



TSI HOLDINGS GROUP

Results Briefing: Q1ST (March to May 2021) Results
of 2022 Ending Feb.

5th July, 2021

Market movements are still unclear.

Amidst the prolonged Covid-19 pandemic, risks, such as states of emergency and store closures/shortening of open hours, could yet directly impact business performance

Prospects for a gradual market recovery

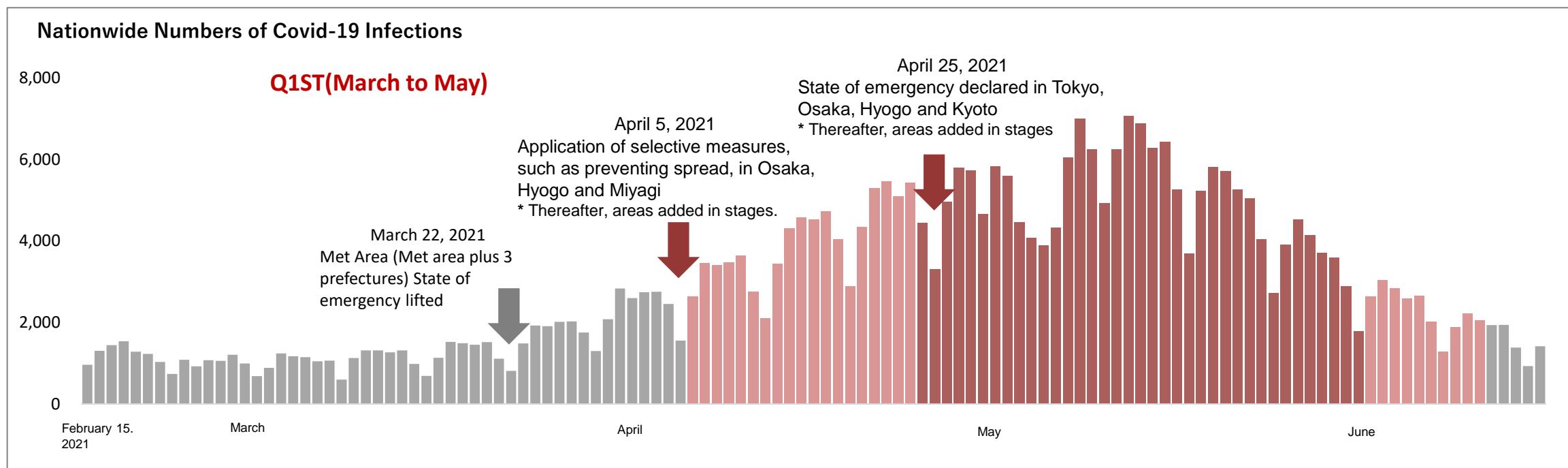
Nevertheless, the effects of various measures, including the commencement of inoculation, are expected, and the economy will recover from here on.

Yet, the speed of recovery will be gradual in the apparel industry and severe environment will continue for a while.

Our strategy

Existing management approach of just waiting the situation leads to further predicament. With this in mind, we will keep on creating a business foundation and challenging new businesses.

March results were strong. After April, the effects of Covid-19 infections expanded. It gave a big impact on our management such as over 300 stores(about 30% of all stores) forced to close and most of the stores had to shorten business hours because we open stores mainly in metropolitan areas.



April 25: Emergency declared in Tokyo, Osaka, Hyogo and Kyoto \Rightarrow Some 30% of apparel stores closed across Japan

