(Translation)

November 14, 2025

To whom it may concern:

Company name:	World Co., Ltd.
Representative:	Nobuteru Suzuki Representative Director of the Board, President & Executive Officer (Securities code: 3612, Tokyo Stock Exchange (Prime Market))
Inquiries:	Keiichi Nakabayashi Member of the Board, Executive Vice President and Executive Officer (Telephone: +81-3-6887-1300)

Notice of Change in Consolidated Subsidiaries

World Co., Ltd. ("World") has resolved at the Board of Directors meeting held today to extend a loan to RIGHT ON Co., Ltd. ("RIGHT ON") (the "Loan") in order for RIGHT ON to repay its borrowings and to change borrowings owed by W&D Investment Design Inc. ("W&DiD") against Development Bank of Japan Inc. ("DBJ") to loans from World to W&DiD (the "Change of Lender"). As a result of the Loan and the Change of Lender, RIGHT ON and W&DiD will become a consolidated subsidiary of World. Details of this are as follows.

1. Reason for Change

World and RIGHT ON have resolved at the Board of Directors meetings of the companies held today to conduct a share exchange (the "Share Exchange") by which World will become a wholly-owning parent company of RIGHT ON and RIGHT ON will become a wholly-owned subsidiary of World, and today World and RIGHT ON have entered into a share exchange agreement.

Prior to the effectiveness of the Share Exchange, World has decided (A) to extend a loan of JPY one billion to RIGHT ON in order for RIGHT ON to repay its borrowing of JPY one billion against DAYS Partner No.1 Investment Limited Partnership (Note) as of December 1, 2025, and (B) to change the borrowing of JPY 500 million owed by W&DiD against DBJ to the loan from World to W&DiD as of the same date.

Note: DAYS Partner No.1 Investment Limited Partnership is a business revitalization fund whose general partner is DAYS Partner Kabushiki Kaisha, an affiliate of Awazawa Yamamoto Law Office, invest.

Upon the Loan and the Change of Lender, RIGHT ON and W&DiD will become a consolidated subsidiary of World. In addition, upon the effectiveness of the Share Exchange, RIGHT ON will become a wholly-owned subsidiary of World on March 1, 2026. For details of the Share Exchange, please see the "Notice Concerning the Execution of a Share Exchange Agreement (Simplified Share Exchange) for Making RIGHT ON Co., Ltd. a Wholly Owned Subsidiary of World Co., Ltd." announced by World and RIGHT ON today.

The World Group (refers to the group of World, its subsidiaries and equity-method affiliates; hereinafter the same) effectively manages the financing of World's subsidiaries through flexible mutual financing using a cash management system. Prior to the effectiveness of the Share Exchange, the Loan and the Change of Lender will be implemented aiming at effectively managing the financing of RIGHT ON together with the World Group from an early stage.

2. Overview of the Company to Become a Consolidated Subsidiary

(1) RIGHT ON Co., Ltd.

(1) Name	RIGHT ON Co., Ltd.	
(2) Location	2-6-6, Motoasakusa, Taito-ku, Tokyo	
(3) Name and title of representative	Isaku Omine, Representative Director, President Executive Officer	
(4) Business	Retail sales of casual wear	
(5) Stated capital	JPY 100 million	
(6) Date of incorporation	April 1, 1980	
(7) Major shareholders and shareholding ratio (as of August 31, 2025)	W&D Investment Design Inc.	51.9%
	TOYOSHIMA & CO., LTD.	6.0%
	MUFG Bank, Ltd.	1.8%
	The Joyo Bank, Ltd.	1.5%
	Tatsuo Imai	1.1%
	RIGHT ON ESOP	0.4%
	Rakuten Securities, Inc.	0.4%
	BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	0.3%
	Nomura Securities Co., Ltd.	0.2%
	Ryosei Fujiwara	0.1%
(8) Relationship between parties		
Capital relationship	W&DiD, an equity-method affiliate of World, holds 18,427,778 shares of RIGHT ON Shares.	
Personal relationship	Pursuant to a service agreement between World and RIGHT ON, World has dispatched two employees to RIGHT ON. W&DiD, an equity-method affiliate of World, has dispatched two directors to RIGHT ON, and pursuant to a service agreement between W&DiD and RIGHT ON, W&DiD has dispatched two executive officers to RIGHT ON.	
Business relationship	W&DiD, an equity-method affiliate of World, has loaned funds to RIGHT ON and concluded an agreement with RIGHT ON on management consulting fees. Pursuant to a service agreement and a master transaction agreement between a consolidated subsidiary of World and RIGHT ON, a consolidated subsidiary of World and RIGHT ON have business relationships related to the provision of back-office support services, the provision of e-commerce related services, the purchase of stock and the property management.	

(9) Operating results and financial position for the last three years (in millions of JPY other than those specified otherwise)

Fiscal year ended	August 31, 2023	August 31, 2024	August 31, 2025
Net assets	12,566	315	496
Net assets per share (JPY)	422.31	8.49	12.85
Net sales	46,926	38,808	28,130
Operating loss	△922	△5,000	△454
Recurring loss	△1,048	△5,166	△752
Net loss	△2,545	△12,142	△449
Net loss per share (JPY)	△86.06	△410.52	△13.19
Dividend per share (JPY)	-	-	-

(2) W&D Investment Design Inc.

(1) Name	W&D Investment Design Inc.	
(2) Location	3-5-10, Kita-Aoyama, Minato-ku, Tokyo	
(3) Name and title of representative	Seiji Hirohashi, Representative Director	
(4) Business	Investment business specializing in fashion	
(5) Stated capital	JPY 3,0000 thousand	
(6) Date of incorporation	June 19, 2017	
(7) Major shareholders and shareholding ratio (as of August 31, 2025)	Development Bank of Japan Inc.	50.0%
	World Investment Network Co., Ltd.	50.0%
(8) Relationship between parties		
Capital relationship	World Investment Network Co., Ltd., a consolidated subsidiary of World, holds 50.0% of the shares of W&D Investment Design Inc.	
Personal relationship	Director of World concurrently serves as a director.	
Business relationship	World Investment Network Co., Ltd., a consolidated subsidiary of World, has entered into mutual outsourcing arrangements concerning investment operations and value-enhancement (value-up) related operations.	

3. Schedule

(1)	Date of resolution by the Board of Directors meeting	November 14, 2025
(2)	The Loan and the Change of Lender	December 1, 2025 (scheduled)

4. Future Outlook

RIGHT ON and W&DiD, equity-method affiliates of World, will become a consolidated subsidiary of World following the Loan and the Change of Lender. The impact of the Loan, the Change of Lender and the changes in consolidated subsidiaries (RIGHT ON and W&DiD’s becoming a consolidated subsidiary of World) on World has not been finalized at this time. If any matters arise that need to be disclosed, World will promptly make such disclosures.

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