalents at end of period	8	33,547	23,419

## 【Notes to the consolidated financial statements】

### 1. Reporting entity

Wacoal Holdings Corp. (the “Company”) is an entity located in Japan. The locations of the registered headquarters and principal offices of the Company are disclosed at the website (URL <https://www.wacoalholdings.jp/en/>).

The Company’s consolidated financial statements consist of financial statements for the Company and its subsidiaries (hereinafter collectively the “Group”) and its interests in the Company’s associates and joint ventures.

The Group engages in manufacturing and sales of innerwear (foundation garments and lingerie and nightwear), outerwear, sportswear, and other textile products and related products (“Products”), wholesale, and retail to consumers for products. See Note 6. Segment Information for detail information.

### 2. Basis of preparation of consolidated financial statements

#### (1) Matters on compliance with IFRS

The consolidated financial statements of the Group meet the requirements of “Specified Company Complying with Designated International Accounting Standards” set forth in Article 1-2 of the Regulation on Consolidated Financial Statements (Ministry of Finance Order No. 28 of 1976, the “Regulation”) and have been prepared in compliance with IFRS as stipulated in Article 312 of the Regulation.

#### (2) Basis of measurement

The Group’s consolidated financial statements are prepared by using a historical cost basis except for the items in Note 3. Material Accounting Policies.

#### (3) Functional currency and presentation currency

The consolidated financial statements are presented in Japanese yen, which is the Group’s functional currency. Amounts are rounded to the nearest million yen.

### 3. Significant Accounting Policies

#### (1) Basis of Consolidation

##### 1. Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group considers that it has control over an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

As a general rule, financial statements of the subsidiaries are included in the Company’s consolidated financial statements from the date on which we obtained control of the subsidiaries until the date on which we lose its control.

In cases where the accounting policies applied by a subsidiary are different from those applied by the Group, adjustments are made to the subsidiary’s financial statements, if necessary. All intragroup balances of receivables and payables and transactions as well as unrealized gains or losses arising from intragroup transactions are eliminated in preparation of the consolidated financial statements.

Comprehensive income of subsidiaries is attributed to owners of parent and to the noncontrolling interests even if this results in the noncontrolling interests having a deficit balance.

Changes in the Company’s ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Any difference between the adjustment to the noncontrolling interests and the fair value of the consideration is recognized directly in equity attributable to owners of parent.

If the Company loses control over a subsidiary, any resulting gains or losses shall be recognized in profit or loss.

Subsidiaries whose fiscal year-end is different from the Company’s fiscal year-end are consolidated based on their provisional financial statements as of the fiscal year-end.

##### 2. Associates and joint ventures

Associates are entities over which the Group has a significant influence over the decisions on financial and operating policy decisions but does not have control or joint control of those policies. If the Group directly or indirectly holds 20% or more and less than 50% of the voting rights of the entity, it is presumed that the Company has significant influence over the entity unless it can be clearly demonstrated that this is not the case.

Joint ventures are joint arrangements whereby the parties, including the Group, have rights to the net assets of the entity in accordance with the arrangements for joint control of the arrangements. Joint arrangements are arrangements in which two or more parties have joint control, and joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for using the equity method from the date when the investees are determined as associates or joint ventures until the date that they cease to be classified as associates or joint ventures. When an entity no longer meets the criteria for an associate or joint venture and the application of the equity method is discontinued, the investment retained after the discontinuation of the equity method is re-measured at fair value, and any gains or losses arising from such re-measurement are recognized in profit or loss, unless the entity meets the criteria for a subsidiary.

If there is any objective evidence of impairment on investments in associates or joint ventures, the Company conducts impairment tests on those investments as one asset group.

(2) Foreign currency translation

1. Foreign currency transactions

Foreign currency transactions are translated into the functional currencies of each entity of the Group at the exchange rates on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated into the functional currencies at the exchange rates at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies to be measured at fair value are translated into the functional currencies at the exchange rates on the date when the fair value is measured.

Exchange differences arising from translation or settlement are recognized in profit or loss. However, exchange differences arising from the translation of financial assets measured at fair value through other comprehensive income hedges are recognized in other comprehensive income.

2. Financial statements of foreign operations

Assets and liabilities of foreign operations are translated into Japanese yen using the exchange rates at the end of the reporting period, whereas income and expenses are translated using the average exchange rate during the period unless there are significant fluctuations in the exchange rates. Exchange differences arising from the translation of financial statements of foreign operations are recognized in other comprehensive income. When we dispose a foreign operation, the cumulative amount of the exchange differences is recognized in profit or loss.

(3) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits and highly liquid short-term investments with original maturities of three months or less that are readily convertible to cash and are subject to insignificant risk of changes in value.

(4) Inventories

The cost of the inventories includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present locations and conditions.

Inventories are stated at the lower of cost or market cost. The cost is determined on an average cost basis for work in process and finished products and on a first-in, first-out basis for raw materials. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(5) Property, plant and equipment

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located and borrowing cost which satisfies the conditions of asset capitalization.

For measurement after recognition, the cost model is adopted, and an item of property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation of each asset other than land and construction in progress is recognized on a straight-line method over the estimated useful lives of the respective assets.

The estimated useful lives are as follows:

- Buildings and structures 2 to 50 years (Mainly 38 years)
- Machinery and vehicles, Tools, furniture and fixtures 2 to 20 years (Mainly 5 years)

The depreciation method, the estimated useful life and the residual value are reviewed at the end of each fiscal year. If there are any changes, they are applied prospectively as changes in accounting estimates.

Gains or losses incurred from derecognition of property, plant and equipment are included in profit or loss at the time of derecognition of such asset.

(6) Leases

The Group initially measures right-of-use assets at the lease commencement date. The cost of right-of-use assets comprises the total amount of the initial measurement of the lease liability, any lease payments made at or before the lease commencement date less any lease incentives received, any initial direct costs incurred, and

an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset. Right-of-use assets are depreciated on a straight-line basis over the useful life or lease term, whichever is shorter.

A lease liability is initially measured at present value of the future lease payments that will be paid over the lease term after the lease commencement date. Lease payments consist of fixed and variable lease payments for the right to use the underlying asset during the lease term that have not been paid at the commencement date.

In calculating the present value of the total lease payments, the interest rate implicit in the lease is used as the discount rate if such rate can be readily determined. If such rate cannot be readily determined, the lessee's incremental borrowing rate is used.

The lessee's incremental borrowing rate is affected by tenor, currency, lease commencement date. It is determined based on various inputs, such as a risk-free rate based on government bond yields, adjustment for country risk, adjustment for credit risk based on corporate bond yields, and company-specific adjustments where the risk profile of a company is different from the Group's risk profile.

Subsequent to initial recognition, right-of-use assets are measured based on the cost model, at cost less accumulated depreciation and impairment losses. Remeasurement of lease liabilities is also reflected in the measurement of right-of-use assets. Depreciation for right-of-use assets has been classified as Cost of sales or Selling, general and administrative expenses in the Consolidated Statement of Profit or Loss. Lease liabilities has been increased by interest which are related to lease liabilities and decreased by lease payment. Moreover, lease liabilities are remeasured when their terms and conditions have been modified.

However, no right-of use asset or lease liability is recognized for either short-term leases or leases for which the underlying asset is of low value. The total lease payments associated with those leases are recognized as an expense on either a straight-line basis over the lease term or another systematic basis.

As for transactions as a lessor, the Group classifies them as either a finance lease or an operating lease based on the degree of transfer of risks and rewards.

In a finance lease transaction, an amount of net lease investment receivable is recognized as a receivable on the lease commencement date.

In an operating lease transaction, an underlying asset is recognized in the consolidated statements of financial position and lease payments received are recognized as income by using the straight-line method over the lease period in the consolidated statement of profit or loss.

## (7) Goodwill and Intangible assets

### 1. Goodwill

Goodwill is measured at the fair value of the considerations transferred, including the recognized amount of any noncontrolling interests in the acquiree on the acquisition date, less the net recognized amount of the identifiable assets acquired and the liabilities assumed on the acquisition date (ordinarily measured at fair value).

Goodwill is not amortized and is tested for impairment at least annually, or whenever there is an indication of impairment.

Impairment loss on goodwill is recognized in the consolidated statement of profit or loss and no subsequent reversal is made.

Goodwill is valued at acquisition cost less accumulated impairment losses in the consolidated statement of financial position.

### 2. Intangible assets

Intangible assets acquired separately are measured at cost upon initial recognition. Intangible assets acquired in a business combination are measured at fair value as of the acquisition date.

Measurement after initial recognition is made using the cost model and is valued at acquisition cost less accumulated amortization and accumulated impairment losses.

All expenses for internally generated intangible assets are charged to expense in the period in which they are incurred, except for development costs that qualify for capitalization.

Intangible assets with finite useful lives are amortized over their estimated useful lives using the straight-line method.

The estimated useful lives of main intangible assets are as follows:

- Brands 15, 20 and 25 years (mainly 25 years)
- Customer-related intangible assets 12 years
- Software 5 years

The estimated useful lives, residual value and amortization method for an intangible asset with a finite useful life is reviewed at the end of each reporting period, and any changes are applied prospectively as a change in accounting estimate.

We consider that trademark right and paintings have indefinite useful lives because they can be used continuously as we continue our business.

Intangible assets with indefinite useful lives are measured at cost, less accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortized and tested for impairment annually or when there is an indication that they may be impaired, either individually or at the cash-generating units (hereinafter “CGU”).

(8) Investment Property

Investment properties are properties held to earn rentals or for capital appreciation or both.

The cost model is used for the measurement after recognition of an investment property, which is valued at cost less accumulated depreciation and accumulated impairment losses.

When it is practically difficult to distinguish between investment property and owner-occupied property, and the portion of owner-occupied part is insignificant, we regard the whole property as an investment property.

Depreciation of each asset other than land is calculated based on a straight-line method over the respective estimated useful lives. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each fiscal year. If any changes are made, the changes are applied prospectively as changes in accounting estimates.

Investment property is derecognized at the time of disposal or when the investment property is no longer permanently used and no future economic benefits from the disposal are expected. Any gain or loss arising from derecognition of the investment property, which is calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss at the time of derecognition.

(9) Financial instruments

1. Financial assets

(i) Initial recognition and measurement

The Group classifies financial assets into financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income or financial assets measured at amortized cost. The classification is determined at the time of initial recognition.

The Group recognizes these financial instruments on the transaction date when it becomes a party to the contractual provisions of the financial assets. All financial assets are measured at fair value plus transaction costs, unless the assets are classified as financial assets measured at fair value through profit or loss.

Financial assets that are classified as financial assets measured at amortized cost if both of the following conditions are met:

- The asset is held based on our business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other than the financial assets that are classified as financial assets measured at amortized cost are classified as financial asset measured at fair value. Equity financial assets measured at fair value, except for those held for trading that must be measured at fair value through profit or loss, are designated measured at fair value through other comprehensive income or fair value through profit or loss at initial recognition. Such designations are made for each equity financial asset and applied consistently.

(ii) Subsequent measurement

After initial recognition, financial assets are measured based on the classification as follows:

(a) Financial assets measured at amortized cost

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method.

(b) Financial assets measured at fair value

Changes in fair value of financial assets measured at fair value are recognized in profit or loss.

However, changes in fair value of equity financial assets designated as measured at fair value through other comprehensive income are recognized in other comprehensive income. Dividends from such financial assets are recognized as part of investing income in profit or loss for the current fiscal year.

(iii) Derecognition of financial assets

The Group derecognizes financial assets when the contractual rights to the cash flows from the financial assets expire, or when we transfer the financial assets and substantially all the risks and rewards of ownership. If the Group maintains control of the transferred financial asset, it recognizes the asset and associated liabilities to the extent of its continuing involvement.

(iv) Impairment of financial assets

For financial assets measured at amortized cost, we recognize an allowance for doubtful accounts for expected credit losses. The Group assesses at the end of the reporting period whether the credit risk on each financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the amount equal to expected credit losses for 12 months is recognized as allowance for doubtful accounts. On the other hand, if the credit risk has increased significantly since initial recognition, the amount equal to lifetime expected credit losses is recognized as allowance for doubtful accounts.

When contractual payments are more than 30 days past due, the Group determines in principle that there has been a significant increase in credit risk. However, reasonable and supportable information (internal rating, external rating and others) is taken into consideration in assessing whether there is a significant increase in credit risk.

When the collection of all or a portion of a receivable is considered impossible or extremely difficult, the receivable is deemed to be in default.

However, for trade receivables and contract assets that do not contain a significant financing component, the allowance for doubtful accounts is always recognized at the amount equal to lifetime expected credit losses, regardless of whether or not the credit risk has increased significantly since initial recognition.

Expected credit losses are measured at the present value of the difference between the contractual cash flows that are due to the Group under the contract and all the cash flows that the Group expects to receive.

The expected credit losses of financial assets are estimated in a way that reflects the following:

- An unbiased and probability-weighted amount determined by evaluating a range of possible outcomes
- Reasonable and supportable information about past events, current conditions and forecasts of economic conditions that is available without undue cost or effort at the reporting date.

If there are significant economic fluctuations, additional adjustment is made in expected loss.

The Group directly writes off an asset by reducing the total carrying amount in cases where collection of contractual cashflow is not reasonably expected, entirely or partially.

An allowance for doubtful accounts for financial assets is recognized in profit or loss. If an event occurs that reduces the allowance for doubtful accounts, the reversal of the allowance for doubtful accounts is recognized in profit or loss.

## 2. Financial liabilities

### (i) Initial recognition and measurement

Financial liabilities are either classified as financial liabilities measured at fair value through profit or loss or financial liabilities measured at amortized cost, and this classification is determined at the time of initial recognition.

The Group initially recognizes debt securities issued by us as of such issuance date. All the other financial liabilities are recognized as of the transaction date in which the Group becomes a contracting party of such financial instruments.

All financial liabilities are initially measured at fair value, but financial liabilities measured at amortized cost are measured using the amount obtained after deducting directly attributable transaction costs.

### (ii) Subsequent measurement

After initial recognition, financial liabilities are measured based on the classification as follows:

#### (a) Financial liabilities measured at fair value

For measurements made after the initial recognition of a financial liability, any financial liabilities measured at fair value through profit or loss include financial liabilities held for trading purposes and financial liabilities specified at the time of initial recognition as measured at fair value through profit or loss. Changes in fair value of financial liabilities measured at fair value are recognized in profit or loss.

#### (b) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are measured using the effective interest method after initial recognition. Amortization under the effective interest method and gains or losses on derecognition are recognized as part of finance expenses in profit or loss for the current fiscal year.

### (iii) Derecognition of financial liabilities

The Group derecognizes financial liabilities when they are extinguished, (i.e., when the obligations specified in the contract are discharged or cancelled or expired.)

## 3. Presentation of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position only when the Group currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## 4. Derivatives and hedge accounting

The Group uses derivatives such as foreign currency forward exchange contracts and interest rate swap contracts to hedge currency risks and interest rate risks. These derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into, and after initial recognition, they are remeasured at fair value.

Changes in fair value of derivatives measured at fair value are recognized in profit or loss. The hedge accounting was not applied to derivatives.

