October 5, 2026

Company name: World Co., Ltd.
Representative: Nobuteru Suzuki
Representative Director of the Board, President and Executive Officer
(Securities code: 3612; Prime Market of TSE)
Contact: Keiichi Nakabayashi
Member of the Board,
Executive Vice President and Executive Officer
(Phone: +81-3-6887-1300)

Notice about establishment of a new company by our affiliate accounted for under the equity method (W&D Investment Design Inc.) and making it into its subsidiary for the purpose of succeeding business of Uchino Co., Ltd.

We wish to inform you that our affiliate accounted for under the equity method, W&D Investment Design Inc. (hereafter referred to as "W&D") has resolved that it would establish a new company to which would succeed the entire business of Uchino Co., Ltd. ("Uchino") as well as its financial obligation to be succeeded through the method of the absorption-type company split and make the new company into a wholly-owned subsidiary of W&D.

For further details, please refer to the attached "Notice about establishment of a new company for the purpose of succeeding business of Uchino Co., Ltd. and making it into our subsidiary" which W&D released on October 5, 2026.

Outline of W&D Investment Design Inc.

[1] Corporate name	W&D Investment Design Inc.
[2] Location of the Head Office	5-10, Kita-Aoyama 3-chome, Minato-ku, Tokyo
[3] Representative	Seiji Hirohashi, Representative Director
[4] Capital stock	3,000,000 yen (as of August 31, 2026)
[5] Shareholders	World Co., Ltd.: 50% Development Bank of Japan Inc. : 50%
[6] Main line of business	Investment in corporations related to the fashion industry

October 5, 2026

Corporate name: W&D Investment Design Inc.
Representative: Seiji Hirohashi, Representative Director

Notice about establishment of a new company for the purpose of succeeding business of Uchino Co., Ltd. and making it into our subsidiary

W&D Investment Design Inc. (hereafter referred to as "W&D") has determined that it would establish a new company (hereafter, the "Successor Company") which would succeed the business of Uchino Co., Ltd. (hereafter, "Uchino") and make the Successor Company into its wholly-owned subsidiary.

1. Outline of this case

In this case, the entire business and financial obligation to be succeeded of Uchino, which the Regional Economy Vitalization Corporation of Japan (hereafter, "REVIC") has determined to revive, will be succeeded by the Successor Company through the method of the absorption-type company split. Thereafter, it is planned that W&D will acquire the Successor Company's new shares through a third-party allocation.

It is projected that, thanks to this scheme, vitalization of the Successor Company's business will be promoted while W&D taking charge of management and governance of the Successor Company and making good use of the World Group's expertise in business management and the Development Bank of Japan's (hereafter, "DBJ") expertise in financing. It is planned that Uchino, the company to be split, will be liquidated after the effective date of the company split and after such action is taken as realization of the property not to be succeeded.

2. Detailed description of making the investment decision and the basic policy for business rehabilitation

Over a long period of about 90 years since its foundation, Uchino has firmly established its own high-quality, high-function brand, making use of its unique technological capability and product developing potential. Uchino has the managerial resources that can be utilized in future business rehabilitation as, in addition to its unique materials and technologies, as well as commodity developing potential and branding assets, it possesses a customer base centering at leading domestic department stores along with transaction flow covering OEM deals and wholesaling.

Meanwhile, however, managerial environment is remaining harsh as demand is shrinking in the department store markets, costs are rising due to foreign exchange fluctuations, and competition is becoming intense due to new entries in the industry. Therefore, substantial reduction of inventories and

fixed expenses, drastic overhauls of sales structure, etc. have become matters of great urgency.

W&D has determined to make the investment, since it considers that recovery of Uchino's profitability and its sustainable growth may become possible by combining the Uchino's managerial resources with World Group's wide variety of business management expertise, including product planning ability, production technology, business power, sales potential, digital technology and commodity transportation, as well as the platform useful for reviving fashion companies and a wide range of transaction base.

More specifically, the target is a change into a company that can revive with recovery of earnings power and can grow sustainably based on the three measures mentioned below.

1) Expansion of the BtoB business

Through combining the Uchino's business base for corporate clients, such as those related to the OEM business and wholesaling, with the World Group's corporate sales function, transaction base and business management expertise, a dramatic expansion of business for corporate clients is targeted at.

2) Revitalization of the BtoC business

Making good use of the unique materials, technologies, product development potential and branding assets which Uchino has so far cultivated, the BtoC business is projected to be revived without fail by carrying out the drastic restructuring led by W&D.