May 12: Aichi and Fukuoka prefectures added to state of emergency

May 16: Hokkaido, Okayama and Hiroshima prefectures added to state of emergency

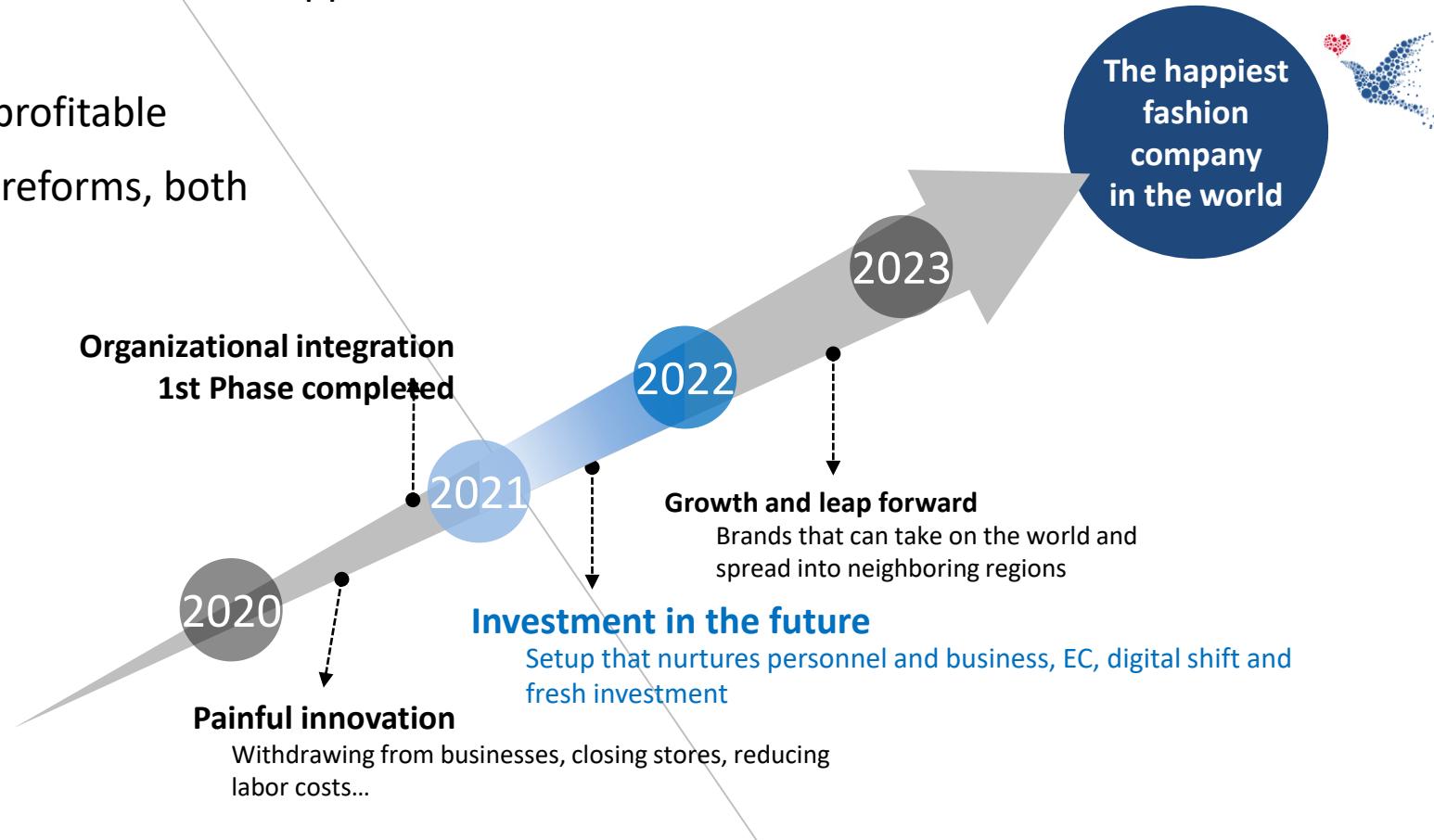
May 23: Okinawa prefecture added to state of emergency

\Rightarrow Some 10% of stores closed on weekdays, and some 20% closed on weekends

What should we be doing and where should we be going right now ?

In order to keep on changing and become a profitable business entity, we have pushed ahead with reforms, both thoroughly and carefully in Q1.

We will not stagnate, but instead continue to confront our challenges in order to create new value that will bring future happiness to our stakeholders.



※ TIP24 (TSI Innovation Program 2024) is a name of in-house program in regard to structural reform and future strategy started from 2022 Ending Feb.



