ALWAYS CREATING, SHARING VALUE. ALWAYS STRIVING FOR MORE.

Our enduring aspiration in this statement reflects our strong determination
to continue self-transformation and evolution—now and into the future.
We strive to attract customers and keep innovating ourselves toward new possibilities
by building a system that enables us to constantly offer value to customers
and by putting that system into action.

INTEGRATED REPORT 2026

WORLD

CONTENTS

Editorial Policy

This report has been prepared as a communication tool that systematically outlines sustainable and replicable growth strategies from both a financial and non-financial perspective in order to achieve our corporate statement: "Always creating, sharing value. Always striving for more." It follows the IFRS Foundation's International Integrated Reporting Framework and the Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation. We will strive to further enhance the content of the report in the future to deepen the understanding of our Group among a broader range of readers, including shareholders and investors.

(Key Points of Integrated Report 2026)

This year marks the third year since we began publishing our Integrated Report. To clearly communicate our new medium-term management plan "VISION-W," as well as the true value of the WORLD Group, we have placed particular emphasis on the following points in preparing this report:

- Clarifying our growth roadmap and strategic rationale for achieving ¥1 trillion in revenue
- Visualizing improvements in capital efficiency through the new segment reorganization and ROIC-based management
- Presenting the management foundations that support the embedding of the Group Values and our ambition to become the fashion industry's "third pole"

Reporting Period

March 1, 2025 to February 28, 2026; hereinafter FY02/26

Reporting Scope

World Co., Ltd. (hereinafter "World" or the "Company") and its Group companies

Amounts in This Report

The amounts and ratios in this report are rounded to the nearest unit.

Disclaimer Regarding Forward-Looking Statements

The present plans, forecasts, strategies, and other contents in this report include forward-looking statements that represent World's judgment based on information available at the time the report was produced. Please note that actual future results may differ significantly due to various factors. The risks and uncertainties that may affect our earnings performance include economic conditions affecting our business environment, market competition, exchange rates, taxes, and other systems.

WORLD

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Corporate Statement

Always creating, sharing value. Always striving for more.

World has created many product and store brands with various values in the past.

These brands are the result of our unique creativity and have served to enhance the values of fashion in society. However, such values do not remain unchanged; instead, they change as customer needs change over time. In order to continue evolving as a "Value-Creating Enterprise," we at World must keep creating new values in response to ever-changing customer needs.

Our enduring aspiration in this statement reflects our strong determination to continue self-transformation and evolution—now and into the future. We strive to attract customers and keep innovating ourselves toward new possibilities by building a system that enables us to constantly offer values to customers and by putting that system into action.

VISION-W: The Vision We Pursue

Full-Fledged Implementation of the Evolving WORLD Fashion Ecosystem Toward a One-of-a-Kind Value-Creating Company in the World Through Four Touchpoints

Offering a Diverse Range of Fashion to Society—Toward Becoming the Fashion Industry's "Third Pole"

As **the "third pole" delivering a diverse range of fashion to society**, we aim to establish an **overwhelmingly diverse group**, distinct from the first pole of global SPA operators and the second pole of mega-retailers and mega-suppliers. This "third pole" will serve as a new hub for value creation, where the WORLD Group's diverse brands and services come together to co-create new value.

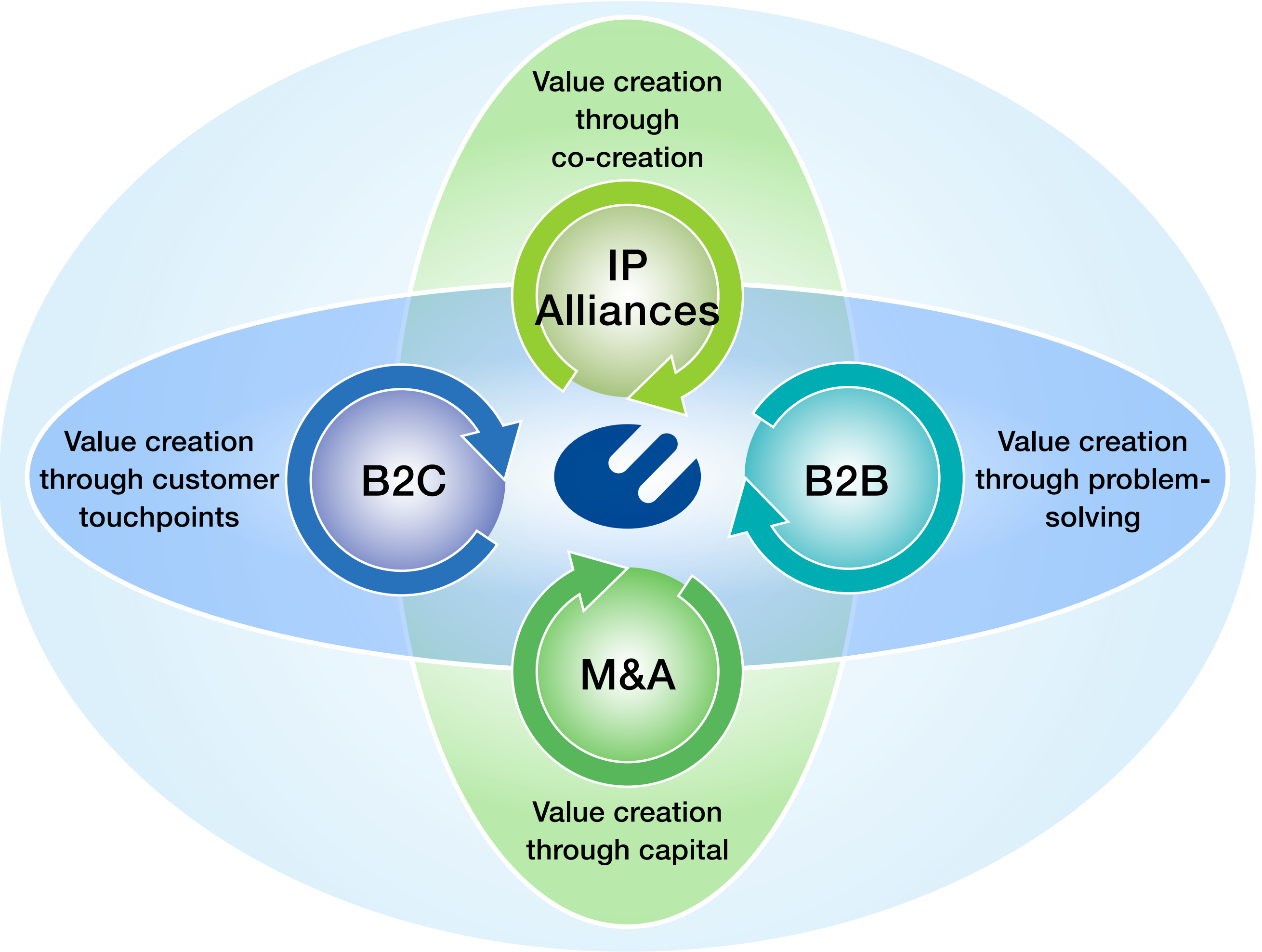
To achieve sustainable growth, we will drive transformation across the Group through three growth engines—M&A, IP and alliances, and overseas—in addition to our existing businesses.

On the financial front, we will strive to **achieve an optimal capital structure** while enhancing our valuation in the capital markets. We will also **maximize the value of our human capital** through a compensation system linked to both taking on challenges and delivering results.

In addition, we will work to continuously improve profitability and efficiency metrics, with the aim of **creating corporate value that exceeds the expectations of the capital markets**.

With technology utilization and talent development as the twin engines of our strategy, we will "cultivate our spirit" through daily dialogue and action, build an attractive organization that employees can take pride in, and promote sustainable growth under a **corporate culture grounded in doing what is right**.

Business Model



WORLD

President's Message

Establishing Our Position as the Fashion Industry's "Third Pole" and Pursuing the "Uncharted Goal" of ¥1 Trillion in Revenue Through a Group That Combines Overwhelming Diversity with Sustainable Growth

Transforming into a Corporate Group with a Diversified Portfolio

Now that we have completed the three-year period of the previous medium-term management plan "PLAN-W," I strongly feel that the WORLD Group has successfully broken away from its former identity as an apparel company and transformed into a corporate group with a diversified portfolio. Over the past several years, we have strategically advanced a series of corporate actions as part of our efforts to establish a value creation platform capable of withstanding market changes and uncertainty.

Once described as being overly dependent on apparel, the WORLD Group has now evolved into a hybrid structure in which its B2C business, which delivers value directly to consumers through the operation of brands, and its B2B business, which provides solutions to corporate customers, stand on equal footing and reinforce one another's strengths. In the B2C business, our circular business, which has redefined the value of reuse, has grown into a business generating approximately ¥10 billion in revenue. In the B2B business, the addition of MC Fashion Co., Ltd. to the Group has dramatically enhanced the earnings power of our external sales operations, creating a new engine that is driving our growth. The increasing sophistication of this business portfolio has provided us with a new form of resilience amid today's uncertain economic environment.

Looking back on our performance in FY02/26, although core operating profit fell short of our target, revenue and profit attributable to owners of parent continued on a steady growth trajectory, with our earnings structure in particular becoming increasingly geared toward generating higher profit attributable to owners of parent. This progress indicates that the foundation is now in place for us to pursue non-linear growth. From a capital perspective as well, we delivered high-quality results, including achieving our target ROE of 12% and appropriately managing our cost of equity (COE) amid a rising interest rate environment. We also succeeded in resolving the long-standing challenge of our stock trading at a price-to-book ratio (PBR) below 1x. Having reached this milestone, we are now ready to move on to the next stage of growth and take a major step forward toward the future.

Nobuteru Suzuki
Representative Director of the Board,
President and Executive Officer

President's Message

Our New Medium-Term Management Plan "VISION-W" and the Future We Seek to Create Guided by a New Aspiration, Becoming the Trusted Foundation for a Diverse Industry

In "VISION-W," our new medium-term management plan announced in April 2026, the WORLD Group set forth a revenue target of ¥1 trillion as its aspiration for the future. This target is not simply an expression of our ambition to expand. Rather, we view it as a necessary milestone that we must reach within the next decade in order to continue growing sustainably as a corporate group that combines overwhelming diversity with growth.

Under "PLAN-W," we succeeded in breaking through the ¥250 billion revenue threshold. More recently, with the addition of Right-on Co., Ltd. and World Style Labels Co., Ltd. to the Group, revenue on the scale of ¥300 billion is now clearly within reach if we continue to make steady progress. While reaching this level would represent an important milestone, it is no more than a waypoint on our journey. Simply building on the past and incrementally increasing revenue to ¥400 billion or ¥500 billion will not bring about a true paradigm shift.

Now that we are beginning to move beyond our traditional identity as an apparel company, we have shared this ambitious aspiration with every employee across the Group as a clear banner for pursuing non-linear growth. This goal represents an extraordinarily significant challenge even in the context of the WORLD Group's history, and fully leveraging the value creation platform we have built over the years will be the key to advancing toward the future we aspire to create.

The "VISION-W" roadmap targets the achievement of the highest revenue and profit since our founding. To reach that goal, we must first strengthen our earnings base at the ¥330 billion revenue level through the further refinement of our existing businesses, while accelerating strategic M&A to bring the ¥500 billion milestone firmly within reach. These M&A initiatives are not simply about adding apparel companies to the portfolio. Rather, they provide opportunities to apply our platforms to companies newly joining the Group and implement our value-enhancement model, which creates multiplicative synergies across a wide range of areas extending beyond production and sales. Thereafter, by expanding the co-creation platform we have cultivated across global markets and adjacent fields, we will advance into an uncharted stage of growth.

The path we seek is neither that of the global SPA operators that constitute the "first pole," pursuing concentrated value creation through a single powerful brand with a fully integrated business model, nor that of the mega-retailers and mega-suppliers that represent the "second pole," achieving overwhelming scale. Rather, it is the establishment of the fashion industry's "third pole," where diverse and distinctive identities coexist.

I firmly believe that a truly vibrant fashion ecosystem is one in which a wide range of aesthetic sensibilities and creativity are fully expressed, supported by sound business operations, and in turn empower a diverse society and diverse individuals.

That is precisely why the WORLD Group, as the fashion industry's "third pole," must become a trusted foundation where a wide range of fashion brands and services can come together and grow while leveraging their respective identities. By sharing our unique value chain and co-creating with a diverse range of players, we will evolve into a diverse group that no single corporate group could create on its own. This is the social mission that only the WORLD Group can fulfill as a group with platforms serving as a base for real value creation and diverse investment capabilities.

Enhancing Transparency of Our "Two Core Segments" and Enforcing Discipline Through ROIC-Based Management

With the launch of our new medium-term management plan "VISION-W," we have clearly redefined our segment structure into two categories—B2C business and B2B business—in order to present our business portfolio in a manner that more accurately reflects its underlying reality. This reorganization is also intended to present to the capital markets a clearer picture of the WORLD Group as it exists today—a diversified corporate group.

The B2C business consists of five subsegments: apparel, lifestyle, unique, overseas, and circular. By accurately identifying the characteristics of each market and customer needs within each, and by allocating resources in the most effective manner, we will maximize the strengths of each brand.

The B2B business consists of three subsegments—technology, supply chain, and human resources operation. This business packages the tangible and intangible management infrastructure that World has built over many years and primarily markets it externally as integrated solutions designed to help corporate clients, including those beyond the fashion industry, address their business challenges. Through this business, we will establish a business model capable of generating sustainably high profitability.

In addition, the three growth engines that will be critical to our future growth—M&A, IP and alliances, and overseas—will be managed under a structure in which World itself takes direct responsibility for execution, enabling us to drive these initiatives forward with speed and agility.

In M&A, while continuing to actively pursue investments aimed at revitalizing brands within the industry, we will also focus on expanding our circular and B2B businesses, which we view as growth areas. In IP and alliances, it is precisely because we have these platforms that we can create value and dramatically enhance our ability to execute collaborations with other companies. This, in turn, generates a virtuous cycle that revitalizes our B2C business and strengthens our competitive advantage. Overseas, our circular business in Thailand has gained a stable footing and entered an expansion phase. Following our store opening in Taiwan last year, we opened stores in Malaysia in June and in Hong Kong at the end of July.

President's Message

To manage these multifaceted subsegments, we will firmly embed a dynamic portfolio strategy centered on return on invested capital (ROIC) as the compass guiding our management decisions.

We do not pursue growth simply for the sake of increasing revenue and profit in absolute terms. Instead, we rigorously evaluate capital efficiency by measuring how much added value each business generates relative to the capital invested in it. By establishing clear ROIC-based hurdle rates for each subsegment, we concentrate investment in businesses that offer both strong growth potential and high capital efficiency, while promptly implementing turnaround measures for—or, where necessary, pursuing exits from—businesses whose efficiency has declined. The WORLD Group's strength lies in its ability to continuously execute this disciplined cycle of investment and revitalization with a high degree of precision. At the same time, we fully recognize the risk that an excessive focus on ROIC could lead to an overly short-term pursuit of efficiency at the expense of investments that are genuinely necessary for medium- to long-term growth. Since our relisting, we have steadily accumulated expertise through our active M&A activities and have established an ROIC-based investment framework. This gives us confidence in our ability to realize synergies across the Group.

In addition, establishing an optimal capital structure is another critical priority and serves as the foundation supporting these business and investment strategies. Accordingly, under our new medium-term management plan "VISION-W," we have identified the resolution of our remaining capital and financial challenges as one of our key themes. Specifically, we aim to maintain a net debt-to-equity (D/E) ratio of 0.75x and net assets of approximately ¥120 billion, while strengthening our financial foundation to a level that would enable the issuance of corporate bonds. Through these efforts, we will elevate the value of the entire Group to an even higher level.

Responding Swiftly to Change Through Bold Delegation of Authority and Moving Toward Frontline-Oriented Governance

In March 2026, we undertook a fundamental overhaul of our organizational structure. The Group holding company now focuses on overall governance and medium- to long-term strategy, with management responsibilities clearly separated into three layers: "corporate management," led by the holding company; "business management," led by operating companies; and "operational management," which is responsible for continuously improving and executing day-to-day operations and delivering value. While we established new intermediate holding companies for each segment, the primary objective of this restructuring was the bold delegation of authority to individual operating companies. Under the previous structure, a significant amount of authority was concentrated within top management, which often slowed decision-making at the front line. Our aim is for each business leader to become an autonomous manager who takes full responsibility for investment decisions and growth, restoring the speed needed to respond swiftly to changes in the market. I am convinced that this is the path to unlocking the vitality of the organization.

I have also significantly redefined my own role. While stepping back to a certain extent from day-to-day oversight of business execution, I am shifting my focus toward formulating medium- to long-term strategy, optimizing investment strategy, and leading the Group's priority strategic businesses. At the same time, I am dedicating myself to another important mission: ensuring alignment between Group management and the front line.

For example, to deepen two-way communication between the Group and frontline employees, I have stepped up initiatives such as town hall meetings and site visits that allow me to engage directly with employees. In this way, I listen directly to voices from the front line and engage in face-to-face dialogue. Through this grassroots communication, we must identify issues at the front line, understand any gaps that arise between corporate management and frontline operations, and align the organization behind a common direction. The ability of Group management to maintain a highly nuanced understanding of frontline realities is precisely the foundation that will support the WORLD Group going forward.

In addition, over the past year, the Sustainability Committee, which I chair, and the Board of Directors have engaged in

Town Hall Meeting, April 2026

extensive discussions and identified the WORLD Group's materiality, or priority issues, defining six key areas that are critical to our sustainable growth. Through these discussions, we were able to deepen our recognition of the challenges that are most important to our Company.

While there are limits to what any single company can accomplish in addressing environmental issues and structural challenges facing the industry, as the fashion industry's "third pole" and a provider of infrastructure that supports the industry, we aim to enhance corporate value on a sustainable basis and earn appropriate recognition from the capital markets by clearly defining the mechanisms for creating new value.

Ultimately, it is our people who will bring to life the aspiration embodied in the future we seek to create. Returning to our fundamental belief that people are not a cost but the source of value creation, we will continue to build an environment in which each frontline employee can fully utilize their expertise. The true driving force that sustains a diverse group is the ability to steadily and diligently keep executing until a chosen strategy takes root throughout every corner of the organization.

At the same time, we will continue to deepen our understanding of the strengths and unique characteristics of companies that have newly joined the Group, while fostering a Group culture grounded in transparency and fairness. For our employees, we will establish a competitive compensation system linked to both taking on challenges and delivering results, thereby enhancing employee value to the fullest extent possible.

Sustaining a Hub of Diversity and Becoming a Company That Exceeds Capital Market Expectations

What we seek is to create the mechanisms needed to ensure that the power of fashion to inspire people and enrich lives and society never fades. This is the very reason the WORLD Group exists.

Across the market, there are many brands with exceptional aesthetic sensibilities and creativity, as well as distinctive services that enjoy deep loyalty from specific customer communities, despite their modest scale. As the industry's "third pole," the WORLD Group will serve as their trusted foundation, supporting both their infrastructure and management. What we must truly pursue is overwhelming diversity itself—delivering results that fully meet the expectations of the capital markets while preserving an environment in which consumers can make choices based on their own aesthetic sensibilities. By continuously advancing both the passion embodied in each brand and the value added by the platform that supports it, we will elevate the fashion industry as a whole while delivering enduring value. This is the essence of the value creation that we pursue.

What I would like to convey to all of our stakeholders, including our investors, is our confidence in both the path we have taken since our relisting in 2018 and the future that lies ahead. Consider the decisions the WORLD Group has made, the timing of our capital investments, and the profits those investments have generated. We believe that this nine-year track record itself provides compelling evidence that the future we envision offers growth potential and innovation worthy of investment.

We have moved beyond the stage of building the competitive strengths of our unique business model and entered a new phase in which we must demonstrate our sustainable growth potential in visible ways. We must overturn the conventional perception of the domestic apparel industry as a mature, declining sector and prove that we are a new type of growth company—one that manages a diversified portfolio while amplifying value through its platforms. To achieve this goal, we will further enhance the growth, profitability, and capital efficiency generated by our distinctive business model. In addition to conventional performance indicators, we have positioned the improvement of total shareholder return (TSR) as a key management priority under the new medium-term management plan, with the aim of creating corporate value that exceeds capital market expectations. By steadily returning the fruits of growth to our shareholders, we aspire to become a truly excellent company.

To this end, we will remain at the forefront of technology amid an era of intense competition and rapid change, while steadily developing the talent needed to put it to effective use. In addition, we will make governance—the principle we regard as most important in management—the standard that guides what we consider right, while cultivating a mindset that fosters a workplace where all employees can thrive. By patiently and steadily refining the strong foundations of our corporate activities, we are committed to pursuing this course with unwavering resolve.

"Always creating, sharing value. Always striving for more." By bringing together the collective strength of the entire Group, we will continue to take on challenges with both integrity and boldness. I sincerely ask for your continued and steadfast support as we move forward on this journey.

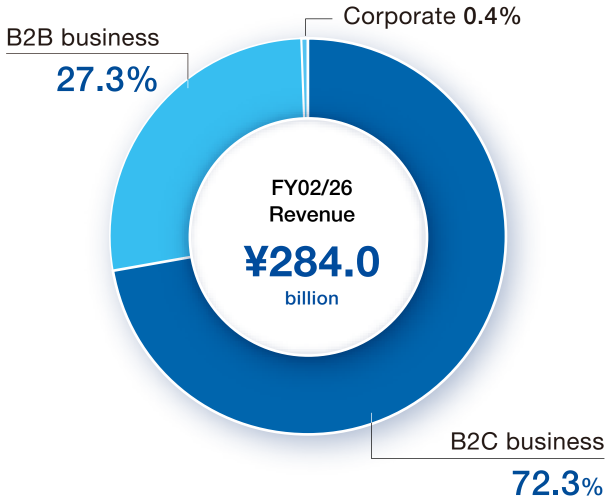
Value Creation Story

Aiming to Realize a Sustainable Society That Combines Diversity in Lifestyle Culture with an Industrial World Free of Losses and Waste

Group Overview (FY02/26)

As a value-creating enterprise, the WORLD Group aims to continuously create value over the long term and in a sustainable manner. To achieve this objective, we have adopted a new organizational structure designed to realize "diversified solidarities" beyond the apparel domain, transitioning from our previous three-business structure of Brand business, Digital business, and Platform business into the two major segments of B2C business and B2B business.

Revenue (external revenue) composition by business*



Revenue ¥284.0 billion

Business profit ¥16.5 billion

* The figures above represent the Group's overall earnings performance, including external revenue for each division as well as amounts for shared corporate functions.

B2C business

Revenue ¥210.1 billion
(External revenue) ¥205.3 billion
Business profit ¥9.2 billion

Shares and other interests in subsidiaries and affiliates related to domestic brands in the B2C business have been consolidated under World·Brands Co., Ltd., the intermediate holding company for this field. Under its umbrella, the Group has newly established the apparel, unique, and lifestyle subsegments. In addition, the B2C business comprises the circular subsegment, renamed from B2C neo economy under the former Digital business, and the overseas subsegment, which operates B2C businesses mainly in Asia.

Apparel | Lifestyle | Unique | Circular | Overseas

Positioned under World·Brands Co., Ltd., an intermediate holding company
* Some newly added companies, including those acquired via M&A, are positioned directly under World Co., Ltd.

B2B business

Revenue ¥98.6 billion
(External revenue) ¥77.5 billion
Business profit ¥5.5 billion

Shares and other interests in subsidiaries and affiliates related to the B2B business have been consolidated under World·Solutions Co., Ltd., an intermediate holding company renamed from World Platform Service Co., Ltd. Under its umbrella, the Group has newly established the technology, supply chain, and human resources operation subsegments, transitioning from the former Platform business and B2B solutions area of the former Digital business.

Supply chain | Technology | Human resources operation

Positioned under World·Solutions Co., Ltd., an intermediate holding company

Key Figures—The WORLD Group at a Glance (FY02/26)

Since its establishment, World has continuously pursued diversity and sustainability in the fashion industry.

Scale

Number of Group companies
47
(as of March 1, 2026)

Number of employees
7,094

Financial

Revenue
¥284.0 billion

Business profit
(earnings power of core business)
¥16.5 billion

ROE
13.7 %

Non-financial

Number of brands
67

Number of stores
2,474

Outside members of the Board
(as of August 31, 2026)
5 (out of 9)

Ratio of female managers
(section manager level and above)
25.4 %

Number of female employees with children
1,785

WORLD

History—Adapting to Change—Our Journey

For more details, please see the "History" section on our website.

Since its founding, World has anticipated market changes and continuously transformed itself, bringing fresh perspectives to the fashion industry. Our unwavering commitment to self-transformation is driven by our goal of creating customer satisfaction.

1st Founding: 1959
Establishment and Growth of Wholesale Operations

1959

- Established World Co., Ltd. in Ikuta-ku, Kobe City (currently Chuo-ku, Kobe City), as a wholesaler of women's knitwear, with capital of ¥2 million.

World Co., Ltd. was founded with the aspiration to "soar onto the global stage one day."

1965

- Established a Tokyo branch in Taito-ku to support business expansion.

1967

- Developed "WORLD COORDINATE," a total coordination brand currently known as "CORDIER," based on the concept that fashion is about balance, moving beyond the previous focus on knitwear as a single product category.

WORLD COORDINATE (now CORDIER): a total coordination brand

1970

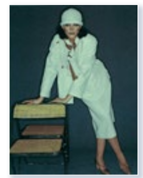
- Introduced the "Only Shop" system, a network of specialty stores handling only World products, and developed a sales strategy that leveraged the distinctive appeal of total coordination.

1974

- Entered the children's clothing field around this time.

1976

- Launched the "Ville d'azur" brand and started offering woven apparel products.



Ville d'azur

1978

- Entered the menswear business around this time.

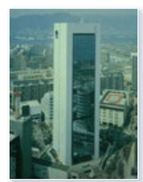
1980

- Established World Industry Co., Ltd. to engage in apparel manufacturing and production planning, expanding into the sewing field.

World Industry Co., Ltd. (currently World Industry Fabric Co., Ltd.). Awaji Technical Research Institute.

1984

- Completed construction of the new building in Chuo-ku Kobe City (Port Island), and relocated the head office there.
- Introduced the "TAKEO KIKUCHI" brand in collaboration with Mr. Takeo Kikuchi.



2nd Founding: 1992
SPARCS Vision* / Promotion of SPA Retail Format

1992

- Announced the SPARCS Vision, our medium-term business vision.

1993

- Developed a department-store SPA business model with "OZOC," our first SPA brand, and began the full-fledged expansion of our retail business.
- Listed on the Second Section of the Osaka Securities Exchange.

Exhibition at the launch of OZOC, our first SPA (Specialty store retailer of Private label Apparel) brand

1994

- Launched "UNTITLED," our second SPA brand.

Exhibition at the launch of the UNTITLED brand

1996

- Opened an "index" store in front of the ticket gates at Shibuya Station, marking the start of the brand's development in station-based channels.

index

1998

- Began opening "ITS'DEMO" stores, offering a wide range of merchandise categories, including apparel, fashion accessories, and cosmetics.
- Listed on the Second Section of the Tokyo Stock Exchange.

ITS'DEMO

1999

- Designated as a First Section stock on the Tokyo Stock Exchange and Osaka Securities Exchange.

2000

- Launched "HusHusH," a brand targeting young families, and began opening stores in shopping centers.

HusHusH

2002

- Entered the direct marketing business.

* SPARCS Vision: SPARCS is an acronym for "Super," "Production," "Apparel," "Retail," and "Customer Satisfaction." It refers to a business model that transforms losses and waste into value through integrated operations ranging from retail to production with a customer-centric perspective.