## (10) Employee benefits

For short-term employee benefits obligations, no discount calculation is made, and expenses are recorded when employees render related services.

For bonuses and paid leave expenses, the Group has legal or presumptive obligations to pay them and recognizes as liabilities the amount estimated to be paid based on those plans if reliable estimates are possible.

Long-term employee benefits other than post-employment benefits are determined by discounting to the present value the future benefits that employees have earned in return of their services rendered in the current and prior fiscal years.

The company and certain subsidiaries has adopted defined benefit plans and defined contribution plans as post-employment benefit plans.

The Group calculates the present value of defined benefit obligations and related current service cost as well as past service cost using the projected unit credit method.

The liabilities or assets of the defined benefit plan are recognized at an amount representing the present value of the defined benefit obligations less the fair value of the plan assets.

Remeasurement of the net defined benefit liabilities or assets is recognized as other comprehensive income at the time of occurrence and is immediately reclassified to retained earnings.

Past service cost and any gain or loss on settlement are recognized as profit or loss.

Expenses related to post-employment benefits of the defined contribution pension plan are recognized as expenses at the time an employee provides the relevant service.

#### (11) Income Tax

Income tax is composed of current tax and deferred tax.

Current tax is determined with the amount expected to be paid to or refunded from the tax authorities. The determination of the tax amount is based on the tax rate and tax laws that are enacted, or are substantively enacted, by the closing date of the reporting period. Current tax is recognized as a profit or loss excluding items relating to items recognized as other comprehensive income or direct equity.

Deferred tax is recognized based on temporary differences between the accounting carrying amount and the taxable amount of assets and liabilities. Deferred tax assets are recognized to the extent that it is expected that taxable profits will be available against which deductible temporary differences, unused tax credits carried forward and tax losses carried forward can be utilized. In principle, deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets or liabilities are not recognized for the following cases:

- Taxable temporary differences arising from the initial recognition of goodwill
- Temporary differences on the initial recognition of assets or liabilities arising from a transaction other than a business combination that affects neither accounting profit nor taxable profit
- Deductible temporary differences associated with investments in subsidiaries and associates when it is probable that the temporary difference will not reverse in the foreseeable future, or when it is not probable that there will be sufficient taxable profits against which the deductible temporary differences can be utilized.
- Taxable temporary differences associated with investments in subsidiaries and associates when the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured by estimating the statutory effective tax rate expected to be applied in the period in which the assets are generated or liabilities are settled, based on the tax rate enacted or substantially enacted at end of the fiscal year.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities, and deferred tax assets and liabilities are related to income taxes levied on the same taxable entity by the same tax authority.

If an uncertain tax position of income tax being recognized is highly possible, a reasonable estimated amount is recognized as an asset or liability.

#### (12) Provisions

Provisions are recognized if the Group has a present legal or constructive obligation as a result of past events, if it is likely that an outflow of economic resources will be required to settle the obligation, and if the amount can be reliably estimated. When the time value of money is material, provisions are measured at the present value by discounting the expected future cash flows at a pretax rate that reflects the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance expense.

#### (13) Revenue Recognition

The Group recognizes revenue under the following five-step approach for contracts with customers, excluding interest and dividend income under IFRS 9 “Financial Instruments” and lease income under IFRS 16 “Leases” (“IFRS 16”).

- |        |   |
|--------|---|
| Step 1 | : Identify the contract(s) with customer  |
| Step 2 | : Identify the performance obligations in the contract                          |
| Step 3 | : Measure the transaction price   |
| Step 4 | : Allocate the transaction price to the performance obligations in the contract |
| Step 5 | : Recognize revenue when (or as) the entity satisfies performance obligations   |

The Group recognizes revenue when control of promised products is transferred to customers and performance obligations are satisfied. The Group's revenue is recognized for transactions, net of any trade discounts or rebates given. In addition, provision for expected returns is deducted from revenue based on actual return amounts from previous fiscal year.

(14) Government Grants

Government grants are recognized at fair value when the conditions attached to them are met and there is reasonable assurance that the grants will be received.

Government grants related to assets are subtracted when calculating the carrying amount for the assets.

Government grants related to expenses are recognized in profit or loss on a periodical basis over the periods in which the related costs that are intended to be compensated by the grants are recognized as expenses.

There are no major unfulfilled conditions or contingencies related to these grants.

(15) Shared-Based Compensation

The Company had adopted an equity-settled stock option plan. Due to the introduction of a restricted stock compensation plan, the stock option plan was abolished except for the options already granted.

The Company has adopted a restricted stock compensation plan as an equity-settled share-based compensation plan from the fiscal year ended March 31, 2022. The consideration for services received is measured at fair value of the Company's shares at the grant date and is recognized as expense in profit or loss together with a corresponding increase in equity.

(16) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, excluding inventories and deferred tax assets, are reviewed to determine whether there is any indication of impairment at each reporting date. If there is any indication of impairment, the recoverable amount for the asset is estimated.

The recoverable amount for an asset or a CGU is the higher of its value in use or its fair value less costs of disposal. When calculating value in use, estimated future cash flows are discounted to present value using pre-tax discount rate that reflects the time value of money and risks inherent in the asset. Assets that are not tested individually for impairment are consolidated into the smallest CGU which generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets through continuous use. When testing goodwill for impairment, the CGU to which goodwill is allocated is consolidated, so that impairment is tested to reflect the lowest level the goodwill relates is monitored for internal management purposes. Goodwill acquired in a business combination is allocated to a CGU that is expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows. If there is any indication that a corporate asset may be impaired, recoverable amount is determined for CGU to which the corporate asset belongs.

If the carrying amount of an asset or a CGU exceeds the recoverable amount, an impairment loss is recognized in profit or loss for the period. Impairment losses recognized in relation to a CGU are first allocated to reduce the carrying amount of any goodwill allocated to the CGU and then allocated to the other assets of the CGU pro rata on the basis of their carrying amounts.

An impairment loss related to goodwill cannot be reversed in future periods. Previously recognized impairment losses on assets other than goodwill are reviewed at each reporting date to determine whether there is any indication that a loss has decreased or no longer exists. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

(17) Earnings Per Share

Basic earnings per share are calculated by dividing profit attributable to ordinary equity holders of the parent by the weighted average number of shares of common stock outstanding during the period, adjusted for treasury stock held. Diluted earnings per share are calculated by adjusting for the effects of all dilutive potential common stocks.

(18) Business Combination

The acquiree's identifiable assets acquired and liabilities assumed are recognized, in principle, at their fair values at the acquisition date.

Goodwill is recognized as the excess of the sum of the consideration transferred as a result of business combination, the amount of any noncontrolling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree, over the net of the amounts of the identifiable assets and liabilities at the acquisition date. Conversely, any bargain purchase is immediately recognized in profit or loss.

The consideration transferred is measured as the sum of the fair values of the assets transferred, the liabilities assumed, and equity interests issued, which include fair value of assets and liabilities resulting from a contingent consideration arrangement. Acquisition related costs incurred for business combinations are expensed as incurred. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

(19) Segment Information

An operating segment is a component of business activities from which the Group earns sales and incur expenses, including transactions with other operating segments. The operating results of all operating segments for which separate financial information is available are regularly reviewed by the Board of Directors of the Company in order to decide the allocation of management resources to each segment and to assess its performance.

(20) Assets Held for Sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This is conditional on the fact that the sale is highly probable, and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management needs to be committed to the sale which should be expected to be completed within one year from the date of classification.

Non-current assets (or disposable groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell, and are not depreciated or amortized after their classification as such.

(21) Treasury stock

Treasury stock is recognized at its acquisition cost, which is deducted from equity. No gain or loss is recognized on the purchase, disposal or cancellation of the Company's treasury stock. Any difference between the carrying amount and the consideration given is recognized in equity.

#### 4. Significant Accounting Estimates and Judgments

The Group's consolidated financial statements are prepared with certain estimates and assumptions made by management in relation to the measurement of revenues and expenses, as well as assets and liabilities. Those estimates and assumptions are based on management's best judgment that take into consideration various factors that are considered reasonable based on past track records and as of fiscal year-end. Actual results could differ from those estimates and assumptions.

These estimates and underlying assumptions are reviewed on an ongoing basis. The impact of a revision is recognized in the accounting period in which the review was conducted and in future accounting periods.

Accounting estimates and judgment made by management that may have a material effect on the consolidated financial statements are as follows.

The following is a list of items which have been recognized in an amount based on accounting estimates in the consolidated financial statements for the current fiscal year and may have a material effect on the consolidated financial statements for the next fiscal year.

##### (1) Impairment of goodwill

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Goodwill allocated to Wacoal Europe Ltd. Group	11,805	15,191

Impairment tests on goodwill are performed by comparing the carrying amount and the recoverable amount of the CGU group. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized in profit or loss for the period. The recoverable amount is the higher of the fair value less costs to dispose of the CGU group or value in use. In calculating the recoverable amount, certain assumptions are made regarding the remaining useful life of an asset, future cash flows, discount rates, growth rates and other factors. These assumptions are determined based on management's best estimates and judgment. However, the assumptions may be affected by changes in business plans and economic conditions in the future, and if they need to be reviewed, this may have a significant impact on the amounts recognized in the consolidated financial statements from the next fiscal year and onwards.

See Note 15. Goodwill and Intangible Asset for further information about measurement of recoverable amount.

#### 5. Unapplied Issued Standards and Interpretations

The following new or revised standards and interpretations were issued by the date of approval of the consolidated financial statements. The impact of applying these new or revised standards and interpretations on the Group's consolidated financial statements is under evaluation.

Standards	Standards name	Mandatory application period (Fiscal year starting after)	Application period for the Group	Overview of new and revised standards
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	Fiscal year ended March 31, 2028	<ul style="list-style-type: none"> <li>• Improved comparability in the statement of profit or loss (income statement)</li> <li>• Enhanced transparency of management-defined performance measures (MPMs)</li> <li>• More useful grouping of information in the financial statements</li> </ul>

## 6. Segment Information

### (1) Overview of reportable segments

The Group has three reportable segments: “Wacoal Business (Domestic),” “Wacoal Business (Overseas),” and “Peach John Business.” These segments represent components of the Company for which separate financial information is available and which are reviewed regularly by the Board of Directors in deciding how to allocate the Group’s management resources and in assessing their performance.

The main products manufactured and sold by each reportable segment are as follows:

Reportable segments	Main products
Wacoal Business (Domestic)	innerwear (consisting of foundation, lingerie and nightwear), outerwear, sportswear or other textile-related products
Wacoal Business (Overseas)	innerwear (consisting of foundation, lingerie and nightwear), outerwear, sportswear or other textile-related products
Peach John Business	innerwear (consisting of foundation, lingerie and nightwear), or other textile-related products

### (2) Information on reportable segment

The accounting policies used for these reportable segments are the same as those described in the summary of significant accounting policies in Note 3.

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable Segment				Other (Note 1)	Adjustment s (Note 3)	Consolidate d
	Wacoal Business (Domestic)	Wacoal Business (Overseas)	Peach John Business	Total			
Revenue							
External customers (Note 2)	94,198	67,757	10,741	172,696	14,512	–	187,208
Intersegment	581	12,204	192	12,977	4,258	(17,235)	–
Total	94,779	79,961	10,933	185,673	18,770	(17,235)	187,208
Segment profit (loss) (Note 4)	(4,193)	(5,145)	(239)	(9,577)	74	–	(9,503)
Segment assets	247,480	95,266	12,361	355,107	11,045	(72,123)	294,029
Other items							
Depreciation and amortization	6,547	3,855	1,152	11,554	307	–	11,861
Impairment losses	215	6,600	3	6,818	42	–	6,860
Impairment losses of Investments accounted for using the equity method	1,827	–	–	1,827	–	–	1,827
Capital expenditures	1,999	1,020	345	3,364	17	–	3,381

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable Segment				Other (Note 1)	Adjustment s (Note 3)	Consolidate d
	Wacoal Business (Domestic)	Wacoal Business (Overseas)	Peach John Business	Total			
Revenue							
External customers (Note 2)	87,828	67,237	10,469	165,534	8,362	–	173,896
Intersegment	420	12,183	140	12,743	3,347	(16,090)	–
Total	88,248	79,420	10,609	178,277	11,709	(16,090)	173,896
Segment profit (loss) (Note 4)	2,970	459	(266)	3,163	165	–	3,328
Segment assets	223,859	105,158	12,378	341,395	3,516	(72,728)	272,183
Other items							
Depreciation and amortization	6,029	4,415	1,261	11,705	117	–	11,822
Impairment losses	2,290	29	50	2,369	–	–	2,369
Impairment losses of Investments accounted for using the equity method	15	–	–	15	–	–	15
Capital expenditures	2,115	1,073	505	3,693	182	–	3,875

- (Notes)
1. The “Other” category consists of business segments not included in the reportable segments. The main revenue consists of innerwear (foundation, lingerie), other textile-related products.
  2. Revenue to external customers consist of revenue from contracts with customers and the other revenue which is mainly composed of operating lease income as lessor.
  3. Adjustments include intersegment elimination.
  4. The aggregated amount of segment profit (loss) is equal to operating profit (loss) presented in the consolidated statement of profit or loss.  
Refer to the consolidated statement of profit or loss for the reconciliation of operating profit (loss) to profit (loss) before income taxes.
  5. Intersegment sales and transfers are accounted at cost plus a markup.

(3) Information on products and services

Sales to external customers by products and services are as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Innerwear:		
Foundation and lingerie	148,365	141,634
Nightwear	6,963	6,401
Children's underwear	818	613
Subtotal	156,146	148,648
Outerwear/sportswear and others	13,827	14,369
Hosiery	1,316	1,471
Other textile goods and related products	5,835	5,587
Others	10,084	3,821
Total	187,208	173,896

(4) Information on geographical areas

Sales to customers and non-current assets by region are following:

Sales to external customers

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Japan	118,367	105,560
Asia and Oceania	21,877	20,046
Americas and Europe	46,964	48,290
Total	187,208	173,896

(Notes) 1. Sales are attributed to countries or areas based on the location of consolidated subsidiaries.

2. In the region of "Americas and Europe," sales in the United States during the previous and current fiscal year were 33,038 million yen and 30,175 million yen, respectively.

Non-current assets

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Japan	52,780	47,031
Asia and Oceania	5,609	5,423
Americas and Europe	25,915	32,390
Total	84,304	84,844

(Notes) 1. Non-current assets are classified by region based on the location of the assets and do not include financial instruments, deferred tax assets, nor net defined benefit assets.

2. In the region of "Americas and Europe," non-current assets in United Kingdom fiscal years ended March 31, 2024 and 2025 were 16,645 million yen and 24,078 million yen, respectively.

(5) Information on major customers

This information is omitted because none of the external customers account for 10% or more of the revenue presented in the consolidated statement of profit or loss.

7. Business Combinations

Previous fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(1) Overview of business combination

(i) Name and business description of the Acquiree

Name: Bravissimo Group Limited

Business description: Design and sales, via directly managed high street retail shops and e-Commerce, of women's innerwear, swimwear and etc.