AGENDA

TSI HOLDINGS

- 1 Results Overview
- 2 About Business Situation in Q1ST
- 3 About Business Situation by Channel
- 4 About Initiatives Related to Environmental Issues
- 5 About Balance Sheet and Future Investment Strategy
- 6 About Full-year Forecast
- 7 Reference Data

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Results Overview



Under the current severe market conditions, we will make thorough withdrawals from business, and cut labor costs and selling and administration expenses (SG&A). Accumulation of detailed actions gave us to reach net sales of YoY **157.8%** and operating profit of **2.27** billion yen.

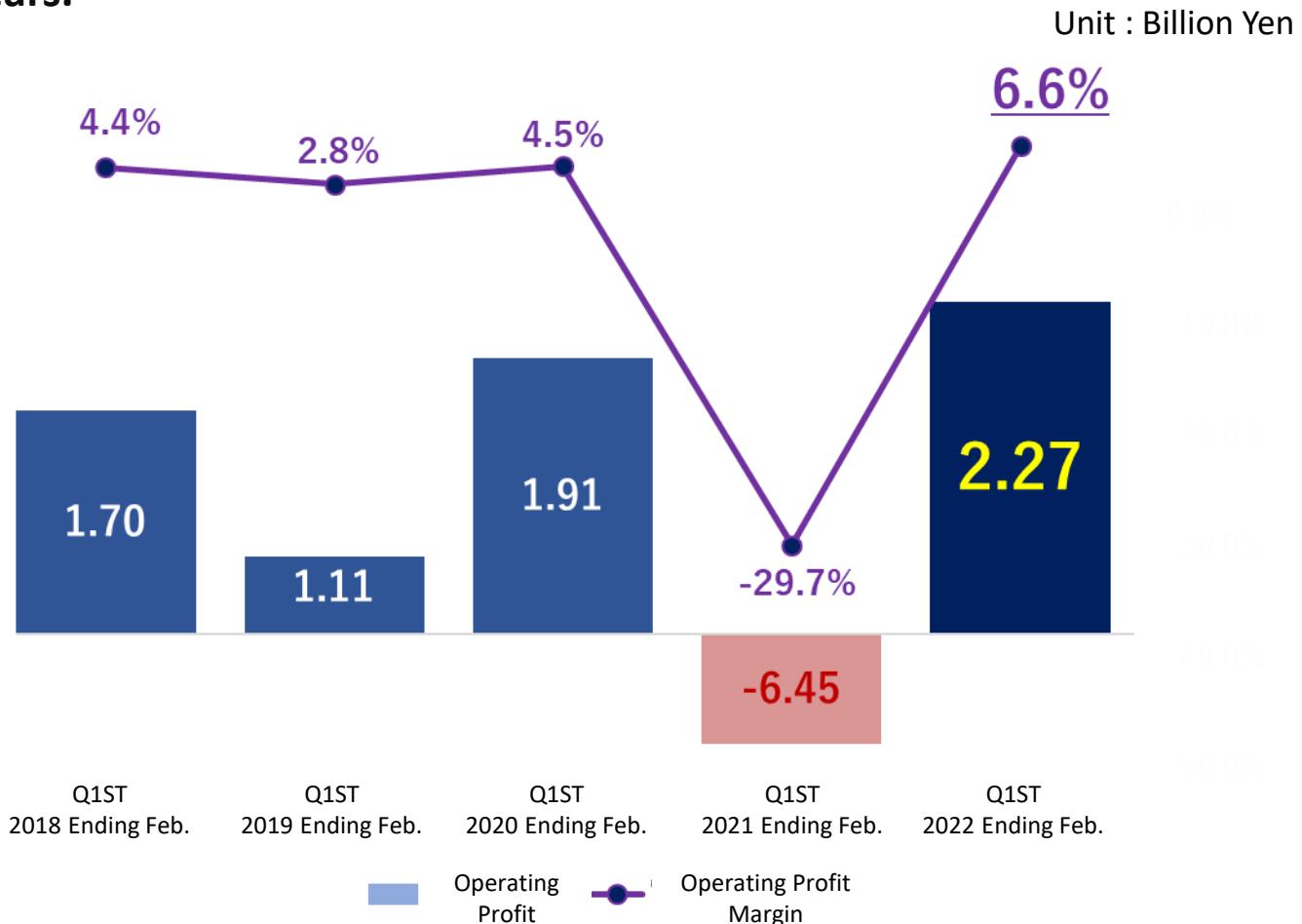
Net Sales
34.21 Billion Yen
YoY 157.8%
compared to year before last 79.8%
YoY Change +12.53 billion yen