WORLD

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History—Adapting to Change—Our Journey

For more details, please see the "History" section on our website.

3rd Founding: 2005 Expansion of Industrial Platform

2005

- Entered the interior and home fashion businesses.
- Added Prime Cast Co., Ltd., a specialized textile trading company, to the Group. That company later became World Production Partners Co., Ltd.
- Conducted a tender offer through a management buyout (MBO) to maximize corporate value over the long term and on a sustainable basis, and delisted the Company's shares.

2006

- Opened the brand-curated store "SHOO·LA·RUE" to strengthen the store business.

SHOO·LA·RUE: a store that offers a wide range of products, from women's apparel to children's clothing and fashion accessories

2007

- Completed construction of the WORLD Kita-Aoyama Building in Minato-ku, Tokyo.

2009

- Launched the World Ecoromo Campaign to collect unwanted clothing from customers.

eco romo

World Ecoromo Campaign: a clothing recycling initiative

2010

- Launched the WORLD Premium Club, a reward points service that can be used at both World's directly managed stores and its online shops.

WORLD Premium Club card

2011

- Founded Fashion-Co-Lab. Co., Ltd. with the aim of building a new e-commerce platform business.

2014

- Added KaysWay Co., Ltd., which operates the sweet-style lingerie brand "Risa Magli," to the Group, thereby strengthening the intimate apparel business.

Risa Magli

2016

- Established WORLD SAHA FASHION CO., LTD., a joint venture with the SAHA GROUP, a leading conglomerate in Thailand, to expand the "TAKEO KIKUCHI" brand in the country.

4th Founding: 2017 Toward the Establishment of the WORLD Fashion Ecosystem

2017

- Transitioned to an operating holding company structure on April 1, with World Co., Ltd. as the operating holding company.
- Established W&D Investment Design Inc., a fund management company, with the Development Bank of Japan Inc.
- Bolstered the lifestyle business by adding Asplund Co., Ltd. to the Group.

212 KITCHEN STORE: a specialty store for kitchenware

2018

- Added Tin Pan Alley Co., Ltd. to the Group and expanded into secondary distribution.
- Relisted on the First Section of the Tokyo Stock Exchange.

RAGTAG: a store specializing in pre-owned apparel

2019

- Through the W&D Design Fund, added HIROFU Co., Ltd., which offers premium leather products, to the Group.
- Added Kobe Leather Cloth Co., Ltd., a comprehensive footwear company, to the Group.
- Established & Bridge Co., Ltd., which operates off-price stores.

2020

- Appointed Nobuteru Suzuki as Representative Director of the Board, President and Executive Officer.

2022

- Made Narumiya International Co., Ltd. a consolidated subsidiary.
- Transitioned from the First Section of the Tokyo Stock Exchange to the Prime Market.

petit main

2023

- Made Strasburgo Co., Ltd. a wholly owned subsidiary, with business revitalization support from W&D Investment Design Inc., an equity-method affiliate of World.

STRASBURGO

2024

- Laxus Technologies, Inc. was listed on the Growth Market of the Tokyo Stock Exchange and became an equity-method affiliate.

2025

- Established WORLD SAHA (THAILAND) CO., LTD.
- W&D Investment Design Inc. completed its tender offer for Right-on Co., Ltd.
- Made MC Fashion Co., Ltd. (formerly Mitsubishi Corporation Fashion Co., Ltd.) a consolidated subsidiary to expand B2B external sales in the Platform business.
- Established WORLD FASHION (MALAYSIA) SDN. BHD.
- Established WORLD FASHION (HONG KONG) CO., LIMITED.

Right-on

2026

- Made World Style Labels Co., Ltd., which succeeded the business of Hankyu Style Labels Co., Ltd. (cosmetics, furniture, and interior goods), a subsidiary.
- Transitioned business management to the two major segments of B2C and B2B in order to complete a business structure that is not dependent solely on apparel.

COLOR FiELD

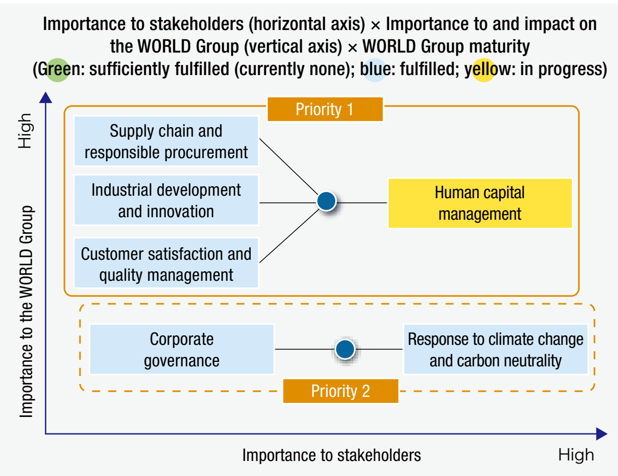
Materiality

In May 2026, we identified the WORLD Group's materiality, which defines six key areas for sustainable growth. Going forward, we will seek to contribute to the global environment and to social and economic development through our business activities.

Materiality Identification Process

Materiality was identified by combining three criteria: importance to stakeholders, importance to the WORLD Group, and the maturity of the WORLD Group. It was then finalized by the Sustainability Committee and reported to the Board of Directors.

- STEP 1 Examine importance to the WORLD Group
- STEP 2 Assess importance to stakeholders
- STEP 3 Examine the maturity of the WORLD Group
- STEP 4 Identify materiality



Key Areas (Materiality)	Main Initiatives
Customer Satisfaction and Quality Management	• We are working to develop products, services, and systems that provide value at every stage of the lifecycle, going beyond our responsibility as a producer to include customers' use and reuse of products through disposal. • To meet the diverse needs of all customers, we are expanding our platform functions while conducting portfolio management that responds to market changes. We are also developing and rolling out multiple business formats, channels, and brands.
Industrial Development and Innovation	• We have established the WORLD Fashion Ecosystem, through which our platform functions and business expertise can also be made available outside the Group. By transforming losses and waste into value, we will contribute to the sustainable development of the fashion industry. • We will promote the use of our AI platform, Maison AI, within the WORLD Group, develop a broad range of use cases, and provide practical and advanced services to customers. • These platforms not only present opportunities to create new sources of revenue, but also contribute to improving sustainability across the fashion industry as a whole.
Response to Climate Change and Carbon Neutrality	• Building a sustainable value chain that does not impose a burden on society: We will reduce environmental impact across the entire supply chain by transitioning to sustainable raw materials for products, improving visibility into water usage, and introducing renewable energy and LED lighting at business locations and stores. • Maximizing the value of resources by eliminating losses and waste: We will make full use of resources by curbing overproduction through appropriate procurement and inventory control, reducing losses through the upcycling of leftover inventory, reducing waste at our own factories, and holding workshops that utilize leftover fabric and yarn. • Contributing to circularity with the lifecycle in mind: We will maximize the value generated from resources that would otherwise be discarded by expanding circular businesses that represent new business opportunities, as well as by collecting clothing, returning it to circulation, and donating proceeds through the World Ecoromo Campaign. • Responding to climate change enables us to address risks associated with stricter regulations and customer demands, while also creating new business opportunities through environmentally conscious products and services.
Supply Chain and Responsible Procurement	• We have established the Business Partner Code of Conduct and hold briefings and other sessions on the WORLD Sustainability Plan & Report to promote understanding and compliance, thereby advancing initiatives in cooperation with our business partners. • We will work with our business partners to implement improvement activities aimed at building a sustainable supply chain, including by monitoring compliance with the Code of Conduct.
Human Capital Management	• We have identified four key concepts for advancing human capital management: enhancing the availability of knowledge (advancing knowledge sharing); optimizing the workforce (improving productivity); enhancing diversity; and enhancing engagement (strengthening organizational capabilities). We have also set KPIs linked to business strategies and the trajectory of business growth. • As our businesses diversify, we are securing a wide range of positions and career paths, including through the formulation of employee development plans by the Group Talent Development Committee, the implementation of job rotations, personnel rotations from the B2C business to the B2B business, and reskilling. Through these initiatives, we provide each and every employee with more opportunities to play an active role.
Corporate Governance	• We will strengthen our compliance framework through regular compliance training and communication regarding the internal whistleblowing system, while enhancing our internal control system through supervision of operating companies under the intermediate holding companies and the consolidation of internal audit functions at the holding company. • In addition to enabling swift decision-making by separating supervision and execution, we are working to strengthen the supervisory function of the Board of Directors, where outside members constitute a majority, and to promote appropriate renewal of the management team.

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Strategies to Support Growth

New Challenges to Advance the WORLD Fashion Ecosystem

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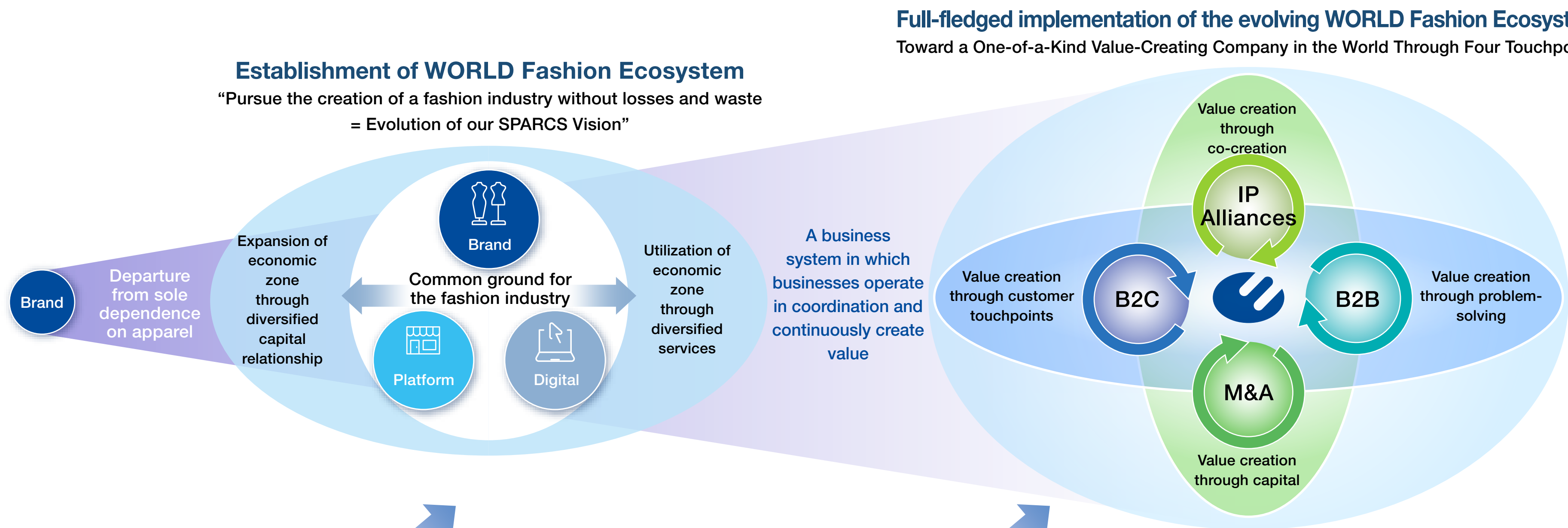
Long-Term Vision

Roadmap Toward Establishing the “Third Pole of the Fashion Industry” Under Our 10-Year Vision

The path toward establishing the “third pole of the fashion industry,” as set out in our 10-year vision, will by no means be easy. However, to create value that exceeds the expectations of the capital markets and realize our vision of “diverse fashion for society,” we are acutely aware that achieving revenue of ¥1 trillion is an essential foundation—the minimum scale required to compete successfully in the fiercely competitive environment ahead.

“VISION-W,” which marks the midpoint of this journey, is a milestone we must reach without fail. Going beyond the scope of a conventional management plan, the entire Group will remain united as we continue to take on challenges in pursuit of our ambitious goals and aspirations.



Medium-term management plan

PLAN-W (FY02/24-FY02/26)

	Plan	Actual
Revenue	¥250.0 billion	¥284.0 billion
Profit attributable to owners of parent margin	4.0%	4.2%
Equity	¥85.0 billion	¥94.7 billion
Including subordinated loan	(¥100.0 billion)	*Complete repayment of subordinated loan
ROE	10.0%	13.7%
PBR	1.0X	1.3X (at the end of FY02/26)

VISION-W (FY02/27-FY02/29)

	Plan	Target
Revenue	¥330.0 billion	¥500.0 billion
Profit attributable to owners of parent margin	4.5%	4.5%
Equity	¥120.0 billion	¥150.0 billion
ROE	12.5%	15.0%
TSR	11.0% (10.0-12.0%)	15.0%

Aspiration ...

	Aspiration
Revenue	¥1 trillion
Profit attributable to owners of parent margin	5.0%
ROE	15.0%
ROIC	10.0%
Net D/E ratio	0.75x
TSR	15.0%

Medium-Term Management Plan "VISION-W"

"VISION-W" Roadmap: Proving Ourselves as a Value-Creating Enterprise

With the creation of value for society and customers at the heart of its approach, the WORLD Group aims to enhance corporate value through sustainable growth, increase value for employees, and, as a result, create shareholder value. While passing on our spirit to the next-generation management team, we will implement the following three-year roadmap.

FY02/27: We will maintain revenue and profit growth while driving transformation by fully operationalizing our new organizational structure and decisively overhauling the earnings structure of underperforming apparel businesses. Through measures such as the introduction of a long-term stock-based compensation plan, we will improve compensation for leaders who deliver results and take on challenges. FY02/27 will be a year of transformation in which we rigorously pursue productivity improvements.

FY02/28: We will fully deploy our business model and demonstrate growth underpinned by capital efficiency. Alongside the introduction of a new personnel system that rewards performance and a willingness to embrace challenges, we will improve frontline operations.

FY02/29: We will set our sights on achieving record-high revenue and profit since our founding and take on the next challenge toward becoming an enterprise with ¥1 trillion in annual revenue.

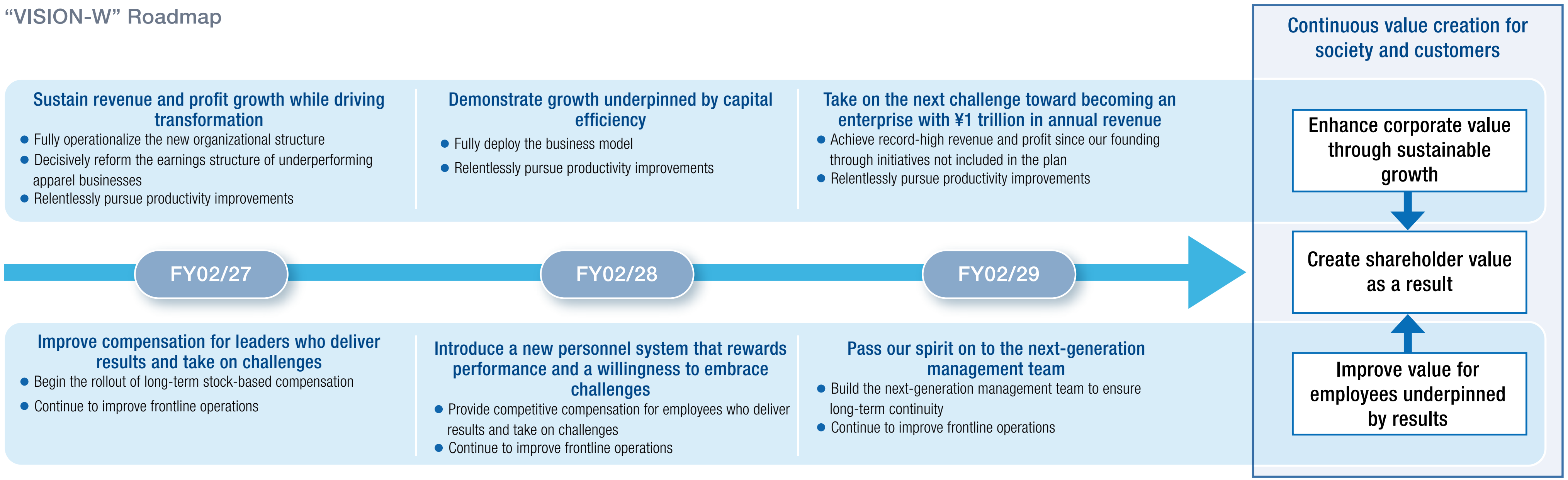
Quantitative Plans and Targets

With the goal of surpassing the highest revenue and profit levels achieved since our founding, we believe it is necessary to generate ¥330 billion in revenue from existing businesses and, by further accelerating M&A, establish a clear path toward ¥500 billion in revenue as an initial milestone. In doing so, we will also take on the challenge of creating new value through co-creation with other companies, including through M&A, overseas expansion, IP utilization, and strategic alliances.

Establishing an optimal capital structure to support these businesses is also a key priority. A major objective is to resolve our capital and financial challenges once and for all. Specifically, under our medium-term management plan, we aim to achieve a net D/E ratio of 0.75x and net assets of ¥120 billion, thereby establishing a financial position that enables the Company to issue corporate bonds.

	FY02/29 Plan	FY02/29 Target
Revenue	¥330.0 billion	¥500.0 billion
Profit attributable to owners of parent margin	4.5%	4.5%
Equity	¥120.0 billion	¥150.0 billion
ROE	12.5%	15.0%
TSR	11.0% (10.0-12.0%)	15.0%

"VISION-W" Roadmap



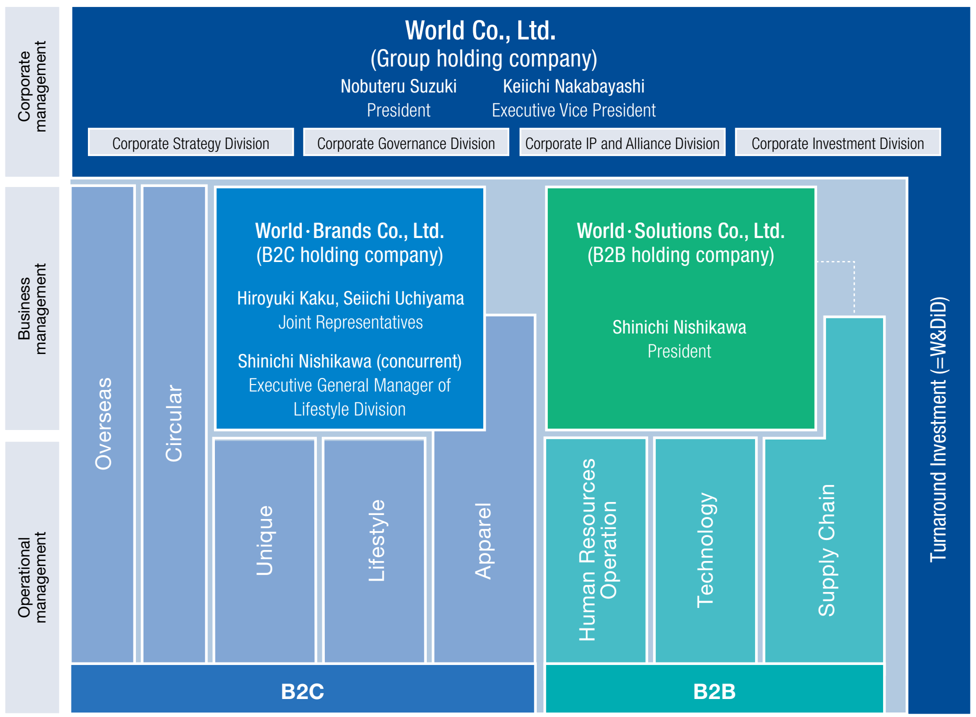
Medium-Term Management Plan "VISION-W"

Organizational Structure

We have reorganized our organizational structure into three layers: corporate management, business management, and operational management. As the Group continues to diversify, we have also transitioned our business segments from the previous three segments—Brand business, Platform business, and Digital business—to two major segments: the B2C business and the B2B business.

World, as the Group holding company, focuses on Group-wide governance and medium- to long-term strategy. At the Group business level, we have established World·Brands Co., Ltd. and World·Solutions Co., Ltd. as intermediate holding companies overseeing the B2C and B2B businesses, respectively, creating a structure designed to enable faster decision-making and strengthen business competitiveness.

For details of our strategies by segment, please refer to P. 28–33. For details of the Group companies that comprise each segment, please refer to P. 64.



Business Portfolio Strategy

The chart below maps ROIC on the vertical axis and revenue CAGR on the horizontal axis, showing the quadrant in which each business segment (subsegment) is positioned from the perspectives of capital efficiency and revenue growth.

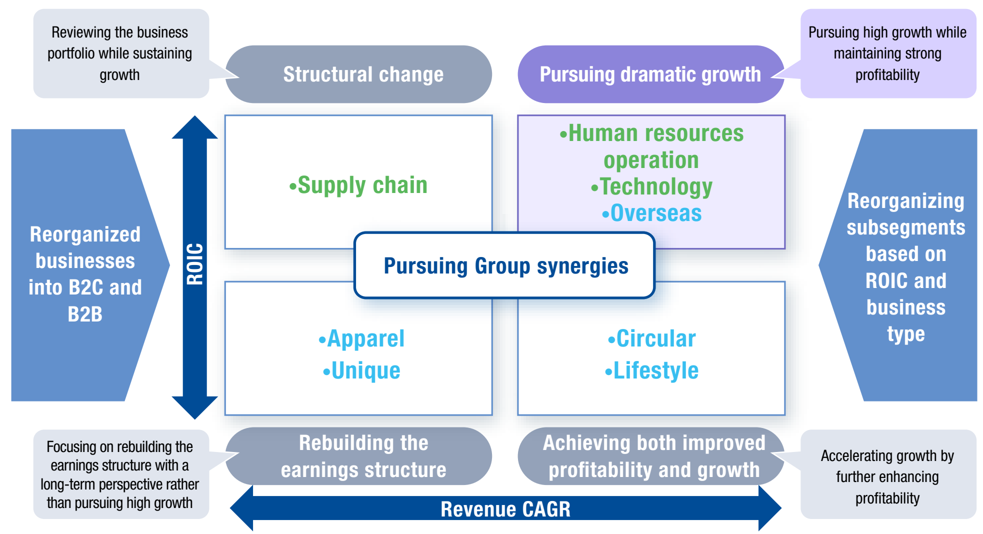
We intend to further expand the B2B subsegments positioned in the upper right—"human resources operation" and "technology"—which offer both high ROIC and strong growth potential. We will also continue to focus on the overseas subsegment, which has significant potential, and accelerate its growth.

Meanwhile, for the "apparel" and "unique" subsegments positioned in the lower left, we recognize that we pursued growth too aggressively. Rather than seeking rapid growth, we will rebuild their earnings structures to support sustainable growth by taking a long-term approach and making steady, step-by-step improvements.

The "supply chain" subsegment, positioned in the upper left, has driven strong growth, but we believe its business portfolio also requires review.

For the "circular" and "lifestyle" subsegments positioned in the lower right, we aim to further improve ROIC and expect these businesses to play a role in driving the Group as a whole.

We believe a defining feature of the WORLD Group, as reflected in our business model, is that all of the subsegments across these four areas work in conjunction with one another to generate synergies across the Group.



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Medium-Term Management Plan "VISION-W"

Strategic Framework

The WORLD Group places value creation for society and customers at the core of its management and seeks to sustainably enhance corporate value.

To achieve this objective, we have systematically organized our Group-wide strategic framework around "one goal," "two businesses," "three engines," and "four foundations."

One Goal: Value-Creating Management for Society and Customers

Our overarching goal is to create value for society and customers through our management.

This fundamental principle is shared by every leader and employee across the WORLD Group and serves as a guide for day-to-day decision-making and business activities.

Two Businesses: Collaboration Across Diverse Businesses and Frontline Operations (B2C/B2B)

Under "two businesses," we drive value creation through collaboration across our diverse businesses and frontline operations, with B2C and B2B serving as the two pillars of our business portfolio.

In our B2C business, centered on fashion that brings color and joy to customers' everyday lives, we aim to provide enriching experiential value.

In our B2B business, we work to solve social issues and create new business opportunities as a partner that not only conceptualizes solutions, but also implements them and delivers tangible results.

Three Engines: Levers for Dramatic Growth

The "three growth engines" that will drive our growth are M&A, IP and alliances, and overseas expansion. Through M&A, we will strengthen our business portfolio and expand our growth areas while maintaining a strong focus on investment discipline. Through IP and alliances, we seek to create new value and business opportunities by leveraging our own IP and co-creating with external partners. Through overseas expansion, we will first establish a business foundation centered on ASEAN and, over the longer term, pursue global growth with an eye toward European and North American markets.

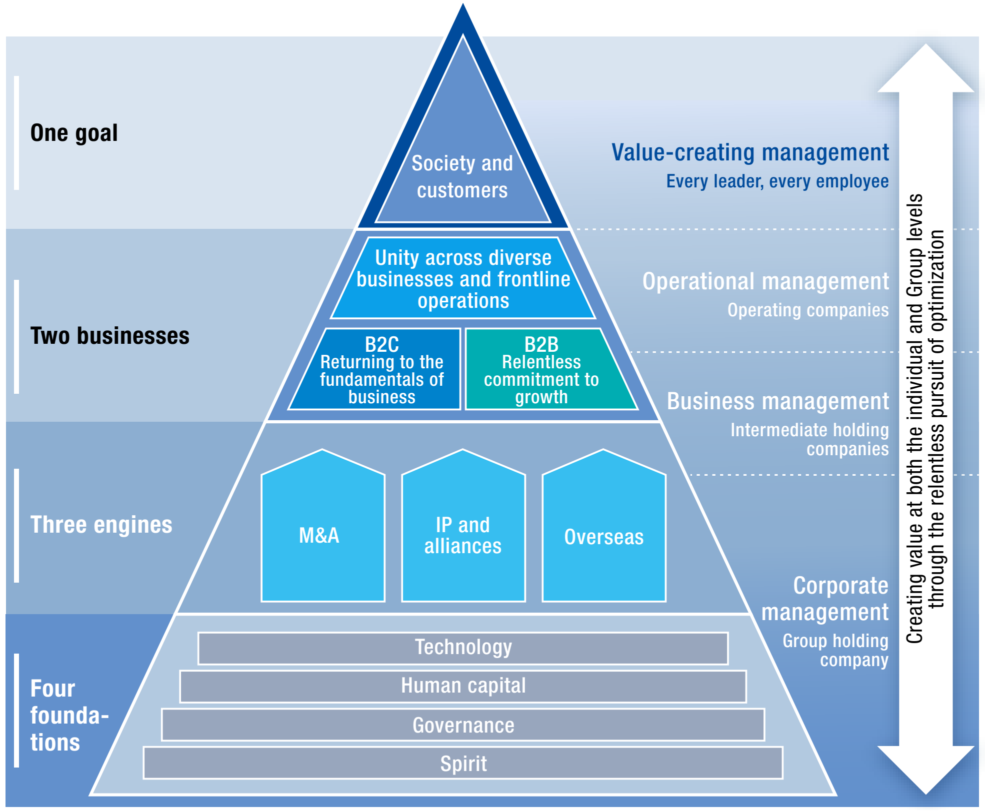
Four Foundations: Management Foundations Supporting Sustainable Growth

The "four foundations" underpinning these strategies are technology, human capital, governance, and spirit, which encompasses the Group's shared values.

In technology, we are developing an AI-ready data foundation to enhance the speed and effectiveness of business transformation.