(ii) Date of acquisition

September 26, 2024

(iii) Acquired ratio of holding capital with voting rights

100%

(iv) Primary reason for business combination

In the overseas business, we had been repeatedly considering the creation of new business opportunities in order to achieve steady growth in key markets in the U.K., the U.S., and China, and to transform into a highly profitable structure by optimizing the supply chain. In particular in the U.K., we have accordingly been accelerating the strengthening of our EC business and strengthening fitting service opportunities that enable consumers to experience the comfort of, or comfortability to accurately wear products, which are the source of our competitive advantage. At the same time, we are focusing on maintaining and improving our dominant position in the large-size product market, which is growing beyond the average market growth rate.

Bravissimo Group has a reputation for communicating with consumers both offline and online with a focus on fitting. In addition to consulting services provided by experienced salespeople at the stores, its own EC site offers support via phone, email, and live chat, as well as virtual fitting using video calls. Through these careful sales activities, many of the sales are made up of repeat customers who have purchased its products in the past.

By welcoming the Bravissimo Group as a member of our group, Wacoal Europe, which had mainly been in the wholesale business, we will be able to expand the number of directly managed retail stores that can directly approach consumers. As a result, it will be possible to analyze sales results and consumer information more quickly than ever before, thereby improving operational efficiency in the supply chain. On the contrary, we believe the Bravissimo Group will also be able to make efficient utilize of Wacoal Europe's wholesale network in order for the brand "Bravissimo" to enter the international market.

By adding the new Bravissimo brand, we believe it will not only enable Wacoal to establish a dominant position in the large-cup size market, but will also strengthen the position by incorporating both of capabilities for the design, manufacture, and distribution of lingerie and swimwear in the future.

(v) Acquisition method to govern the acquired company

Cash consideration for the acquisition of shares

(2) Fair value of consideration paid, assets acquired, and liabilities assumed as of the acquisition date  
(Millions of yen)

	Amount
Fair value of consideration paid (Cash)	8,644
Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	1,374
Other current assets	3,247
Brands	1,907
Customer-related assets	148
Other non-current assets	2,685
Current liabilities	△1,624
Non-current liabilities	△2,271
Fair value of assets acquired and liabilities assumed, net	5,466
Goodwill	3,178

(Notes) The amounts of assets acquired and liabilities assumed were provisionally calculated based on the currently available information since the allocation of the consideration of acquisition has not been completed as of March 31, 2025. Based on new information obtained by the end of the current fiscal year, the provisional fair value was adjusted. The main contents of the change were increases of 1,907 million yen in brands and 148 million yen in customer-related assets, and a decrease of 1,531 million yen in goodwill.

Acquisition-related expenses of 309 million yen related to this business combination are included in selling, general, and administrative expenses in the consolidated statement of profit or loss.

Goodwill generated from this business combination was attributable to the Wacoal Business (Overseas) segment. Goodwill primarily represented the excess earning power expected from the acquisition.

None of goodwill is expected to be deductible for tax purposes.

(3) Cash flow associated with the acquisition

	(Millions of yen) Amount
Cash and cash equivalents spent on the acquisition	8,644
Cash and cash equivalents held by the acquiree at the time of acquisition	△1,374
Payments for acquisition of subsidiaries	7,270

(Note) Due to adjustments to the acquisition consideration in the current fiscal year resulted in changes in expenditures for the acquisition of subsidiaries.

(4) Impact on the Business Performance

Sales and loss generated by Bravissimo Group since the acquisition date amounted to 4,641 million yen and 673 million yen, respectively. Assuming the business combination had been conducted at the beginning of the period, the pro-forma information for the year ended March 31, 2025 would have been 180,185 million yen in sales and 7,490 million yen in profit for the period. The amounts are unaudited by the independent auditor.

8. Cash and cash equivalents

Cash and cash equivalents are composed of the following:

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Cash and deposits	33,022	23,308
Short-term investments	525	111
Total	33,547	23,419

The balance on the consolidated statement of financial position is equal to the balance on the consolidated statement of cash flows.

9. Trade and other receivables

Trade and other receivables are composed of the following:

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Trade notes receivables	897	744
Accounts receivable-trade	20,325	15,148
Accounts receivable-other	1,173	1,308
Allowance for doubtful accounts	(254)	(365)
Total	22,141	16,835

Trade and other receivables are classified as financial assets measured at amortized cost.

10. Other financial assets

(1) Breakdown of other financial assets

Other financial assets are composed of the following.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Financial assets measured at amortized cost:		
Time deposits	1,654	1,280
Debt securities	152	138
Security deposits	3,936	3,644
Others	582	762
Financial assets measured at fair value through profit or loss		
Mutual funds	236	263
Equity securities	1,963	2,039
Derivatives	—	21
Others	—	140
Financial assets measured at fair value through other comprehensive income		
Equity securities	47,893	35,711
Others	31	31
Total	56,447	44,029
Current assets	1,996	2,007
Non-current assets	54,451	42,022
Total	56,447	44,029

(2) Financial assets measured at fair value through other comprehensive income

Fair value of equity financial assets measured at fair value through other comprehensive income by issue is as follows.

(Millions of yen)

Issue	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Mitsubishi UFJ Financial Group, Inc.	4,493	5,803
Aeon Co., Ltd.	5,560	5,801
Kyoto Financial Group, Inc.	6,295	5,188
SCREEN Holdings Co., Ltd.	8,672	4,168
Tokio Marine Holdings, Inc.	3,866	2,357

The Group holds equity financial assets mainly for the purpose of maintaining and enhancing business relationships and has elected to classify them as equity financial assets measured at fair value through other comprehensive income.

(3) Derecognition of financial assets measured at fair value through other comprehensive income

The Group derecognizes some of financial assets measured at fair value through other comprehensive income by selling them for the purposes of increasing asset efficiency, reviewing business relationships, and so forth.

The followings are the fair values of financial assets measured at fair value through other comprehensive income when they were sold and the associated accumulated gains or losses that have been recognized as other comprehensive income during each fiscal year.

(Millions of yen)

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)		Current Fiscal Year (From April 1, 2024 to March 31, 2025)	
Fair value	Accumulated gains (losses)	Fair value	Accumulated gains (losses)
17,173	13,351	7,825	5,612

When financial assets measured at fair value through other comprehensive income are derecognized, accumulated gains or losses that have been recognized as other comprehensive income are transferred to retained earnings. Accumulated gains or losses of other comprehensive income (net of tax) that transferred to retained earnings amounted to 8,652 million yen gain and 3,944 million yen gain for the previous and current fiscal year, respectively.

The following is the breakdown of dividend income recognized from equity instruments.

(Millions of yen)

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)		Current Fiscal Year (From April 1, 2024 to March 31, 2025)	
Investments derecognized during the year	Investments held at end of the year	Investments derecognized during the year	Investments held at end of the year
311	862	196	765

# 11. Inventories

Inventories are composed of the following.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Finished products	42,447	43,717
Work in process	4,177	3,613
Raw materials	3,365	2,896
Total	49,989	50,226

Inventories recognized as expenses for the previous and current fiscal years amounted to 81,384 million yen and 75,909 million yen, respectively.

Write-downs of inventories recognized as expenses for the previous and current fiscal years were 6,669 million yen and 3,197 million yen, respectively.

# 12. Other assets

Other assets are composed of the following.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Other current assets		
Income taxes receivable	988	1,788
Return assets	646	693
Others	2,830	5,007
Total	4,464	7,488
Other non-current assets		
Capitalized supplies	88	41
Others	733	641
Total	821	682

### 13. Assets held for sale

The assets held for sales for the fiscal year ended March 2024 amounted 239 million yen.

This is the land held by Wacoal Corp., which used to be the premises of the former Ryuo Warehouse. There is no plan to use it for business in the future. We have decided to sell it to utilize our management resources. Therefore, it is classified as assets held for sale and included in other current assets.

The assets held for sale and liabilities directly related to assets held for sale for the fiscal year ended March 31, 2025 were 1,791 million yen and 868 million yen, respectively.

These are the assets and liabilities mainly of Lecien Corporation and its subsidiaries in relation to the Company's decision concerning a share transfer. The Company reviewed the business portfolio and classified the assets as being held for sale on account of its decision to conduct a share transfer. The said assets and liabilities are included in "other current assets" and "other current liabilities," respectively.

In addition, the said assets are included in the segment assets of Wacoal Business (Domestic), and they are made up of cash and cash equivalents and inventories, etc. of Lecien Corporation and its subsidiaries. The said liabilities mainly consist of trade and other payables, and retirement benefit liabilities.

The said assets are measured at fair value less costs of disposal because the fair value less costs of disposal is less than the carrying amount. As a result, for the fiscal year ended March 31, 2025, an impairment loss of 1,740 million yen was recorded and included under "other expenses." Fair value hierarchy has been classified as Level 3 as the fair value was based on the transfer price agreed upon by the transferee.

The transfer was completed in April 2025.

### 14. Property, plant and equipment

#### (1) Change in property, plant and equipment

Increase / (decrease) in acquisition costs, accumulated depreciation and impairment losses of property, plant and equipment are as follows.

#### Acquisition Costs

(Millions of yen)

	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Construction in progress	Total
April 1, 2023	75,398	12,122	10,089	16,624	433	114,666
Acquisition	501	222	287	—	811	1,821
Sales or disposal	(1,856)	(419)	(947)	(310)	(3)	(3,535)
Transfers between accounts	280	286	288	(127)	(817)	(90)
Foreign currency translation adjustments	1,278	867	604	142	46	2,937
Others	—	6	(6)	—	—	—
March 31, 2024	75,601	13,084	10,315	16,329	470	115,799
Acquisition	572	214	427	—	2,146	3,359
Acquisition through business combinations	—	—	776	—	—	776
Sales or disposal	(3,070)	(836)	(850)	(177)	—	(4,933)
Change in scope of consolidation	(1,642)	(83)	(179)	(1,150)	—	(3,054)
Transfers between accounts	853	72	354	(72)	(2,219)	(1,012)
Transfer to assets held for sale	(958)	(447)	(252)	(118)	—	(1,775)
Foreign currency translation adjustments	(82)	(43)	(5)	12	5	(113)
Others	(170)	118	23	(20)	—	(49)
March 31, 2025	71,104	12,079	10,609	14,804	402	108,998

Accumulated Depreciation and Accumulated Impairment Losses

(Millions of yen)

	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Construction in progress	Total
April 1, 2023	(49,561)	(9,844)	(8,496)	(63)	—	(67,964)
Depreciation	(1,911)	(582)	(657)	—	—	(3,150)
Impairment losses	(200)	(12)	(23)	—	—	(235)
Sales or disposal	1,599	394	881	—	—	2,874
Foreign currency translation adjustments	(694)	(672)	(482)	—	—	(1,848)
Others	—	—	2	—	—	2
March 31, 2024	(50,767)	(10,716)	(8,775)	(63)	—	(70,321)
Depreciation	(1,782)	(549)	(760)	—	—	(3,091)
Impairment losses	(340)	(23)	(39)	(129)	—	(531)
Sales or disposal	2,800	783	716	3	—	4,302
Change in scope of consolidation	1,251	68	161	—	—	1,480
Transfer to assets held for sale	920	402	202	81	—	1,605
Foreign currency translation adjustments	70	41	16	—	—	127
Others	632	16	(11)	46	—	683
March 31, 2025	(47,216)	(9,978)	(8,490)	(62)	—	(65,746)

(Note) The depreciation expense for property, plant, and equipment is included in cost of sales as well as in selling, general, and administrative expenses in the consolidated statement of profit or loss.

Balances of Carrying Amount

(Millions of yen)

	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Construction in progress	Total
April 1, 2023	25,837	2,278	1,593	16,561	433	46,702
March 31, 2024	24,834	2,368	1,540	16,266	470	45,478
March 31, 2025	23,888	2,101	2,119	14,742	402	43,252

(2) Impairment losses

Property, plant and equipment are classified into asset groups based on cash-generating units, which are the smallest identifiable groups of assets generating cash flows that are largely independent of cash inflows from other assets or groups of assets.

Impairment losses are included in other expenses in the consolidated statement of profit or loss. Major impairment losses recognized in the year ended March 31, 2024 were as follows.

The carrying amount of Wacoal Corp.'s buildings and structures, tools, furniture and fixtures and right-of-use assets under the Wacoal Business (Domestic) were fully written off, resulting in an impairment charge of 108 million yen, 21 million yen, and 23 million yen, respectively. The impairment was mainly caused by a downturn in sales. The recoverable amount was measured at the value in use and the amount was assessed at zero given that the future cash flows were expected to be negative.

The carrying amount of the buildings and structures under the Wacoal Business (Overseas), 64 million yen, was written down to their fair values less costs of disposal, resulting in the recognition of an impairment charge of 64 million yen. The impairment was mainly caused by a downturn in sales.

The carrying amount of other buildings and structures (28 million yen), machinery and vehicles (12 million yen), and tools, furniture and fixture (2 million yen) were fully written off, resulting in an impairment loss of 42 million yen. The Company performed an impairment test for non-current assets for certain groups of

assets held due to a decision to close a subsidiary and determined that the fair value less costs of disposal was lower than the carrying amount.

Major impairment losses recognized in the year ended March 31, 2025 were as follows.

The carrying amount of Wacoal Corp.'s land (129 million yen), buildings and structures (289 million yen), machinery and vehicles (23 million yen), tools (11 million yen), furniture and fixtures and right-of-use assets (59 million yen) under the Wacoal Business (Domestic) were subject to the recording of an impairment loss of 511 million yen. Among the impairment loss recorded, 389 million yen was recognized when the carrying values were reduced to fair value less costs of disposal as a result of the transfer of a sewing factory and the suspension of operations as part of the consolidation and reorganization of production sites of domestic manufacturing subsidiaries. Furthermore, the fair value less costs of disposal that formed the basis of this calculation was calculated using methods deemed appropriate by the corporate managers such as using the appraisal value of the said assets or market prices. The fair value hierarchy of the calculated fair value is classified as Level 3. In addition, 122 million yen was recognized when the value in use was assessed at zero given that the future cash flows were expected to be negative due to sluggish sales at some retail stores.

The carrying amount of the buildings and structures under the Wacoal Business (Overseas), 29 million yen, was written down to their fair values less costs of disposal, resulting in the recognition of an impairment loss of 29 million yen. The impairment was mainly caused by a downturn in sales.

In the Peach John Business Segment, the carrying amounts of 22 million yen for buildings and structures, and 28 million yen for tools, furniture and fixtures were fully impaired. The impairment was mainly caused by a downturn in sales. The recoverable amount was measured at the value in use and the amount was assessed at zero given that the future cash flows were expected to be negative.

#### 15. Goodwill and Intangible assets

##### (1) Change in goodwill and intangible assets

Increase / (decrease) in acquisition costs, accumulated depreciation and impairment losses of goodwill and intangible asset are as follows.