Operating Profit
2.27 Billion Yen
compared to year before last 118.8%
YoY Change +8.71 billion yen

Quarterly Net Income
2.43 Billion Yen
compared to year before last 98.3%
YoY Change +12.88 billion yen



What with the organizational efficiency by structural reform and what with the refinement of management control, the earnings improved. The operating performance has reached the highest profit in the last 5 years.



> Operating Profit

Operating profit has reached **2.27 billion** yen, a profit ratio of **6.6%**

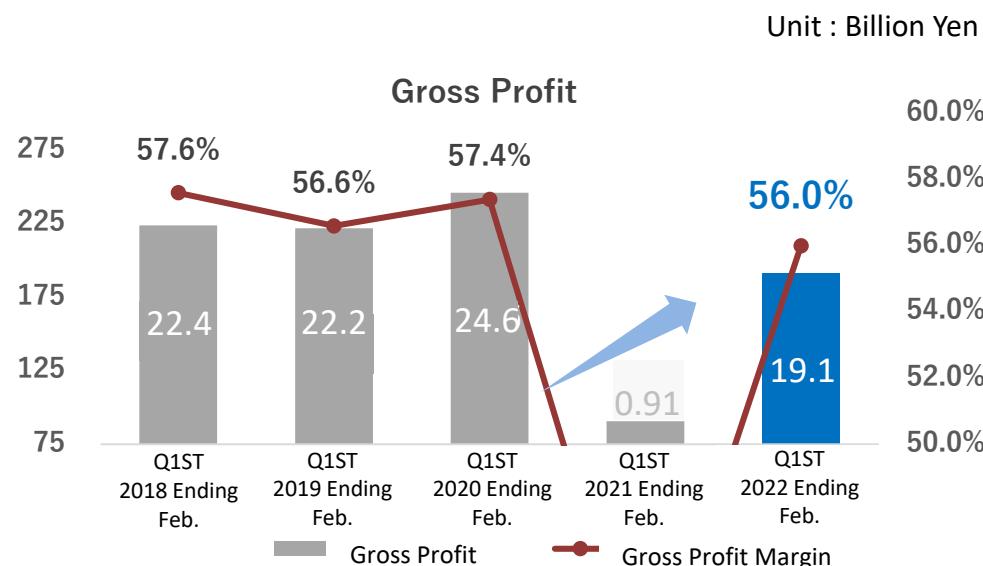
against the plan of operating profit was 1.8 billion yen, a profit ratio of 4.8%.

> Major Factors

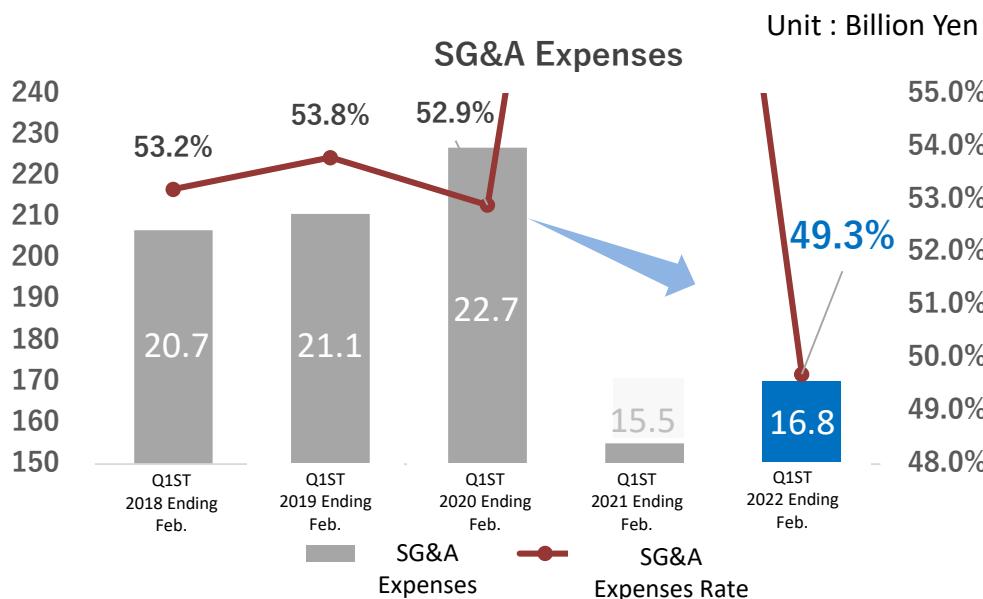
- ① Expansion of strong business such as golf, athleisure and street casual.
- ② Improvement of past year inventory → reduction of inventory while maintaining yield.
- ③ Suppression of purchasing and reduction of SG&A.