In human capital, we are working to develop the next generation of leaders and strengthen organizational capabilities by enhancing workforce visibility and talent development. In governance, we will enable swift and appropriate business operations by delegating authority while ensuring independence. Finally, our spirit forms the core of the WORLD Group, embodying the shared values that unite our increasingly diverse organization.

Under this strategic framework, the WORLD Group will pursue further dramatic growth as a sustainable enterprise group while achieving both business growth and the creation of social value.



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Vice President’s Message

Financial and Capital Strategy: Solving the “Equation” for Sustainable Enhancement of Corporate Value

Realizing the Next Leap Under “VISION-W” Through the Optimal Alignment of Growth Investments and Capital Efficiency

Advancing Financial and Capital Strategy and Business Strategy as an Indivisible Whole

As the executive officer responsible for finance, I oversee the core functions of management, including the formulation and execution of the Group-wide financial and capital strategy, as well as investment decision-making and execution for all major investment transactions, including M&A. In recent years, the standards expected of companies by the capital markets have become increasingly demanding. In fulfilling my responsibilities, I make a conscious effort not to treat business strategy and financial and capital strategy as separate disciplines. Instead, I view them as two sides of the same coin, serving as the two drivers of our management strategy.

Recognizing the end-September 2018 relisting as a major milestone, the Company positioned proactive M&A as a pillar of its growth strategy and has since pursued a fundamental transformation of its business portfolio. Under our current medium-term management plan “VISION-W,” we have redefined our business segment structure by consolidating it into two segments: B2C business and B2B business. This change reflects the evolution of our business model from a structure dependent on apparel brands to one centered on providing solutions to other companies through our proprietary platforms.

More recently, companies that joined the WORLD Group through M&A over the past several years, including MC Fashion Co., Ltd. and Right-on Co., Ltd., have made increasingly meaningful contributions to earnings. As the executive officer responsible for finance, my role is to accelerate the bold investments required to drive this non-linear growth while maintaining high capital efficiency underpinned by rigorous financial discipline. Through this balance, I am committed to leading and delivering the sustainable enhancement of corporate value for the Company, thereby continuing to earn the high expectations of our stakeholders.

Looking Back on “PLAN-W” (1): Achievements Realized and the Significance of Structural Reform

Under the previous medium-term management plan “PLAN-W,” which concluded in FY02/26, the Company not only reaffirmed its strengths but also gained greater clarity on the challenges that remained to be addressed. Turning to our financial achievements, we repaid in full, ahead of schedule, the perpetual subordinated loan that we had obtained as equity-like financing during the COVID-19 pandemic, achieved a return on equity (ROE) of more than 12.5%, and resolved our long-standing issue of a price-to-book ratio (PBR) below 1x. We strengthened the stability of both our financial and earnings foundations and earned a certain degree of recognition, which can be regarded as a milestone for the Company.

The greatest challenge during the “PLAN-W” period was the deterioration in profitability within our apparel brand business. In the second year of the plan, after the rebound from the COVID-19 pandemic had largely run its course, a gap emerged between our plan and actual results. However, because we remained committed to the original plan, we set sales targets in the third year that exceeded the business’s actual capabilities. As a result, inventory purchases and expenses required to achieve those targets were incurred in advance, causing core operating profit to decline significantly beyond the impact of the revenue shortfall itself. As a management team, we acknowledge it as a critical lesson that we were slow to revise our plan in response to changes in the business environment and that the resulting operational rigidity led to a year-on-year decline in core operating profit.

Keiichi Nakabayashi
Member of the Board, Executive Vice President and Executive Officer

On the other hand, in the second half of FY02/26, we carried out structural reforms aimed at eliminating future risks. While measures such as workforce reallocation and tighter control of purchasing activities involved short-term pain, they were necessary steps to establish a leaner and more resilient earnings structure in preparation for the next medium-term management plan. Most notably, through these reforms, we were able to control inventory at a level below the previous fiscal year. This has strengthened our ability to generate robust cash flows and given us confidence that we have established a path toward our next medium-term management plan "VISION-W."

Looking Back on "PLAN-W" (2): Deepening Our M&A Strategy

M&A has undeniably been the driving force behind the WORLD Group's growth in recent years. Over the nine years since around the time of our relisting, we have invested a cumulative ¥56.7 billion in M&A, spanning a wide range of targets, from the turnaround and revitalization of apparel brands to companies with expertise in circular business models, supply chains, and digital technologies. As a result, revenue generated by companies newly added to the Group has exceeded ¥100 billion and now accounts for more than half of consolidated revenue. Meanwhile, we expect businesses that have joined the Group through M&A to contribute approximately 40% of profit attributable to owners of parent in FY02/27.

The success of our M&A strategy has been underpinned by the strength of our proprietary platform capabilities. By immediately providing newly acquired companies with store operations, merchandising, logistics, and digital infrastructure, we are able to significantly accelerate their revitalization. What we value above all, however, is "a culture of acceptance (inclusion)" that does not seek to force acquired companies into our mold. Respecting the unique identity of each brand while combining our respective strengths, we believe this "diverse collaboration" is the source of the WORLD Group's ability to continue creating new value.

It is precisely this powerful combination of "acceptance" of diverse corporate cultures and the "integration" of diverse capabilities that constitutes the WORLD Group's robust foundation for supporting non-linear growth generated through M&A.

Major M&A Investments

NARUMIYA INTERNATIONAL
Right-on
KOBE LEATHER CLOTH CO.,LTD
STRASBURGO CO., LTD.
212 KITCHEN STORE
HIROFU
WORLD STYLE LABELS A MEMBER OF WORLD GROUP
KP KIDS'STUFF
Tin Pan Alley
ASPLUND
MC FASHION Co., Ltd.

Please refer to the note on P. 34

Investment Discipline Under "VISION-W": Introducing a Proprietary ROIC-Based Investment Metric

Under the medium-term management plan "VISION-W," our highest priority is to maximize the quality of our investments. As a core component of this effort, we have introduced a new proprietary "ROIC*-based metric" for evaluating investments. This highly rigorous metric uses as its denominator "true invested capital," encompassing not only acquisition consideration in M&A transactions but also assumed interest-bearing liabilities and lease liabilities recognized under IFRS. Its numerator measures the after-tax returns generated by the investment target, including synergies with our existing businesses.

For example, in apparel revitalization investments, we utilize a joint-investment structure with the Development Bank of Japan Inc., which allows us to limit initial investment risk while gradually increasing our ownership stake in line with turnaround progress. This approach helps mitigate any short-term adverse impact on consolidated ROIC. At the same time, we expect certain businesses, such as staffing operations, to achieve exceptionally high ROIC with a relatively modest level of profit because they are characterized by relatively low levels of invested capital—the denominator in ROIC calculations.

Based on our evaluation using this metric, we expect investments already executed to achieve returns of approximately 11–12% by FY02/29. For future investment opportunities, our baseline requirement is a return of at least 15% within approximately three years of execution, with a medium- to long-term target of around 20%. In other words, our approach to M&A investment is not to pursue scale for its own sake. Rather, we are committed to rigorously enforcing investment discipline by focusing on opportunities capable of consistently generating returns that more than adequately exceed our cost of capital.

* Return on invested capital

Financial and Capital Strategy Under "VISION-W": A Dramatic Evolution in Capital Allocation

The charts on the following page clearly illustrate the dramatic evolution of the Company's financial position from a capital allocation perspective. During the three years following the COVID-19 pandemic, we operated with a substantial funding deficit. Under the previous medium-term management plan "PLAN-W," however, our funding position moved broadly into balance, and under "VISION-W," we expect it to turn into a surplus. Specifically, we expect our cash-generating capacity—defined as net profit plus

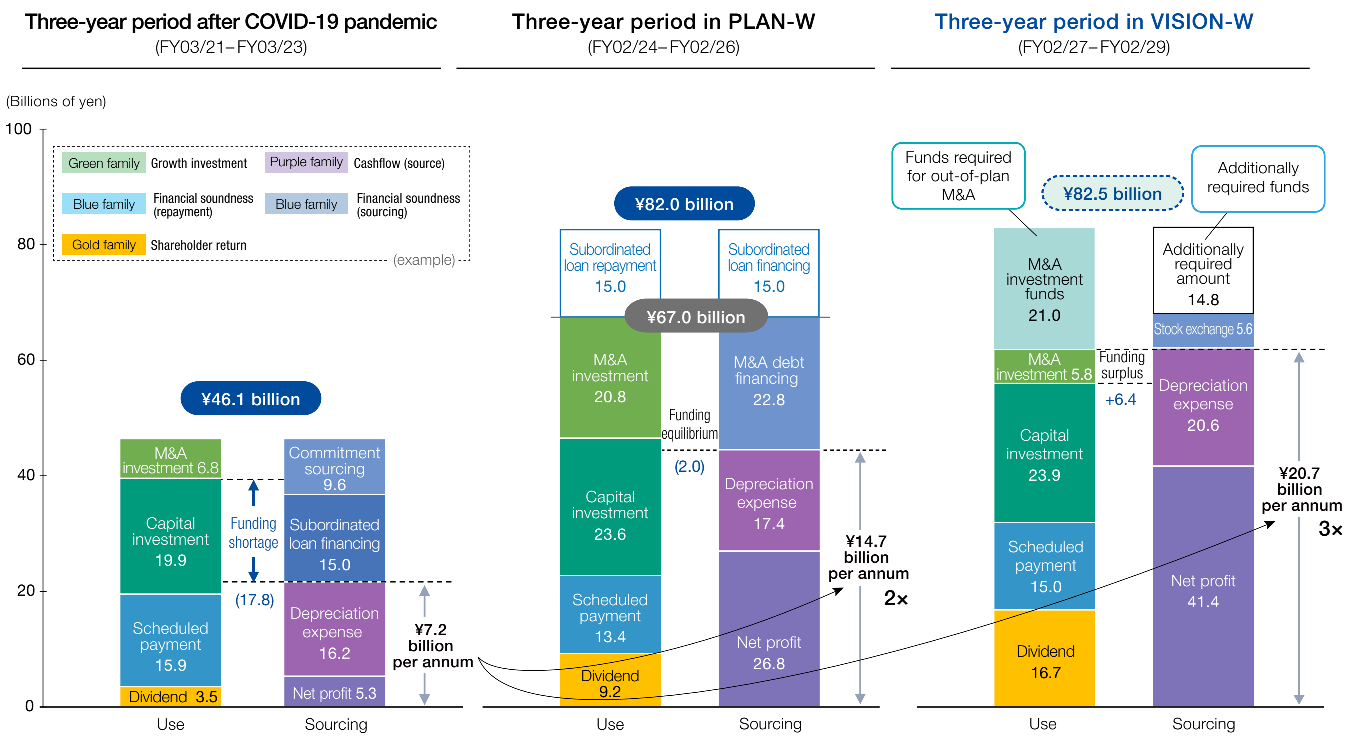
Vice President's Message

amortization expenses—to increase to approximately three times the level seen in the immediate post-pandemic period. Meanwhile, we expect debt repayments and capital investment to remain broadly unchanged, resulting in approximately ¥6.4 billion of additional financial capacity even after expanding shareholder returns.

Under "VISION-W," we expect to reduce the share of cash allocated to debt repayment by half compared with "PLAN-W" and allocate the funds thereby freed up almost equally between growth investments and shareholder returns. This shift has been made possible by the full repayment of the perpetual subordinated loan under "PLAN-W," which put us on a path toward a sounder financial position. As a result, we are now able to decisively shift the focus of our capital allocation toward growth and shareholder returns. The composition of growth investments will also shift from capital investment toward M&A. At the same time, the introduction of a new dividend policy will enable dividend payments at an annual pace of ¥5 billion or more.

However, it would be difficult to achieve the ambitious management targets and aspirations we have set for ourselves through our baseline cash-generating capacity alone. Under "VISION-W," we will seek to ensure the flexible deployment of the ¥21 billion allocation for unplanned M&A opportunities. To this end, in addition to exceeding our business plan targets and improving working capital efficiency, we will pursue measures such as the sale of non-core assets and businesses without placing any areas off-limits and the appropriate use of financial leverage once we have obtained an A credit rating. Through these initiatives, we will strategically and rigorously secure approximately ¥15 billion in additional funding to address the shortfall shown in the chart.

Capital Allocation



*1: The dividend includes the subordinated loan interest.
*2: The net profit is calculated by adding or deducting the profit attributable to owners of the parent and the non-cash profits/losses.

The Next Leap Under "VISION-W": The "Growth Equation" for Delivering 10–12% TSR

The management objective set out in the medium-term management plan "VISION-W" is to consistently deliver a high level of performance in the form of total shareholder return (TSR) of 10–12% per year. The equation for achieving this objective is the sum of free cash flow return (FCFR), which reflects shareholder returns generated by our cash-generating capacity, and market value return (MVR), which reflects future growth expectations incorporated into our share price. Specifically, we are targeting annual returns of 3.5% from FCFR and 7.5% from MVR.

There is, however, a challenge that we must confront head-on. Although we restored PBR to above 1x under "PLAN-W," much of that improvement was attributable to a reduction in our cost of capital (WACC) resulting from a lower beta achieved through engagement with the capital markets. Viewed from another angle, when PBR is broken down into its ROE and price-to-earnings ratio (PER) components, it was the improvement in ROE that drove the increase in PBR. In other words, while the market has recognized our ability to generate profits, improvements in capital efficiency, and greater financial stability, it cannot yet be said that future growth expectations, as reflected in a higher PER, have been fully incorporated into our share price.

Our challenge has only just begun. We are a value-creating enterprise group that extends beyond the traditional boundaries of apparel and seeks to transform industry structures through the unique capabilities of our platforms. We are convinced that continuing to communicate this strategic narrative, supported by tangible results, is essential to achieving annual MVR growth of 7.5% or more. This approach will help raise the capital markets' expectations of the Company and, in turn, lead to a higher PER,

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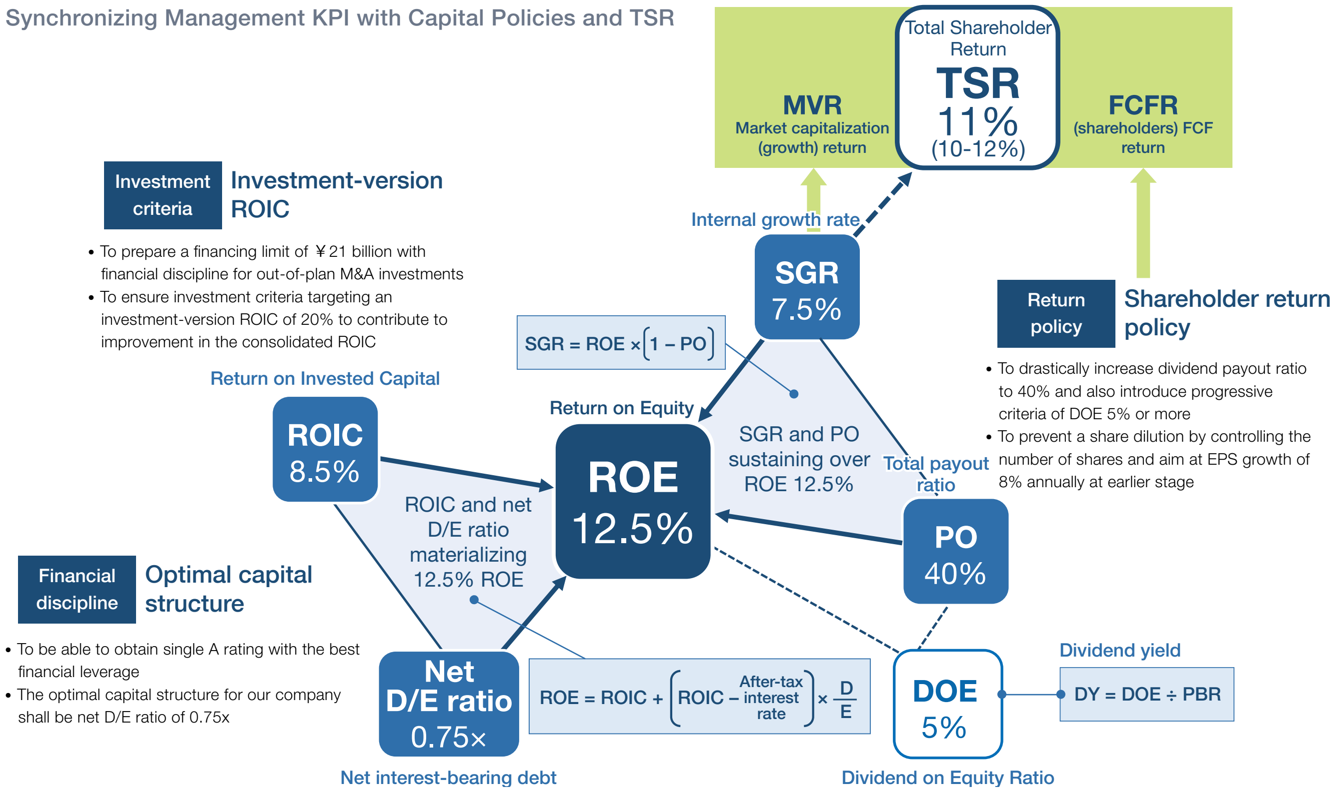
Synchronizing Management KPI with Capital Policies and TSR



which reflects expectations for future growth. As a member of the management team, I am committed to pursuing this challenge relentlessly and achieving this goal.

Capital Policy and Shareholder Returns: Balancing Financial Soundness and Financial Leverage

Under "VISION-W," we will elevate shareholder returns to the next stage. Having completed the defensive phase focused on debt reduction, we are now transitioning to a phase in which the cash we generate will be shared more actively with our shareholders. We have raised our target dividend payout ratio to 40% and, in order to continue delivering progressive dividends in line with improvements in ROE, have established a minimum dividend on equity ratio (DOE) of 5%. This dividend policy reflects our commitment to rewarding shareholders who support us over the long term with stable and steadily increasing returns, regardless of short-term fluctuations in our business performance.

At the same time, I do not intend to pursue a strategy focused solely on shareholder returns. The Company continues to have abundant investment opportunities capable of generating returns (ROIC) significantly in excess of our cost of capital. In particular, we see a wealth of attractive investment opportunities in the B2B business, the circular economy domain, and revitalization investments in fashion B2C businesses. Accordingly, I believe it is my mission to find the right formula for maximizing capital efficiency by optimally aligning disciplined growth investments with substantial shareholder returns.

Accordingly, during the period of "VISION-W," we will pursue an optimal capital structure using a net D/E ratio of 0.75x as one benchmark, while targeting the acquisition of a single-A bond rating. This does not mean indiscriminately reducing debt. Rather, it means maximizing the benefits of financial leverage within an appropriate range, minimizing our cost of capital (WACC), and maintaining at all times the flexible investment capacity needed to respond immediately to the ¥21 billion allocation for unplanned M&A opportunities. In addition, as a key priority of our investor relations activities, we will focus on optimizing our shareholder base, primarily by increasing ownership among overseas institutional investors.

To Our Stakeholders: Creating a Future Where Diverse Talent and Businesses Can Thrive

Finally, I believe that fashion has the power to uplift people's spirits and bring color to everyday life. I also believe that World has the potential not only to operate individual brands, but also to revitalize the fashion industry itself and contribute to society as a whole. With this in mind, I am committed to driving World's growth and development as a means to make a meaningful contribution to society and enrich people's lives.

In addition, many highly motivated individuals join our Company because they believe in the power of fashion. Creating an environment in which they can take on challenges with confidence, without fear of failure, and continue to grow is also a critically important mission for a company committed to human capital management.

Business growth, financial and capital strategy, engagement with the capital markets, and the growth of the people who support these efforts—all of these elements are closely interconnected. Going forward, I will continue working with unwavering determination to enhance corporate value from a financial perspective, so that the WORLD Group can continue to be the premier platform for fulfilling the expectations of our stakeholders as a truly value-creating enterprise group.

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The World Group's Value Creation

Charting a Path to Future Growth by Connecting Diverse Businesses and Human Resources

Group Values Initiative

Why Are Group Values Needed Now?

We aspire to become a one-of-a-kind value-creating company that brings diverse forms of fashion to society.

To realize this aspiration, new colleagues continue to join the WORLD Group each year, and our workforce now encompasses a more diverse range of backgrounds than ever before.

To create value across the Group through the autonomy of each employee and a strong sense of solidarity, it has become essential to instill throughout the Group the "spirit" and "culture" that World has cherished over many years.

A place to return to when in doubt—that is what the Group Values are.

Passing on and Cultivating Our Spirit and Culture

For the WORLD Group to continue creating value sustainably, it is essential to cultivate the Group's values and translate them into action.

These values consist of the "Five Principles of the Heart," which we have cherished since our founding as the basis of how we engage with colleagues and customers, and the "Eight Cultures," which represent the mindset that has underpinned our continuous efforts to take on challenges and drive transformation (see the diagram on the preceding page).

As noted above, precisely because our business portfolio is expanding and our workforce is becoming increasingly diverse, we will renew and deepen our understanding of these values as a unifying force that brings together diverse individuals. Through the actions of each employee, we will translate this understanding into the creation of Group synergies and new value.

Town Hall Meetings
The WORLD Group held its first "Sync WORLD: Town Hall Meeting" at the Kobe headquarters. By continuing to hold these meetings, we will further promote the sharing of our values and deepen dialogue.

A Concrete Approach to Turning Values from "Words" into "Action"

To pass on and cultivate the Group Values, Group executives gathered in August last year for a workshop. Guided by our shared values, participants presented examples of successes and challenges from their respective Group companies, shared information, and engaged in discussions. They then identified measures to address issues related to organizational culture and made commitments to action aimed at further embedding the Group Values.

Building on these commitments, we established a new "Team Challenge Award" as part of the Group's annual awards program to recognize teams that have delivered results by embodying the Group Values. We are also actively promoting communication through initiatives including highlighting specific examples in the monthly internal newsletter and holding town hall meetings that provide opportunities for direct dialogue between top management and employees. A total of 19 town hall meetings were held in the first half of FY02/27 alone. Through these efforts, we are working to embed the Group Values throughout the organization. We will also roll out workshops at each operating company to accelerate their adoption at the frontline.

In addition, we are currently preparing a revised edition of our "Value Book," first published in 2003 as our definitive guide to the values we uphold, for publication by the end of 2026. The revised edition will be distributed to all employees, who will keep it with them at all times as a point of origin and guiding principle for embodying the "Five Principles of the Heart" and the "Eight Cultures." It will also serve as a guide for decision-making—a compass to turn to whenever they are uncertain in the course of their daily work.

Rather than merely stating our values in words, we will firmly embed them as part of our organizational culture through dialogue and practice. We will also continue to make improvements while periodically assessing the extent to which the values have taken root through organizational capability surveys and other means. Through this process, we will maximize the potential of our human capital and build a Group that is resilient in the face of change and continues to take on challenges.

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TOPICS

Topics: An IP Business Built on Emotional Connections with Customers

Narumiya Characters Opens Up New Growth Opportunities

＊ IP: Intellectual property

Narumiya Characters has become a standout presence at Narumiya International. Its growth has been driven not only by company-led initiatives, but also by the strong emotional connection and enthusiasm of customers who have loved the brand for many years. Characters once cherished by customers have once again captured the hearts of many people across generations and have evolved into an IP franchise with an exceptionally strong following, creating new business opportunities.

Left: Yuki Urushibata
Deputy General Manager, Life Design Co-Creation Division
Producer, Narumiya Characters & Berrie
Narumiya International Co., Ltd.

Right: Ami Itagaki
Life Design Co-Creation Division
Narumiya International Co., Ltd.

Standing between them is Mimiry, a new character.

● Growing Emotional Connections with Every Social Media Post

It all began in 2019. During an internal training session, Producer Urushibata saw drawings of the Narumiya Characters from years past created by a younger employee for presentation materials, reminding him that "they are one of our most valuable assets." In 2020, the company launched products for adults, targeting the now-grown fan base. Even amid the challenging circumstances of the COVID-19 pandemic, the products generated a tremendous response on social media. With each new product launch and social media post, the community of customers who felt an emotional connection with the characters continued to grow.

● Customer Enthusiasm Drove the Business

The growth of Narumiya Characters has always been supported by the voices of its customers. Which characters resonate most strongly with them? Which initiatives capture their imagination? Through direct conversations with customers at pop-up stores and by carefully monitoring reactions on social media, the company has steadily translated what customers value into tangible offerings. These ongoing efforts have also fueled the expansion of its licensing business, which today encompasses partnerships with more than 150 companies.

What Mr. Urushibata considers most important is ensuring that the characters are not merely "consumed" as a passing trend. Rather than rapidly expanding supply, his focus is on nurturing them in a way that will earn lasting affection. This philosophy also underpins collaborations with companies that share the same vision for the characters, expanding customer touchpoints beyond apparel into a wide range of categories, including accessories, cosmetics, and sports.

● A Turning Point Leading to the Opening of a Permanent Store

A major turning point came in February 2025 with an initiative at LUMINE EST Shinjuku. In addition to a pop-up store, collaborative products developed with more than 20 companies were showcased throughout the shopping complex, making Narumiya Characters the centerpiece of a large-scale campaign spanning the entire facility. From the first day, the event attracted far more visitors than anticipated, generating a strong response that resulted in long queues. Social media exposure also surged, making customers' extraordinary enthusiasm clearly visible. This success significantly enhanced the external recognition of Narumiya Characters, establishing it as a symbol of the transformation from a fan-supported initiative to a full-fledged IP business.

● Growing Emotional Connections, Expanding Possibilities

The success at LUMINE EST Shinjuku led to the opening of the permanent NARUMIYA HAPPY PARK store, expanding support beyond the existing fan base to new customer segments, including Generation Z. The introduction of new characters has also enabled Narumiya Characters to continue evolving into an IP franchise that creates ongoing value, rather than simply leveraging existing character assets. Having expanded value through emotional connections with customers, Narumiya Characters is expected to become a new driver of growth not only for Narumiya International but also for the Group as a whole by expanding brand touchpoints and creating new revenue opportunities.

NARUMIYA HAPPY PARK, a permanent store featured by numerous media outlets

TOPICS

Topics: Overseas Business

World has designated ASEAN as the initial priority region for its overseas strategy and is working to establish a replicable growth model in each country through market testing that combines store openings, wholesale, and e-commerce. In Thailand, TAKEO KIKUCHI has already established a strong track record and secured a stable customer base, and we are also developing a local production model. In addition, through World Saha (Thailand) Co., Ltd., a joint venture established with the Saha Group in January 2025, we launched RAGTAG in Bangkok and currently operate four stores in Thailand, with plans for further expansion.

Marking our first entry into the Malaysian market, we opened a usebowl store, RAGTAG's lower-priced format, in June 2026. In Taiwan, we opened petit main's first overseas store as well as a RAGTAG store. We are also expanding petit main in Hong Kong through a local distributor and opened RAGTAG's first store in Hong Kong at the end of July 2026. This autumn, we plan to open the first petit main store in China, and we are also exploring the possibility of rolling out stores in South Korea. Over the medium to long term, we will conduct market research in Indonesia, Singapore, India, and the Philippines, while also considering entry into the pre-owned apparel business in Europe and the United States.