##### Acquisition Costs

(Millions of yen)

	Goodwill	Intangible assets				
		Software	Brands	Trademarks	Others	Total
April 1, 2023	39,295	19,584	8,267	5,316	2,290	35,457
Acquisition	—	1,536	—	—	—	1,536
Sales or disposal	—	(1,747)	—	—	(39)	(1,786)
Foreign currency translation adjustments	4,009	393	1,252	—	150	1,795
Others	—	(21)	—	—	2	(19)
March 31, 2024	43,304	19,745	9,519	5,316	2,403	36,983
Acquisition	—	1,359	—	—	3	1,362
Acquisition through business combinations	3,178	11	1,907	—	148	2,066
Sales or disposal	—	(2,138)	—	—	(15)	(2,153)
Change in scope of consolidation	—	(270)	—	—	(7)	(277)
Foreign currency translation adjustments	87	(6)	117	—	(13)	98
Others	—	(9)	—	—	(3)	(12)
March 31, 2025	46,569	18,692	11,543	5,316	2,516	38,067

Accumulated Depreciation and Accumulated Impairment Losses

(Millions of yen)

	Goodwill	Intangible assets				
		Software	Brands	Trademarks	Others	Total
April 1, 2023	(23,039)	(11,594)	(4,755)	(4,827)	(1,238)	(22,414)
Amortization	—	(2,808)	(340)	—	(1)	(3,149)
Impairment losses	(6,536)	(66)	—	—	—	(66)
Sales or disposal	—	1,693	—	—	29	1,722
Foreign currency translation adjustments	(1,924)	(309)	(727)	—	(150)	(1,186)
Others	—	—	—	—	—	—
March 31, 2024	(31,499)	(13,084)	(5,822)	(4,827)	(1,360)	(25,093)
Amortization	—	(2,599)	(429)	—	(6)	(3,034)
Impairment losses	—	(39)	—	—	—	(39)
Sales or disposal	—	1,913	—	—	3	1,916
Change in scope of consolidation	—	229	—	—	—	229
Foreign currency translation adjustments	121	12	(36)	—	15	(9)
Others	—	9	—	—	1	10
March 31, 2025	(31,378)	(13,559)	(6,287)	(4,827)	(1,347)	(26,020)

(Note) The amortization expense for intangible asset is included in cost of sales as well as in selling, general, and administrative expenses in the consolidated statement of profit or loss.

Balances of Carrying Amount

(Millions of yen)

	Goodwill	Intangible assets				
		Software	Brands	Trademarks	Others	Total
April 1, 2023	16,256	7,990	3,512	489	1,052	13,043
March 31, 2024	11,805	6,661	3,697	489	1,043	11,890
March 31, 2025	15,191	5,133	5,256	489	1,169	12,047

The expenditures for the research and development activities expensed during the previous and current fiscal year were 370 million yen and 361 million yen, respectively, which are included in cost of sales as well as in selling, general, and administrative expenses in the consolidated statement of profit or loss.

(2) Intangible assets with indefinite useful lives

The amount of intangible assets with indefinite useful lives for fiscal years ended March 31, 2024 and 2025 were 1,524 million yen and 1,509 million yen, respectively. These mainly consist of the trademark of Peach John recognized when the Company purchased the Peach John. The Company considers that trademark right have indefinite useful lives because they can be used continuously as the Company continues its business.

(3) Impairment of goodwill and intangible assets with indefinite useful lives

Goodwill acquired in business combinations is allocated to a CGU group that is expected to benefit from the business combinations.

Carrying amounts of the goodwill by CGU group are as follows.

(Millions of yen)

Reportable Segments	Cash-generating units	Goodwill	
		Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Wacoal Business (Overseas)	Wacoal Europe Ltd. Group	11,805	15,191

Carrying amounts of the intangible assets with indefinite useful lives allocated to a CGU group are as follows.

(Millions of yen)

Reportable Segments	Cash-generating units	Intangible assets with indefinite useful lives	
		Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Peach John Business	Peach John Co., Ltd. Group	489	489

The goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually, as well as whenever there is any indication of impairment.

Impairment losses are included in other expenses in the consolidated statement of profit or loss.

Present value of future cash flows used to calculate the recoverable amount were based on a five-year business plan approved by management reflecting the average long term growth rate in the relevant market and a pretax discount rate of 13.9%, (14.2% in the previous fiscal year) based on the pre-tax weighted average cost of capital of the relevant group of CGU. The plan includes significant assumptions such as the possibility of achievement of expected sales volumes and market growth rate in the regions where we operate. In calculating the terminal value beyond the period of the business plan, the long-term average growth rate in the industry or country to which the CGU belongs is taken into consideration. The long-term average growth rate was 2.0% (2.0% in the previous fiscal year), and it was within a range of the industry or country.

The recoverable amount of the Wacoal Europe Ltd. Group was calculated by measuring value in use. If the pre-tax discount rate were to increase by approximately 1.4% (approximately 1.1% in the previous fiscal year) or the sales were to decrease by approximately 4.0% (approximately 6.2% in the previous fiscal year), the recoverable amount could be equal to the carrying amount.

The recoverable amount of the Wacoal International Corp. Group was calculated by measuring the fair value less costs of disposal and measured at Level 3 fair value. As a result of the impairment test as of the end of March 31, 2024, goodwill was written down to their recoverable amount resulting in an impairment loss of 6,536 million yen. This is due to the withdrawal from LIVELY business of Intimates Online, Inc. ( "IO, Inc.") and the decision to liquidate the company.

Other than the above CGU groups, since the recoverable amount is well above the carrying amount, we have concluded that even if the discount rate and the sales used for calculating the recoverable amount change within a reasonable range of values, it would not be probable that a material impairment would be recorded.

16. Investment Property

(1) Change in investment property

Increase / (decrease) in acquisition costs, accumulated depreciation and impairment losses of investment property are as follows.

Acquisition Costs

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Balance as of the beginning of the year	5,917	5,805
Sales or disposal	—	(3,150)
Transfers between accounts	(112)	651
Balance at the ending of the year	5,805	3,306

Accumulated Depreciation and Accumulated Impairment Losses

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Balance as of the beginning of the year	(2,960)	(2,966)
Depreciation	(6)	(6)
Sales or disposal	—	1,898
Transfers between accounts	—	(598)
Balance at the ending of the year	(2,966)	(1,672)

Carrying amounts and fair value of the investment property are as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)		Current Fiscal Year (March 31, 2025)	
	Carrying amount	Fair value	Carrying amount	Fair value
Investment Property	2,839	8,301	1,634	2,101

The fair value of investment property is determined based on a valuation conducted by an external real estate appraiser. The valuation is made in accordance with the appraisal standards of the country where the investment property is located and based on market evidence of transaction prices for similar assets.

The fair value hierarchy of investment property is classified as Level 3 since unobservable inputs are included. See Note 36. Financial Instruments for detail information of fair value hierarchy.

(2) Incomes and expenses from investment property

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Rent income	213	109
Direct operating expenses	(39)	(17)

Rent income and direct operating expenses incurred from investment property is included in other income and other expenses in the consolidated statement of profit or loss respectively.

The direct operating expenses arising from the investment property that does not generate rental income are immaterial.

17. Investments accounted for using equity method

(1) Investments in associates

The carrying amount of investments in individually immaterial associates is as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Carrying amount	5,418	5,156

Equity share in comprehensive income of individually immaterial associates is as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit	263	281
Other comprehensive income	486	(433)
Comprehensive income	749	(152)

In the previous fiscal year, the Group reduced the carrying amount of its investments accounted for using the equity method to their recoverable amount because the Group considered that there was objective evidence of impairment due to a decline in the share price of certain investments included in the Wacoal Business (Overseas). Such recoverable amount is measured at Level 1 fair value. As a result, an impairment loss of 1,316 million yen was recognized.

(2) Investments in joint ventures

The carrying amount of investments in individually immaterial joint ventures is as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Carrying amount	14,929	14,908

Equity share in comprehensive income of individually immaterial joint ventures is as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit	576	547
Other comprehensive income	369	174
Comprehensive income	945	721

In the previous fiscal year, the Group reduced the carrying amount of its investments accounted for using the equity method to their recoverable amount because the Group considered that there was objective evidence of impairment due to a decline in the share price of certain investments included in the Wacoal Business (Overseas). Such recoverable amount is measured at Level 1 fair value. As a result, an impairment loss of 511 million yen was recognized.

No individually material associates or joint ventures exist in the Group.

# 18. Income taxes

## (1) Deferred tax assets and deferred tax liabilities

The breakdown of major factors for deferred tax assets and deferred tax liabilities and changes in these assets and liabilities are as follows:

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	April 1, 2023	Amounts recognized through profit or loss	Amounts recognized through other comprehensiv e income	Others	March 31, 2024
Deferred tax assets					
Accrued bonuses	661	3	—	—	664
Accrued payables	476	679	—	—	1,155
Inventory valuation	1,359	542	—	—	1,901
Refund liabilities	435	(38)	—	—	397
Accrued vacation	675	(54)	—	—	621
Retirement benefit liabilities	403	(41)	63	—	425
Excess depreciation and impairment charge	1,592	569	—	—	2,161
Tax loss carryforwards	821	732	—	—	1,553
Investments in subsidiaries	945	(829)	(87)	—	29
Lease liabilities	3,307	(259)	—	—	3,048
Other	1,305	140	—	—	1,445
Total	11,979	1,444	(24)	—	13,399
Deferred tax liabilities					
Undistributed earnings of associated companies	2,915	27	203	—	3,145
Other financial assets	9,040	86	6,532	(4,088)	11,570
Reserve for tax purpose reduction entry of non-current assets	2,205	—	—	—	2,205
Intangible assets	1,037	47	—	—	1,084
Retirement benefit assets	3,583	603	807	—	4,993
Right-of-use assets	3,160	(264)	—	—	2,896
Other	609	(164)	—	—	445
Total	22,549	335	7,542	(4,088)	26,338

## Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	April 1, 2024	Amounts recognized through profit or loss	Amounts recognized through other comprehensive income	Business combination	Others	March 31, 2025
Deferred tax assets						
Accrued bonuses	664	(139)	—	—	—	525
Accrued payables	1,155	(725)	—	—	—	430
Inventory valuation	1,901	(608)	—	—	—	1,293
Refund liabilities	397	21	—	—	—	418
Accrued vacation	621	(27)	—	—	—	594
Retirement benefit liabilities	425	(42)	(17)	—	—	366
Excess depreciation and impairment charge	2,161	133	—	—	—	2,294
Tax loss carryforwards	1,553	3,722	—	—	(14)	5,261
Investments in subsidiaries	29	(29)	—	—	—	—
Lease liabilities	3,048	(105)	—	573	(86)	3,430
Other	1,445	928	—	—	—	2,373
Total	13,399	3,129	(17)	573	(100)	16,984
Deferred tax liabilities						
Undistributed earnings of associated companies	3,145	(258)	—	—	(11)	2,876
Other financial assets	11,570	167	(1,132)	—	(1,798)	8,807
Reserve for tax purpose reduction entry of non- current assets	2,205	(46)	—	—	(91)	2,068
Intangible assets	1,084	(72)	—	523	—	1,535
Retirement benefit assets	4,993	363	(176)	—	(1)	5,179
Right-of-use assets	2,896	13	—	483	(86)	3,306
Other	445	(12)	—	13	—	446
Total	26,338	155	(1,308)	1,019	(1,987)	24,217

(Note) The difference between deferred income tax expenses and the amounts recognized through profit or loss is due to the fluctuation of exchange rate changes.

The amount of deductible temporary differences and unused tax losses for which deferred tax assets are not recognized are as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Deductible temporary differences	30,561	27,354
Unused tax losses	12,686	15,606
Total	43,247	42,960

Unused tax losses for which deferred tax assets are not recognized will expire as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
During the first year	512	1,015
During the second year	980	1,363
During the third year	894	976
During the fourth year	1,133	2,198
During the fifth year or beyond	9,167	10,054
Total	12,686	15,606

The aggregate amounts of temporary differences relating to investments in associates for which deferred tax liabilities are not recognized for fiscal years ended March 31, 2024 and 2025 were 27,844 million yen and 18,707 million yen, respectively. The above deferred tax liabilities are not recognized since it is possible for the Group to control the timing of the reversal of the temporary differences, and it is probable that the temporary differences will not be reversed in foreseeable periods.

Deferred tax assets attributable to tax entities that have incurred losses in the Group amounted to 1,906 million yen and 10,001 million yen for the previous and current fiscal years, respectively. This is based on the consideration that the factors giving rise to the losses are transitory and not expected to recur, and that it is probable that the tax benefits will be realized based on the estimated amount of future taxable income based on the business plan approved by the Board of Directors.

(2) Income tax expenses

The breakdown of income tax expenses for the previous and current fiscal years is as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Current tax expenses	1,423	1,943
Deferred tax expenses	(970)	(3,038)
Total	453	(1,095)

No amount were utilized for reducing deferred tax expenses in tax losses, tax credits, and benefits arising from temporary differences in prior periods that were previously unrecognized for tax effect in the previous and current fiscal years.

(3) Reconciliation of the effective tax rate

A reconciliation of the Japanese statutory tax rates and the average effective tax rates is as follows.

(Unit: %)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Effective statutory tax rate	30.6	30.6
Permanently nondeductible expenses	(0.9)	1.3
Changes in unrecognized deferred tax assets	(7.4)	(47.8)
Undistributed earnings of associated companies	(0.3)	2.9
Difference in statutory tax rates of foreign subsidiaries	(5.2)	(3.9)
Tax credit	0.9	(2.6)
Profit (loss) of investments accounted for using equity method	(4.1)	(3.2)
Impairment loss on goodwill	(16.6)	—
Others	(2.5)	3.5
Average effective tax rate	(5.5)	(19.2)

The Company and domestic associates are subject to the Japanese corporate tax, an inhabitant tax, and business tax. The aggregated combined statutory income tax rates for the years ended March 31, 2024 and 2025, were both 30.6 %. Subsidiaries located in foreign countries are subject to those local taxes.

The National Diet enacted Act Partially Amending the Income Tax Act (Act No. 13 of 2025) on March 31, 2025. This legislation introduces the Defense Special Corporate Tax, which applies to fiscal years beginning on or after April 1, 2026.

As a result, the Company will change the statutory tax rate used to calculate deferred tax assets and liabilities for temporary differences expected to reverse in or after the fiscal year beginning on March 1, 2026, from 30.6% to 31.5%.

In Japan, where the Company is incorporated, the income inclusion rule (IIR) of the BEPS global minimum tax rules(Pillar Two) was introduced by the 2023 tax reform. Consequently, starting from the fiscal year ended March 31, 2025, top-up tax has been imposed on the Company until the tax rate of subsidiaries and entities in the Group reaches the minimum tax rate of 15%.

The Group has assessed the potential impact of the application of the global minimum tax rules based on the most recent country-by-country reports, tax returns and financial statements of the constituent companies subject to the rules, finding that the transitional safe harbor relief has been applied in most of the jurisdictions in which the Group operates, and that the Pillar Two effective tax rate is above 15% in the jurisdictions where the relief has not been applied. The Group therefore does not expect to have any material exposure to Pillar Two income taxes.

The Group has applied the exception provided for in IAS 12(Income Taxes) as regards any deferred tax assets or liabilities related to income taxes under Pillar Two and has not recognized or disclosed.

