



(Translation)

To Whom It May Concern

Company	TSI Holdings Co., Ltd.
Representative	Tsuyoshi Shimoji, Representative Director & President
Stock Listing	Tokyo Stock Exchange Prime Market (Code: 3608)
Inquiry	Shunsuke Hasegawa, Public & Investor Relations Office +81 (0)3 5785 6400

### **Announcement on Transfer of Shares in a Second-Tier Subsidiary**

TSI Holdings (“the Company”) announces that it has entered into an agreement to transfer shares of its consolidated subsidiary, TSI Sewing Co., Ltd. (“TSI Sewing”), held by TSI Co., Ltd. (“TSI”), along with the related real estate owned by TSI, to World Co., Ltd. (“World”). Details are provided below.

#### **1. Reason for the Share and Real Estate Transfer**

TSI Sewing, as a second-tier subsidiary of the Company, has leveraged its domestic production capabilities to handle garment manufacturing for certain brands within the Company’s group.

Under the Medium-Term Management Plan, TSI Innovation Program 2027 (“TIP27”), announced on April 12, 2024, the Company has been implementing structural reforms and reassessing its business portfolio. As part of the organizational restructuring this fiscal year in line with TIP27, the Company has reviewed its future business portfolio and decided that focusing management resources on its core apparel business and high-growth potential overseas operations will enhance its competitiveness and corporate value.

#### **2. Overview of the Subsidiary Subject to Transfer**

- (1) **Name:** TSI Sewing Co., Ltd.
- (2) **Location:** 1-808-9, Arcadia, Yonezawa, Yamagata, Japan
- (3) **Representative:** Koichi Matsuda, President & CEO
- (4) **Business:** Women's Apparel Manufacturing
- (5) **Capital:** JPY 258 million
- (6) **Date of Establishment:** April 26, 1977of
- (7) **Major Shareholder and Ownership Ratio**  
Name of Shareholder: TSI Inc.  
Number of Shares: 496,144,000 shares (100%)
- (8) **Relationship with the Group**

Capital	TSI Sewing is a wholly owned consolidated subsidiary of TSI (second-tier subsidiary of the Company.)
Personnel	Three employees of the Company currently serve as the Representative Director and Audit & Supervisory Board Members of TSI Sewing. However, they are scheduled to resign upon the transfer of the shares.
Business	The Company extends loans to TSI Sewing and TSI outsources certain garment manufacturing operations for its brands.

(9) **Financial Highlights for the Past Three Fiscal Years**

<b>Fiscal Year</b>	<b>FY2022 (Feb 2022)</b>	<b>FY2023 (Feb 2023)</b>	<b>FY2024 (Feb 2024)</b>
<b>Net Assets</b> (million yen)	1	-218	-236
<b>Total Assets</b> (million yen)	452	252	336
<b>Book Value per Share</b> (yen)	11.07	-1,515.84	-1,639.82
<b>Net Sales</b> (million yen)	1,392	715	786
<b>Operating Profit</b> (million yen)	-77	-184	-59
<b>Ordinary Profit</b> (million yen)	-69	-176	-58
<b>Net Income</b> (million yen)	-76	-219	-17
<b>Earnings per Share</b> (yen)	-529.51	-1,526.91	-123.98

**3. Real Estate Overview**

<b>Location &amp; Property Type</b>	<b>Land Area (㎡)</b>	<b>Building Area (㎡)</b>	<b>Book Value (JPY)</b>	<b>Sale Price (JPY)</b>	<b>Loss on Transfer (million yen)</b>	<b>Current Use</b>
Yonezawa, Yamagata Land & Building	7,884.51	2,262.35	0 yen	Confidential (Note 1)	403 (Note 2)	Leased Property (Garment Factory)
Miyakonojo, Miyazaki Land & Building	16,719.61	4,087.10	0 yen	Confidential (Note 1)	35 (Note 2)	Leased Property (Garment Factory)

(Note 1): The sale price is not disclosed due to confidentiality agreements.

(Note 2): The loss on transfer has already been recorded as an impairment loss in the third quarter financial results for the fiscal year ending February 2025.

**4. Overview of the Acquiring Party**

- (1) **Name:** World Co., Ltd.
- (2) **Head Office:** 6-8-1, Minatojima-Nakamachi, Chuo-ku, Kobe 650-8585, Japan
- (3) **Representative:**  
Nobuteru Suzuki, Representative Director of the Board, President and Executive Officer.
- (4) **Business:**  
Management and related operations as the holding company overseeing the Group's brand, investment, digital, and platform businesses.
- (5) **Paid-in Capital:** 6 billion yen
- (6) **Date of Establishment:** January 13, 1959
- (7) **Net Assets:** 88,418 million yen (as of FY Ended Feb. 2024)
- (8) **Total Assets:** 239,685 million yen (as of FY Ended Feb. 2024)
- (9) **Major Shareholder and Ownership Ratio**  
Name of Shareholder: The Master Trust Bank of Japan, Ltd. (Trust Account)  
Number of Shares: 4,322,000 shares (12.7%)  
  
Name of Shareholder: Hidezo Terai  
Number of Shares: 2,365,000 shares (6.9%)  
  
Name of Shareholder: Custody Bank of Japan, Ltd. (Trust Account)  
Number of Shares: 1,878,000 shares (5.5%)

(10) **Relationship Between the Listed Company and the Subject Company**

Capital No significant matters to disclose.  
Personnel No significant matters to disclose.  
Business No significant matters to disclose.

**5. Number of Shares to be Transferred, Sale Price, and Ownership Status Before and After the Transfer**

**Number of Shares Owned Before the Transfer:**

496,144 thousand shares  
Voting rights: 496,144,000 (Ownership ratio: 100%)

**Number of Shares to be Transferred:**

496,144 thousand shares  
Voting rights: 496,144,000 (Ownership ratio: 100%)

**Sale Price:**

Not disclosed due to a confidentiality agreement with the transferee.

**Number of Shares Owned After the Transfer:**

0 shares  
Voting rights: 0 (Ownership ratio: 0.0%)

**6. Schedule of Share and Real Estate Transfer**

Agreement Date: February 28, 2025  
Transfer Date: March 1, 2025

**7. Future Outlook**

The impact of this share transfer on the full-year consolidated financial results for the fiscal year ending February 2025 is expected to be minimal. Additionally, the loss on the real estate transfer has already been recorded as an impairment loss in the third-quarter financial results for the same fiscal year and has been factored into the revised forecast.

For further details on the revised forecast, please refer to the announcement "Notice Regarding Revision of Full-Year Earnings and Dividend Forecast for Fiscal Year Ending February 2025" published on January 14, 2025.