Thailand

Expanded the RAGTAG store network
Scaled up TAKEO KIKUCHI's highly profitable business model

- RAGTAG: 4 stores
- TAKEO KIKUCHI: 12 stores

RAGTAG


TAKEO KIKUCHI

Hong Kong

Launched e-commerce operations and opened RAGTAG, petit main, and COCOSHNIK stores

- RAGTAG: 1 store
- petit main: 4 stores
- COCOSHNIK: 1 store (Pop-up Shop)


RAGTAG

petit main


COCOSHNIK

China

B2B: Strengthened sales activities in China and ASEAN
B2C: Expanded operations through local partnerships

Taiwan

Resumed expansion after years of maintaining business scale and consistently generating profits; launched e-commerce operations and opened petit main and RAGTAG stores

- RAGTAG: 1 store
- petit main: 1 store
- COCOSHNIK: 7 stores
- UNTITLED: 3 stores
- TAKEO KIKUCHI: 2 stores
- DRESSTERIOR: 1 store
- index: 5 stores
- adabat: 4 stores

RAGTAG

petit main

Malaysia

Opened a usebowl store, RAGTAG's lower-priced format

- usebowl: 1 store


usebowl

(Number of stores as of the end of July 2026)

WORLD

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Business Strategy: B2C Business

Pursuing Sustainable Earnings Power and Value Enhancement Through Multi-Brand Management and Robust Portfolio Management

Launching the New Structure Under World·Brands and Initiatives to Enhance Earnings Power

Under the new medium-term management plan "VISION-W," we are advancing initiatives to further enhance the earnings power of our B2C business and translate this into sustainable growth. World·Brands Co., Ltd. (hereinafter "WBR"), an intermediate holding company established in March 2026, is a new organization that oversees the Group's brands across three subsegments: apparel, lifestyle, and unique. At the same time, the Group holding company has delegated broad authority over matters related to the brand business, including human resource management and investment decisions, to WBR. This delegation has steadily accelerated decision-making and helped establish a structure capable of responding more flexibly and swiftly to a rapidly changing market environment. Although our response to market changes in FY02/26 left some challenges to be addressed, we are addressing these issues earnestly and redoubling our efforts in FY02/27 to enhance both brand value and earnings power.

Strengthening Creative Capabilities and Manufacturing to Enhance Brand Value

These efforts are underpinned by branding initiatives that raise brand awareness and appeal, as well as product development that ensures our products continue to be chosen by customers. Centered on the Creative Management Center (CMC), which serves as the core of our creative functions, we will advance cross-functional initiatives in areas such as public relations, store design, and the development of shared materials, thereby strengthening the creative capabilities of the Group as a whole. We have also launched the JAPAN FACTORY PROJECT, which leverages our nine domestic factories. This initiative positions our factories not merely as production sites, but also as an important source of competitive advantage that enhances the appeal of our products. By thoughtfully and consistently communicating the value of the high-quality products created through Japan's world-class technical expertise, both in stores and online, we will translate the WORLD Group's manufacturing strengths into greater brand value.

Thoroughly Strengthening Earnings Power by Turning Losses and Waste into Profit

To improve earnings power, we will once again rigorously apply the WORLD Group's long-standing approach of turning losses and waste into profit. We will restore earnings power by minimizing every form of loss, including lost sales opportunities, inventory losses, and markdowns. We will swiftly reassess investment allocations in response to sales trends and market changes, while managing operations with an emphasis on maintaining an appropriate balance between production and sales for each item.

Rather than adhering rigidly to initial assumptions, we will strengthen our ability to reallocate resources flexibly to best-selling products. We will also pursue business operations that enable us to sell products of genuine value at appropriate prices without readily resorting to markdowns.

Diverse and Flexible Brand Portfolio and Expansion of Synergies Across Businesses

The WORLD Group's strength lies in its broad range of brands across categories including women's, men's, and children's apparel, fashion accessories, and interior goods, catering to different generations, sales channels, and price points.

Even amid rapidly changing market conditions, we seek to stabilize the overall business by managing a diverse brand portfolio in which fluctuations in one area can be offset by growth in another. At the same time, while identifying priority areas for investment, we will respond flexibly through the development and cultivation of our own brands as well as M&A, thereby supporting stable performance and growth over the medium to long term. We will also strengthen collaboration with Group companies operating B2B businesses and generate synergies across the Group.

Developing the Next Generation of Talent to Support Future Growth

Alongside strengthening the business foundation, talent development is essential. WBR's management structure is making it easier to deploy personnel across brand and functional boundaries, creating an environment in which talented younger employees and next-generation leaders can be proactively selected and appointed to key positions. We are also developing future leaders by enabling them to gain hands-on experience through product meetings, merchandising and designer training, and visits to factories and markets. Although it will take time for these efforts to produce results, we have already begun building a talent base with the next five to ten years in mind.

WBR serves as the coordinating body responsible for transforming the B2C business into a competitive group of businesses. Working closely with our frontline operations, we will continue to take on challenges to enhance both earnings power and brand value.

Hiroyuki Kaku
Group Managing Executive Officer
Joint Representative of World·Brands Co., Ltd.
Senior Manager of the Creative Management Center of World Co., Ltd.
President of Feels International Co., Ltd.
President of Explorers Tokyo Co., Ltd.

Seiichi Uchiyama
Group Managing Executive Officer
Joint Representative of World·Brands Co., Ltd.
President of Arcus International Co., Ltd.
President of World Franchise Systems Co., Ltd.

Business Strategy: B2C Business

For more details, please see the "B2C Business" section on our website.

Apparel

UNTITLED

TAKEO KIKUCHI

The apparel subsegment offers a diverse portfolio of brands across categories including women's, men's, and children's apparel, catering to a wide range of age groups and tastes, sales channels, and price points. Through brand portfolio management, it responds flexibly to market changes.

With stores in a wide range of retail facilities, including department stores, station buildings, fashion buildings, and shopping centers, the apparel subsegment meets customer needs across a broad spectrum of price points, from the high-priced "luxury" category to the more affordable "lower" category. Drawing on the Group's long-cultivated capabilities in brand and store development, it offers fashion that closely reflects customers' continually evolving values.

Group Companies

FEELS INTERNATIONAL CO., LTD.
- WORLD INDUSTRY FABRIC CO., LTD.
- WORLD INDUSTRY KNIT CO., LTD.
- SENWA CO., LTD.

EXPLORERS TOKYO CO., LTD.
- FRENCH BLEU CORP.

ARCUS INTERNATIONAL CO., LTD.
- WORLD FRANCHISE SYSTEMS CO., LTD.

NARUMIYA INTERNATIONAL CO., LTD.
- LOVST CO., LTD.
- KP CO., LTD.
- NARUMIYA INTERNATIONAL SHANGHAI CO., LTD.
- NARUMIYA WANPA CO., LTD.

RIGHT-ON CO., LTD.

Lifestyle

212 KITCHEN STORE

one'sterrace

The lifestyle subsegment offers a diverse range of product categories that enrich everyday life, spanning home goods, kitchenware, fashion accessories, and cosmetics. In addition to highly specialized brands such as 212 KITCHEN STORE, one'sterrace, LAURA ASHLEY, and ITS' DEMO, the non-apparel portfolio continues to expand. For example, in March 2026, World Style Labels Co., Ltd., which operates the COLOR FiELD and DOUBLEDAY brands, joined the Group.

By establishing customer touchpoints that attract frequent visits in station buildings and other retail facilities, the lifestyle subsegment supports the Group's earnings base in a manner distinct from the apparel business. It also deepens its expertise in each product category and collaborates with the apparel business to deliver distinctive lifestyle offerings unique to the WORLD Group.

Group Companies

LIFESTYLE INNOVATION CO., LTD.

WORLD STYLE LABELS CO., LTD.

Business Strategy: B2C Business

Unique


ESPERANZA


COCOSHNIK

The unique subsegment comprises businesses with distinctive identities and strong followings among specific target customer groups, each catering to particular lifestyles. Its brands have established distinctive positions in their respective fields, including HIROFU, known for premium leather goods; jewelry brand COCOSHNIK; luxury apparel specialty retailer STRASBURGO; footwear brand ESPERANZA; and intimate apparel brand Risa Magli.

By combining deep customer insight and a meticulous commitment to craftsmanship in each field with the WORLD Group's infrastructure, the unique subsegment delivers one-of-a-kind value while achieving high profitability and strong customer loyalty.

Group Companies

KAYSWAY CO., LTD.
COCOSHNIK CO., LTD.
HIROFU CO., LTD.
KOBE LEATHER CLOTH CO., LTD.
STRASBURGO CO., LTD.

Circular

RAGTAG

The circular subsegment promotes next-generation businesses that keep the enjoyment of fashion in circulation while reducing environmental impact, based on the concept of "not making new products."

Its businesses include RAGTAG, a retailer specializing in pre-owned designer-brand apparel; usebowl, which complements RAGTAG by serving a broader range of age groups and price points; &Bridge, an off-price retailer that curates and sells excess inventory from high-value brands with the aim of reducing waste across the industry; and Laxus, a designer-bag sharing service.

While driving the expansion of the reuse and resale market, the subsegment leverages the Group's platform to help establish more ethical consumption practices in society, centered on "using quality products for longer."

Group Companies

& BRIDGE CO., LTD.
TIN PAN ALLEY CO., LTD.
LAXUS TECHNOLOGIES, INC.*

* Equity-method affiliate

Overseas

RAGTAG (THAILAND)

The overseas subsegment is expanding the WORLD Group's business model globally, primarily across Asian markets. In rapidly growing markets such as Taiwan, Thailand, Hong Kong, and Malaysia, we are accelerating the rollout of key brands including TAKEO KIKUCHI, petit main, and COCOSHNIK, as well as circular brands such as RAGTAG and usebowl. By combining localization strategies tailored to local needs with the store operations and inventory management expertise cultivated in Japan, we aim to establish a solid business foundation at an early stage. Looking ahead, we are also considering expansion into European and North American markets and are focusing our efforts on developing the overseas subsegment into a new growth engine that will drive the Group's sustainable growth.

Group Companies

WORLD TAIWAN FASHION CO., LTD.
WORLD SAHA FASHION CO., LTD.
WORLD SAHA (THAILAND) CO., LTD.
WORLD FASHION (MALAYSIA) SDN. BHD.
WORLD FASHION (HONG KONG) CO., LIMITED.

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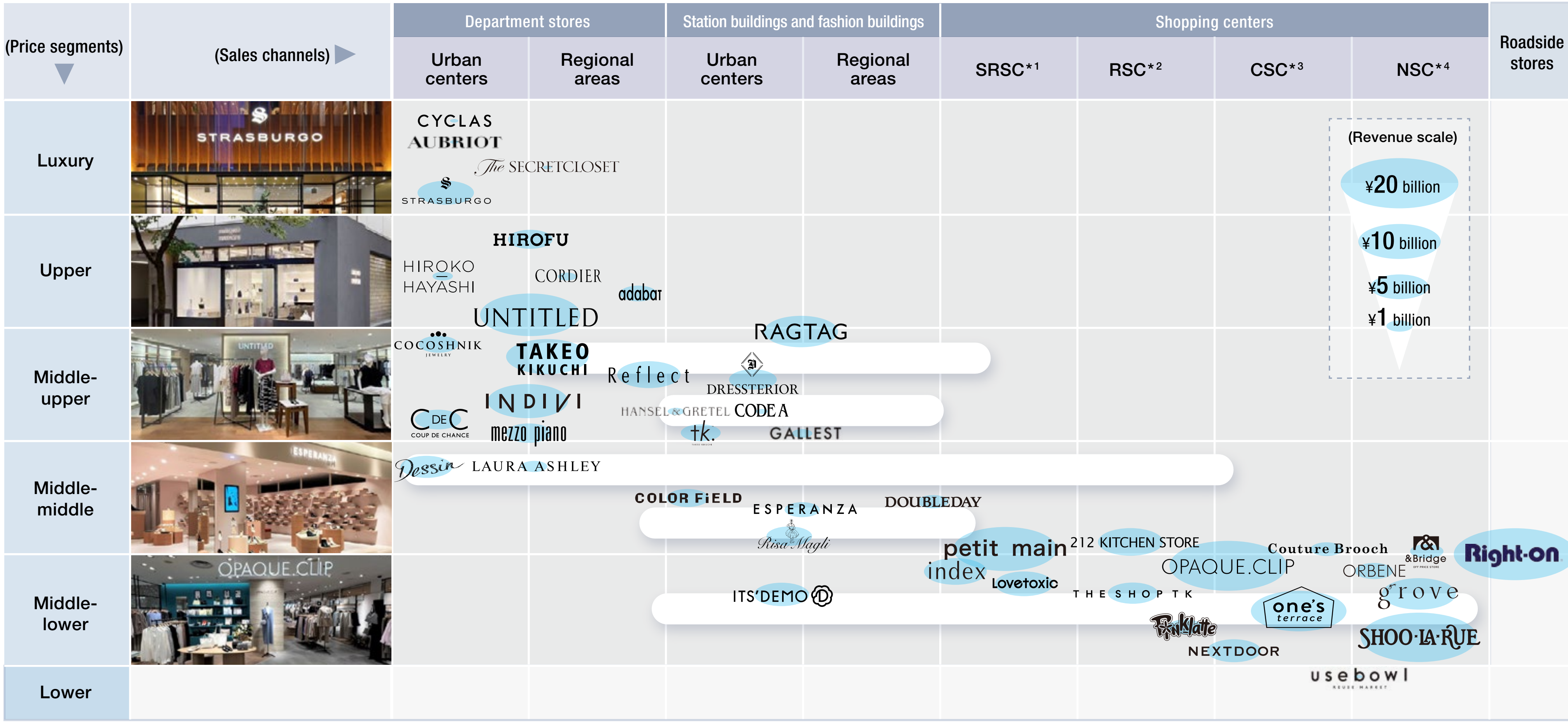
Business Strategy: B2C Business

A Brand Portfolio Built on Diverse Sales Channels and Price Ranges

The WORLD Group continues to expand its portfolio by leveraging the combined strengths of brand development and store development, in line with changes in the market and customer needs. In Japan, we operate stores nationwide in a wide range of commercial facilities, including department stores, station buildings, fashion buildings, and shopping centers. From luxury and upper brands offering high-end products to middle-lower brands providing more affordable products primarily in shopping centers, we structure our brand portfolio to reflect not only diverse fashion preferences but also a broad range of sales channels and price ranges. Through these portfolio strategies, we consistently deliver value through fashion.

Brand Portfolio (Key Brands)



*1 SRSC (Super Regional Shopping Center) *2 RSC (Regional Shopping Center) *3 CSC (Community Shopping Center) *4 NSC (Neighborhood Shopping Center)

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Business Strategy: B2B Business

Leveraging Our Unmatched Integrated Execution Capabilities to Accelerate External Sales Growth and Become the No. 1 Partner

A Leap Toward ¥100 Billion in External Sales and Integrated Solution Capabilities Grounded in Frontline Insights

The WORLD Group's B2B business provides high-value-added solutions to address the diverse challenges faced by corporate customers, centered on three categories: supply chain, technology, and human resources operation. For customers that find it difficult to resolve challenges on their own, the WORLD Group draws on its diverse assets and extensive knowledge and experience to provide execution-focused solutions. We work alongside customers from solution planning and proposal through execution, supporting them until tangible results are achieved.

The addition of MC Fashion Co., Ltd. to the WORLD Group in March 2025 marked the most significant turning point in the evolution of this distinctive business model, substantially enhancing the value it delivers. This development rapidly expanded external sales in the B2B business, which had previously focused primarily on intragroup sales, putting in place the structure needed to grow the business to more than ¥100 billion in external sales. To capitalize on this dramatic change and build a solid foundation for the next stage of growth, in March 2026 we reorganized the business under a new structure with World･Solutions Co., Ltd. (hereinafter "WSO") as the intermediate holding company. The Group holding company delegated broad authority over human resources, business management, and investment approvals to WSO, thereby accelerating decision-making. Our aspiration is to become "the No. 1 business partner that resolves customer challenges through an integrated approach grounded in frontline insights, from strategy formulation through execution." We believe our unparalleled execution capabilities—sharing business risks with customers and drawing on WSO's workforce of 3,000 to deliver one-stop solutions through to completion—constitute a competitive advantage unmatched by any other company.

Organizational Strength Forged by "Seeking Common Ground While Respecting Differences" and Further Developing the Three Business Areas Under "VISION-W"

WSO comprises operating companies with different cultures and histories, including many that have joined the Group through M&A. This is precisely why mutual understanding, rather than uniformity, is essential. Guided by the principle of "seeking common ground while respecting differences," a conviction I have developed throughout my career as a business leader, we recognize and respect our differences while joining forces in the spirit of "one for all, all for one." My most important mission today is to build a culture in which each company improves its own performance while supporting the others in pursuit of the Group's overall goals.

Building on this strong, unified organizational foundation, we will work toward realizing the new medium-term management plan "VISION-W," targeting business profit of ¥8.4 billion in FY02/29, up from ¥5.5 billion in FY02/26, and ultimately aiming to reach the ¥10.0 billion level. To achieve this goal, we will strengthen our sales capabilities for corporate customers and our business consulting expertise, while thoroughly expanding the breadth and enhancing the quality of our service offerings across the three subsegments. By enhancing the expertise of each Group company and building a portfolio of businesses with No. 1 positions in their respective domains, we will further strengthen the Group's overall solution capabilities.

Three Subsegments		
Supply Chain Develop materials; establish overseas production bases; upgrade procurement and logistics; promote regional revitalization; develop IP and alliances; and strengthen the sports and entertainment domains	**Technology** Transform the Company's e-commerce site, WORLD ONLINE STORE, into a marketplace; provide systems and logistics solutions; and develop new AI-powered services to improve productivity	**Human Resources Operation** Strengthen sales outsourcing services by leveraging 2,000 sales personnel and expand into new areas, including business process outsourcing (BPO) and staffing services

Shared Platform	**Business Consulting** Expand the range of services offered, including project management, branding, new business development, business revitalization, joint business initiatives, and alliances

Investing in People to Develop an "Adaptable Team of Professionals"

People are the greatest driving force in strengthening our solution capabilities. The B2B business is not asset-intensive; people drive every aspect of proposal development, sales, operations, and improvement. This is why we regard human resources as our most important area of investment and are promoting reskilling while building systems for sharing and applying knowledge. Establishing a framework that enables anyone to deliver value with consistent quality, rather than relying on individual expertise, will form the foundation for sustainable growth.

Our goal is to cultivate an adaptable team of professionals who can respond flexibly to changes in the business environment, think independently, take initiative, and carry their actions through to completion. In areas with significant growth potential, we will also pursue non-linear growth through alliances and M&A. Going forward, the B2B business will continue to evolve as a growth engine for the WORLD Group by leveraging its execution capabilities grounded in frontline insights and the trust it has earned.

Shinichi Nishikawa

Group Managing Executive Officer
Executive General Manager of Lifestyle Division at World･Brands Co., Ltd.
President of World･Solutions Co., Ltd.
Chairman of MC Fashion Co., Ltd.
Chairman of Life Gear Co., Ltd.
Chairman of World Style Labels Co., Ltd.
Chairman of ASPLUND Co., Ltd.
Chairman of World Fashion (Shanghai) Co., Ltd.

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Business Strategy: B2B Business

For more details, please see the "B2B Business" section on our website.

Supply Chain

Beisia


ASPLUND

The supply chain subsegment comprises a diverse range of businesses engaged in supplying products across a broad range of lifestyle categories, from apparel and fashion accessories to furniture and interior goods. With the addition of MC Fashion Co., Ltd., which has strengths in its global production network and advanced materials sourcing capabilities, the Group has significantly expanded its supply capacity.

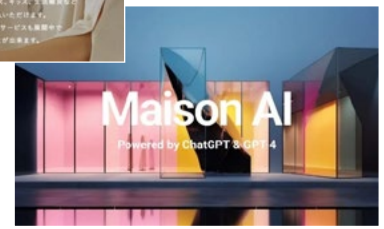
The WORLD Group is offering external companies access to the stringent quality control standards and considerable economies of scale it has built through the development of its own brands. Through its OEM and ODM businesses, the Group will serve as an "infrastructure partner" for sustainable manufacturing, helping client companies improve profitability and optimize inventory levels while supporting the industry's evolution.

Group Companies

MC FASHION CO., LTD.
TCN CO., LTD.
LIFE GEAR CO., LTD.
LIFE GEAR DONGGUAN CO., LTD.
ASPLUND CO., LTD.
LA MODE CO., LTD.
WP2 (SHANGHAI) TRADING CO., LTD.
WORLD FASHION (SHANGHAI) CO., LTD.

Technology

WORLD ONLINE STORE



Maison AI

The technology subsegment provides a broad range of digital transformation (DX) support tailored to the fashion business. Drawing on the Group's experience in operating its proprietary e-commerce site, WORLD ONLINE STORE, the subsegment digitally optimizes the entire value chain through services including system development, solutions that centrally manage inventory across physical stores and e-commerce channels, and efficient logistics schemes. It also supports the adoption of Maison AI, a cutting-edge generative AI platform, through initiatives led by OpenFashion Inc. By harnessing proprietary technologies, the subsegment accelerates business transformation at client companies and works alongside them as a strategic partner in building next-generation retail models. In doing so, it provides highly effective support closely attuned to frontline operations.

Group Companies

FASHION-CO-LAB. CO., LTD.
OPENFASHION INC.

Human Resources Operation

TATRAS

CAFUNÉ

The human resources operation subsegment provides hands-on solutions that harness the power of people and systems to help client companies address operational challenges. Its broad range of services includes sales outsourcing, event operations, and outsourced store development provided by World Store Partners Co., Ltd., as well as highly specialized administrative outsourcing services provided by World Business Support Co., Ltd.

Professionals in each field help client companies optimize the use of their management resources while providing strong support for enhancing brand value and reducing costs.

The subsegment continues to transform the practical operational systems refined through the fashion business into versatile platforms that serve as "operational infrastructure" supporting frontline operations across a wide range of businesses.

Group Companies

WORLD STORE PARTNERS CO., LTD.
WORLD BUSINESS SUPPORT CO., LTD.

WORLD

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Value Creation Business Through Capital (M&A Business)

We welcome brands and services with distinctive strengths into the Group and strive to maximize their respective potential. Over the nine years through the end of March 2026, we invested a cumulative ¥56.7 billion, steadily expanding our business domains in line with our strategy. Based on our new portfolio strategy, we will continue to position M&A as a key pillar of our growth strategy and actively pursue further investment.

In particular, in our key areas going forward, we will strengthen M&A investment in the circular domain (B2C) and the technology and human resources operation domains (B2B), while also investing in brand revitalization through W&D Investment Design Inc. Through these initiatives, we will organically connect a diverse range of brands and services and further strengthen and expand the WORLD Fashion Ecosystem, leveraging the expertise and services we have cultivated over the years as a shared platform. At the same time, by transforming losses that exist across the industry into value, we will enhance the diversity and sustainability of the fashion industry and drive the revitalization of the industry as a whole.

Apparel

NARUMIYA INTERNATIONAL

NARUMIYA INTERNATIONAL CO., LTD.

Circular

Tin Pan Alley

TIN PAN ALLEY CO., LTD.

B2B

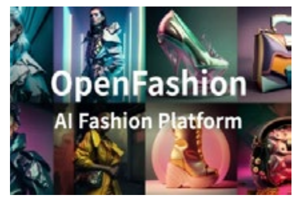
MC FASHION Co., Ltd.

MC FASHION CO., LTD.

ASPLUND

ASPLUND CO., LTD.

OpenFashion



OPENFASHION INC.

Turnaround

Right-on

RIGHT-ON CO., LTD.

STRASBURGO CO., LTD.

STRASBURGO CO., LTD.

KP KIDS' STUFF

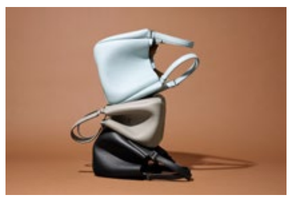
KP CO., LTD.

Unique

LC KOBE LEATHER CLOTH CO.,LTD

KOBE LEATHER CLOTH CO., LTD.

HIROFU



HIROFU CO., LTD.

Lifestyle

LIFESTYLE INNOVATION CO.,LTD.

LIFESTYLE INNOVATION CO., LTD.

WORLD STYLE LABELS
A MEMBER OF WORLD GROUP

WORLD STYLE LABELS CO., LTD.

Value Creation Business Through Capital (M&A Business)/Highlights from the Previous Term

RIGHT-ON CO., LTD.

Right-on

Right-on Co., Ltd., which became a wholly owned subsidiary on March 1, 2026, operates casualwear stores centered on jeans, primarily in shopping centers, station buildings, and roadside locations. As one of Japan's leading casualwear retailers with a nationwide presence, the company has long been supported by a broad customer base spanning teenagers to people in their 60s, particularly families. Leveraging these strengths, Right-on is currently introducing World's store operations and inventory management systems while carrying out comprehensive structural reforms under its five-year plan through 2029, with the aim of improving profitability and returning to growth.

https://biz.right-on.co.jp/

MC FASHION CO., LTD.

MC Fashion Co., Ltd.

MC Fashion Co., Ltd. (formerly Mitsubishi Corporation Fashion Co., Ltd.), which joined the WORLD Group on February 28, 2025, is expanding its OEM and ODM businesses and strengthening its role as a solutions partner by leveraging its global production network and advanced material sourcing capabilities. In addition to its apparel and lifestyle businesses, the company is expanding into the sports and entertainment sectors, where demand has been growing in recent years. By integrating the Group's platform capabilities, MC Fashion aims to achieve further growth.

https://www.mcf.co.jp/en/aboutus

NARUMIYA INTERNATIONAL CO., LTD.

NARUMIYA INTERNATIONAL

Narumiya International Co., Ltd., a leading children's apparel company that became a wholly owned subsidiary on October 1, 2025, operates a diverse portfolio of brands that support children through every stage of their growth. As an early entrant in the IP business, the company has achieved sustained growth by leveraging its strong brand portfolio and outstanding product planning capabilities. Overseas expansion centered on its flagship brand "petit main" is one of the WORLD Group's key strategies for future growth.

https://www.narumiya-net.co.jp/en/corporate/

WORLD STYLE LABELS CO., LTD.

WORLD STYLE LABELS
A MEMBER OF WORLD GROUP

World Style Labels Co., Ltd. (formerly Hankyu Style Labels Co., Ltd.), which became a wholly owned subsidiary on March 1, 2026, operates the COLOR FiELD cosmetics specialty store chain and DOUBLEDAY, a retailer of furniture and home furnishings. Building on the strong brand recognition its stores have established in the Kansai region, the company is combining the Group's original product planning and development expertise with its store operations platform to maximize synergies in the lifestyle category. It also aims to deepen co-creation with the Hankyu Hanshin Group.

https://wsl.world.co.jp/

Initiatives to Address Social Issues

Seeking to Further Pursue the Twin Goals of Diversity in Lifestyle Culture and a Sustainable Society Free of Losses and Waste

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WORLD Group's Sustainable Vision

Since its founding, the WORLD Group has believed in the power of fashion to bring smiles to people's faces.
It has also placed great importance on contributing to lifestyle culture and earning the trust of society.
Going forward, we aim to realize our dual vision: fostering greater diversity in lifestyle culture while realizing a sustainable society free of losses and waste.

We celebrate diversity. And we will continue to nurture the smiles that fashion brings to people's faces.

- For over 30 years, our Group has steadfastly upheld the importance of diversity in lifestyle culture, and we will continue to do so.
- Together, we strive to realize a sustainable society rich in diverse choices—continuing to bring more smiles to people's faces through fashion.

From the very start of production—through to use, and eventual disposal.

- We are tackling structural issues within the industry and, together with our partners, turning losses and waste into new value.
- Our responsibility does not end with production. We are building an ecosystem that looks ahead to how products are used and eventually discarded—making contributions with the entire lifecycle in mind.

What we can achieve alone is limited. We must go beyond individual companies and create together with society.