## 19. Borrowings

### Breakdown of Borrowings

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (as of March 31, 2025)	Average interest rates (%)	Maturity
Short-term borrowings	5,686	5,814	1.30	—
Current portion of long-term loans payable	1,514	6,101	4.21	—
Long-term borrowings	1,946	2,554	5.49	Year 2026 to 2034
Total	9,146	14,469	—	—
Current liabilities	7,200	11,915	—	—
Non-current liabilities	1,946	2,554	—	—
Total	9,146	14,469	—	—

(Notes) 1. The average interest rates are the weighted average interest rates on the outstanding liabilities at the end of the period.

2. Borrowings are classified as financial liabilities measured at amortized cost.

## 20. Leases

### (1) Lessee Accounting

The Group determines whether a contract is, or contains a lease at the inception of the contract. The Group has leases for assets such as retail stores, warehouses, offices, corporate housing, vehicles, machinery, and equipment. Options to extend or terminate the lease contracts are included in certain contracts. The Group determines the lease term, taking into account the term of an extension option of which the exercise is reasonably certain or a termination option that it is reasonably certain not to exercise.

Material residual value guarantees, and restriction or covenants imposed by leases do not exist in the contracts. Some of the contracts contain lease and non-lease components. Considerations in the contracts for which underlying assets are land and buildings and structures are allocated based upon the estimated standalone selling prices of the lease and non-lease components, which are generally accounted for separately. By electing the practical expedient, the Group did not separate lease components from non-lease components for leases for which underlying assets are machinery and vehicles and tools, furniture, and fixtures.

The profit and loss related to leases were as follows:

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Depreciation charges for the right-of-use assets		
Buildings and building improvements	5,395	5,539
Land	61	54
Others	239	127
Total	5,695	5,720
Interest expenses on lease liabilities	173	265
Expenses relating to short-term assets	187	76
Expenses relating to leases of low-value assets	23	26
Variable lease payments (Note)	970	914

(Note) Variable lease payments were not included in the lease liabilities calculation. Some of lease contracts includes variable lease payments. Most of the variable lease payments were calculated based on store sales and we recognized expenses when incurred.

The book value of Right-of-use assets were as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Right-of-use assets		
Buildings and building improvements	10,292	11,200
Land	869	665
Others	310	173
Total	11,471	12,038

The total cash outflow related to leases were 7,028 million yen, and 7,007 million yen for the fiscal years ended March 31, 2024 and March 31, 2025, respectively.

See Note 【34. Cash flow Information】 for detail information of increase of the right-of-use assets.

See Note 【36. Financial Instruments (4) Liquidity risk management】 for detail information of the maturity analysis for lease liabilities.

(2) Lessor Accounting

The Group recognized revenue mainly from contracts consisting of leasing real estate owned by the Group to our customers. These lease arrangements are classified as operating leases and related revenue is recognized ratably over the lease term. Options to extend or terminate the leases are included in some of the contracts. The Group take such options into account to determine the lease term when it is probable that these options will be exercised.

Moreover, almost all of the lease contracts do not contain any variable consideration or purchase options for their customers. Certain contracts contain lease and non-lease components and the consideration in the contracts are allocated based upon estimated standalone selling prices of the lease and non-lease components. Material residual value guarantees do not exist in the contracts.

Lease income were as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Finance income on the net investment in the lease	2,009	833

Future lease income based on operating leases (before discount) were as follows.

(Millions of yen)

	Previous Fiscal year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Within 1 year	211	180
Between 1 and 2 years	161	102
Between 2 and 3 years	152	97
Between 3 and 4 years	152	7
Between 4 and 5 years	76	1
Beyond 5 years	925	—
Total	1,677	387

21. Trade and other payables

Trade and other payables are composed of the following.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Trade notes payable	3,167	3,701
Trade accounts payable	6,994	7,030
Other payables	7,245	5,047
Total	17,406	15,778

Trade and other payables are classified as financial liabilities measured at amortized cost.

22. Other financial liabilities

Other financial liabilities are composed of the following.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Financial liabilities measured at amortized cost:		
Deposits received	803	596
Others	170	309
Financial liabilities measured at fair value through profit or loss:		
Derivatives	22	11
Total	995	916
Current liabilities	995	916
Non-current liabilities	—	—
Total	995	916

23. Employee benefits

The Company and certain consolidated subsidiaries have adopted funded and non-funded defined benefit plans, and defined contribution plans to fund post-employment benefits for employees, and almost all employees are eligible for these plans. Benefits are based on the employee's years of service, position, and performance.

These plans have the minimum funding requirements in place and, if there arises any shortfall in funding under the plans, additional contributions will be required within a designated period so that the minimum funding requirements are satisfied.

A pension fund that is legally separate from the Group manages defined benefit plans. The board and trustee of the pension fund are required by law to act in the best interest of plan participants and are responsible for managing plan assets based on a prescribed policy.

These pension plans are exposed to general investment risk, interest rate risk, inflation risk and other risks, however we judge these risks to be insignificant.

(1) Defined benefit plans

(i) Reconciliations of defined benefit obligations and plan assets

Defined benefit obligations and plan assets as well as the net defined benefit liability and asset recognized in the consolidated statement of financial position are as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Present value of defined benefit obligations	27,784	22,073
Fair value of plan assets	(45,979)	(45,683)
Effect of asset ceiling	2,347	6,832
Net defined benefit assets	(15,848)	(16,778)
Amount recognized in the consolidated statement of financial position:		
Retirement benefit liabilities	2,947	1,621
Retirement benefit assets	(18,795)	(18,399)
Net defined benefit assets recorded in the consolidated statement of financial position	(15,848)	(16,778)

(ii) Reconciliations of the present value of defined benefit obligations

Changes in the present value of defined benefit obligations are as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Beginning balance of present value of defined benefit obligations	31,802	27,784
Service costs	826	627
Interest costs	319	364
Remeasurement		
Actuarial gains and losses arising from changes in demographic assumptions	(94)	(63)
Actuarial gains and losses arising from changes in financial assumptions	(712)	(1,398)
Actuarial gains and losses arising from experience adjustments	920	(104)
Past service costs	25	—
Benefit payments	(5,368)	(3,865)
Exchange differences on translation of foreign operations	66	(4)
Change in scope of consolidation	—	(1,025)
Other changes	—	(243)
Ending balance of present value of defined benefit obligations	27,784	22,073

The weighted average duration of defined benefit obligations as of March 31, 2024 and March 31, 2025 was 9.8 years and 9.6 years, respectively.

- (iii) Reconciliations of the fair value of plan assets  
Changes in the fair value of plan assets are as follows.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Beginning balance of fair value of plan assets	43,748	45,979
Interest income	497	642
Remeasurements		
Return on plan assets	4,432	2,376
Contributions by employers	486	405
Participants' contributions	49	42
Benefit payments	(3,281)	(3,198)
Exchange differences on translation of foreign operations	48	(4)
Change in scope of consolidation	—	(559)
Other changes	—	—
Ending balance of fair value of plan assets	45,979	45,683

The Group plans to make contributions of 361 million yen in the next fiscal year ending March 31, 2026.

(iv) Breakdown of plan assets by class

The breakdown of plan assets by major class is as follows.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)			Current Fiscal Year (March 31, 2025)		
	With market prices in active markets	No market prices in active markets	Total	With market prices in active markets	No market prices in active markets	Total
Equity instruments	16,903	5,662	22,565	19,098	3,945	23,043
Japanese equity securities	16,903	—	16,903	19,098	—	19,098
Pooled funds (Japanese equity securities)	—	1,934	1,934	—	777	777
Pooled funds (Foreign equity securities)	—	3,728	3,728	—	3,168	3,168
Debt instruments	241	5,540	5,781	1,436	5,244	6,680
Japanese debt securities	—	—	—	1,201	—	1,201
Foreign debt securities	241	—	241	235	—	235
Pooled funds (Japanese debt securities)	—	483	483	—	247	247
Pooled funds (Foreign debt securities)	—	5,057	5,057	—	4,997	4,997
General accounts of insurance companies	—	830	830	—	170	170
Hedge funds	—	2,841	2,841	—	3,813	3,813
Other short-term investments	—	13,962	13,962	—	11,977	11,977
Total	17,144	28,835	45,979	20,534	25,149	45,683

The Group's policy for managing plan assets is to ensure stable returns in the medium and long-term so as to ensure payments of defined benefit obligations over future years in accordance with provisions. More specifically, we manage plan assets by setting a target rate of return and a target asset allocation by investment asset within defined permissible risk parameters annually while maintaining the asset allocation. When revising the asset allocation, we review the asset allocation and plan assets to invest in to ensure that the plan assets are better aligned with changes in the defined benefit obligations.

The Group also regularly reviews the amounts of contributions, for example, by recalculating the amount once every five years to balance the future financial position of the pension plan in compliance with the Defined-Benefit Corporate Pension Law.

(v) Reconciliations of the effect of asset ceiling

The following table presents a reconciliation of the effect of the asset ceiling.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Beginning balance of effect of asset ceiling	438	2,347
Interest income	5	33
Remeasurements		
Changes of the effect of asset ceiling	1,904	4,452
Exchange differences on translation of foreign operations	(0)	—
Ending balance of effect of asset ceiling	2,347	6,832

(vi) Significant actuarial assumptions

Significant actuarial assumptions used are as follows.

(Unit:%)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Discount rate	1.4	2.1

(vii) Sensitivity analysis

The following table shows the impact on the present value of the defined benefit obligations when the discount rate used for actuarial calculation changes by 0.5 percentage point. This sensitivity analysis was performed based on the assumption that all other variables were constant. However, changes in other assumptions may affect the sensitivity analysis.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
If the discount rate increases by 0.5%	(1,023)	(848)
If the discount rate decreases by 0.5%	1,101	919

(2) Defined contribution plans

The amounts of required contributions for the defined contribution plans made for the fiscal years ended March 31, 2024 and March 31, 2025 were 505 million yen and 539 million yen, respectively.

(3) Employee benefits

Employee benefit expenses included in cost of sales and selling, general, and administrative expenses in the consolidated statement of profit or loss for the fiscal years ended March 31, 2024 and March 31, 2025 were 58,772 million yen and 56,330 million yen, respectively.

#### 24. Provisions

The breakdown of provisions and changes in them are as follows.  
(Millions of yen)

	Asset retirement obligation
April 1, 2024	819
Additions	161
Interest expense during the discounting period	1
Decrease (intended use)	(142)
Exchange differences on translation of foreign operations	0
March 31, 2025	839

The breakdown of provisions in the consolidated statement of financial position is as follows:

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Current liabilities	—	—
Non-current liabilities	819	839
Total	819	839

Asset retirement obligations is the amount expected to be paid in the future based on historical restoration track records, quotations, and others in preparation for the obligations to restore to their original condition of the rented offices, buildings, and so forth used by the Group. These expenses expected to be paid after the lapsing of an estimated period of use measured based on the useful life of interior fixtures are affected by future business plans.

#### 25. Other liabilities

Other liabilities are composed of the following.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Other current liabilities		
Accrued consumption taxes	1,592	651
Accrued payroll and bonuses	6,326	5,535
Accrued expenses	3,481	4,463
Refund liabilities	2,037	1,821
Contract liabilities	1,130	1,246
Total	14,566	13,716
Other non-current liabilities		
Other long-term employee benefits	198	175
Others	1,125	1,118
Total	1,323	1,293

26. Equity and other components of equity

(1) The number of shares authorized and the total number of shares issued

Changes in the number of shares authorized and the total number of shares issued are as follows.

(Shares)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Number of Shares Authorized		
Common stock	250,000,000	250,000,000
Total number of shares issued		
Balance at the beginning of the year	64,500,000	61,000,000
Changes during the period (Note 2)	(3,500,000)	(5,500,000)
Balance at the end of the year	61,000,000	55,500,000

- (Notes)
1. All of the Company's shares issued are no-par value common stock without restriction on rights, and all of the shares issued are fully paid in.
  2. The decrease during the previous and current fiscal year was due to the cancellation of treasury stock.

(2) Treasury stock

Changes in the number of shares of treasury stock and its balance are as follows.

	Number of shares (Shares)	Amount (Millions of yen)
April 1, 2023	6,487,185	15,894
Changes during the period	(555,516)	1,365
March 31, 2024	5,931,669	17,259
Changes during the period	(2,090,759)	709
March 31, 2025	3,840,910	17,968

- (Note) The changes during the previous and current fiscal year were mainly due to the purchase of treasury stock and cancellation of treasury stock.

(3) Capital surplus

The Companies Act of Japan (hereinafter "the Companies Act") requires that at least half of paid-in capital be appropriated as share capital and the rest be appropriated as legal capital surplus included in capital surplus. In addition, under the Companies Act, legal capital surplus can be transferred to share capital upon approval at the General Meeting of Shareholders.

(4) Retained earnings

The Companies Act provides that an amount equal to 10% of dividends of surplus should be appropriated as legal capital surplus or a legal retained earnings until the aggregated amount of legal capital surplus and legal retained earnings equals 25% of share capital. The legal retained earnings may be used to compensate for deficits or may be reversed with the approval of the General Meeting of Shareholders.

(5) Other components of equity

The breakdown of other components of equity is as follows.

(Millions of yen)

	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Remeasurement of defined benefit plans	Share of other comprehensive (loss) income of investments accounted for using equity method	Total
April 1, 2023	9,243	21,466	–	1,314	32,023
Changes during the period	8,208	14,535	1,679	855	25,277
Transfer to retained earnings	–	(8,652)	(1,679)	(185)	(10,516)
March 31, 2024	17,451	27,349	–	1,984	46,784
Changes during the period	(435)	(3,562)	(332)	(259)	(4,588)
Transfer to retained earnings	–	(3,944)	332	53	(3,559)
March 31, 2025	17,016	19,843	–	1,778	38,637

27. Dividends

(1) Dividends paid are as follows.

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
May 12, 2023 Board of Directors	Common stock	2,321	40.00	March 31, 2023	June 5, 2023
November 9, 2023 Board of Directors	Common stock	2,848	50.00	September 30, 2023	December 8, 2023

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
May 15, 2024 Board of Directors	Common stock	2,753	50.00	March 31, 2024	June 6, 2024
November 11, 2024 Board of Directors	Common stock	2,709	50.00	September 30, 2024	December 6, 2024

(2) Dividends whose record date is before the end of the reporting period and whose effective date is after the end of the reporting period

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
May 15, 2024 Board of Directors	Common stock	2,753	50.00	March 31, 2024	June 6, 2024

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
May 15, 2025 Board of Directors	Common stock	2,583	50.00	March 31, 2025	June 6, 2025

28. Revenue

(1) Breakdown of revenue

Breakdown of main product revenue and reportable segment are as follows.  
Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable Segment			Other	Total
	Wacoal Business (Domestic)	Wacoal Business (Overseas)	Peach John Business		
Innerwear:					
Foundation and lingerie	75,034	60,808	9,296	3,227	148,365
Nightwear	5,832	470	606	55	6,963
Children's underwear	725	78	—	15	818
Subtotal	81,591	61,356	9,902	3,297	156,146
Outerwear/sportswear and others	7,456	4,383	33	1,955	13,827
Hosiery	1,281	—	—	35	1,316
Other textile goods and related products	2,428	1,956	806	645	5,835
Others	1,442	62	—	8,580	10,084
Total	94,198	67,757	10,741	14,512	187,208

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable Segment			Other	Total
	Wacoal Business (Domestic)	Wacoal Business (Overseas)	Peach John Business		
Innerwear:					
Foundation and lingerie	69,455	59,667	9,248	3,264	141,634
Nightwear	5,378	466	504	53	6,401
Children's underwear	546	53	—	14	613
Subtotal	75,379	60,186	9,752	3,331	148,648
Outerwear/sportswear and others	7,225	5,174	20	1,950	14,369
Hosiery	1,437	—	—	34	1,471
Other textile goods and related products	2,242	1,778	697	870	5,587
Others	1,545	99	—	2,177	3,821
Total	87,828	67,237	10,469	8,362	173,896

The Group focuses on sales of innerwear (primarily, foundation garments, lingerie, and nightwear), outerwear, sportswear, or other textile products and related products (“Products”), and the customers include retail and wholesale distributors and consumers in Japan and overseas.