Gross Profit**19.14** Billion Yen

YoY 211.4%
 compared to year before last
 77.8%
 YoY Change +10.08 billion yen

**SG&A Expenses****16.87** Billion Yen

YoY 108.8%
 compared to year before last
 74.3%
 YoY Change +13.6 billion yen

**> Gross Profit**

- Purchasing was suppressed to about 82% compared to the previous quarter.
- We promoted the sale of products which was lost sales opportunities in the previous fiscal year at a fixed price.
- Inventory digestibility was improved owing to sales with proper yield.

⇒ **10 billion yen has improved compared to last year.**

> SG&A Expenses

- Unprofitable businesses were withdrawn on the basis of structural reforms.
- We reduced fixed costs and reviewed variable costs.

→ Thorough cost reduction

- Bonuses were cut in proportion to the last business performance.

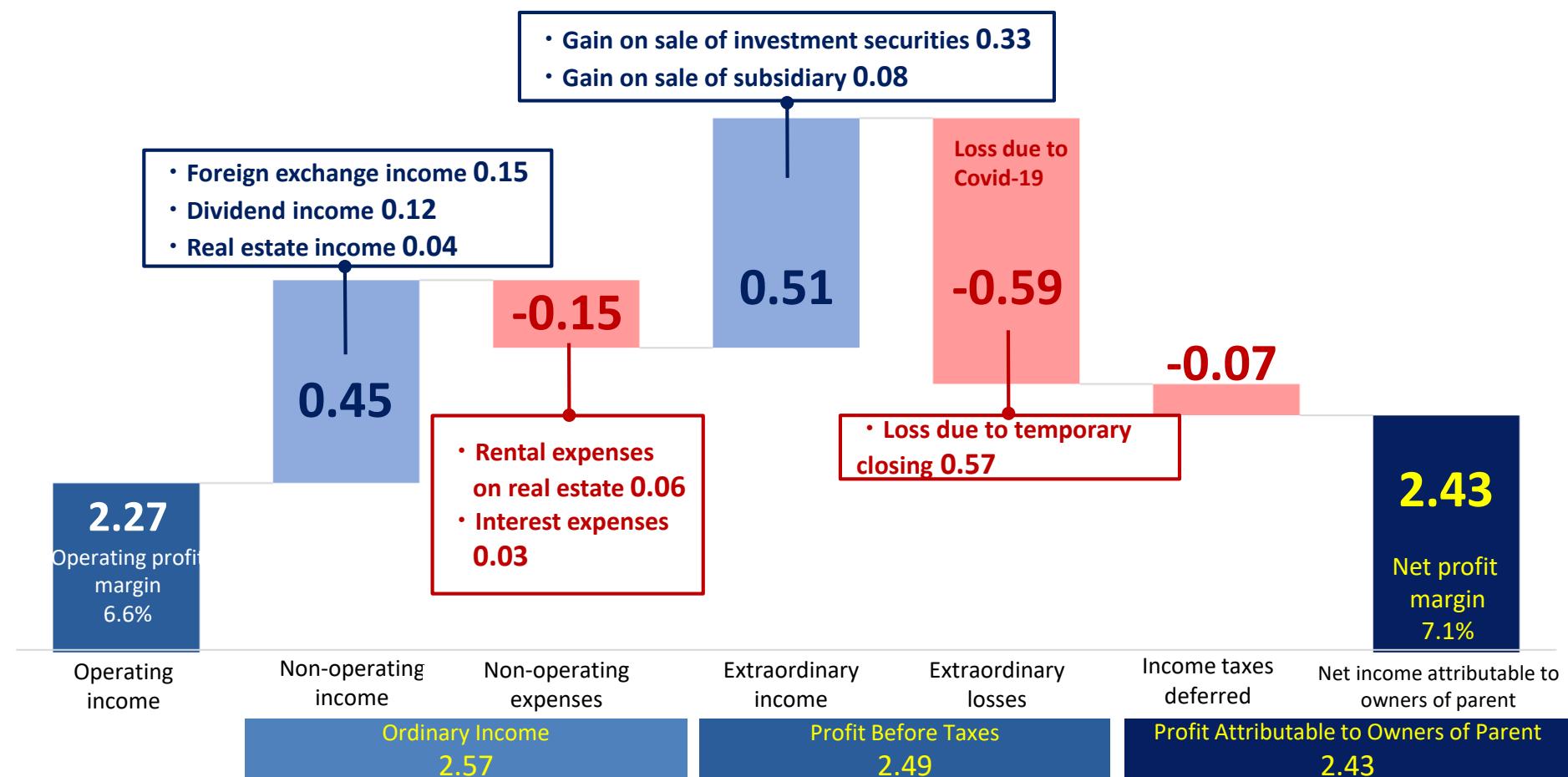
⇒ **5.9billion has improved compared to year before last.**