- Guided by the three pillars our Group has long valued—building a circular society, enhancing the competitiveness of domestic industry, and fostering a diverse society and lifestyle culture—we pursue initiatives that achieve a balance between the value gained by society and by the WORLD Group.

Creating an organization where individuals shine and knowledge is generated.

- At the heart of building a robust ecosystem are people and knowledge. We are building a foundation where individuals with diverse abilities and at various stages of life can thrive, while promoting co-creation with local communities and external partners. At the same time, to secure medium- to long-term competitiveness and enhance added value, we will continue to invest in acquiring intellectual property and expertise.

With integrity and sincerity.

- A society can only be built on fair and proper business practices. We are committed to realizing governance that embodies integrity and sincerity.

Overview of Sustainability Management

Balancing diversity and sustainability

Foundations to promote achievement of this balance

a. Autonomous evolution of the ecosystem, considering the entire lifecycle from use to disposal (realizing the SPARCS Vision*)

Platform Built for Continuity

With a view to the entire lifecycle—from the starting point of manufacturing through use and disposal—we will promote Group-wide initiatives aimed at realizing both diversity in lifestyle culture and a sustainable society free of losses and waste.

Building on the expertise cultivated across the Group, we will also provide diverse fashion to society.

b. Balancing diversity and sustainability together with society

Maintain and enhance the competitiveness of Japanese industry as a whole	Build a circular society	Create a diverse culture and society

c. Human capital management

Enhance knowledge accessibility (advance knowledge sharing)	∞	Optimize the workforce (improve productivity)	∞	Promote diversity	∞	Enhance engagement (strengthen organizational capabilities)

d. Governance

Promote sustainability through sound and competitive management structures and decision-making that enhance management transparency and are founded on compliance with laws, regulations, and social norms

* SPARCS Vision: SPARCS is an acronym for "Super," "Production," "Apparel," "Retail," and "Customer Satisfaction." It refers to a business model that transforms losses and waste into value through integrated operations ranging from retail to production with a customer-centric perspective.

Environmental Considerations

Approach Toward the Environment

The WORLD Group has established a sustainable vision that aspires to achieve the twin goals of "diversity in lifestyle culture" and a "sustainable society free of losses and waste." Leveraging our diverse brand and product lineup, along with our long-standing expertise in addressing environmental challenges, we aim to build a sustainable society while adapting to the increasingly diverse and segmented lifestyles and needs of our customers.

To achieve this, we have formulated three themes as our long-term vision: (1) build a sustainable value chain that does not impose burdens on society, (2) maximize resource value by eliminating losses and waste, and (3) contribute to a circular economy with a focus on product lifecycles. We have established medium-term goals linked to each theme and will focus on reducing environmental impact and enhancing environmental value. At the same time, we will build an ecosystem that considers the entire product lifecycle, from the start of manufacturing to usage and disposal.

	Medium-Term Goals	Key Initiatives	Progress (as of February 28, 2026)	2050 Target (Vision)	
CO_2 Emissions	Own impact: Reduce by **50%** by 2030 (compared to FY03/18)	• Introduction of renewable energy at offices and factories under direct energy contracts. For leased retail spaces and other facilities, renewable energy is introduced with the cooperation of property owners (e.g., shopping center operators) • Installation of LED lighting in offices, retail stores, and other facilities	**27%** reduction (compared to March 2018)	Building a sustainable value chain that does not impose burdens on society	Achieve net zero CO_2 emissions (carbon neutrality)
	Indirect impact: Reduce by **20%** per apparel product by 2030 (compared to FY03/22)	• Visualization of emissions reduction rates achieved by switching raw materials to sustainable alternatives • Development and sales of sustainable materials under the proprietary material brand CIRCRIC	Established a dedicated system for seasonal planning and performance management for the use of sustainable materials, together with a framework for real-time monitoring Sustainable material usage ratio for the autumn/winter 2025 season at 24.1%		Promote sustainable water management through collaboration with suppliers
Water Environment	Visualize the environmental impact on water resources until 2027 and set corresponding targets	• Visualization of water usage across operations	Completed visualization of water usage Promoted initiatives to reduce environmental impact in the dyeing and raw material selection processes for apparel products		
Product Disposal	By FY02/26, achieve **zero** disposal of unsold apparel inventory; in addition, reduce waste from non-apparel products through recycling and other initiatives	• Development of products adapted to climate change, pricing aligned with consumer needs, appropriate purchasing and inventory control, and promotion of final sell-out through outlets and special events	**60,000 items/year** disposed of (**8** apparel items discarded in February 2026)	Maximizing resource value by eliminating losses and waste	Eliminate the disposal of unsold product inventory ・Reuse ・Recycle ・Upcycle
Facility Waste	Reduce facility waste by **50%** by 2030	• Reduction of waste from leftover fabrics and other materials generated at in-house factories • Upcycling of leftover fabrics and threads	**65%** reduction (compared to March 2022)		
Avoided CO_2 Emissions	Increase avoided CO_2 emissions to more than **three times** the 2025 baseline by 2030 *Avoided CO_2 emissions are calculated as the CO_2 emissions that would have been generated if products equivalent to the number of items sold through circular channels had been manufactured new.	• Expansion of circular businesses	Expansion underway for RAGTAG and usebowl stores specializing in pre-owned apparel, as well as for off-price &Bridge stores	Achieving an industry-leading resource circulation rate	Promote the adoption of innovative technologies and the transformation of business models
Clothing and other items circulated	Collect and utilize **10 million items** per year by 2030	• Expansion of the World Ecoromo Campaign, which collects unwanted clothing from customers (see P. 40) • Implementation of the World Ecoromo Campaign on the Company's own e-commerce site	**3.83 million items/year** circulated (including 1.40 million apparel items collected, 1.57 million items resold through circular channels, and 0.86 million uniforms recycled)		

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Climate Change and Support for the TCFD Recommendations

In June 2022, the WORLD Group announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and published its own WORLD Sustainability Plan aimed at realizing a decarbonized society. We have established KPIs to achieve our targets (see P. 39) and are implementing related initiatives. As part of our climate change strategy, we referred to the TCFD recommendations to identify the risks and opportunities presented by climate change. We will continue to review the identified risks and opportunities based on scenario analysis and other assessments, while further evaluating their impact on earnings and funding plans. By explaining how these factors are reflected in our management strategy, we will demonstrate the resilience of the WORLD Group's strategy.

Climate-Related Risks and Opportunities

Category	Classification	Drivers	Risks and opportunities	Impact	Response
Transition risks	Policy and legal	Strengthened tax measures and regulations, including carbon taxes, and mandatory net zero measures	Increased production, store operating, logistics, and other costs	High	•Mitigate cost increases through measures such as promoting energy conservation and introducing renewable energy, and help curb production, store operating, and logistics costs through initiatives such as converting offices and stores to LED lighting
		Inadequate response to expanding sustainability-related disclosure requirements	Deterioration in stakeholder perceptions of companies that fail to disclose all information subject to mandatory disclosure	Low	•Progressively calculate GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol and periodically review the emissions reduction roadmap •Important matters have already been disclosed; continue responding appropriately going forward
	Industry and market	Changes in customer values and needs driven by increasing environmental awareness	Enhanced corporate value through social contributions, increased earnings from environmentally conscious products and services, and expanded collaborative initiatives	Low	•Create demand through reuse, recycling, sharing, and upcycling; manufacture and sell products using CIRCRIC, an environmentally conscious material; and expand the World Ecoromo Campaign—a program for collecting clothing and other items
Physical risks	Acute	Natural disasters caused by abnormal weather patterns	Decline in earnings due to supply chain disruptions (difficulties in procuring raw materials, production delays or stoppages), damage to business sites, and temporary store closures	Medium	•Strengthen resilience by enhancing business continuity planning (BCP)
	Chronic	Rising average temperatures due to abnormal weather patterns	Higher costs resulting from the impact of climate change on raw material production	High	•Disperse procurement risk and utilize alternative materials
			Decline in revenue due to delayed responses to climate change and lower revenue from heavy winter apparel	Medium	•In response to climate change, strengthen the development and commercialization of highly functional materials, including hot-autumn product planning, ICE CLEAR COTTON as a functional material for summer, and HOKAURU as a functional material for winter

Highlights

World Ecoromo Campaign

eco romo

Since autumn 2009, World has run the World Ecoromo Campaign as part of its social contribution activities. The campaign is designed to make full use of the value of clothing through reuse and recycling, without letting it go to waste. We collect unwanted clothing that has been lying unused in customers' drawers and closets, circulate it through reuse and recycling, and use the proceeds to support the future of children.

STELAPOP: A Recycled Material Made by Upcycling Textile Waste

Asplund Co., Ltd., which manufactures and sells furniture, has commercialized and now sells STELAPOP, a panel product for furniture and building materials developed by upcycling textile waste. STELAPOP is used in furniture and fixtures for commercial facilities, as well as decorative plywood.

Hirakata City Ogura Elementary School × World Ecoromo Campaign

From September 2025 to January 2026, Hirakata City Ogura Elementary School in Osaka Prefecture hosted the World Ecoromo Campaign, a student-led clothing collection initiative, together with workshops on upcycling. Proceeds from the collected clothing were donated to Hirakata City Central Library's "Delivering Books to Children" program, contributing to the enhancement of the reading environment for children in the local community.

"be released": An Upcycling Brand

World's upcycling brand "be released" creates new value from garments brought to RAGTAG that could not be assigned a purchase price but were accepted at customers' request. These garments are upcycled into products with renewed value by applying the sewing skills of the Company's sewing specialists and the dyeing and processing techniques of its domestic factories.

REMAKE CREATION JAPAN

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Human Capital Management

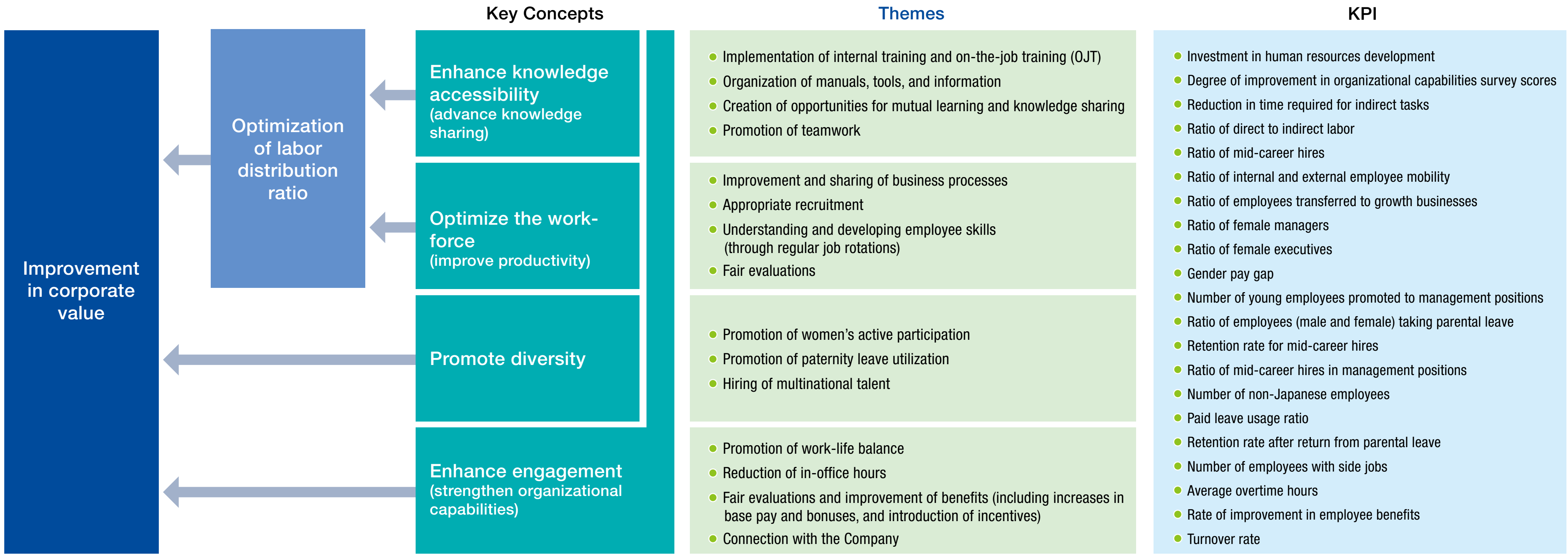
WORLD Group's Approach Toward Human Capital Management

A critical factor that has helped lead the Group to success has been an adaptable workforce. To keep up with the fast-changing trends of the fashion industry, we have consistently adjusted our business models without hesitation, explored new production and sales channels, and built and adopted cutting-edge systems since our founding. We have assembled a team that is capable of keenly anticipating changes, embracing them with a positive attitude, and responding flexibly, and this has proved a major strength of the Group. To further enhance our human capital management with this strength at its core, we have established the following key concepts: "enhance knowledge accessibility (advance knowledge sharing)," "optimize the workforce (improve productivity)," "promote diversity," and "enhance engagement (strengthen organizational capabilities)."

A distinctive feature of the Group's human capital management is its integration with our medium-term business strategy. To achieve our ROE target of 12% or higher and establish the WORLD Fashion Ecosystem—two goals defined in our medium- to long-term roadmap—we have set KPIs for each of the aforementioned key concepts that are connected to our business strategy and growth trajectory.

All our employees are encouraged to clearly link their work to the growth of our businesses, leveraging their talents and skills in actions to achieve our goals. World, in turn, ensures that their achievements are properly recognized. Through this cycle, we aim to enhance employee engagement, thereby driving sustained growth in corporate value.

Human Capital KPIs Linked to Financial Value



Aligning Management Strategy with Human Resources Portfolio

To achieve our vision, we are promoting a human resources strategy that is linked to our management strategy. As our operations diversify, we believe it is essential to offer a variety of positions and career paths, while also enhancing the dynamism of our workforce. In addition, we promote individualized training and career development for employees, providing more opportunities for them to thrive.

Diverse Positions and Career Paths Aligned with Businesses

B2C business careers

- Sales professionals who serve as the face of the Group and engage directly with customers
- Careers as specialists in store operations or with responsibility for store management
- Careers that contribute to enhancing brand value through brand planning and development, merchandising (MD), sales promotion, and e-commerce site operations
- Careers in which employees leverage their experience and expertise as designers, pattern makers, and other specialists

Circular business careers

- Careers in the reuse and secondary distribution businesses, with responsibility for functions such as buying, sales, and sales promotion

Business company management

- Training future Group executives by allowing them to gain management experience at various subsidiaries

B2B business careers

- Careers that leverage the expertise and systems cultivated by World over many years in areas such as store development, spatial design, production, merchandise sourcing, and human resources operation
- Careers responsible for online site operations, digital marketing, IT-enabled solution development, AI platform services, and related functions

Corporate staff careers

- Careers that contribute to maximizing the Group's value through functions such as finance and accounting, legal affairs, human resources, investor relations (IR), public relations, and IT planning

Regular Initiatives to Assess Employee Status and Support Talent Development

Career consultation | Talent development report | Internal recruitment system | Regular job rotation

Building a Group-Wide Talent Development Framework

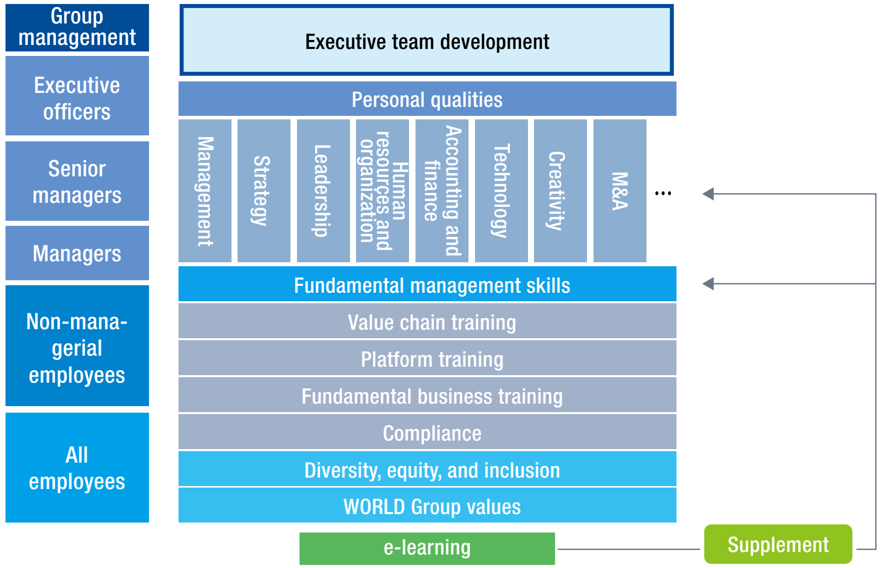
Beginning in FY02/24, we launched a full-scale initiative to create opportunities for senior executives to revisit the importance of developing people, engage in serious discussions on talent development, confront essential issues, and help raise the overall level of the Group's talent base. The Group Talent Development Committee, where senior executives hold in-depth discussions on talent development across the Group, serves as the centerpiece of this initiative.

Group Talent Development Committee

To promote the development and identification of talent across the Group, we hold quarterly Group Talent Development Committee meetings, where senior executives discuss and make decisions on matters such as next-generation leaders, young talent, appointments, and job rotations.

Going forward, we will further strengthen senior executives' commitment to talent development by evolving our framework to evaluate senior executives on their ability to develop talent.

Overview of the WORLD Group's Talent Development Framework



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Human Capital Management

Human

Vision	Medium-Term Goals		Key Initiatives	Progress (as of February 28, 2026)
Enhancing knowledge accessibility	Investment in human resource development	Provide diverse learning opportunities	• Structured human resource development through the Group Talent Development Committee • Career investment through internal recruitment and job rotation • Use of an e-learning platform that enables anytime learning • Companywide deployment of an AI platform available for use at any time • Regular on-site guidance and training at stores by specialized departments • Promotion of training programs tailored to job types (e.g., factory training for merchandisers and designers, patternmaker training) and job levels (e.g., general staff, managers)	• Calculating investment in training based on training hours and on-the-job training (OJT) for employees following transfers
		Develop talent through business development	Human resource development through the hosting of NEXT WORLD, a business contest aimed at refining ideas for new business development	Held the **4th NEXT WORLD (2026)** business contest, focused on idea submissions
Optimizing the workforce	Offering diverse positions and career paths	Continue promoting cross-segment mobility and career path development	• Securing multiple career paths and making them more dynamic in line with business diversification	Implemented transfers through open recruitment, job rotations, and the Group Talent Development Committee to develop young talent, as well as strategic personnel transfers to growth businesses, including the Platform business
Advancing diversity	Ratio of female managers (section manager and above)	**45%** by February 2030	• Setting female manager ratio targets based on the male-to-female employee ratio at each company, and actively developing and promoting women into management roles • Regular roundtable sessions with female employees working across the Group • Conducting DE&I training for employees	**25.4%** *2
	Ratio of women in management positions *1	Align with workforce composition (approx. 80%) by February 2030		**67.7%** *2
	Paternity leave usage ratio	**100%** by February 2030	• Creating and disseminating a paternity leave guidebook for male employees • Promoting understanding of paternity leave among managers (e.g., through e-learning)	**60.7%** *2
	Ratio of employees with disabilities	Maintain employment rate above the legally mandated level	• Maintaining and improving workplace environments where employees with disabilities can thrive	**3.0%** *3
	Ratio of mid-career hires in management positions	Maintain **50%** or higher	• Continuing recruitment of a certain number of external candidates for managerial roles	**70.4%** *2
Strengthening engagement	Creating opportunities for recognition	Recognize and celebrate teams and individuals who put the Eight Cultures, which are part of the Group Values, into practice, with the aim of enhancing engagement	• Hosting the WORLD GROUP AWARD for all employees across the Group, recognizing and celebrating teams and individuals who have delivered results	Established new B2B award categories in addition to the previous framework centered on B2C job functions and teams; also introduced the new "Special Award: Team Challenge" to instill the Group Values
	Monitoring and improving organizational health	• Continue specific actions for monitoring and improvement • Review monitoring items in line with the times	• Regularly assessing organizational health through employee surveys and implementing concrete actions to address identified issues	Identified issues based on survey results, and formulated and implemented improvement measures

*1 Personnel serving in positions of responsibility within the organization (e.g., store managers)
*2 Figures for consolidated domestic companies including Right-on Co., Ltd., which joined the scope of consolidation on December 1, 2025
*3 Figures as of March 1, 2026.

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Highlights

Creating a Workplace Where Employees Can Balance Childcare and Work, Regardless of Gender

The WORLD Group has established a range of programs that enable employees to balance childcare and work, including a flexible working hours system, shortened work hours for childcare, and flexible working hours for childcare. In addition, parental leave among male employees is becoming increasingly common. As more men take an active role in childcare, understanding of the childcare responsibilities borne by women is also growing.

The WORLD Group currently employs 1,785 working mothers. By making use of a variety of programs suited to their individual lifestyles, they are successfully balancing childcare and work.

Voice

Store Manager at Tin Pan Alley Co., Ltd. Who Took Paternity Leave

The best thing about taking paternity leave was that my wife and I were able to share the understanding that we were raising our child together.

When I returned to the store, I was delighted to see a significant change. Not only did everyone warmly welcome me back, but I also felt that our team had become much more united. While I was away, the dynamic shifted from one where the store manager leads and the staff follow to one where the store manager and staff stand on the same footing and share the same perspective. I truly felt that we had developed a stronger sense that we are building the store together as a team.

Encouraging the Next Generation of Women La Mode President Mie Yonemoto Speaks at the Third Women's Empowerment Seminar

As part of the Group's diversity initiatives, the SDGs Promotion Office, which promotes women's empowerment, hosted the Third Women's Empowerment Seminar & Roundtable, featuring Mie Yonemoto, President of La Mode Co., Ltd. This initiative was launched in FY02/24 in response to comments from female employees such as, "We don't have role models," and "We would like to hear from women who are succeeding in careers close to our own." This was the third installment of the event.

"Take on the Challenge with Grace and Strength." World's Training Program for Developing Future Leaders

World provides a comprehensive training program after employees join the Company to develop future executive candidates who will continue to excel in leading the Group. Employees begin their careers in store sales—the foundation of the business—and, after gaining practical experience at multiple stores serving different customer segments and sales channels, are assigned to headquarters functions based on their aspirations and aptitude.

68th WORLD GROUP AWARD

On March 4, 2026, World held its 68th WORLD GROUP AWARD, an annual ceremony.

The event featured award presentations, a fashion show, and a celebratory reception, providing an opportunity for employees across the Group to share and reinforce a culture of recognition. Bringing together people from a wide range of business types and formats, the event celebrated individuals and teams that had achieved outstanding results, making it a special day that transformed their joy and passion into motivation for the future.

Expanding the Use of Generative AI

The WORLD Group has made Maison AI available as a standard AI platform that anyone can use, and provides seminars and other training programs on its use for employees across a wide range of levels and job functions.

Its applications are extensive, ranging from design creation and English translation of financial results materials to a chatbot for inquiries handled by the Management Accounting Section. Having established an environment where more than 2,000 headquarters employees use Maison AI, the next step is to create a workplace where everyone can use AI naturally and effectively.

Recognized as an Outstanding Organization of KENKO Investment for Health for the Second Consecutive Year

World was recognized under the Outstanding Organization of KENKO Investment for Health recognition program (2026, Large Enterprise Category), jointly administered by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi to promote health and productivity management. This marks the second consecutive year that the Company has received this recognition.

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Contribution to Society

Approach Toward Society

The WORLD Group aims to work with society to balance diversity and sustainability through activities centered around the themes of "building a circular society," "maintaining and enhancing the competitiveness of domestic industry as a whole," and "fostering a diverse society and lifestyle culture." We will also contribute to realizing a prosperous society that connects to the next generation by promoting initiatives that help create a brighter future for children.

We will continue to incorporate these initiatives into the business strategies of each Group company and pursue activities that create value for both society and the WORLD Group.

Focus Areas

Our initiatives are centered around three key themes that the WORLD Group has long valued.

A society that balances diversity and sustainability

Building a circular society

We are promoting collaboration with a wide range of stakeholders in order to expand activities toward building a circular society. At WORLD Group stores nationwide, and in collaboration with other companies, government bodies, and municipalities, we are conducting clothing collection campaigns. Furthermore, to establish the World Closed-Loop System, we are working to expand sales of the sustainable material brand CIRCRIC.

Maintaining the Domestic Industry as a Whole and Enhancing its Competitiveness

Since the 1970s, the WORLD Group has been committed to maintaining and expanding the domestic production base, including through business successions. Going forward, we will contribute to Japan and other regions by working to improve the sustainability of the fashion industry in collaboration with other companies, including by taking on production for other domestic and international brands.

Fostering a Diverse Society and Lifestyle Culture

As a company that proposes fashion products, we also consider it one of our social responsibilities to engage in activities that bring smiles to our customers' faces. We aim to create a society where everyone can enjoy fashion, express themselves, and discover new values. To achieve this, we are undertaking various activities with an eye toward future commercialization.

Vision	Medium-Term Goals	Key Initiatives	Progress (as of February 28, 2026)
Contributing to a society in which diversity and sustainability coexist	Building a circular society	• Establishing the World Closed-Loop System	• Expanded sales of CIRCRIC, the Group's sustainable material brand
	Maintaining the domestic industry as a whole and enhancing its competitiveness	• Contributing to the business continuity of domestic production factories	• Continued operation of directly managed domestic factories • Ensured business succession through the acquisition of domestic production factories
	Fostering a diverse society and lifestyle culture	• Regularly hosting upcycling events • Donating the proceeds from the World Ecoromo Campaign	• Regular upcycling events held, with 9,075 participants (in FY02/26) • Donated ¥9 million in proceeds from the World Ecoromo Campaign (FY02/26) Cumulative donations since 2011: ¥127 million Launched in-school clothing collection

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Management Structure That Supports Sustainable Growth

Human capital management initiatives aligned with management strategy are key to enhancing corporate value across the Group

Roundtable Discussion with Outside Members of the Board and the General Manager of the AI Initiative

Hidehiko Aoki
Outside Member of the Board
Chairman of the Board

Ryo Oishi
Outside Member of the Board

Chie Kamijo
General Manager of the AI Initiative, Corporate Strategy Division, World Co., Ltd.
COO, OpenFashion Inc.

Evolution of the Next-Generation Fashion Platform Accelerated by AIX

At the WORLD Group, which operates a diverse portfolio of businesses, advancing digital management in alignment with corporate strategy is central to enhancing corporate value. In this roundtable discussion, two outside members of the Board and the General Manager of the AI Initiative in the Corporate Strategy Division discuss how AI transformation (AIX) is accelerating the evolution of the next-generation fashion platform, as well as the role of governance in supporting that evolution, offering multifaceted perspectives on these themes.

How to Bring the Power of AI to Frontline Operations in Apparel and Fashion

—AI adoption is currently being championed across society. Viewed from outside the Group, however, there is strong interest in questions such as how AI can be applied to fashion, a field traditionally driven by aesthetic sensibility, and how far its practical application has actually progressed. Against this backdrop, the key question is how AIX contributes directly to enhancing corporate value and improving governance and capital efficiency. To begin, Mr. Oishi, from your perspective as a member of the Board, how do you view the current pace of decision-making?

Oishi I find the WORLD Group to be an exceptionally fast-moving organization. A key reason is that President Suzuki has a keen ability to identify both the areas that warrant investment and the AI technologies that should be pursued, and to bring them forward in a timely manner. The Board of Directors engages in substantive discussions, while the teams responsible for execution understand the message clearly and act on it—a healthy mechanism that is functioning effectively. Whenever I see the scale of actual budget allocations and proposals, I am struck by management's strong commitment. Because the vision is presented alongside specific proposals, appropriate investment decisions can be made in a timely manner.