Revenue from sales of our Products is recognized when performance obligations are satisfied, which is upon delivery of the Products.

The Group invoices when it satisfies the performance obligation and receive cash payment shortly thereafter.

The Group’s revenue is recognized for transactions, net of any trade discounts or rebates given. The Group generally provide a right of return to our customers. In order to estimate the transaction price, provision for expected returns is deducted from revenue based on historical returns.

Because the period from fulfillment of the performance obligations to receipt of consideration is normally within one year, the receivables are not adjusted for material financial elements using the convention method.

(2) Contract balances

The breakdown of receivables from contracts with customers and contract liabilities is as follows. Receivables from contracts with customers are Trade notes receivables and Accounts receivable-trade included in Trade and other receivables (see Note 9. Trade and other receivables). The amount of contract assets is not material.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Contract liabilities	1,130	1,246

The revenue recognized in the reporting period that was included in the contract liabilities balance at the beginning of the period for the fiscal year ended March 31, 2024 and 2025 was 1,188 million yen and 1,011 million yen respectively. There is no significant revenue recognized during the current fiscal year from performance obligations that were satisfied in previous periods.

Contract liabilities from contracts with customers consists mainly of customer loyalty points.

Certain subsidiaries have customer loyalty programs as part of the promotion and provide loyalty points to customers when they purchase our products. The points provided to customers are identified as performance obligations, which are satisfied when the points are redeemed for the products. The points are expected to be used or expire over the next two years. The unredeemed points as of the end of each fiscal year are recorded as contract liabilities, which are estimated based on actual redemption amounts from previous fiscal year. Contract liability is included in other current liabilities and is mainly related to innerwear products in the Wacoal Business (Domestic) segment.

(3) Transaction price allocated to the remaining performance obligations

In the Group, there are no significant transactions for which the individual forecast contract period exceeds one year. Therefore, the practical short-cut method is used, and information related to remaining performance obligations is omitted. In addition, there is no significant consideration from contracts with customers that is not included in transaction prices.

(4) Contract Costs

The Group has adopted a practical expedient described in paragraph 94 of IFRS 15 “Revenue from Contracts with Customers,” and recognizes the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the Group otherwise would have recognized is one year or less.

29. Selling, general and administrative expenses

Selling, general and administrative expenses are composed of the following:

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Employee benefits	41,600	40,378
Depreciation and amortization	10,329	10,190
Transportation and storage costs	4,934	4,654
Advertising expenses	14,470	14,598
Lease amounts	2,316	2,219
Payment fees	16,572	17,472
Others	10,354	11,330
Total	100,575	100,841

30. Other income and expenses

Other income is composed of the following.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Government grant	172	120
Gain on sale of property, plant and equipment	119	9,439
Rent receipt	306	215
Foreign exchange gains	158	—
Others	1,235	1,437
Total	1,990	11,211

Other expenses are composed of the following.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Loss on sale and disposal of property, plant and equipment	218	212
Impairment losses (Note 1)	6,860	2,369
Loss on withdrawal from business (Note 1)	1,259	—
Business structure reform cost (Note 2)	5,984	1,436
Other	682	469
Total	15,003	4,486

- (Notes) 1. For the fiscal year ended March 31, 2024, an impairment charge of 6,536 million and business structure reform cost of 1,259 million were recorded in relation to the withdrawal from LIVELY business of Intimates Online, Inc., a subsidiary of Wacoal International Corp., and the decision to liquidate the company.  
For the fiscal year ended March 31, 2025, an impairment charge of 2,369 million were recorded in relation to transfer of the shares of the Company's consolidated subsidiary, Lecien Corporation.

2. Business structure reform cost includes the recording of some subsidiaries' disposal of inventories and cost for voluntary retirement.

31. Finance income and costs

Finance income is composed of the following.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Interest income:		
Financial assets measured at amortized cost	308	488
Dividend income:		
Financial assets measured at fair value through other comprehensive income	1,173	961
Financial assets measured at fair value through profit or loss	231	285
Gain (Loss) on change in fair value		
Financial assets measured at fair value through profit or loss	294	160
Foreign exchange gains	304	15
Others	219	261
Total	2,529	2,170

Finance costs are composed of the following.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Interest expenses:		
Financial liabilities measured at amortized cost	137	313
Lease liabilities	168	265
Gain (Loss) on change in fair value		
Financial assets measured at fair value through profit or loss	—	10
Others	23	30
Total	328	618

32. Other comprehensive income

The following are amounts arising during the year by item of other comprehensive income, reclassification adjustments to profit or loss, and impact of tax effects.

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Amount arising during the year	Reclassification adjustment	Before tax effects	Tax effects	Net of tax effects
Items that will not be reclassified to profit or loss					
Financial assets measured at fair value through other comprehensive income	21,116	—	21,116	(6,532)	14,584
Remeasurement of defined benefit plans	2,423	—	2,423	(744)	1,679
Share of other comprehensive income of investments accounted for using equity method	86	—	86	—	86
Total of items that will not be reclassified to profit or loss	23,625	—	23,625	(7,276)	16,349
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	8,989	(282)	8,707	(290)	8,417
Share of other comprehensive income of investments accounted for using equity method	769	—	769	—	769
Total of items that may be reclassified subsequently to profit or loss	9,758	(282)	9,476	(290)	9,186
Total	33,383	(282)	33,101	(7,566)	25,535

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Amount arising during the year	Reclassification adjustment	Before tax effects	Tax effects	Net of tax effects
Items that will not be reclassified to profit or loss					
Financial assets measured at fair value through other comprehensive income	(4,638)	—	(4,638)	1,132	(3,506)
Remeasurement of defined benefit plans	(491)	—	(491)	159	(332)
Share of other comprehensive income of investments accounted for using equity method	(117)	—	(117)	—	(117)
Total of items that will not be reclassified to profit or loss	(5,246)	—	(5,246)	1,291	(3,955)
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	(421)	—	(421)	—	(421)
Share of other comprehensive income of investments accounted for using equity method	(142)	—	(142)	—	(142)
Total of items that may be reclassified subsequently to profit or loss	(563)	—	(563)	—	(563)
Total	(5,809)	—	(5,809)	1,291	(4,518)

### 33. Earnings per share

The Company implemented the restricted stock compensation plan for Directors (excluding External Directors (Independent)) of the Company and Directors of the Company's wholly owned subsidiary, Wacoal Corp. Among the shares under the restricted stock compensation plan, those that have not been vested are distinguished as participating equity instruments from common shares. A holder of participating equity instruments has the same rights as a holder of common shares to net income attributable to Wacoal Holdings Corp.

#### (1) Basis of calculation for basic profit (loss) per share

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit (loss) attributable to owners of parent (Millions of yen)	(8,632)	6,989
Profit (loss) attributable to participating equity instruments (Millions of yen)	(5)	6
Profit (loss) used to calculate basic (loss) profit per share (Millions of yen)	(8,627)	6,983
Weighted-average number of common shares issued (Thousands of shares)	56,932	53,905
Weighted-average number of participating equity instruments (Thousands of shares)	34	46
Weighted-average number of common shares (Thousands of shares)	56,898	53,859
Basic earnings (loss) per share (Yen)	(151.62)	129.65

(2) Basis of calculation for diluted profit (loss) per share

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit (loss) used to calculate basic profit (loss) per share (Millions of yen)	(8,627)	6,983
Adjustment to loss (Millions of yen)	—	—
Profit (loss) used to calculate diluted profit (loss) per share (Millions of yen)	(8,627)	6,983
Weighted-average number of common shares outstanding (Thousands of shares)	56,898	53,859
Increase in the number of common shares		
Stock acquisition rights (Thousands of shares)	—	205
Weighted-average number of shares of diluted common shares (Thousands of shares)	56,898	54,064
Diluted earnings (loss) per share (Yen)	(151.62)	129.16

(Note) For the fiscal year ended March 31, 2024, Potential ordinary shares were not dilutive because the exercise of stock acquisition rights would reduce loss per share.

34. Cash flow information

(1) Change in liabilities arising from financing activities

Change in liabilities arising from financing activities are as follows:

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	April 1, 2023	Changes arising from cash flows	Non-cash changes		March 31, 2024
			Changes in foreign currency exchange rates	New lease contracts	
Short-term borrowings	5,000	678	8	—	5,686
Long-term borrowings	3,084	—	376	—	3,460
Lease liabilities	12,331	(5,690)	(33)	4,888	11,496
Total	20,415	(5,012)	351	4,888	20,642

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	April 1, 2024	Changes arising from cash flows	Non-cash changes				March 31, 2025
			Change in scope of consolidation	Changes in foreign currency exchange rates	New lease contracts	Others	
Short-term borrowings	5,686	88	—	40	—	—	5,814
Long-term borrowings	3,460	5,291	—	(96)	—	—	8,655
Lease liabilities	11,496	(5,726)	2,047	(453)	5,037	(34)	12,367
Total	20,642	(347)	2,047	(509)	5,037	(34)	26,836

(Note) Current portion of long-term loans payable is included.

(2) Non-cash Transaction

Non-cash transaction is composed of the following:

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Acquisition of right-of-use assets under lease transaction	4,888	5,037
Cancellation of treasury stock	8,572	16,011

35. Share-based compensation

(1) Equity-settled stock option plan

Until the 73rd Ordinary General Meeting of Shareholders held on June 29, 2021, the Company had a stock option plan of share-based compensation type in place. Under the stock option plan, the Company allocated stock acquisition rights to Directors (excluding External Directors (Independent)) of the Company and Directors of the Company's wholly-owned subsidiary, Wacoal Corp., with the aim to share not only the benefits of share price increases but also the risk of share price declines with our shareholders, thereby providing increased incentives to contribute to the improvement of the share price and corporate value.

The stock option plan of share-based compensation type was an equity-settled share-based compensation.

The breakdown of the stock options of share-based compensation type issued by the Company is as follows.

	Number of options granted (shares)	Grant date	Exercise deadline	Exercise price (Yen)	Fair value of grant date (Yen)
1st / 2nd	28,500	September 1, 2008	September 1, 2028	1	2,274
3rd / 4th	24,500	September 1, 2009	September 1, 2029	1	2,168
5th / 6th	23,000	September 1, 2010	September 1, 2030	1	2,162
7th / 8th	34,500	September 1, 2011	September 1, 2031	1	1,756
9th / 10th	33,500	September 3, 2012	September 3, 2032	1	1,598
11th / 12th	38,500	September 2, 2013	September 2, 2033	1	1,836
13th / 14th	31,500	September 1, 2014	September 1, 2034	1	1,874
15th / 16th	24,500	September 1, 2015	September 1, 2035	1	2,838
17th / 18th	34,500	September 1, 2016	September 1, 2036	1	2,088
19th / 20th	23,000	September 1, 2017	September 1, 2037	1	2,918
21st / 22nd	20,900	August 17, 2018	August 17, 2038	1	3,005
23rd / 24th	28,500	July 22, 2019	July 22, 2039	1	2,516
25th / 26th	35,700	July 17, 2020	July 17, 2040	1	1,768

(Note) The Company has reflected the share consolidation pursuant to which two (2) shares were consolidated into one (1) share because the Company conducted a share consolidation of common stock of the Company pursuant to which two (2) shares were consolidated into one (1) share effective as of October 1, 2017.

The number and weighted-average exercise prices of stock options

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)		Current Fiscal Year (From April 1, 2024 to March 31, 2025)	
	Number of Shares (Shares)	Weighted average exercise price (Yen)	Number of Shares (Shares)	Weighted average exercise price (Yen)
Outstanding at beginning of the year	241,300	1	236,800	1
Exercised	4,500	1	68,600	1
Forfeited	—	—	—	—
Expired	—	—	—	—
Outstanding at end of the year	236,800	1	168,200	1
Exercisable at end of the year	223,100	1	156,100	1

- (Notes) 1. The weighted-average share price at exercise of stock options during the previous and current fiscal year was 3,621 yen and 4,732 yen respectively.
2. The weighted-average remaining life of the outstanding stock options for the end of previous year and current fiscal year was 4.2 years and 3.3 years, respectively.

(2) Restricted stock compensation plan

The Company had newly introduced the restricted stock compensation plan for Directors (excluding External Directors (Independent)) of the Company and Directors of the Company's wholly-owned subsidiary, Wacoal Corp. (hereinafter referred to as "Eligible Directors"), with the aim to further share the risk of share price fluctuations with our shareholders, thereby providing increased incentives to contribute to the improvement of the share price and corporate value.

The Company has replaced the previous plan (that granted stock acquisition rights as share-based compensation) with a restricted stock compensation plan, which the Company annually allocates restricted stock to the Eligible Directors. The amount of compensation claims is determined by comprehensively taking into consideration of various factors including each Eligible Director's degree of contribution to the Company and Wacoal Corp. With regard to the shares of the Company's common stock allotted (the "Allotted Shares"), the Eligible Directors have, in principle, entered into a restricted stock allotment agreement that provides that an Eligible Director is prohibited to transfer to a third party, pledge, create mortgage on, or use any other arrangements to dispose the Allotted Shares for a period from the grant date to a date on which (s)he retires from all the positions as Director, Audit and Supervisory Board Member, and Corporate Officer of the Company and Wacoal Corp. as designated by the Board of Directors of the Company, and that the Company will acquire the Allotted Shares without compensation in case of certain events.

Fair value on the grant date is calculated based on the closing price of common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution by the Board Directors.

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Grant date	July 18, 2023	July 12, 2024
Number of shares granted during the year (Shares)	21,100	13,700
Weighted-average fair value per share (Yen)	2,828	4,395

(3) Share-based compensation expense

Share-based compensation expense included in cost of sales and selling, general, and administrative expenses in the consolidated statement of profit or loss is as follows:

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Restricted stock compensation	56	60

36. Financial instruments

(1) Capital management

The Group performs capital management in order to maximize corporate value through sustainable growth. The main indicator used by the Group in capital management is the ratio of profit attributable to owners of parent to equity attributable to owners of parent, which is reported to and monitored by management on a regular basis.

The Group's ratio of profit attributable to owners of parent to equity attributable to owners of parent is as follows.