3) Reform of the management supply chain

After the management commit themselves to substantially reduce the fixed expenses, the profit-earning characteristics will be reconstructed in a reproducible form, by reviewing the supply chain covering from production to product planning, distribution and sales, and maximizing the realization of inventories.

With the endeavors mentioned above, both the growth of corporate businesses and revitalization of brands for general consumers will be promoted while making good use of the client base and business properties which Uchino has so far cultivated. By closely connecting the BtoB and BtoC businesses, it is projected to recover sufficient earning power aiming at sustainable growth in the towel manufacturing business and other lifestyle-related businesses.

For details of the contents of the REVIC's decision on the support of revitalization along with related systems, please also refer to the notice entitled "About the decision on the support of revitalization of Uchino Co., Ltd." which the REVIC will disclose on the same date.

3. Outline of Uchino Co., Ltd.

[1] The object enterprise	Uchino Co., Ltd.
[2] Location of the Head Office	7-15, Nihonbashi-horidome-cho 1-chome, Chuo-ku, Tokyo
[3] Date of foundation	August 23, 1947
[4] Capital stock	50 million yen
[5] Shares	Total number of authorized shares: 20,000,000 (common stock) Total number of shares issued: 4,804,006 (common stock)
[6] Line of business	Planning, wholesaling, retailing, etc. of towels and other lifestyle-related products
[7] Number of employees	612 (including part-time and temporary employees) (as of December 1, 2025)
[8] Major offices	Head Office (Chuo-ku, Tokyo) Osaka Branch (Osaka City, Osaka Prefecture) Nagoya Branch (Nagoya City, Aichi Prefecture) Fukuoka Branch (Fukuoka City, Fukuoka Prefecture) Sapporo Office (Sapporo City, Hokkaido Prefecture) Distribution Center (Funabashi City, Chiba Prefecture)
[9] Financial institutions with which it does business	MUFG Bank, Ltd., Mizuho Bank, Ltd., The Shoko Chukin Bank, Ltd., Japan Finance Corporation
[10] Scale of business (fiscal year ended August 2025)	Sales: 11,818 million yen Total assets: 10,500 million yen

4. Schedule from now on

November 10, 2026: REVIC's decision on acquiring credits, etc. (scheduled)

December 1, 2026: Effective date for the company split; date of subscription of the new shares issued to a third party (scheduled)

5. Outline of the W&D Investment Design Inc.

[1] Corporate name	W&D Investment Design Inc.
[2] Location of the Head Office	5-10, Kita-Aoyama 3-chome, Minato-ku, Tokyo
[3] Representative	Seiji Hirohashi, Representative Director
[4] Capital stock	3,000,000 yen (as of August 31, 2026)
[5] Shareholders	World Co., Ltd.: 50% Development Bank of Japan Inc.: 50%
[6] Main line of business	Investment in corporations related to the fashion industry

As a joint-venture investment company 50% of whose interest is held by World Co., Ltd. and another 50% by DBJ, W&D invests for revitalization of corporations related to fashion or lifestyle. It supports the corporations it invests in from both sides of *business* and *finance*, by combining the World Group's knowledge of business management and the DBJ's knowledge of financing.

W&D features its abundant experiences and results in revitalizing various types of corporations or businesses by making use of the World Group's expertise in business management and platform function covering product planning ability, production technology, business power, sales potential, digital technology and commodity transportation, appropriately depending on the situation of the companies invested in, while at the same time respecting the branding ability, customer base, corporate culture and others that the companies have so far cultivated. In other words, it aims at increasing the corporate value by combining necessary functions and system in which strengths of each of the parties are utilized, instead of applying a uniform revitalizing method.

In making decisions on investment, it attaches importance to the increase in the corporate value after the investment, so it comprehensively examines the companies' growth potential, contents of support required, capital efficiency and others, instead of simply groping for increase in scale. It has so far engaged in investments for business revitalization for such companies as Right-on Co., Ltd. and STRASBURGO Co., Ltd. and has supported them up to the stage where many of the companies invested in completed restructuring and started corporate value enhancing projects.

Regarding the present matter, it is projected to support the reconstruction of the business base, recovery of sufficient earning power and sustainable growth of the new company in which W&D will take charge of the new company's management administration and governance system construction so that it will derive to the maximum the value of the product quality, technologies, brands, customer base and others Uchino has so far cultivated while making good use of the World Group's business base and business management expertise as well as DBJ's knowledge of financing and corporate revitalization.