Kamijo From my position overseeing AI implementation within the Corporate Strategy Division, another major driving force is President Suzuki's highly nuanced understanding of the latest technologies. Even when we encounter challenges, we are able to obtain prompt decisions and support through close communication, creating an environment in which frontline teams can drive initiatives forward with exceptional ease.

Translating IT Investments into Real-World Impact Through Coordination Between Top Management and Frontline Teams

—The WORLD Group brings together a diverse portfolio of brands. In such an organization, what kind of relationship should exist between top management and frontline teams in driving IT initiatives?

Oishi Companies that have successfully transformed themselves almost always have a structure that combines strong top-down commitment with active engagement from frontline teams. Both a strong commitment from the top and a high level of motivation among frontline employees to drive change themselves are indispensable. At World, both the members of OpenFashion Inc. and the IT teams responsible for day-to-day execution demonstrate a strong sense of ownership. I recently reviewed a security plan developed by the head of IT, and it was exceptionally well thought out and detailed.

That said, we must not lose sight of the reality that achieving deeper and broader adoption of these technologies takes time. The challenge going forward will be how to bridge the gap between expectations and reality. What matters is building a track record of successful use cases within frontline operations and reinvesting the human capacity freed up through greater efficiency into the B2B business and other growth businesses.

While recognizing the pressure from capital markets for short-term performance, we must also support decision-making that contributes to maximizing profits over the long term.

Kamijo From the perspective of frontline teams, I also believe that building up successful use cases is the key. AI will not take root simply by deploying tools. Our focus is on creating an environment where employees are naturally motivated to use AI and on establishing mechanisms to generate practical use cases that resonate with each job function. Following the launch of our proprietary generative AI tool, Maison AI, we spent the first year steadily conducting workshops and providing intensive hands-on support, including sessions in which employees logged into Maison AI and practiced image generation with our support. Transformation is not just about developing outstanding products; it is also about doing the hard, hands-on work required to ensure those products reach every corner of the organization. That persistent effort is the essence of transformation.

Oishi At the same time, from the perspective of an outside member of the Board, I pay close attention to security risks, including information leaks and the unintended use of company data to train external AI models. I have advised management that ensuring robust observability is essential. As a prerequisite, the Group must have mechanisms in place to maintain continuous visibility into potential threats across the Group, including IT asset inventories and cyber risks.

Lessons from the Dot-Com Bubble and the Contribution of Systematic Implementation to Business Performance

Aoki Mr. Oishi's point regarding risk management is extremely important. When I was working as a securities analyst in New York during the late 1990s and early 2000s, I witnessed both the rise and collapse of the dot-com bubble that accompanied the spread of the internet. A remark made by a consultant at the time—that "people tend to overestimate the short-term impact of technological innovation, while consistently underestimating its long-term impact in fundamentally transforming society"—resonates perfectly with today's AI boom. We should not allow ourselves to be swayed by short-term hype. The role of the Board of Directors is to maintain a long-term perspective and, with firm conviction, continue considering how, in medium- to long-term management, AI can be embedded deeply into the business and made an integral part of management.

Oishi I completely agree. Today, advances in AI are driving a structural shift on a global scale: skills are becoming commoditized, while human creativity is becoming increasingly valuable. In the past, advanced IT skills themselves commanded a scarcity premium. However, with the democratization of AI, even non-specialists can now accomplish a substantial range of tasks almost instantaneously. In other words, the value of skills alone is declining in relative terms. As a result, advantages derived simply from the number of engineers a company employs are being eroded. What will become increasingly valuable instead is human creativity—how to combine AI with specific operations to create distinctive value. In that sense, I believe one of World's greatest strengths is the abundance of people with exceptional creativity cultivated through many years in the apparel business.

Aoki The next phase is how to embed that increasingly valuable human creativity and individual expertise into organizational mechanisms. Rather than relying solely on a small number of highly capable AI specialists, the goal is to design standard operating processes in which employees benefit naturally from AI in the course of their day-to-day work, even if they have no specialized knowledge of AI themselves. If we can achieve this goal, it will have a positive impact across the board—from productivity and the SG&A ratio to, ultimately, capital efficiency metrics such as ROE and ROIC.

What we must avoid above all is evaluating short-term AI investments solely through the lens of short-term metrics. Doing so risks leading to the wrong conclusions. Even if there are periods when costs are incurred upfront and returns appear temporarily negative in the short term, we need to operate on the broader premise that these investments will deliver clear financial returns over the medium to long term. Management must commit to improving overall corporate performance, and we must support those efforts.

The Strength of a Platform That Simultaneously Drives Internal Deployment and External Sales

Kamijo Speaking of embedding capabilities into organizational mechanisms, we were able to create more than 120 specialized agents for Maison AI because the WORLD Group has such a broad business portfolio. In addition to back-office functions such as finance and human resources, World's diverse portfolio spans a wide range of fields beyond fashion, including interior goods and lifestyle products. It is precisely this diversity that allows new shared mechanisms to emerge through synergies across different operations. By standardizing and abstracting the underlying system architecture and combining it with AI, I believe it becomes possible to manage highly specialized design functions and reorganize operations while eliminating dependence on particular individuals.

We are currently offering Maison AI to customers outside the Group through OpenFashion Inc. Because we have deployed it extensively across a wide variety of operations within our own organization and continuously refined it through repeated iterations, we are able to present external customers with highly compelling, concrete solutions that directly address real-world operational challenges, such as strengthening sales capabilities at physical stores.

I have deliberately pursued internal validation and external market rollout in parallel, creating a cycle in which information flows freely in both directions between the two. Without exposure to external scrutiny, there is a risk of becoming too narrowly focused on mechanisms unique to World. The true vision of a platform provider is one in which both the B2C business and the B2B business grow by generating synergies with one another.

Oishi This story—leveraging AI to amplify the expertise and skills cultivated through the B2C business and channeling that value as B2B solutions to other companies and to companies newly joining the Group through M&A—is the greatest competitive advantage of World's platform. Moreover, beyond simply using AI to optimize the vast volume of store and customer data held by the Group, I believe we will increasingly be able to visualize data on customer behavior before a purchase is made.

For example, AI-powered vision cameras can capture and visualize directly observed data on customer behavior, such as cases in which customers pick up a product in a store but ultimately put it back without making a purchase—information that is not captured in conventional customer data. The system is designed to accurately feed customer insights and underlying reasons back to manufacturing and design teams, such as identifying situations where a customer may have been attracted by the design but decided not to purchase because of the feel of the material. This kind of update to data-driven management, enabled by the effective use of such data, is an important and sound approach to creating greater added value going forward, and it is a topic that the Board of Directors is also discussing in depth.

Division of Roles Between Humans and AI: A Return to "Made by Human"

Aoki The more advanced the technological infrastructure becomes, the more important it is to make sound judgments about what should be done by humans and what should be done by AI.

Oishi I couldn't agree more. AI is not a panacea. It can make errors with confidence, and it often overlooks counter-intuitive perspectives. Simply handing off the design of a new garment to AI will not produce a product that truly resonates with people. Precisely because clothing is something worn by people, the brand value of products created through human hands and human sensibility—"Made by Human"—will, if anything, be valued more highly and continue to grow in the years ahead.

For that reason, operational areas—ranging from routine tasks to marketing and back-office administrative functions—should be entrusted to AI as extensively as possible to drive efficiency. The resources freed up as a result should then be concentrated on the most creative domains that touch the human heart—in other words, the aspects of the apparel business that only humans can deliver. The goal is to create an environment in which AI is embedded seamlessly into every operation, almost like the air we breathe, while shifting our talent portfolio toward the areas that are most distinctly human and, in doing so, driving stronger business performance. That is what it means to be a true AI company.

Kamijo The role of AI is not to be confined to individual tools, but to permeate every corner of the platform as infrastructure across industries. Against that backdrop, I believe AI can play two distinct roles: raising the baseline capabilities of the organization as a whole to a certain level, and further enhancing the capabilities of people who are already strong performers.

When people hear the term "creativity" in fashion, many tend to think of designers. Yet outstanding sales associates also engage in highly creative interactions with customers. AI should be used to free people from routine task- and skill-based work and help shift work as a whole toward a more creative mode—one in which people draw inspiration and think about the next move.

My own role, as a domain specialist with firsthand knowledge of apparel production, is to connect specialists across different functions—including pattern makers, designers, merchandisers, and sales staff—while orchestrating their respective strengths and redesigning teams, new types of roles, and operational structures so that everyone can contribute value most effectively. I believe that if we can embed the strengths of AI-enabled orchestration into the management model itself, rather than pursuing optimization in individual silos, this vast diversified platform can evolve even further.

Corporate Governance That Supports Management's Animal Spirits

Oishi To ensure that uniquely human capabilities such as the "division of roles" and "orchestration" function properly, I believe that a company's philosophy will take on far greater importance in the years ahead as a firm basis for decision-making. Without a clear philosophy and strong ethical principles embedded at the core of the organization, it will become impossible to make the right decisions in the face of a tool as powerful as AI.

Aoki I completely agree. I teach business ethics at a university, and from my own experience, I have seen how learning the principles that underpin decision-making can dramatically change the way people perceive and interpret events. The same applies in the practice of corporate management. Unless a fundamental philosophy regarding how people and organizations should conduct themselves is shared throughout the organization, it is impossible to harness a powerful tool like AI in the right way.

Another particularly interesting idea emerged in a lecture on finance and corporate governance: equipping both the management oversight side and the executive management side with their own AI systems, and having the two sides debate one another from first principles. If this approach could be incorporated into the assumptions underlying such discussions, it could significantly improve the accuracy and transparency of decision-making. It also has the potential to bring about a structural transformation in the way Board governance is conducted.

Oishi That is an extremely thought-provoking idea. In management discussions, AI could present the objective logic of "this is what the conclusion would be if we followed the theory," free from the subjective biases and constraints that inevitably affect human judgment, and that logic could then be incorporated into the starting assumptions of the discussion. This approach could dramatically enhance the transparency of management and the accuracy of decision-making. It also has significant potential to bring about structural change in the very nature of governance.

Kamijo From the perspective of someone leading frontline operations, it is also extremely reassuring to see such objective discussions taking place at the Board level, the company's highest decision-making forum. I feel that discussions of this kind will serve as a major driving force in further accelerating the pace of transformation on the ground.

Aoki The essential role of the Board of Directors is not simply to ensure compliance or eliminate risk. As explicitly stated in Japan's Corporate Governance Code, its most important role is to appropriately support management's animal spirits and encourage actions that create corporate value. Particularly in this period of profound change, when new technologies such as AI are fundamentally reshaping the way we work, the Board must avoid stifling new challenges and visions emerging from frontline teams—or extinguishing management's animal spirits altogether—through excessive risk aversion. President Suzuki himself has a deep understanding of technology and is a leader who wants to drive transformation proactively. Our role as members of the Board is therefore to support those challenges through appropriate governance.

Of course, if I were to point to a current challenge, it would be this: while World maintains every stage of the value chain in-house—from planning, production, sales, and logistics to IT—we still need to further strengthen the capabilities of each individual operation on the front lines. After all, there is little point in having all the functions of a full value chain if the individual platform elements lack distinctive strengths or have only limited unique competitive advantages.

Unlike a business model in which a single large brand floods the market with large volumes of individual products, we seek to express the unique worldviews of a diverse portfolio of brands through shared platforms. I am convinced that deeply integrating this "offensive governance" with the "increasingly valuable human creativity" found on the front lines, and translating that into sustained enhancement of corporate value over the medium to long term, will serve as a reliable compass for the WORLD Group as it seeks to maintain and develop its sustainable competitive advantage.

WORLD

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Corporate Governance

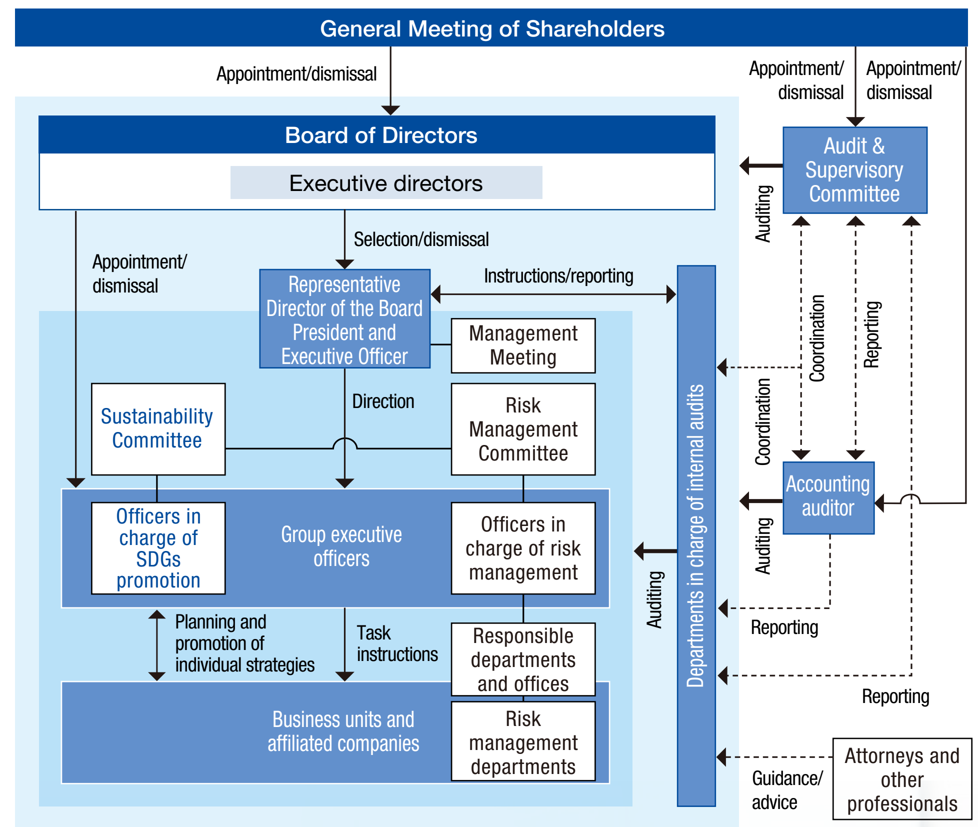
Basic Approach

Our basic approach toward corporate governance is to continuously enhance corporate and shareholder value by increasing management transparency and establishing a sound and competitive management organization, along with a corresponding decision-making framework, in compliance with laws, regulations, and social norms. We have adopted the structure of a company with an Audit & Supervisory Committee to establish a monitoring board model in which the executive team manages the Company, while the Board of Directors focuses on overseeing business execution and management bodies.

History of Strengthening Corporate Governance

FY2015	• Transitioned to a company with an Audit & Supervisory Committee • Transitioned to a structure that separates supervisory and executive functions
FY2016	• Transitioned to a Board of Directors structure with a majority of outside members
FY2017	• Established voluntary Nomination & Compensation Committee
FY2018	• Appointed the first female outside member of the Board (member of the Audit & Supervisory Committee)
FY2024	• Increased the total number of female outside members of the Board (including members of the Audit & Supervisory Committee) to three • Appointed an outside member of the Board as the Chair of the Board of Directors

Corporate Governance Structure

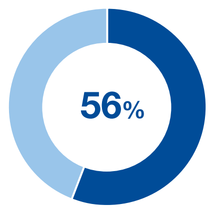


Overview of Major Governing Bodies

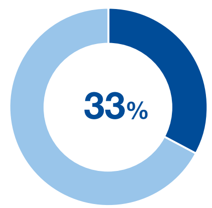
Board of Directors

The Board of Directors fulfills the responsibilities set forth in laws, regulations, and our Articles of Incorporation, while making strategic decisions and providing oversight of business execution as our highest decision-making body. World considers the appropriate number of members to ensure active deliberation and nominates candidates from both inside and outside its organization. The candidates are selected based on criteria such as extensive management experience, broad insight, high degree of specialized expertise, strong character, and ethical views. They are appointed by resolution of the General Meeting of Shareholders in an effort to maintain the diversity of the Board and secure an overall optimal balance of knowledge, experience, and skills for the Company. To ensure independence, the majority of the Board is composed of outside members, with five of the nine members, including the Chair, being outside members.

▸ Composition



Independence: Ratio of outside members



Diversity: Ratio of female outside members

Key Initiatives in FY2025

- Deliberation and resolution on the medium-term management plan
- Deliberation and resolution on M&A deals
- Reports and discussions on the operational status of the internal control systems
- Reports and discussions on SDGs and human capital management
- Meetings to exchange opinions with business managers (four times/year)
- Site visits to Group factories and stores (three times/year)

Audit & Supervisory Committee

The Audit & Supervisory Committee, which is composed of a majority of independent outside members of the Board, is responsible for supervising the execution of duties by Board members. Furthermore, in collaboration with internal audit departments and the accounting auditor, the Committee audits the effectiveness of the Group's internal control systems based on its annual audit plan, and, when necessary, can request reports from members of the Board, executive officers, and executive departments of the Company and its Group companies.

Full-time members of the Audit & Supervisory Committee attend important meetings such as Management Meetings and Risk Management Committee meetings, where they can gather information related to business execution and provide input as needed.

Key Initiatives in FY2025

- On-site audits of subsidiaries, key departments of the holding company, stores, distribution centers, and other locations in collaboration with internal audit departments
- Reporting by and exchanges of opinion with the accounting auditor, internal audit departments and internal whistleblowing reports
- Semi-annual opinion exchange meetings with the Representative Director and outside members of the Board
- Audits of companies that recently became wholly owned subsidiaries, including MC Fashion Co., Ltd., Right-on Co., Ltd., and Narumiya International Co., Ltd.

Nomination & Compensation Committee

The voluntary Nomination & Compensation Committee is composed of six members: five independent outside members of the Board and the Representative Director of the Board, President and Executive Officer. A majority of the members are independent outside members of the Board, and the Committee is chaired by an independent outside member of the Board. In accordance with the procedures set forth in the Committee's regulations, the Committee deliberates and decides on draft proposals for candidates for members of the Board (including those who are members of the Audit & Supervisory Committee), matters related to the selection and dismissal of the Representative Director of the Board, President and Executive Officer, and matters related to succession planning (including training). It also deliberates on matters related to individual compensation amounts for members of the Board (excluding those who are members of the Audit & Supervisory Committee), as well as other matters related to the compensation of members of the Board or other executive management. In FY2025, the Committee held six meetings.

Risk Management Committee

The Risk Management Committee, organized under the leadership of the Representative Director of the Board President and Executive Officer, appoints responsible officers and departments, and promotes our Compliance and Risk Management Program across the WORLD Group.

The Committee serves as a body that advances risk management for the entire Group, deliberating on issues and measures related to the promotion of risk management.

Sustainability Committee

The Sustainability Committee, organized under the leadership of the Representative Director of the Board, President and Executive Officer, appoints responsible officers and departments, and promotes basic policies and initiatives related to sustainability. The Board of Directors receives regular reports from the President and the Sustainability Committee, and provides oversight and supervision.

Evaluation of Board Effectiveness

To further enhance the effectiveness of its Board of Directors, World conducts an annual self-evaluation through a questionnaire completed by all members of the Board. This evaluation covers the composition, operation, deliberation status, and other relevant aspects of the Board. Based on the results, the Company analyzes and assesses the Board's effectiveness.

Questionnaire Topics	• Board composition • Board operation	• Board deliberation • Board roles and responsibilities	• Board support • Other

Evaluation for FY02/25

Evaluation Summary

- The Board of Directors is composed of a majority of outside members and is chaired by an outside member, ensuring a highly objective and independent governance structure. Under this system, open, vigorous, and constructive discussions and exchanges of opinions are conducted, and the Board as a whole is functioning effectively and appropriately.
- Taking into account the skill mix required to respond to changes in the business environment, efforts were made to further optimize the diversity and balance of members of the Board.
- Opportunities to deepen understanding of on-the-ground business operations (such as through opinion exchange sessions and site visits) are appropriately provided to outside members of the Board, along with other relevant information. In addition, appropriate opportunities are ensured for outside members to request additional information from the Company.
- For important matters such as M&A activities, reporting is appropriately provided from the early stages of consideration, and opportunities for discussion are ensured.
- By offering observations and advice based on their individual expertise, outside members of the Board with diverse backgrounds contributed in a more specific and multifaceted manner, which led to deeper and more active discussions.

Challenges and Issues

- Feedback was provided mainly regarding operational improvements to the Board of Directors (such as earlier provision of materials and more substantial deliberation time), enhanced discussions on compliance and internal controls, and efforts to further secure opportunities for collaboration and information sharing among members of the Board.
- Issues identified through the evaluation will continue to be addressed and improved on an ongoing basis.
- An annual self-evaluation is conducted regularly through questionnaires and other methods, and the results are analyzed and assessed to further enhance the effectiveness of the Board.

Evaluation for FY02/26

Evaluation Summary

- The Board of Directors is composed of a majority of outside members and is chaired by an outside member, ensuring a highly objective and independent governance structure. Under this system, open, vigorous, and constructive discussions and exchanges of opinions take place, and the Board functions effectively and appropriately.
- The frequency of Board meetings, the number of agenda items, and the time allocated for deliberations are appropriately determined, and meeting proceedings are properly managed.
- Steps were taken to further enhance the provision of various types of information and opportunities relating to management, business operations, and other matters necessary for outside members to fulfill their roles and responsibilities, including opinion exchange meetings, site visits, attendance at policy briefing sessions, and the sharing and discussion of the medium-term management plan. Steps were also taken to enhance opportunities for information sharing among outside members.
- For important matters such as M&A activities, reports are appropriately provided from the early stages of consideration, and opportunities for discussion are ensured.
- A certain degree of improvement was confirmed in the operational aspects of the Board of Directors that had been identified as issues in the FY02/25 evaluation, such as the earlier provision of materials and the allocation of more time for deliberations.

Challenges and Issues

- Views were expressed regarding the need to further enhance information sharing and discussions on compliance and internal controls, the need for regular reporting on post-M&A progress, and other matters.
- Efforts to address the issues identified through the evaluation will be further enhanced, both within and outside the Board of Directors, and continuous improvements will be pursued going forward.
- A self-evaluation is conducted annually through questionnaires and other methods, and the results are analyzed and assessed to further enhance the effectiveness of the Board.

Executive Compensation

Basic Policy

The compensation for members of the Board is allocated to each member within the total amount determined by the General Meeting of Shareholders, distinguishing between members of the Board who are not members of the Audit & Supervisory Committee and those who are. This allocation is decided by the Board of Directors following approval by the voluntary Nomination & Compensation Committee, which consists of a majority of outside members of the Board. However, the compensation for members of the Board who are members of the Audit & Supervisory Committee is determined through discussions among those members.

Compensation consists of a combination of four types: (1) base compensation, (2) bonuses as performance-linked compensation, (3) restricted stock as non-monetary compensation, and (4) restricted performance share units. However, for members of the Audit & Supervisory Committee and outside members of the Board, in light of the nature of their roles, which do not involve efforts to enhance profit, only base compensation (1) is provided, and none of the compensation types described in (2) through (4) above are granted under the current policy.

The details of each type of compensation described in (1) through (4) above are all approved by the voluntary Nomination & Compensation Committee. The ratios (composition) of these types of compensation are resolved by the Board of Directors following approval by the voluntary Nomination & Compensation Committee.

Determination Policy	
Base compensation	For fixed compensation, a predetermined amount is paid monthly as base compensation, in accordance with each position.
Performance-linked compensation	Bonuses as performance-linked compensation are paid in May of the following fiscal year. The amount is calculated by applying a coefficient—based on indicators such as consolidated core operating profit, profit attributable to owners of parent, and the achievement level of ESG targets—to a standard performance-linked bonus value set for each position.
Restricted stock as stock compensation	Restricted stock (RS) is granted at a designated time each fiscal year as stock compensation in an amount determined according to the recipient's position. In principle, the transfer restriction is lifted immediately after the recipient resigns or retires from a position designated in advance by the Company's Board of Directors from among the positions held by officers and employees of the Company.
Restricted performance share units	Restricted performance share units (PSUs) are granted as stock compensation to eligible members of the Board who held a position designated in advance by the Company's Board of Directors during the performance evaluation period. The number of PSUs granted after the end of the performance evaluation period is calculated using a prescribed method. In principle, the transfer restriction is lifted immediately after the eligible member resigns or retires from a position designated in advance by the Company's Board of Directors from among the positions held by officers and employees of the Group.
Compensation composition ratios	The details of bonuses as performance-linked compensation, restricted stock (RS) as non-monetary compensation, and restricted performance share units (PSUs) are all approved by the voluntary Nomination & Compensation Committee. The composition ratios of these types of compensation are also approved by the voluntary Nomination & Compensation Committee, based on the basic policy outlined on the next page, and subsequently determined by resolution of the Board of Directors.

Category	Basic Policy			
	Base compensation	Bonuses	Restricted stock (RS)	Restricted performance share units (PSUs)
Members of the Board (excluding members of the Audit & Supervisory Committee and outside members of the Board)	33%	10%	7%	50%
Members of the Board (Members of the Audit & Supervisory Committee) (excluding outside members of the Board)	100%	0%	0%	0%
Outside members	100%	0%	0%	0%

Note: Based on the ratios set forth in the basic policy, the compensation ratios are adjusted in light of economic conditions and, following approval by the voluntary Nomination & Compensation Committee, are determined by resolution of the Board of Directors.