Non-operating income is 0.45 billion yen due to foreign exchange gains, dividend income, real estate income and others.

As extraordinary income, fair sale of securities and gain on sale of businesses are 0.51 billion yen, whereas Covid-19 impact causing loss due to temporary closing is 0.59 billion yen, but quarterly net income is **2.43 billion yen**, amounting to a profit margin of **7.1%**.

| Operating Profit | |
|--|-------------|
| 2.27 | Billion Yen |
| compared to year before last 118.8% | |
| YoY Change +8.71 billion yen | |

| Quarterly Net Income | |
|---------------------------------------|-------------|
| 2.43 | Billion Yen |
| compared to year before last 98.3% | |
| YoY Change +12.88 billion yen | |



2

About Business Situation in Q1ST

PROPORTION



Strong brands such as golf, athleisure and street-casual drove profits.

Conversely, brands with a focus on occasion demand and brands which located in metropolitan area continued to be sluggish.



| | Results | Against Plan (Change) |
|-------------------------|--------------------------|--------------------------|
| Net Sales | 13.86 Billion Yen | +1.45 Billion Yen |
| Operating Income | 2.04 Billion Yen | +1.41 Billion Yen |
| | Results | Against Plan (Change) |
| Net Sales | 12.62 Billion Yen | -3.88 Billion Yen |
| Operating Income | -0.36 Billion Yen | -1.08 Billion Yen |

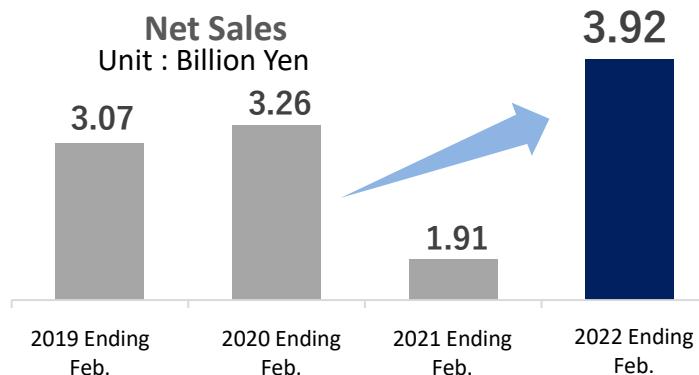
※ These data are based on excerpting some of our main businesses.

Strong businesses are pillars of profit.

The brands with uniqueness and high customer engagement were very strong. Sales of 3 brands have grown significantly compared to the year before last and drove profits.