	Previous Fiscal Year (March 31, 2024)	Current Fiscal Year (March 31, 2025)
Ratio of profit attributable to owners of parent to equity attributable to owners of parent (%)	(4.1)	3.5

There are no significant capital regulations which are applied to the Group.

(2) Management of financial risks

The Group is exposed to financial risks (credit risk, liquidity risk, currency risk, interest rate risk, and market price fluctuation risk) in the course of its management activities, and manages such risks based on certain policies to mitigate such financial risks. The Group uses derivatives transactions to hedge currency risks and does not engage in speculative transactions.

(3) Management of credit risk

Credit risk is defined as the risk that parties with whom the Group has contracted failed to discharge their contractual obligations under the financial assets held by the Group, resulting in financial loss to the Group.

In accordance with the credit management regulations, the Group manages due dates and outstanding balances for each counterparty and periodically monitors the credit status of our major counterparties.

The Group enters into derivative transactions only with creditworthy financial institutions and impact of such transactions on credit risk is limited.

The Group does not have excessively concentrated credit risk with respect to specific counterparties or groups to which such counterparties belong.

The carrying amount of financial assets presented in the consolidated financial statements represents the maximum exposure in terms of credit risk of financial assets held by the Group.

When a delinquency of a debtor is caused not by a temporary funding requirement, rather primarily by significant financial difficulty of the debtor, and the collectability of receivables is considered to be of particular concern, such financial assets are deemed to be credit impaired.

For trade receivables that do not contain a significant financing component, the allowance for doubtful accounts is always recognized at the amount equal to lifetime expected credit losses.

Changes in allowance for doubtful accounts for trade receivables are as follows.

(Millions of yen)

	Financial assets for which an allowance for doubtful accounts is always measured at an amount equal to the lifetime expected credit losses	Credit impaired financial assets	Total
Balance at April 1, 2023	207	165	372
Increase	33	11	44
Decrease (intended use)	—	(1)	(1)
Decrease (reversal)	(13)	(10)	(23)
Other changes	27	15	42
Balance at March 31, 2024	254	180	434
Increase	3	211	214
Decrease (intended use)	—	—	—
Decrease (reversal)	(7)	(1)	(8)
Other changes	(14)	(61)	(75)
Balance at March 31, 2025	236	329	565

Of the financial assets that are written off in the current fiscal year, there are no financial assets for which collecting activities continue.

Credit risk exposure for trade receivables is as follows.

(Millions of yen)

	Financial assets for which an allowance for doubtful accounts is always measured at an amount equal to the lifetime expected credit losses	Credit impaired financial assets	Total
Previous Fiscal Year (March 31, 2024)	22,395	180	22,575
Current Fiscal Year (March 31, 2025)	17,030	370	17,400

(4) Management of liquidity risk

Liquidity risk is defined as the risk that the Group may not be able to make payments when due to fulfill obligations to repay financial liabilities upon maturity.

The Group manages liquidity risk by updating cash management plans in a timely manner, preparing adequate funds for repayments, securing credit lines available from financial institutions as needed, and continuously monitoring cash flow plans and results.

Balances of financial liabilities (including derivative instruments) classified by due dates are as follows.

Previous Fiscal Year (March 31, 2024)

(Millions of yen)

	Carrying amount	Contractual cash flows	Within 1 year	From 1 to 5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	9,146	9,146	7,200	1,946	—
Trade and other payables	17,406	17,406	17,406	—	—
Lease liabilities	11,496	11,893	5,075	6,390	428
Other financial liabilities	973	973	973	—	—
Derivative financial liabilities					
Foreign exchange forward contracts	22	22	22	—	—
Total	39,043	39,440	30,676	8,336	428

Current Fiscal Year (March 31, 2025)

(Millions of yen)

	Carrying amount	Contractual cash flows	Within 1 year	From 1 to 5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	14,469	14,469	11,915	1,200	1,354
Trade and other payables	15,778	15,778	15,778	—	—
Lease liabilities	12,367	13,158	4,988	7,302	868
Other financial liabilities	905	905	905	—	—
Derivative financial liabilities					
Foreign exchange forward contracts	11	11	11	—	—
Total	43,530	44,321	33,597	8,502	2,222

(5) Management of market risk

(i) Management of currency risk

The Group's assets and liabilities denominated in foreign currencies related to its overseas business activities are exposed to the risk of market fluctuations in foreign exchange rates. The Group uses derivative instruments to avoid or mitigate such risk. Derivative instruments are used based on the internal policy and management regulations, and are not held for speculative purposes. The Group believes the credit risk of derivatives held by the Group is considered to be negligible because the counterparties to these derivatives are all international financial institutions with high credit ratings.

Sensitivity analysis of foreign exchange

As of the end of each fiscal year, if the Japanese Yen appreciated by 1%, the effects on profit before tax in the consolidated financial statement of profit or loss would have been as follows.

This analysis is based on the assumption that other factors, such as balances and interest rates are constant.

(Millions of yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit before income taxes		
U.S. dollar	(58)	(86)

(ii) Management of interest rate risk

The Group pays interest on the funds which procure for working capital and capital investment in conducting its business activities. Interest rate sensitivity analysis is not performed because the impact of interest rate payments on the Group is minimal, and the current interest rate risk is not considered material to the Group.

(iii) Management of market price fluctuation risk

The Group held marketable equity securities of 47,003 million and 34,860 million for the previous fiscal year and the current fiscal year, respectively, and they are exposed to fluctuation risk of market prices. The Group reviews its holdings of these marketable equity securities on an ongoing basis by regularly monitoring their fair value and the financial condition of the issuers. All of equity securities are designated as financial assets measured at fair value through other comprehensive income, and there is no effect on profit or loss from changes in the share price.

(6) Offsetting of financial assets and financial liabilities

The Group does not possess material financial assets and liabilities which should be offsetting.

(7) Fair values of financial instruments

(i). Calculation method of fair value

The Group measures the fair value of financial assets and financial liabilities as follows. Fair value of financial instruments is estimated using available market prices or is measured by appropriate valuation techniques when market prices are not available.

(Cash and cash equivalents, trade and other receivables, trade and other payables, short-term borrowings)

These accounts have short maturities and the carrying values approximate fair value.

(Equity securities)

Listed equity securities are measured using quoted market prices. Unlisted equity securities are valued by comparable multiple valuation method using financial indicators, etc. or other appropriate valuation methods.

(Derivatives)

Derivatives are valued at fair value as quoted by correspondent financial institutions.

(Long-term borrowings)

The fair value of the Group's long-term borrowings is calculated by discounting estimated future cash flows using the interest rate that would apply to a new loan with the same remaining maturity and similar terms and conditions. Their fair value is measured based on Level 2.

(ii) Financial instruments measured at amortized cost

The carrying amounts and fair values of financial instruments at amortized cost are as follows.

Financial instruments measured at fair value and financial instruments whose carrying values approximate their fair values are not included.

(Millions of yen)

	Previous Fiscal Year (March 31, 2024)		Current Fiscal Year (March 31, 2025)	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets measured at amortized cost:				
Corporate bonds	152	152	138	134
Total	152	152	138	134
Financial liabilities				
Financial liabilities measured at amortized cost:				
Long-term borrowings (including current portions)	3,460	3,383	8,655	8,670
Total	3,460	3,383	8,655	8,670

(iii). Financial instruments measured at fair value

The table below shows the results of an analysis on financial instruments measured at fair value. Each level is defined as follows.

Level 1: Fair value measured at quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value determined, either directly or indirectly, by using observable inputs other than Level 1.

Level 3: Fair value determined using valuation techniques based on unobservable inputs.

Fair value hierarchy for financial instruments measured at fair value are as follows.

Previous Fiscal Year (March 31, 2024)

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at fair value through profit or loss:				
Equity securities	—	—	1,963	1,963
Mutual funds	236	—	—	236
Financial assets measured at fair value through other comprehensive income:				
Equity securities	47,003	—	890	47,893
Others	—	—	31	31
Total	47,239	—	2,884	50,123
Financial liabilities:				
Financial liabilities measured at fair value through profit or loss:				
Derivatives	—	22	—	22
Total	—	22	—	22

Current Fiscal Year (March 31, 2025)

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at fair value through profit or loss:				
Derivatives	—	21	—	21
Equity securities	—	—	2,039	2,039
Mutual funds	263	—	—	263
Others	—	—	140	140
Financial assets measured at fair value through other comprehensive income:				
Equity securities	34,860	—	851	35,711
Others	—	—	31	31
Total	35,123	21	3,061	38,205
Financial liabilities:				
Financial liabilities measured at fair value through profit or loss:				
Derivatives	—	11	—	11
Total	—	11	—	11

The Company recognizes transfers between the levels of the fair value hierarchy at the date when the event or the change in circumstances resulting in the transfer occurred. There was no significant reclassification between Level 1 and Level 2 in previous fiscal year and current fiscal year.

#### Valuation process

Fair value of financial instruments classified into Level 3 is measured using valuation methods for respective target financial assets and liabilities as determined by persons in charge of accounting or asset valuation in accordance with valuation policies and procedures, including internally approved valuation methods for fair value measurement.

#### Quantitative information for financial instruments classified as Level 3

Fair value of equity securities and others classified into Level 3 is measured based on the comparable multiple valuation method using financial indicators, etc. or other appropriate valuation techniques. If unobservable inputs were changed to other reasonably possible assumptions, changes in fair value would not have been material.

#### Reconciliation for financial instruments classified as Level 3

The reconciliation from the beginning balances to the ending balances of financial instruments classified as Level 3 in fair value measurements is as follows.

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Equity securities	Other
Balance as of the beginning of the year	2,433	31
Gains or losses		
Profit or loss *1	272	—
Other comprehensive income *2	73	—
Purchases	75	—
Sales and settlements	(0)	—
Balance at the end of the year	2,853	31
Unrealized gain (loss) on assets and liabilities held at the end of period included in net income or loss*1	272	—

Current Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Equity securities	Other
Balance as of the beginning of the year	2,853	31
Gains or losses		
Profit or loss *1	151	(10)
Other comprehensive income *2	(304)	—
Purchases	—	75
Sales and settlements	(2)	—
Others	192	75
Balance at the end of the year	2,890	171
Unrealized gain (loss) on assets and liabilities held at the end of period included in net income or loss*1	151	(10)

- (Notes)      \*1. Gains or losses are recognized as finance income or finance costs in the consolidated statement of profit or loss.  
                  \*2. Gains or losses after consideration of tax effects are recognized as net change in fair value of financial assets measured at fair value through other comprehensive income in the consolidated statement of comprehensive income.

### 37. Significant subsidiaries

#### (1) Significant subsidiaries

The Company's major subsidiaries are stated in 1. Overview of the Company, 4. Information on Associates. There were no subsidiaries with individually significant noncontrolling interests in the previous and current fiscal years.

#### (2) Transfer of subsidiary

The Group sold a portion of the shares of Nanasai Co., Ltd. in the fiscal year ended March 31, 2025. As a result of this transfer of shares, the Group's ownership in the said company decreased from 99.96% to 14.99%, and the said company was removed from the Group's scope of consolidation due to the Group losing control over the said company. The gain related to the loss of control is included in "other income" of the consolidated statement of profit or loss.

The major breakdown of the assets and liabilities at the time of the loss of control of the company that is no longer a subsidiary due to the sale of shares is as follows.

	(Millions of yen)	
	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Components of assets on loss of control		
Current assets	—	2,029
Non-current assets	—	2,038
Components of liabilities on loss of control		
Current liabilities	—	1,761
Non-current liabilities	—	697

### 38. Related parties

#### (1) Transactions with related parties

Information of transactions with related parties is omitted as it was immaterial.

#### (2) Remuneration of key management personnel

Remuneration of Directors and External Directors (Independent) who are key management personnel of the Company is as follows.

	(Millions of yen)	
	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Basic compensation and bonuses	135	173
Share-based payment	33	44
Total	168	217

### 39. Significant subsequent events

#### Purchase of treasury stock

The Board of Directors adopted a resolution at a meeting held on May 15, 2025 regarding matters related to purchase of treasury stock pursuant to the provisions of Paragraph 1, Article 459 of the Companies Act.

1. Reason for purchase of treasury stock  
To enhance profits to the shareholders and improve capital efficiency
2. Matters relating to purchase
  - (1) Type of shares to be purchased  
Common Stock of the Company
  - (2) Total number of shares to be purchased  
5,800,000 shares (at maximum)

- (3) Aggregate purchase price  
28,500 million yen (at maximum)
- (4) Purchase period  
From May 19, 2025 through March 24, 2026

#### Cancellation of treasury stock

The Board of Directors adopted a resolution at a meeting held on May 15, 2025 regarding matters related to cancellation of treasury stock pursuant to the provisions of Article 178 of the Companies Act, which was executed as follows.

- (1) Type of shares cancelled  
Common Stock of the Company
- (2) Number of shares cancelled  
3,000,000 shares
- (3) Date of cancellation  
May 23, 2025
- (4) Total number of shares issued after the cancellation  
52,500,000 shares

#### 40. Approval of consolidated financial statements

These consolidated financial statements were approved by Masaaki Yajima, President and Representative Director, and Akira Miyagi CFO, as of June 25, 2025.

#### (2) 【Others】

##### Quarterly financial information for the year ended March 31, 2025

(Cumulative period)	First Quarter	Second Quarter	Third Quarter	Year ended March 31, 2025
Revenue (Millions of yen)	46,462	90,167	133,534	173,896
Profit before tax (Millions of yen)	4,268	12,815	13,117	5,693
Profit attributable to owners of parent (Millions of yen)	3,038	8,773	9,086	6,989
Basic profit earnings per share (yen)	55.18	159.69	166.88	129.65

(Fiscal period)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Basic (loss) earnings per share (yen)	55.18	104.61	5.85	(40.13)

(Notes) The 1st and 3rd quarter are based on quarterly information prepared in accordance with the rules stipulated by the stock exchange. This information has not been subject to mid-term review.

## VI. 【Stock-Related Administration for the Reporting Company】

Fiscal year	From April 1 to March 31
Ordinary General Meeting of Shareholders	To be held in June
Record date	March 31
Record date for dividends of surplus	September 30 March 31
Number of shares constituting one unit	100 shares
Purchase and sale of shares less than one unit	<p>(Special Account) Osaka Securities Transfer Section Mitsubishi UFJ Trust and Banking Corporation 6-3, Fushimi 3-chome, Chuo-ku, Osaka</p> <p>(Special Account) Mitsubishi UFJ Trust and Banking Corporation 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo</p> <p>—</p> <p>Free of charge</p>
Office for handling business	
Transfer agent	
Forwarding office	
Handling charge for purchase and sale	
Method of public notice	Public notice of the Company shall be in electronic form; provided that, public notice cannot be provided electronically due to an accident or unavoidable event, it shall be published in <i>Nihon Keizai Shimbun</i> .
Special benefit for shareholders	<p>Shareholder special discount shall be made for Wacoal products by means of catalogue sales and internet sales as follows:</p> <ul style="list-style-type: none"> <li>— To shareholders holding 100 shares or more: 20% to 40% discount depending on the number of shares held shall be made for the purchase of our products listed in catalogues issued by Wacoal or internet sales; provided, however, that the total purchase price applicable for the discount shall be up to 200,000 yen (before discount) per year.</li> </ul>

(Note) Our Articles of Incorporation prescribe that the shareholders holding shares constituting less than one unit of the Company may not exercise any rights, except for the rights as prescribed under each item in Paragraph 2, Article 189 of the Companies Act, the claim rights pursuant to the provisions of Paragraph 1, Article 166 of the same law, the right to receive an allocation of share offerings and stock acquisition rights in proportion to the number of shares held, and the right to request the sale of additional shares not constituting one unit.

