



December 17, 2025

To Whom It May Concern,

Company name	and ST HD Co., Ltd.
Representative	Osamu Kimura, Representative Director and President (Securities code: 2685 TSE Prime Market)
Inquiries	Masatake Hayashi, Group Executive Officer, General Manager of Corporate Planning Office (TEL:03-5466-2060)

Notice Concerning Establishment of Overseas Subsidiary

At a meeting held on December 17, 2025, the and ST HD Co., Ltd Board of Directors resolved to establish an overseas subsidiary.

1. Reasons for Establishment

The and ST HD Co., Ltd. (“Company”) medium-term management plan describes the Company’s overseas business as a key growth strategy. Southeast Asia is a priority area for the Company, featuring a large young population and an apparel market expected to grow in the future. The Company has established local subsidiaries in Thailand and the Philippines to expand our business into the region. The new company will be established in Malaysia, a country with high-income levels and a stable GDP growth rate, starting with the roll-out of the Company’s main brand, *niko and* The Company intends to engage in business tailored to the preferences of local customers. The Company is building a business foundation in culturally diverse Malaysia, aiming to further expand into surrounding Southeast Asian countries.

2. Overview of the Subsidiary

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| (1) Company name | : Adastria (Malaysia) Sdn. Bhd. (tentative) |
| (2) Head office | : Kuala Lumpur, Malaysia |
| (3) Representative | : Kazushi Sekimori |
| (4) Business lines | : Retail business and other related activities in Southeast Asia |
| (5) Capital | : 10 million Ringgit (approximately 377 million yen) |
| (6) Established | : Early January 2026 (tentative) |
| (7) Relationship with and ST HD Co., Ltd. | : 1) Equity relationship:
Wholly owned by and ST HD Co., Ltd.
2) Personnel relationship:
One director and two employees of Adastria Co., Ltd (wholly owned subsidiary of and ST HD Co., Ltd.) will serve concurrently as director of the new subsidiary.
3) Business relationship:
No business relationship at this time |

3. Impact on Business Performance

The impact of this matter on the consolidated business results of and ST HD Co., Ltd. for the current fiscal year will be negligible. The company will promptly disclose any matters that arise in the future that require disclosure.

End