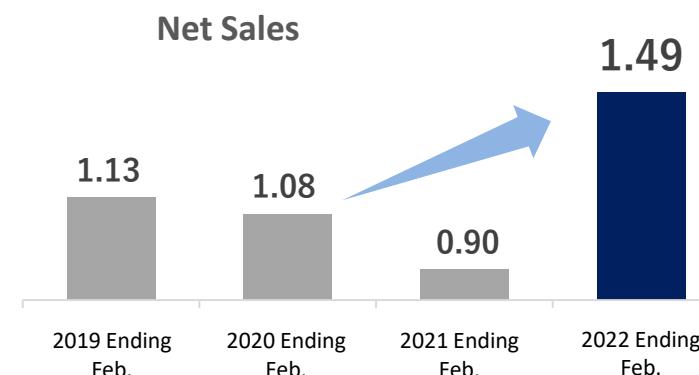
PEARLY GATES

The number of new customers increased owing to regular content transmission and strength of products.



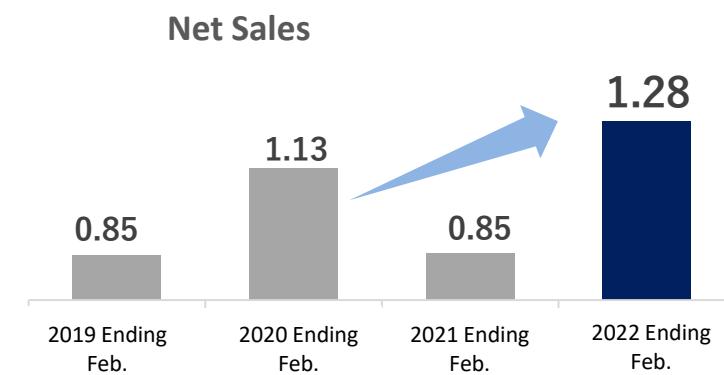
HUF

Collaboration with artists and game character that had a high affinity enabled HUF to play an active role across genres.



UNDEFEATED

Collaboration products with NIKE and original ones have increased the value of the brand.



We will send out new customer value without stagnating by creating new brands and fusing music, art and culture.

MARGARET HOWELL



Exhibition to mark 50th anniversary

The exhibition that looks back on the firm trajectory of manufacturing for 50 years. It was exhibited a wealth of materials that were rarely published with Margaret Howell's own comment.

hueLe Museum



TV CM of “Nozomi Iijima x Harami-chan” shown for the first time

New brand named “hueLe Museum” started on this March made TV CM for the first time. A unique collaboration between Nozomi Iijima who is a world-class ballet dancer and Harami-chan of a pop pianist got a hot topic.

ROSE BUD



Debut of new brand [mag. by. c]

New store brand has launched. It proposes items that can be a favorite in customer's wardrobe without being too caught up in trends.

2021 SPRING COLLECTION

3

About Business Situation by Channel



ETRÉ
TOKYO

While shrinking compared to year before last, 9.6% of domestic business came from department stores and 41.8% from non-department stores (flagship shops and street-level stores), whereas EC channels and non-apparel products found solidity. Meanwhile, in overseas business, sales in the USA and Europe compensated for withdrawals and shifted to a regrowth phase.

| Do me stic | Category | Cumulative Q1ST 2020 Ending Feb. | Cumulative Q1ST 2021 Ending Feb. | Cumulative Q1ST 2022 Ending Feb. | Growth by channel | |
|------------------|--------------------------------------|--|--|--|-------------------|--------------|
| | | compared to year before last (%) | YoY (%) | | | |
| | Department Stores | 6.02 Billion Yen (Composition Rate (%) : 14.0) | 1.75 Billion Yen (Composition Rate (%) : 8.1) | 3.30 Billion Yen Composition Rate (%) : 9.6 | 54.8 | 188.3 |
| | Commercial Facilities(*1) | 22.51 Billion Yen (Composition Rate (%) : 52.5) | 7.03 Billion Yen (Composition Rate (%) : 32.4) | 14.31 Billion Yen Composition Rate (%) : 41.8 | 63.6 | 203.3 |
| | E-Commerce | 7.95 Billion Yen (Domestic E-Commerce ratio(%) : 21.8) | 9.18 Billion Yen (Domestic E-Commerce ratio(%) : 51.1) | 9.48 Billion Yen Domestic E-Commerce ratio(%) : 35.0 | 119.3 | 103.3 |
| | Domestic Others(*2) | 4.22 Billion Yen (Composition Rate (%) : 9.8) | 2.51 Billion Yen (Composition Rate (%) : 11.6) | 4.93 Billion Yen Composition Rate (%) : 14.4 | 116.9 | 196.6 |
| | Overseas(*3) | 2.18 Billion Yen (Composition Rate (%) : 5.1) | 1.21 Billion Yen (Composition Rate (%) : 5.6) | 2.19 Billion Yen Composition Rate (%) : 6.4 | 100.3 | 181.2 |