## VII. 【Reference Information on the Reporting Company】

### 1. 【Information on the Parent Company】

The Company does not have the parent company set out in Paragraph 1, Article 24-7 of the Financial Instruments and Exchange Act.

### 2. 【Other Reference Information】

The Company filed the following documents during the period from the commencing date of the current fiscal year to the filing date of the Annual Securities Report.

(1)	Annual Securities Report and the attachments thereto, and Confirmation Letter	Fiscal Year (76th Fiscal Year)	From April 1, 2023 to March 31, 2024	Filed with the Director of the Kanto Local Finance Bureau on June 25, 2024
(2)	Internal Control Report and the attachments thereto			Filed with the Director of the Kanto Local Finance Bureau on June 25, 2024
(3)	Semiannual Securities Report and Confirmation Letter	(77th Fiscal Year)	From April 1, 2024 to September 30, 2024	Filed with the Director of the Kanto Local Finance Bureau on November 14, 2024
(4)	Extraordinary Report	Extraordinary Report on the Results of the Exercise of Voting Rights at General Meeting of Shareholders pursuant to Item 9-2, Paragraph 2, Article 19 of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs, etc.		Filed with the Director of the Kanto Local Finance Bureau on June 26, 2024
		Extraordinary Report on the Change to major shareholders pursuant to Item 4, Paragraph 2, Article 19 of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs, etc.		Filed with the Director of the Kanto Local Finance Bureau on July 23, 2024
		Extraordinary Report on the Event Having Significant Impact on the Financial Position, Financial Performance, and Cash Flow Status of the Corporate Group pursuant to Item 19, Paragraph 2, Article 19 of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs, etc.		Filed with the Director of the Kanto Local Finance Bureau on August 26, 2024
		Extraordinary Report on the Event Having Significant Impact on the Financial Position, Financial Performance, and Cash Flow Status of the Corporate Group pursuant to Item 19, Paragraph 2, Article 19 of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs, etc.		Filed with the Director of the Kanto Local Finance Bureau on March 28, 2025
(5)	Share Repurchase Report			Filed with the Director of the Kanto Local Finance Bureau on July 5, 2024
		Reporting Period	From June 1, 2024 to June 30, 2024	
		Reporting Period	From July 1, 2024 to July 31, 2024	Filed with the Director of the Kanto Local Finance Bureau on August 7, 2024
		Reporting Period	From August 1, 2024 to August 31, 2024	Filed with the Director of the Kanto Local Finance Bureau on September 9, 2024
		Reporting Period	From September 1, 2024 to September 30, 2024	Filed with the Director of the Kanto Local Finance Bureau on October 7, 2024

Reporting Period	From October 1, 2024 to October 31, 2024	Filed with the Director of the Kanto Local Finance Bureau on November 11, 2024
Reporting Period	From November 1, 2024 to November 30, 2024	Filed with the Director of the Kanto Local Finance Bureau on December 10, 2024
Reporting Period	From December 1, 2024 to December 31, 2024	Filed with the Director of the Kanto Local Finance Bureau on January 14, 2025
Reporting Period	From January 1, 2025 to January 31, 2025	Filed with the Director of the Kanto Local Finance Bureau on February 10, 2025
Reporting Period	From February 1, 2025 to February 28, 2025	Filed with the Director of the Kanto Local Finance Bureau on March 11, 2025
Reporting Period	From March 1, 2025 to March 31, 2025	Filed with the Director of the Kanto Local Finance Bureau on April 9, 2025
Reporting Period	From May 1, 2025 to May 31, 2025	Filed with the Director of the Kanto Local Finance Bureau on June **, 2025

Part II 【Information on Guarantors etc. for the Company】  
Not applicable.

**NOTE TO READERS:**

Following is an English translation of the Independent Auditor's Report filed under the Financial Instruments and Exchange Act of Japan. This report is presented merely as supplemental information.

(TRANSLATION)

**INDEPENDENT AUDITOR'S REPORT**

June 25, 2025

To the Board of Directors of  
Wacoal Holdings Corp.:

Deloitte Touche Tohmatsu LLC  
Kyoto office

Designated Engagement Partner,  
Certified Public Accountant:

Koichiro Tsukuda

Designated Engagement Partner,  
Certified Public Accountant:

Tomomi Tsuji

**<Audit of Consolidated Financial Statements>**

**Opinion**

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited the consolidated financial statements of Wacoal Holdings Corp. and its consolidated subsidiaries (the "Group") included in the Financial Section, namely, the consolidated statement of financial position as of March 31, 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the fiscal year from April 1, 2024 to March 31, 2025, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") pursuant to the provisions of Article 312 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
<p><b>Valuation of goodwill</b></p> <p>As of March 31, 2025, the goodwill recorded on the consolidated statement of financial position was the goodwill allocated to WACOAL EUROPE LTD in the amount of ¥15,191 million, or 5.6% of total assets.</p> <p>The Group has applied International Financial Reporting Standards and as described in Note 3. Significant Accounting Policies (7) Goodwill and Intangible assets, and (16) Impairment of non-financial assets, impairment tests at the cash-generating unit level, which includes goodwill, at each period and whenever an indication of impairment exists. If the carrying amount of a cash-generating unit exceeds the recoverable amount as a result of the impairment test, the carrying amount is reduced to the recoverable amount and the reduction in the carrying amount is recognized as an impairment loss. When conducting the impairment test, the Group estimates the recoverable amount as the higher of the value in use or the fair value less disposal costs.</p> <p>The Group uses an expected present value method to estimate the recoverable amount in performing the impairment test. Future cash flows used to estimate the recoverable amount are based on a five-year business plans approved by management with the terminal value reflecting the average long-term growth rate in the relevant market.</p> <p>The business plans include significant assumptions, such as the feasibility of sales volumes expansion measures consisting mainly of promoting merchandising strategies to meet the diverse values of customers and accelerating the EC focused business model. The significant assumptions also include market growth rates in the United Kingdom, Europe and United States where they operate. Although these significant assumptions are determined using the best estimates and judgments based on the business plans approved by management as well as their actual results, they may be affected by changes in the market environment and involve uncertainty. Therefore, estimates and judgments made by management have a significant impact on the estimated recoverable amount. In addition, the discount rate used to estimate the recoverable amount requires a high degree of expertise in valuation for selecting the calculation method and the input data of significant assumptions. Based on the above, we identified the valuation of goodwill as a key audit matter.</p>	<p>Our audit procedures related to the reasonableness of the estimate of the recoverable amount included the following, among others:</p> <p>1.Evaluate internal control</p> <p>We evaluated the design and operating effectiveness of the controls over the calculation of the recoverable amount, including significant assumptions. In this assessment, we focused our testing on controls relevant to the reasonableness of estimated future cash flows.</p> <p>2.Evaluate the reasonableness of the estimate of the recoverable amount</p> <p>We read the report related to impairment tests of goodwill prepared by management. We determined its consistency with significant assumptions used in the business plans approved by management. In addition, we inquired of management regarding the estimate of the recoverable amount to obtain an understanding of the significant assumptions and evaluated the reasonableness of the estimate of the recoverable amount by performing the following procedures:</p> <ul style="list-style-type: none"> <li>● We obtained an understanding on various measures to expand the sales volume through inquiries of management, compared business plans for merchandising strategies, and the EC focused business model prepared in prior years with actual results, and evaluated management's ability to accurately estimate the feasibility of increased sales volume.</li> <li>● We evaluated management's estimates of market growth rates in the United Kingdom, Europe and United States where they operated by comparing them with our own growth rates forecasts developed using the retail industry data published by external organizations with the assistance of our valuation specialists.</li> <li>● We performed sensitivity analyses to assess the impact of the discount rates on the recoverable amount. In addition, we evaluated the reasonableness of the method of calculating the discount rate and compared it with discount rates independently developed using market data and our own assumptions with the assistance of our valuation specialists.</li> </ul>

## **Other Information**

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards as issued by the IASB.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards as issued by the IASB, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **<Audit of Internal Control>**

### **Opinion**

Pursuant to the second paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited management's report on internal control over financial reporting of Wacoal Holdings Corp. as of March 31, 2025.

In our opinion, management's report on internal control over financial reporting referred to above, which represents that the internal control over financial reporting of Wacoal Holdings Corp. as of March 31, 2025, is effectively maintained, presents fairly, in all material respects, the results of the assessment of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

### **Basis for Opinion**

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Internal Control Audit section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for Report on Internal Control**

Management is responsible for designing and operating effective internal control over financial reporting and for the preparation and fair presentation of its report on internal control in accordance with assessment standards for internal control over financial reporting generally accepted in Japan. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing and verifying the design and operating effectiveness of internal control over financial reporting. There is a possibility that misstatements may not be completely prevented or detected by internal control over financial reporting.

### **Auditor's Responsibilities for the Internal Control Audit**

Our objectives are to obtain reasonable assurance about whether management's report on internal control over financial reporting is free from material misstatement and to issue an auditor's report that includes our opinion.

As part of an audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform audit procedures to obtain audit evidence regarding the results of the assessment of internal control over financial reporting in management's report on internal control. The procedures selected depend on the auditor's judgment, including the significance of effects on reliability of financial reporting.
- Examine representations on the scope, procedures and results of the assessment of internal control over financial reporting made by management, as well as evaluating the overall presentation of management's report on internal control.
- Plan and perform the internal control audit to obtain sufficient appropriate audit evidence regarding the results of the assessment of internal control over financial reporting. We are responsible for the direction, supervision and review of the internal control audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the internal control audit, result of the internal control audit, including any identified material weakness which should be disclosed and the result of remediation.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

### **<Fee-Related Information>**

Fees for audit and other services for the year ended March 31, 2025, which were charged by us and our network firms to the Company and its subsidiaries are disclosed in “(3) Status of Audit” in Corporate Governance, etc. included in “Information on the Company” of the Annual Securities Report.

### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

### **Notes to the Readers of Independent Auditor's Report**

This is an English translation of the independent auditor's report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.

## 【Cover】

【Document Filed】	Internal Control Report (“Naibutosei Hokokusho”)
【Applicable Law】	Paragraph 1, Article 24-4-4 of the Financial Instruments and Exchange Act
【Filed to】	Director, Kanto Local Finance Bureau
【Filing Date】	June 25, 2025
【Company Name】	<i>KABUSHIKI KAISHA</i> WACOAL HOLDINGS
【Company Name in English】	WACOAL HOLDINGS CORP.
【Position and Name of Representative】	Masaaki Yajima, Representative Director, President and Corporate Officer of the Company
【Position and Name of Chief Financial Officer】	Akira Miyagi, Representative Director and Vice President Corporate Officer
【Address of Head Office】	29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto
【Place Where Available for Public Inspection】	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

# **MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING (TRANSLATION)**

## **NOTE TO READERS**

Following is an English translation of management's report on internal control over financial reporting ("ICFR") filed under the Financial Instruments and Exchange Act of Japan. This report is presented merely as supplemental information.

There are differences between management's assessment of ICFR under the Financial Instruments and Exchange Act ("ICFR under FIEA") and one conducted under the attestation standards established by the American Institute of Certified Public Accountants ("AICPA").

In management's assessment of ICFR under FIEA, there is detailed guidance on the scope of management's assessment of ICFR, such as quantitative guidance on business unit selection and/or account selection. In management's assessment of ICFR under the attestation standards established by the AICPA, there is no such detailed guidance. Accordingly, based on the quantitative guidance which provides an approximate measure of the scope of the assessment of internal control over business processes, we designated the business units that accounted for approximately two-thirds of the aggregated sales for the previous fiscal year on a consolidated basis as "significant business units" which should be subject to management's assessment of the process-level controls.

### **1. 【Matters Relating to the Basic Framework for Internal Control over Financial Reporting】**

Masaaki Yajima, President and Representative Director, and Akira Miyagi, Representative Director and Vice President Corporate Officer, are responsible for designing and operating effective ICFR of Wacoal Holdings Corp. (the "Company"), and have designed and operated ICFR in accordance with the basic framework for internal control set forth in "On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" published by the Business Accounting Council.

The internal control is designed to achieve its objectives to the extent reasonable through the effective function and combination of its basic elements. Therefore, there is a possibility that misstatements may not be completely prevented or detected by ICFR.

### **2. 【Matters Relating to Scope of Assessment, the Assessment Date, and Assessment Procedures】**

The assessment of ICFR was performed as of March 31, 2025. The assessment was performed in accordance with assessment standards for ICFR generally accepted in Japan.

In conducting this assessment, we evaluated internal controls which may have a material effect on the entire financial reporting in a consolidation ("company-level controls") and, based on the result of this assessment, we appropriately selected business processes to be evaluated, analyzed these selected business processes, identified key controls that may have a material impact on the reliability of our financial reporting, and assessed the design and operation of these key controls. These procedures have allowed us to evaluate the effectiveness of the internal controls.

We determined the required scope of the assessment of ICFR for the Group from the perspective of the materiality that may affect the reliability of our financial reporting. We determined the materiality that may affect the reliability of the financial reporting taking into account that have neither significant monetary or qualitative impact nor likelihood of such impact, We confirmed that we had reasonably determined the scope of assessment of internal controls over business processes in light of the results of the assessment of company-level controls conducted for the Company, its consolidated subsidiaries and equity method associated companies. Furthermore, consolidated subsidiaries and equity method associated companies that have neither significant monetary or qualitative impact nor likelihood of such impact in the future are not included in the scope of evaluation of company-level controls.

Regarding the scope of evaluation of internal control over business processes, since textile product sales is the Group's central business activity, the Group uses consolidated revenue, representing the size of the business operation, as the metric for selection of important business locations. Considering the favorable evaluation of company-level controls, we have selected the Company, six domestic group companies, and two overseas group companies, which collectively account for approximately two-thirds of consolidated revenue, as "important business locations." For account items that are significantly related to the business purpose of the Group, we have targeted the evaluation of business processes leading to revenue, accounts receivable - trade, and inventories, which are account balances recorded in large amounts for the sales activities of textile products. Furthermore, within the broader scope of evaluation that goes beyond the business locations selected using consolidated revenue as a metric to include other business locations as well, the Group has added the "goodwill" evaluation process, which is related to significant accounting items that carry a high risk of material misstatement and involve estimates and forecasts, due to this account item's considerable impact on financial reporting, and treats this process as a business process having significant importance.

### **3. 【Matters Relating to the Results of Assessment】**

As a result of the assessment above, we concluded that our ICFR was effective as of March 31, 2025.

### **4. 【Supplementary Matters】**

Not applicable.

### **5. 【Special Information】**

Not applicable.