Total Compensation Amounts for Officers in FY2025

Category	Total compensation amount (millions of yen)	Total amount by compensation type (millions of yen)				Number of eligible officers
		Base compensation	Bonuses	Restricted stock	Stock-option-based compensation	
Members of the Board	178	136	–	30	11	7
(of which, outside members)	(31)	(31)	(–)	(–)	(–)	(4)
Members of the Board (Members of the Audit & Supervisory Committee)	36	36	–	–	–	3
(of which, outside members)	(18)	(18)	(–)	(–)	(–)	(2)
Total	214	172	–	30	11	10
(of which, outside members)	(49)	(49)	(–)	(–)	(–)	(6)

Notes: 1. The table above includes one member of the Board (an outside member) who retired at the conclusion of the 67th Ordinary General Meeting of Shareholders held on May 27, 2025.
2. The total compensation amount for Board members does not include the employee salary portion for members who concurrently serve as employees.
3. Indicators used when providing bonuses as performance-linked compensation include the financial metrics of consolidated core operating profit and profit attributable to owners of parent, along with key non-financial ESG indicators such as CO_2 reduction. These bonuses are designed to serve as incentives for improving earnings performance and corporate value. In FY02/26, consolidated core operating profit was ¥16,407 million, and profit attributable to owners of parent was ¥12,013 million. The amount of bonuses shown in the table above reflects the provision for bonuses for FY02/26.
4. The maximum monetary compensation for Board members (excluding those who are Audit & Supervisory Committee members) is ¥400 million per year (including ¥30 million for outside members), as resolved at the Ordinary General Meeting of Shareholders held on June 9, 2015. At the conclusion of this meeting, the number of Board members (excluding those who were Audit & Supervisory Committee members) was five (including two outside members). Furthermore, bonuses for Board members (excluding those who are Audit & Supervisory Committee members) are paid within the aforementioned compensation limit of ¥400 million per year.
5. The maximum monetary compensation for Board members who are Audit & Supervisory Committee members is ¥80 million per year, as resolved at the Ordinary General Meeting of Shareholders held on June 9, 2015. At the conclusion of this meeting, the number of Board members who were Audit & Supervisory Committee members was three.
6. At the Ordinary General Meeting of Shareholders held on June 15, 2018, the compensation amount for restricted stock granted to Board members (excluding outside members and those who are Audit & Supervisory Committee members) that may be allocated (up to ¥40 million per year) within the aforementioned annual amount of ¥400 million, and related details were resolved. At the conclusion of this meeting, the number of Board members (excluding outside members and those who were Audit & Supervisory Committee members) was three.
7. The compensation amount and related details for stock acquisition rights issued as stock compensation-type stock options to Board members (excluding outside members and those who are Audit & Supervisory Committee members) were approved at the Ordinary General Meeting of Shareholders held on May 27, 2025. The compensation amount was set at up to ¥400 million per year under a separate framework from the aforementioned annual compensation limit of ¥400 million. At the conclusion of this meeting, the number of Board members (excluding outside members and those who are Audit & Supervisory Committee members) was three, and the number of Board members eligible for the stock compensation-type stock options was two.
8. The Company grants restricted stock (RS) as stock compensation to Board members (excluding outside members and those who are Audit & Supervisory Committee members). RS is granted at a designated time each fiscal year in an amount determined according to the recipient's position. The transfer restriction is lifted after the three-year restriction period has elapsed, provided that the relevant Board member has completed the full one-year term of office. A total of 14,520 shares of RS have been granted to three Board members (excluding outside members and those who are Audit & Supervisory Committee members).
9. The Company provides Board members (excluding outside members and those who are Audit & Supervisory Committee members) with stock compensation-type stock options as performance-linked compensation. These stock options, which constitute non-monetary performance-linked compensation, are granted to Board members in amounts determined according to their respective positions. The purpose of these stock options is to improve the compensation, benefits, and sense of belonging of Board members (excluding outside members), while strengthening executive officers' incentives and commitment to improving the Group's performance and increasing its share price, thereby enhancing corporate value, employee value, and shareholder value in an integrated manner. In accordance with the resolution of the General Meeting of Shareholders concerning their issuance, these stock options are designed so that the number of stock acquisition rights that become exercisable varies in line with the market price of the Company's common stock. The details and amount of the stock compensation-type stock options, as well as the timing and conditions of their provision, are determined in response to changes in the business environment and based on the recommendations of the voluntary Nomination & Compensation Committee, to ensure that they remain appropriate for their intended purpose. The actual result for the indicator in FY02/26 was ¥3,370. As of the final day of FY02/26, 850 stock acquisition rights, representing 85,000 shares, had been granted to two Board members (excluding outside members and those who are Audit & Supervisory Committee members).

Support System for Outside Members of the Board

As deemed necessary, World provides outside members of the Board with appropriate and timely information required for the execution of their duties, particularly through agenda items submitted to the Board of Directors. This ensures thorough deliberations at Board meetings. In addition to deliberations on proposals, we set aside time to offer explanations and other information on issues and situations to deepen their understanding of Group businesses and challenges.

Specific Initiatives

- Agendas and materials are shared approximately one week before Board meetings, and information on the agendas and materials for key internal meetings, including the Management Meeting, is distributed weekly.
- To further deepen their understanding of the Group's business challenges, personnel, organizational culture, and other matters, outside members of the Board participate in opinion exchange meetings with business heads, visit factories and stores, and attend business segment policy briefings, internal awards events, and other such events.

Policy on Reducing Cross-Shareholdings

World is progressively reducing its cross-shareholdings, and, in principle, aims not to hold such shares. However, we may hold shares of other companies for strategic reasons if we deem that doing so will help maintain trading relationships, create business opportunities, or otherwise contribute to an improvement in our medium- to long-term corporate value.

When exercising voting rights for cross-shareholdings, we comprehensively evaluate whether the proposals contribute to an improvement in the value of the partner company, consider the impact on our corporate value, and assess other relevant factors.

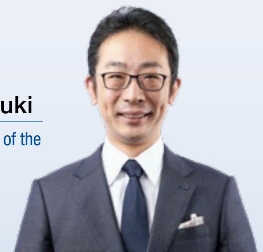
For cross-shareholdings held by our Group (including those acquired through M&A), the Board of Directors annually reviews the necessity and rationale for continuing to hold each stock. This review primarily considers the appropriateness of the holding purpose and the associated benefits and risks.

Group Governance

The Company has no listed subsidiaries. Narumiya International Co., Ltd., which was a listed subsidiary in FY02/25, was delisted on September 29, 2025, and became a wholly owned subsidiary on October 1, 2025. Right-on Co., Ltd., which was a listed affiliate in FY02/25, was delisted on February 26, 2026, and became a wholly owned subsidiary on March 1, 2026.

The Company also holds an equity interest in Laxus Technologies, Inc. (Tokyo Stock Exchange Growth Market), a listed affiliate of the Company.

Members of the Board (as of August 31, 2026)



Nobuteru Suzuki

Representative Director of the Board
President and Executive Officer

Mar. 1999	Joined Andersen Consulting Co., Ltd. (currently Accenture Japan Ltd)
Sep. 2004	Joined Roland Berger Ltd.
May 2010	Joined Enterprise Turnaround Initiative Corporation of Japan
Feb. 2012	Joined The Boston Consulting Group K.K.
Sep. 2012	Joined the Company
June 2014	Executive Officer, Executive General Manager of SPARCS Promotion Division
Apr. 2015	Managing Executive Officer, Executive General Manager of Structural Reform Headquarters
Oct. 2015	Managing Executive Officer, Executive General Manager of Structural Reform Headquarters, Executive General Manager of International Headquarters
Apr. 2017	Senior Managing Executive Officer, Responsible for Group Planning Headquarters and D-GROWTH Strategy Headquarters
Apr. 2018	Senior Managing Executive Officer, Supervising the Group strategies, Responsible for Group Planning Headquarters and D-GROWTH Strategy Headquarters
June 2020	Representative Director of the Board, President and Executive Officer (current position)
Sep. 2025	Senior Manager of the Corporate Strategy Division (current position)

Keiichi Nakabayashi

Member of the Board
Executive Vice President and Executive Officer

Apr. 1995	Joined Kankaku Research Institute Co., Ltd. (currently Mizuho Securities Co., Ltd.)
Oct. 1997	Joined SBC Warburg Japan Ltd. (currently UBS Securities Japan Co., Ltd.)
July 2003	Joined Industrial Revitalization Corporation of Japan
Jan. 2007	Joined Frontier Management Inc. as Executive Officer
Nov. 2011	Managing Executive Officer
July 2013	Joined the Company as Executive Officer, Deputy Executive General Manager of Corporate Management Headquarters
Dec. 2013	Executive Officer, Executive General Manager of Corporate Management Headquarters
Apr. 2015	Managing Executive Officer, Executive General Manager of Corporate Platform Headquarters
Apr. 2017	Managing Executive Officer, Executive General Manager of Group Support Headquarters
Apr. 2018	Managing Executive Officer, Supervising the Group financing, Responsible for Group Support Headquarters, Joint Representative of World Investment Network Co., Ltd.
June 2020	Executive Vice President and Executive Officer, Joint Representative of World Investment Network Co., Ltd.
May 2024	Member of the Board, Executive Vice President and Executive Officer (current position) Joint Representative of World Investment Network Co., Ltd. Director of NARUMIYA INTERNATIONAL Co., Ltd.

Mitsuyoshi Hatasaki

Member of the Board

Mar. 1987	Joined former World Co., Ltd.
June 1991	Member of the Board
June 1996	Senior Managing Member of the Board, Executive General Manager of Human Resources Headquarters
June 1999	Executive Officer, Head of Second Generation Middlemix Group
June 2002	WEL, Head of Sport Casual Group
Apr. 2008	WEL, Department Manager of Corporate Strategy Department of the Company
June 2013	Executive Officer, Deputy Executive General Manager of Corporate Support Headquarters
June 2017	Member of the Board (current position)

Hidehiko Aoki

Outside Member of the Board
Chairman of the Board

Apr. 1989	Joined Nomura Research Institute, Ltd., assigned to Investment Research Department
Jan. 1997	Seconded to Research Department of U.S. Nomura Securities International, Inc.
July 2000	Joined Goldman Sachs Japan Co., Ltd. Vice President of Research Department, Tokyo Branch
July 2005	Joined Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.) Managing Director of Research Department
Sep. 2017	Joined Nomura Securities Co., Ltd. Managing Director of Equity Research Department
Sep. 2020	Professor of Department of Management of Technology, Tokyo University of Science, Graduate School of Management (current position)
Dec. 2021	Outside Director of KATO SANGYO CO., LTD. (current position)
Aug. 2022	Outside Director of Butsuryukakumei Co., Ltd. (current position)
June 2023	Outside Member of the Board of the Company (current position)
May 2024	Chairman of the Board of Directors (Non-executive Director and Chair)
May 2025	Chairman of the Board of Directors (current position)

Members of the Board

Hayuru Tsutsumi

Outside Member of the Board

Jan. 1987	Joined BRITISH CALEDONIAN AIRWAYS LIMITED
Apr. 1988	Joined BRITISH AIRWAYS PLC
Sep. 1997	Joined Skymark Airlines Inc.
Sep. 1998	Joined ALC EDUCATION INC.
Sep. 2002	Joined NIHON L'ORÉAL K.K.
Mar. 2007	Joined Recruit Executive Agent Co., Ltd.
Nov. 2012	Representative Director of Hayuru Corporation Co., Ltd.
May 2014	Outside Director of LIFE CORPORATION
Aug. 2020	Representative of OFFICE HAYURU (current position)
May 2021	Auditor of Incorporated Educational Institutions, Osaka Jogakuin (current position)
May 2024	Outside Member of the Board of the Company (current position)
June 2026	Outside Member of the Board of Sumitomo Osaka Cement Co., Ltd. (current position)

Ryo Oishi

Outside Member of the Board

Apr. 1996	Joined Marubeni Corporation
Dec. 2000	Representative Director of Web Senka Limited (currently Serverworks Co., Ltd.)
May 2014	Outside Director of Sky365 Co., Ltd.
Dec. 2018	Representative Director, President of Serverworks Co., Ltd.
Dec. 2019	Director of BS Asset Management Co., Ltd. (current position)
Mar. 2024	Representative Director, President and Executive Officer of Serverworks Co., Ltd. (current position)
Mar. 2024	Outside Director of FUJIFILM Cloud Corp. (current position)
May 2025	Outside Member of the Board, World Co., Ltd. (current position)

Naoteru Matsuzawa

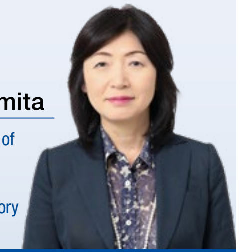
Member of the Board (Member of the Audit & Supervisory Committee)

Apr. 1984	Joined former World Co., Ltd.
Oct. 2001	Department Manager of Human Resources Planning Department
May 2007	President and Representative Director of Le Monde Des Gourmet Inc.
May 2011	Executive Manager of Fashion Cross Merchandising Store Business Department of the Company
May 2014	Deputy Executive General Manager of Human Resources Headquarters
Nov. 2014	Executive General Manager of Human Resources Headquarters
Apr. 2015	Executive Officer, Executive General Manager of Human Resources Headquarters
Apr. 2017	Senior Group Executive Officer, Executive General Manager of Group Human Resources Headquarters
Apr. 2018	Group Executive Officer, Executive General Manager of Group Human Resources Headquarters
Apr. 2020	Group Executive Officer, Executive General Manager of Group Support Headquarters
Apr. 2021	Group Executive Officer, Deputy Executive General Manager of Group Planning Headquarters
Jan. 2023	Group Executive Officer, Executive General Manager of Neo-economy Business Headquarters, Deputy Executive General Manager of Group Planning Headquarters
Apr. 2023	Group Executive Officer, Assistant to President
June 2023	Member of the Board who is a full-time Member of the Audit & Supervisory Committee (current position)

Kanae Fukushima

Outside Member of the Board (Member of the Audit & Supervisory Committee)

Apr. 2000	Assistant Judge at Tokyo District Court
Aug. 2004	Assistant Judge at Yokohama District Family Court Odawara Branch
Apr. 2005	Assistant Judge at Naha District Family Court
Apr. 2008	Assistant Judge at Tokyo District Court
Apr. 2010	Judge at Tokyo District Court
Apr. 2012	Judge at Kobe District Court
Apr. 2014	Judge at Tokyo High Court
Apr. 2016	Instructor at Judicial Research and Training Institute
Mar. 2019	Registered as an attorney at law (Dai-Ichi Bar Association)
Apr. 2019	Joined Utsunomiya Shimizu & Haruki Law Office
June 2022	Outside Director, Audit & Supervisory Committee Member of WOW WORLD Inc.
Aug. 2022	Corporate Auditor of iXs Co., Ltd.
Oct. 2022	Outside Director, Audit & Supervisory Committee Member of WOW WORLD GROUP Inc.
Jan. 2023	Partner of Utsunomiya Shimizu & Haruki Law Office (current position)
June 2023	Outside Member of the Board who is a Member of the Audit & Supervisory Committee of the Company (current position)
Dec. 2023	Public interest member of Tokyo Metropolitan Government Labor Relations Commission (current position)
June 2024	Corporate Auditor of Solasto Corporation
June 2025	Auditor, KATITAS Co., Ltd. (current position)



Naoko Tomita

Outside Member of the Board (Member of the Audit & Supervisory Committee)

Apr. 1988	Joined Mitsui Mutual Life Insurance Company (currently TAIJU LIFE INSURANCE COMPANY LIMITED)
Jan. 1994	Joined Tohmatsu & Co. / Deloitte & Touche LLP; New York
Feb. 1997	Joined IBJ Investment, Ltd.
Dec. 1999	Director and Chief Financial Officer of Crayfish Co., Ltd.
Sep. 2001	Joined General Electric International, Inc.
Aug. 2003	Joined Industrial Revitalization Corporation of Japan
Sep. 2004	Outside Director of OCC Corporation
Apr. 2007	Executive Adviser of Bandai Namco Holdings Inc.
Aug. 2015	Joined Deloitte Tohmatsu Financial Advisory Co., Ltd.
July 2016	Deputy Director and Chief Financial Professional Inspector of Research Planning Section No. 2. Planning and Management Division, Supervision Bureau, and Director of Financial Research Center of Financial Services Agency
Dec. 2019	Chief Financial Officer of DNX Ventures
Dec. 2021	Outside Director who is an Audit & Supervisory Committee member of WHI Holdings Co., Ltd. (current position)
Aug. 2022	Outside Director of INTELLEX Co., Ltd. (currently INTELLEX HOLDINGS Co., Ltd.) (current position)
May 2024	Outside Member of the Board who is a Member of the Audit & Supervisory Committee of the Company (current position)
Oct. 2024	Representative Director of Y&N Management Co., Ltd. (current position)
Apr. 2025	Professor of Faculty of Management and Economics, Graduate School of Business Innovation of Kaetsu University (current position)
Mar. 2026	Outside Director of Infomart Corporation (current position)

Members of the Board

The WORLD Group has established the corporate statement: "Always creating, sharing value. Always striving for more." Guided by this statement, we strive to build and implement systems that continuously deliver value to our customers, earn their empathy, and take on the challenge of constantly driving self-innovation in pursuit of new possibilities. To realize this vision and to ensure that our Board of Directors makes decisions and oversees management appropriately, we have organized the areas of expertise required of our Board members into a skills matrix.

The following summarizes the skills and experience possessed by the Company's Board members.

Name	Tenure	Gender	Current Position	Board Meeting Attendance	Corporate Management	Industry Knowledge	HR & Talent Development	Finance & Accounting	Legal & Risk Management	Digital & Innovation	Diversity & International Experience	Reason for Appointment
Nobuteru Suzuki	5 years 11 months	Male	Representative Director of the Board President and Executive Officer Senior Manager of the Corporate Strategy Division	14/14	●	●	●			●	●	Since joining the Company, Nobuteru Suzuki has consistently delivered results as a core member of the executive team through the development and execution of corporate strategies. His extensive insights are well aligned with the Group's strategies, and he has decisively demonstrated leadership in the structural reforms implemented to date. Mr. Suzuki has been reappointed to further strengthen the Group's position as a cutting-edge company that meets customer expectations and contributes to the fashion industry.
Keiichi Nakabayashi	2 years	Male	Member of the Board Executive Vice President and Executive Officer	14/14	●	●		●	●			Since joining the Company, Keiichi Nakabayashi has consistently delivered results as a core member of the executive team, primarily through the development and execution of financial strategies. Drawing on his experience as a securities analyst and management consultant, he has demonstrated strong execution capabilities and leadership in advancing the Group's financial and capital strategies. Mr. Nakabayashi has been reappointed based on the belief that his contributions will support the Group's efforts to enhance corporate value and increase satisfaction among all stakeholders—including shareholders, financial institutions, business partners, and employees—as a cutting-edge company.
Mitsuyoshi Hatasaki	8 years 11 months	Male	Member of the Board	14/14	●	●						Mitsuyoshi Hatasaki possesses diverse and extensive expertise in the Company's business operations, human resources, and administration. In connection with his external and public affairs activities—such as engagement with industry associations and real estate developers—he has served in key roles at various organizations and built a wide network of contacts. Mr. Hatasaki has been reappointed to contribute to the development of the Group and the fashion industry.
Hidehiko Aoki	2 years 11 months	Male	Outside Member of the Board Chairman of the Board	14/14		●		●			●	Hidehiko Aoki has amassed extensive experience as a securities analyst specializing in the retail and distribution industries, both in Japan and internationally. He has also served as an outside officer at a listed company, has in-depth knowledge of the Company's industry, and brings practical expertise in capital markets. Mr. Aoki has been reappointed with the expectation that he will contribute to enhancing corporate value by providing valuable advice and oversight to the Company's management, drawing on his wealth of experience and insights.
Hayuru Tsutsumi	2 years	Female	Outside Member of the Board	14/14	●		●				●	Hayuru Tsutsumi has experience in organizational and talent development, as well as in organizational management across various industries. She also has a proven track record in corporate management and has served as an outside director at a listed company. Ms. Tsutsumi has been reappointed with the expectation that she will play a meaningful role in providing appropriate advice to the Company's management, overseeing business execution, and contributing to other important areas.
Ryo Oishi	1 year	Male	Outside Member of the Board	10/11	●					●	●	Ryo Oishi has a wealth of experience and insights into cloud technologies and the cloud service business. Growth in the Company's digital business is essential, and Mr. Oishi has been reappointed with the expectation that he will contribute to enhancing corporate value by providing valuable advice and oversight to the Company's management.
Naoteru Matsuzawa	2 years 11 months	Male	Member of the Board (Member of the Audit & Supervisory Committee)	14/14 (Audit & Supervisory Committee 16/16)		●	●		●			Naoteru Matsuzawa has been involved in the Company's human resources and corporate management operations. From May 2011 to March 2023, he contributed to enhancing corporate value as the head of the Fashion Accessories and Household Goods Business, Human Resources Headquarters, Group Support Headquarters, and Group Planning Headquarters. Mr. Matsuzawa has extensive operational experience within the Company and broad knowledge of areas such as human resources and corporate management.
Kanae Fukushima	2 years 11 months	Female	Outside Member of the Board (Member of the Audit & Supervisory Committee)	14/14 (Audit & Supervisory Committee 16/16)			●		●		●	Kanae Fukushima has developed a high level of expertise throughout her career by handling civil, criminal, and administrative cases in family, district, and high courts since her appointment as a judge in 2000. She also has experience serving as an outside officer at listed companies. Ms. Fukushima is expected to contribute to the Company's management by drawing on her deep expertise and experience to ensure its sound and sustainable growth through oversight and audits. She is also expected to offer appropriate recommendations for decision-making regarding business execution and corporate governance.
Naoko Tomita	2 years	Female	Outside Member of the Board (Member of the Audit & Supervisory Committee)	14/14 (Audit & Supervisory Committee 16/16)	●			●			●	Naoko Tomita has gained a wide range of experience and insights through her role as a corporate manager. She is a U.S. certified public accountant and has also served as an outside director at listed companies. Ms. Tomita is expected to contribute to the Company's management by drawing on her broad insights and experience—mainly in accounting and finance—to ensure its sound and sustainable growth through oversight and audits. She is also expected to offer appropriate recommendations for decision-making regarding business execution and corporate governance.

Note: The list above does not represent all knowledge, experience, or expertise held by each individual.

Risk Management

Basic Approach

The WORLD Group constantly prepares for potential risks and emergencies, including natural disasters, from a business continuity perspective. To this end, we have created an internal organization to maintain a communication network, set up a Crisis Management Headquarters, and implement other necessary measures. Furthermore, we have created a Crisis Management Manual in an effort to inform Group employees about emergency response procedures. In the event of an emergency, the Crisis Management Headquarters, under the leadership of the President, will swiftly verify facts, investigate causes, decide on countermeasures, and address the situation.

If any risk materializes despite our crisis management organization, we will conduct thorough investigations to determine the causes, consider measures to prevent recurrence, and continuously introduce improvements.

Management Structure

The Risk Management Committee, organized under the leadership of the Representative Director of the Board, President and Executive Officer, appoints responsible officers and departments. It promotes our Compliance and Risk Management Program across the entire Group and deliberates on issues and countermeasures.

Our risk management regulations (Crisis Management Regulations) apply to the entire Group, and the Risk Management Committee comprehensively and integrally manages risks across the Group.
Our risk management departments manage the occurrence, responses, impacts, and other aspects of risks in a uniform manner as set forth in the Crisis Management Regulations.
Based on these regulations and our Risk Classification Manual, the Internal Auditing Department conducts audits and other evaluations.

Internal Control Systems

Basic Policy

The Board of Directors has resolved to establish the following systems (hereinafter "Internal Control Systems") to ensure the appropriateness of the Company's operations.

Development of Internal Control Systems

In accordance with the Companies Act and the Regulations for Enforcement of the Companies Act, World has developed the following Internal Control Systems.

Basic Policy on Development of Internal Control Systems

a. A system to ensure that the execution of duties by the Company's Board members and employees (including Group executive officers, hereinafter the same), as well as by the Board members and employees of the Company's subsidiaries, complies with laws, regulations, and the Articles of Incorporation
b. A system to preserve and manage information related to the execution of duties by the Company's Board members
c. Regulations and other systems to manage the risk of losses within the Group
d. A system to ensure that the Board members of the Group execute their duties efficiently
e. A system to report matters related to the execution of duties by Board members and employees of the Company's subsidiaries to the Company
f. A system to ensure the appropriateness of operations within the corporate group, which includes the Company, its parent company, and its subsidiaries
g. Matters related to employees who should assist the duties of the Company's Audit & Supervisory Committee, matters related to the independence of such employees from Board members (excluding those who are Audit & Supervisory Committee members), and matters related to ensuring the effectiveness of instructions from the Audit & Supervisory Committee to such employees
h. A system for reporting to the Company's Audit & Supervisory Committee by the Company's Board members (excluding those who are Audit & Supervisory Committee members) and employees, by the Board members and employees of the Company's subsidiaries, or by individuals who have received reports from these parties
i. A system to ensure that individuals who report to the Company's Audit & Supervisory Committee are not treated unfavorably as a result of their reporting
j. Procedures for the prepayment or reimbursement of expenses incurred in the execution of duties by the Company's Audit & Supervisory Committee, policies for handling other expenses or debts arising from the execution of such duties, and other systems to ensure that audits by the Audit & Supervisory Committee are conducted effectively
k. A system for the elimination of organized crime groups

Elimination of Organized Crime Groups / Basic Approach and Implementation Status

The WORLD Group Code of Conduct and our Basic Policy on Internal Controls set forth a basic policy of not maintaining relationships of any kind with organized crime groups. Our system for the elimination of organized crime groups is implemented as follows.

(1) Appointment of responsible department and officer responsible for preventing unreasonable demands
The Planning and Operation Department has been designated as the responsible unit, and officers tasked with preventing improper demands have been assigned to the Tokyo and Kobe offices.
(2) Collaboration with external specialized organizations
We collaborate with external specialized organizations such as the police, the Tokuboren (a public interest incorporated association within the Tokyo Metropolitan Police Department for preventing violent crime), and Prefectural Corporate Defense Measures Councils to seek guidance on dealing with organized crime groups.
(3) Collection and management of information on organized crime groups
The responsible department routinely collects and accumulates information on organized crime groups.
(4) Development of response manual
We regularly review and update our Manual for Dealing with Organized Crime Groups.
(5) Implementation of training activities
Through the Group's compliance training programs, we regularly educate employees on the basic approach toward, and response measures for, the elimination of organized crime groups.

Compliance

Basic Approach

The WORLD Group Code of Conduct applies to consolidated subsidiaries in Japan. Within our internal regulations, rules that can be standardized across the Group are established as common Group regulations. Our Code of Conduct and internal regulations serve as the foundation for promoting our compliance program throughout the WORLD Group.

Business Partner Code of Conduct

Management System

The Risk Management Committee is organized under the leadership of the Representative Director of the Board, President and Executive Officer. It appoints responsible officers and departments to promote our Compliance and Risk Management Program across the entire Group, and deliberates on issues and countermeasures.

Compliance Promotion Activities

World creates compliance programs tailored to the nature of duties and hierarchical levels of each position and continuously provides successive training opportunities. We regularly check and evaluate the level of group-wide awareness and adherence to our Code of Conduct. We review the overall compliance system of the WORLD Group in a timely and appropriate manner, aiming for further improvement and promotion.

Corporate Ethics Hotline (Internal Whistleblowing System)

World operates an internal whistleblowing system (Corporate Ethics Hotline) based on its Internal Whistleblowing Regulations. This system is designed to collect information on violations of the Code of Conduct, fraudulent activities, and other improper conduct, and to address reported cases.

The Corporate Ethics Hotline can be utilized for consultations when issues related to the Code of Conduct are difficult to resolve within the workplace, when it is inappropriate to consult with a superior, or for inquiries regarding the Code of Conduct. In FY2025, the hotline received 76 reports across the entire Group.

Number of internal whistleblowing reports received

FY2021	FY2022	FY2023	FY2024	FY2025	Total (five-year period)
59	58	55	43	76	291

Initiatives to Strengthen Compliance

The WORLD Group seeks to establish and evolve the "WORLD Fashion Ecosystem," a fashion business model that is unique in the world, as its medium- to long-term vision. By realizing fashion diversity and sustainability, we aim to continuously offer the joy of fashion to our customers in various forms.
To achieve sustainable and replicable growth and thereby realize our medium- to long-term vision, we need to pursue not only short-term profit growth but also steadily improve ESG-related management, which serves as the foundation of our management. We believe various factors will play an important role in this effort, including establishing the foundations necessary to balance and achieve both diversity and sustainability, which is in sync with the execution of our strategy for sustainable development goals (SDGs), and creating a virtuous cycle in which improvements in employee value help increase corporate value. In particular, we regard evolution driven by a diversification of governance as a top priority, and we are committed to consistently reinforcing proper governance.

To further instill the principle that "sound governance takes precedence over everything else," we conduct compliance training for officers and employees. In addition, we provide ongoing education and awareness activities on compliance, including workshop-style training tailored to the specific characteristics of individual business units, as well as training sessions targeted at management personnel.

We have introduced an internal whistleblowing system (Corporate Ethics Hotline) to handle compliance reports related to actions or incidents that violate laws, regulations, or internal rules. To raise awareness of the Corporate Ethics Hotline among officers and employees, we widely and thoroughly disclose and disseminate information by discussing the system during the annual compliance training and providing an overview of the system and related contact details on the Company intranet. The status of responses to internal whistleblowing reports is regularly reported to the Risk Management Committee and the Audit & Supervisory Committee to monitor whether the system is properly managed.

Respect for Human Rights

To express our commitment to respecting human rights, our Business Partner Code of Conduct clearly states that "in all processes of the value chain, we will respect individual human rights in accordance with international human rights standards such as the 'Universal Declaration of Human Rights' and the 'International Bill of Human Rights,' including by prohibiting child labor and forced labor, and we will not engage in business with entities that do not respect human rights." Our apparel suppliers are required to agree to this principle and conduct regular self-audits. Going forward, we will expand the scope of agreement to the Business Partner Code of Conduct and the application of self-audits to include the lifestyle sector, aiming for 100% adoption by 2027. We will also further strengthen related monitoring functions.

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Corporate Data

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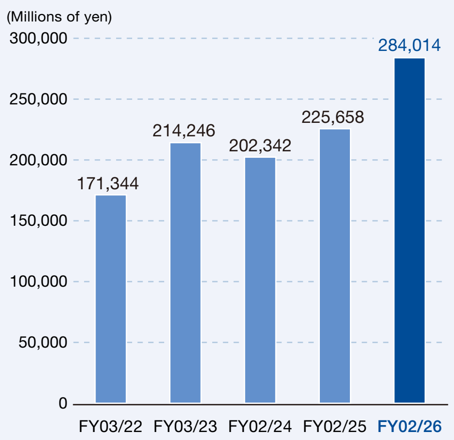
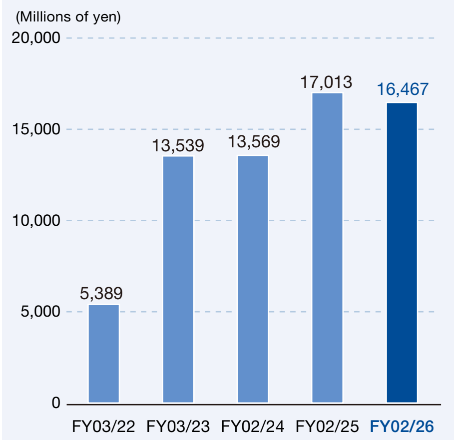
Financial and Non-Financial Highlights

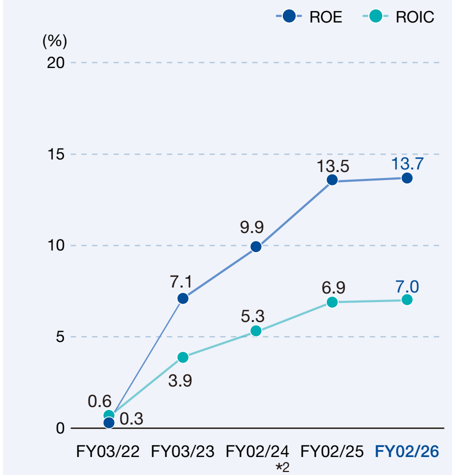
Revenue



Business profit

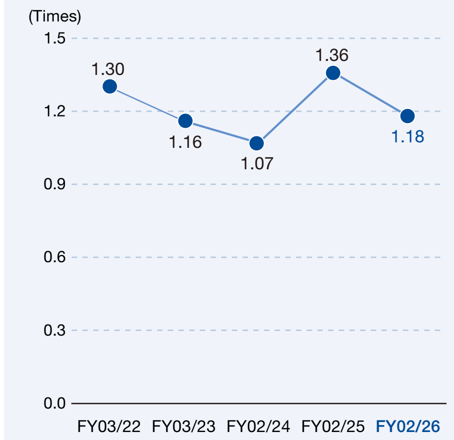


ROE and ROIC*1



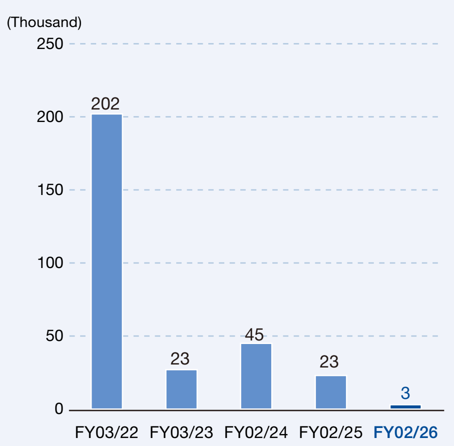
*1 For comparison purposes, ROIC for all periods has been calculated by treating lease liabilities recognized under IFRS 16 Leases as interest-bearing liabilities.
*2 The ROE and ROIC figures for FY02/24 are presented on a 12-month basis.

Net D/E ratio*

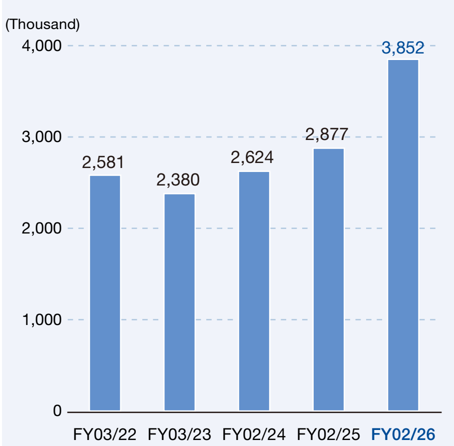


* For comparison purposes, the ratio for all periods has been calculated by treating lease liabilities recognized under IFRS 16 Leases as interest-bearing liabilities.

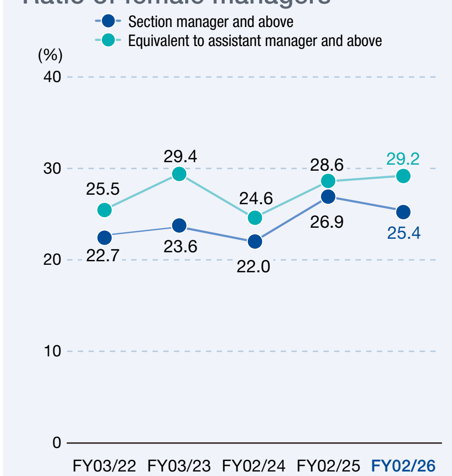
Volume of discarded apparel products



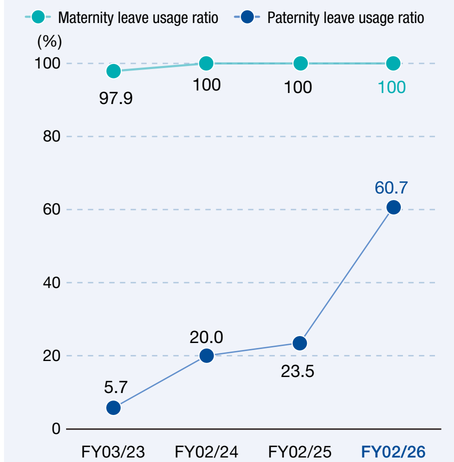
Number of clothing and other items circulated



Ratio of female managers



Ratio of employees taking parental leave



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11-Year Financial Summary

Note: FY02/24 was an irregular 11-month accounting period due to a change in the fiscal year-end.

	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY02/24	FY02/25	FY02/26
Profit and Loss (FY)*1											(Millions of yen)
Revenue	271,575	249,983	245,829	249,861	236,265	180,322	171,344	214,246	202,342	225,658	284,014
Gross profit	155,912	146,215	144,888	144,673	138,171	97,070	98,647	123,935	118,369	133,288	139,674
Business profit	11,668	14,463	15,923	16,320	13,065	(6,499)	5,389	13,539	13,569	17,013	16,467
Operating profit	3,576	12,066	13,225	14,827	12,351	(21,637)	2,196	11,686	12,004	16,730	15,697
Profit before tax	2,970	10,558	11,144	13,596	11,437	(22,556)	1,410	10,313	11,186	15,440	14,203
Profit attributable to owners of parent	743	8,150	6,743	9,200	8,080	(17,149)	239	5,686	6,764	11,039	12,013
Cash flows from operating activities	14,291	16,723	20,528	12,496	26,889	4,155	17,321	25,389	27,459	31,992	30,984
Cash flows from investing activities	9,769	(20,379)	(5,908)	(17,218)	(7,941)	(2,679)	(2,035)	(4,379)	(1,961)	(10,262)	(4,132)
Free cash flow	24,060	(3,657)	14,620	(4,723)	18,948	1,476	15,287	21,010	25,498	21,730	26,852
Cash flows from financing activities	(11,446)	(3,284)	(14,844)	3,453	(18,235)	(1,144)	(14,784)	(21,771)	(25,500)	(20,755)	(30,937)
Net increase (decrease) in cash and cash equivalents	12,231	(7,022)	(176)	(1,381)	651	445	717	(719)	(3)	975	(4,085)
Free cash flow in real terms*2	18,322	(7,688)	10,572	(7,981)	2,193	(14,426)	2,068	7,053	13,514	8,092	12,271
Financial Conditions (Fiscal Year-End)											(Millions of yen)
Total assets	184,864	193,770	202,938	213,546	261,996	245,386	251,690	251,421	239,685	273,826	280,059
Total liabilities	171,949	173,087	175,825	135,425	178,668	165,357	167,388	162,192	151,267	187,387	183,777
Total equity	12,915	20,683	27,112	78,121	83,328	80,029	84,303	89,229	88,418	86,439	96,282
Financial Indicators											
ROE (Profit attributable to owners of parent/Average equity attributable to owners of parent over the business period) (%)*3	5.9	49.4	28.5	17.7	10.2	(21.4)	0.3	7.1	9.9	13.5	13.7
ROIC (Return on invested capital) (%)*3, 4	1.4	10.3	8.7	8.7	6.3	(11.1)	0.7	4.8	4.8	8.5	7.0
Net D/E ratio (times)*4	5.69	4.02	2.74	0.81	0.80	0.84	0.87	0.76	0.71	0.86	1.18
Total number of issued shares (common stock) (shares)*5	240,002,404	240,002,404	240,002,404	34,390,965	34,390,965	34,390,965	34,390,965	34,390,965	34,390,965	34,390,965	36,858,633
Total number of issued shares (common stock, excluding treasury stock) (shares)*5	90,193,891	90,193,891	91,064,891	33,286,065	33,325,365	33,684,071	33,829,935	33,970,758	34,070,357	34,070,357	36,394,770
Earnings per share (Yen)*6	41.19	451.80	373.76	354.70	242.53	(511.08)	(7.79)	152.73	93.68	158.61	171.36

*1 The Company early adopted IFRS 18 Presentation and Disclosure in Financial Statements beginning in FY02/27 , with the change in accounting policy reflected from FY02/26. In addition, "core operating profit" has been renamed "business profit."
*2 Free cash flow in real terms is calculated using the following formula: Free cash flow + Repayments of lease liabilities (cash flow from financing activities)
*3 The ROE and ROIC figures for FY02/24 are presented on a 12-month basis.
*4 From FY02/26, ROIC and the net D/E ratio have been calculated by treating lease liabilities recognized under IFRS 16 Leases as interest-bearing liabilities.
*5 The Company conducted a 1-for-5 reverse stock split of its common shares effective July 12, 2018, and a 2-for-1 stock split effective March 1, 2026.
*6 Figures for all periods have been retrospectively adjusted to reflect the 2-for-1 stock split effective March 1, 2026.

9-Year Non-Financial Summary

		Scope	Units	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY02/24	FY02/25	FY02/26
Environment*1												
Greenhouse gas emissions	Scope 1: Direct emissions (fuel combustion)	Domestic consolidated companies	$t\text{-}CO_2$	2,894	2,613	2,540	2,297	3,179	2,457	2,004	918	1,154
	Scope 2 (location-based): Indirect emissions (Electricity, heating, and steam supplied by other companies)	Domestic consolidated companies	$t\text{-}CO_2$	36,572	35,061	34,425	26,327	28,654	23,015	19,581	20,731	27,420
	Scope 3: Indirect emissions (emissions by other companies related to business operator activities)											
	Category 1 *2*3: Purchased goods and services	Domestic consolidated companies	$t\text{-}CO_2$	—	—	—	—	390,381	314,598	418,462	470,018	870,721
	Category 4 (upstream only) *2*3*4: Upstream transportation and distribution	Domestic consolidated companies	$t\text{-}CO_2$	—	—	—	—	2,419	1,963	2,516	2,806	5,883
	Category 6: Employee business travel	Domestic consolidated companies	$t\text{-}CO_2$	—	—	—	—	—	—	562	611	825
	Category 7: Employee commuting	Domestic consolidated companies	$t\text{-}CO_2$	—	—	—	—	—	—	1,631	1,949	2,321
	Category 9: Downstream transportation and distribution	Domestic consolidated companies	$t\text{-}CO_2$	—	—	—	—	—	968	1,040	954	1,211
Energy consumption	Gas consumption	Domestic consolidated companies	m^3	241,499	203,521	219,486	159,982	114,051	185,225	121,684	134,471	197,214
	Heavy oil	Domestic consolidated companies	kl	974	942	829	718	724	700	529	475	295
	Electricity consumption	Domestic consolidated companies	thousand kWh	74,202	70,951	75,168	60,439	65,616	57,037	47,388	54,790	72,718
	Share of renewable energy in total electricity consumption	Domestic consolidated companies	%	0	0	0	0	0	5.5	14.3	13.8	11.0
Water consumption	Water consumption (offices and factories)	Group offices and factories	m^3	—	—	—	—	—	32,093	31,231	32,235	37,127
	Water consumption (apparel products)	Domestic consolidated companies	m^3	—	—	—	—	—	—	54,253,030	53,915,278	131,472,812
General waste, industrial waste, and food waste		Offices (WORLD Kobe Head Office, WORLD Kita-Aoyama Bldg.)	kg	—	—	—	—	—	28,310	50,337	35,590	48,016
Volume of discarded products	Total		items	562,674	985,639	861,470	1,638,361	514,295	253,556	381,295	98,778	60,215
	Apparel products	Domestic consolidated companies	items	—	—	368,753	1,044,623	202,121	22,678	45,157	22,936	2,771
	Non-apparel products	Domestic consolidated companies	items	—	—	492,717	593,738	312,174	230,878	336,138	75,842	57,444
Disposals at in-house factories (converted to kilograms)			kg	—	—	—	—	72,831	93,741	82,374	76,869	50,255
Clothing items circulated	Total			—	—	—	—	2,581,322	2,379,748	2,624,210	2,877,096	3,852,008
	Number of clothing and other items collected	Domestic consolidated companies	items	2,287,486	2,283,838	1,978,620	1,016,831	1,101,093	1,022,170	1,263,259	1,373,615	1,407,326
	Number of items sold in the secondary and semi-secondary markets	Tin Pan Alley Co., Ltd., & Bridge Co., Ltd.	items	—	—	—	—	1,480,229	1,357,578	1,360,951	1,503,481	1,577,442
	Recycling of uniforms	MC Fashion Co., Ltd.	items									867,240
Human capital												
Employee data	Number of employees	Consolidated companies	people	11,020	10,088	9,683	9,099	8,388	7,648	7,183	7,225	7,094
	Ratio of mid-career hires	Domestic consolidated companies	%	—	—	68.4	66.9	69.7	67.6	62.7	69.7	71.8
	Ratio of mid-career hires in management positions	Domestic consolidated companies	%	—	—	37.6	38.6	60.2	56.1	62.7	62.5	70.4
	Number of rehired employees	Domestic consolidated companies	people	—	—	193	183	141	155	202	244	255
	Number of non-Japanese employees	Domestic consolidated companies	people	—	—	71	72	52	42	45	45	49
	Number of employees with side jobs	Domestic consolidated companies	people	—	—	—	—	—	110	93	72	101
	Paid leave usage ratio	Domestic consolidated companies	%	—	—	—	—	—	55.5	59.4	58.8	59.9
	Average monthly overtime hours	Domestic consolidated companies	hours	—	—	—	—	—	6.90	7.94	6.10	4.66
Employment of individuals with disabilities	Ratio of employees with disabilities	Special subsidiaries for employees with disabilities and applicable Group companies *6	%	2.0	2.3	2.4	2.4	2.6	2.7	2.9	2.8	3.0
Work-life balance support	Number of employees taking parental leave	Domestic consolidated companies	people	—	—	—	—	—	677	463	461	467
	Maternity leave usage ratio	Domestic consolidated companies	%	—	—	—	—	—	97.9	100	100	100
	Paternity leave usage ratio	Domestic consolidated companies	%	—	—	—	—	—	5.7	20.0	23.5	60.7
	Retention rate after return from parental leave	Domestic consolidated companies	%	—	—	—	—	—	69.4	79.2	82.8	85.6
	Number of working mothers	Domestic consolidated companies	people	—	—	—	—	—	1,933	1,981	1,830	1,785
Active participation by women	Ratio of female employees	Consolidated companies	%	—	—	78.8	80.0	80.6	79.3	79.9	78.6	75.0
	Ratio of female managers (section manager and above)	Domestic consolidated companies	%	—	—	18.0	20.7	22.7	23.6	22.0	26.9	25.4
	Ratio of female managers (equivalent to assistant manager and above)	Domestic consolidated companies	%			24.0	25.7	25.5	29.4	24.6	28.6	29.2
	Ratio of women in management positions *5	Domestic consolidated companies	%	—	—	70.2	72.5	69.9	69.2	68.1	66.0	67.7
Governance												
Number of Board members		World Co., Ltd.	people	9	9	9	9	9	9	9	9	9
	Male	World Co., Ltd.	people	9	8	8	8	8	8	7	6	6
	Female	World Co., Ltd.	people	0	1	1	1	1	1	2	3	3
Number of independent outside Board members		World Co., Ltd.	people	5	5	5	5	5	5	5	5	5
	Male	World Co., Ltd.	people	5	4	4	4	4	4	3	2	2
	Female	World Co., Ltd.	people	0	1	1	1	1	1	2	3	3

*1 Only Scope 1, Scope 2, and energy consumption data include Right-on Co., Ltd., which joined the scope of consolidation on December 1, 2025.
*2 We determine the intensity per apparel product item and calculate emissions based on the number of items procured per product. These figures may change depending on calculation and analysis methods required by the market and future refinements.
*3 For non-apparel products, CO_2 emissions from Category 4 are also included in Category 1.
*4 Emissions from transportation between the Company's facilities, or from shipment-related logistics for which the expenses are borne by the Company, are not included.
*5 Personnel serving in positions of responsibility within the organization (e.g., store managers)
*6 Information is as of the day following each fiscal year-end.

Company Information

For more details, please see the "Company Info" section on our website.

Company Overview (as of March 1, 2026)

Company	**World Co., Ltd.**	
Locations	Kobe Head Office	6-8-1, Minatojima-Nakamachi, Chuo-ku, Kobe, Hyogo Prefecture 650-8585, Japan
	Tokyo Office	WORLD Kita-Aoyama Bldg., 3-5-10, Kita-Aoyama, Minato-ku, Tokyo 107-8526, Japan
Established	January 13, 1959	
Capital	¥6,000 million	

Business activities	As a business holding company, World Co., Ltd. manages the overall operations of the Group companies that run the B2C and B2B businesses, and performs tasks incidental to these businesses.
Number of employees	7,094 (consolidated) (as of February 28, 2026)
Fiscal year-end	February
Number of Group companies	47

Group Companies (as of September 1, 2026)

Business holding company **WORLD CO., LTD.**

■ Corporate

■ Strategic initiatives

■ Investment
W&D INVESTMENT DESIGN INC.

B2C Business

Intermediate holding company
WORLD · BRANDS CO., LTD.

■ Apparel
FEELS INTERNATIONAL CO., LTD.
- WORLD INDUSTRY FABRIC CO., LTD.
- WORLD INDUSTRY KNIT CO., LTD.
- SENWA CO., LTD.

EXPLORERS TOKYO CO., LTD.
- FRENCH BLEU CORP.

ARCUS INTERNATIONAL CO., LTD.
- WORLD FRANCHISE SYSTEMS CO., LTD.

NARUMIYA INTERNATIONAL CO., LTD.
- LOVST CO., LTD.
- KP CO., LTD.
- NARUMIYA INTERNATIONAL SHANGHAI CO., LTD.
- NARUMIYA WANPA CO., LTD.

RIGHT-ON CO., LTD.*1

■ Lifestyle
LIFESTYLE INNOVATION CO., LTD.
WORLD STYLE LABELS CO., LTD.*1

■ Unique
KAYSWAY CO., LTD.
COCOSHNIK CO., LTD.
HIROFU CO., LTD.
KOBE LEATHER CLOTH CO., LTD.
STRASBURGO CO., LTD.

■ Overseas
WORLD TAIWAN FASHION CO., LTD.
WORLD SAHA FASHION CO., LTD.
WORLD SAHA (THAILAND) CO., LTD.
WORLD FASHION (MALAYSIA) SDN. BHD.
WORLD FASHION (HONG KONG) CO., LIMITED.

■ Circular
& BRIDGE CO., LTD.
TIN PAN ALLEY CO., LTD.
LAXUS TECHNOLOGIES, INC.*2

B2B Business

Intermediate holding company
WORLD · SOLUTIONS CO., LTD.

■ Supply Chain
MC FASHION CO., LTD.
- TCN CO., LTD.

LIFE GEAR CO., LTD.
- LIFE GEAR DONGGUAN CO., LTD.

ASPLUND CO., LTD.
LA MODE CO., LTD.
WP2 (SHANGHAI) TRADING CO., LTD.
WORLD FASHION (SHANGHAI) CO., LTD.

■ Technology
FASHION-CO-LAB. CO., LTD.
OPENFASHION INC.

■ Human Resources Operation
WORLD STORE PARTNERS CO., LTD.
WORLD BUSINESS SUPPORT CO., LTD.

*1 Companies outside intermediate holding management, directly invested in by the parent company
*2 Equity-method affiliate

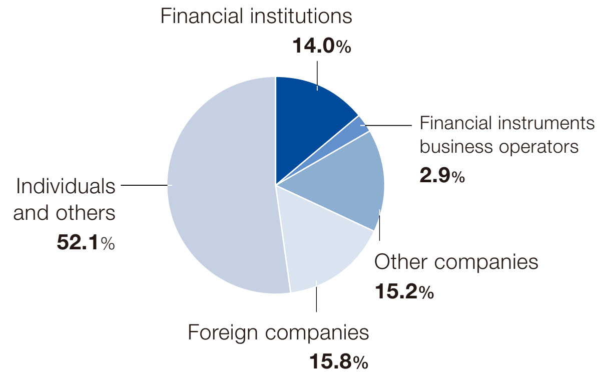
Shareholder and Investor Information (as of February 28, 2026)

Stock Overview

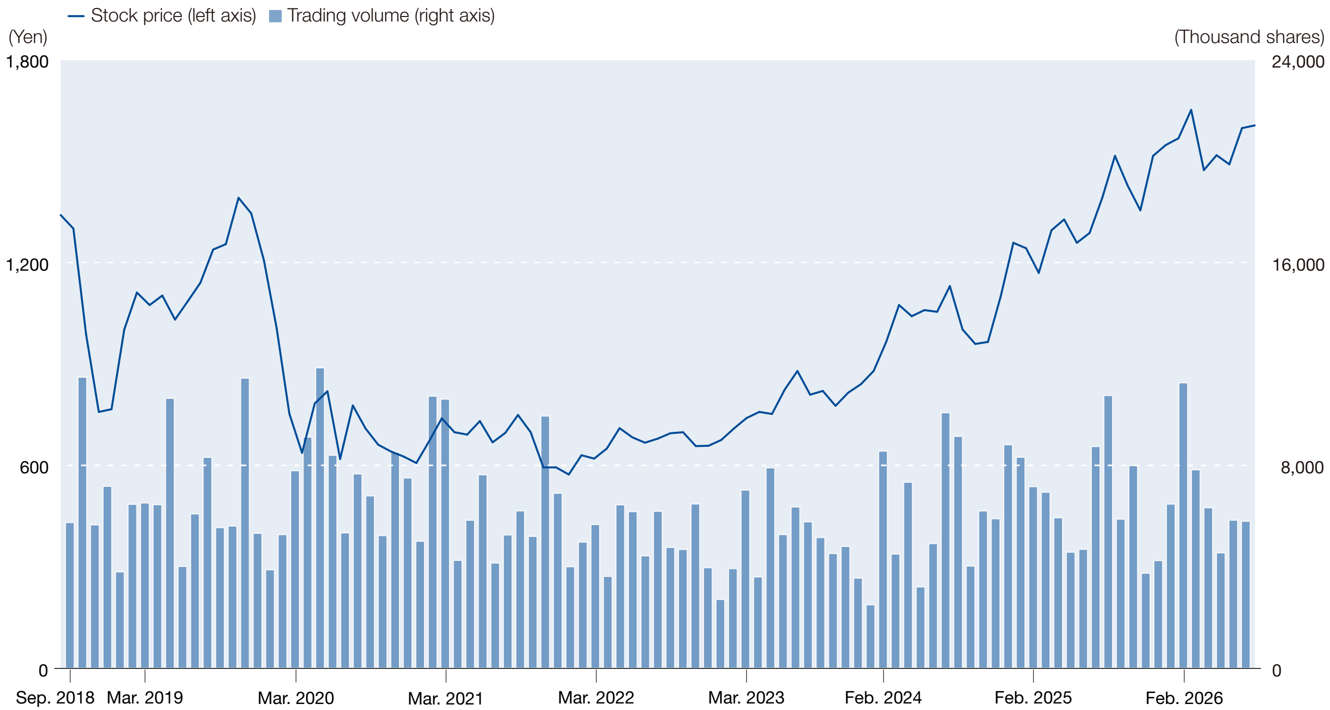
Total authorized shares	137,500,000 shares
Total issued shares	36,858,633 shares
Number of shareholders (excluding treasury stock)	44,144
Listed market	Tokyo Stock Exchange Prime Market
Securities code	3612

Note: The Company conducted a 2-for-1 stock split of its common shares effective March 1, 2026.

Shareholding Distribution by Ownership Category



Stock Price and Trading Volume (Graph shows monthly closing prices and trading volume on the Tokyo Stock Exchange from September 2018 to July 2026)



* Figures for all periods have been retrospectively adjusted to reflect the 2-for-1 stock split effective March 1, 2026.

Major Shareholders

Shareholder	Number of shares held (Thousand shares)	Ownership ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,322	9.1
Hidezo Terai	2,164	5.9
Custody Bank of Japan, Ltd. (Trust Account)	1,232	3.4
AT Co., Ltd.	1,000	2.7
KM Co., Ltd.	1,000	2.7
YR Co., Ltd.	1,000	2.7
EH Co., Ltd.	840	2.3
Kenji Kamiyama	695	1.9
JPMorgan Securities Japan Co., Ltd.	569	1.6
World Group Employee Stock Ownership Association	538	1.5

Notes: 1. Ownership ratios are calculated excluding 463,863 treasury shares.
2. The Company conducted a 2-for-1 stock split of its common shares effective March 1, 2026; however, the share figures shown are presented on a pre-split basis.
3. The number of shares held is rounded down to the nearest thousand shares, and ownership ratios are rounded to the first decimal place.

Stock Information

	FY03/22	FY03/23	FY02/24	FY02/25	FY02/26
Year-end stock price (Yen)	620	740	966	1,169	1,651
Dividend per share (Yen)	13.5	24	28	40	54.5
Dividend payout ratio (%)	—	31.4	29.9	25.1	31.8
Total shareholder return					
World Co., Ltd. (%)	61.63	74.63	95.19	169.14	245.06
TOPIX Total Return Index (%)	131.18	138.81	187.86	212.97	225.49

Notes: 1. The Company conducted a 2-for-1 stock split of its common shares effective March 1, 2026.
2. Year-end stock prices and dividends per share for all periods have been retrospectively adjusted to reflect the 2-for-1 stock split effective March 1, 2026.

WORLD

https://corp.world.co.jp/english/