*1 Fashion buildings, shopping centers, railroad station buildings, individual stores, outlet shops etc. except for department stores.

*2 Apparel businesses such as wholesale, intercompany sales and non-apparel businesses of the group companies.

*3 Results of Efuego Corp. which operates EC sites centering on Tactics.com in the U.S. is to be consolidated from the second quarter of 2021 and onward. The results are recorded in overseas sales.

In EC business, we focused on EC sales to take growth to 205.9% compared to year before last.

Overseas EC is charging hard thanks to “TACTICS” in USA and “Margaret HOWELL” in Europe predicting that the battle on Covid-19 is being won.

For the first time in Q1, EC sales exceeded 10 billion yen.

| | Cumulative Q1ST 2020 Ending Feb. | Cumulative Q1ST 2021 Ending Feb. | Cumulative Q1ST 2022 Ending Feb. | compared to year before last (%) | YoY (%) |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------------------------|
| Domestic E-Commerce (ratio(%))^{※1} | 7.95 Billion Yen (21.8) | 9.18 Billion Yen (51.1) | 9.48 Billion Yen (35.0) | 119.3 (+13.2pt) | 103.3 (-16.1pt) |
| In-house EC (ratio(%)) | 2.16 Billion Yen (27.1) | 3.89 Billion Yen (42.3) | 4.44 Billion Yen (46.8) | 205.9 (+19.7pt) | 114.3 (+ 4.5pt) |
| Overseas E-Commerce (ratio(%))^{※2} | 0.11 Billion Yen (5.1) | 0.19 Billion Yen (16.0) | 0.86 Billion Yen (39.4) | 769.6 (+34.3pt) | 446.6 (+23.4pt) |
| E-Commerce TOTAL (ratio(%))^{※1} | 8.06 Billion Yen (20.9) | 9.37 Billion Yen (48.9) | 10.35 Billion Yen (35.3) | 128.4 (+14.5pt) | 110.4 (-13.6pt) |

※ 1 Domestic E-Commerce ratio excluding domestic and other sales (wholesale, company sales, etc.)

※ 2 Results of Efuego Corp. which operates EC sites centering on Tactics.com in the U.S. is to be consolidated from the second quarter of 2021 and onward. The results are recorded in overseas sales.

Benefits and improvements from digitalizing the work of shop staff



June 22, 2021

INSTYLE
of MIX.Tokyo STAFF

ファッションと私の、気になる関係。

人気ブランドが集まる「MIX.Tokyo」には、つい見習したくなるようなファッションセンスを持ったスタッフがたくさんいます。ファッションを軸に彼女たちの素顔に迫るこの企画。リニューアルして生まれ変わった「MIX.Tokyo」を代表する、各ブランドの人気スタッフをご紹介します。

STAFF FEATURE #03
JILLSTUART / 新宿ルミネ店

HEIGHT_163cm | INSTAGRAM ▶

Strengthening staff coordination content

You can always meet the staff you want to.

The number of posts and contents is up 311% compared to Q4 of previous FY – so, next, we will strengthen our sales platform.

Expansion of online customer service

You can consult anytime, anywhere.

CVR via online customer service is about 30 times more than Normal EC. Depending on the brand, it accounts for 15% of our EC sales.



nano universe's style of DX efforts

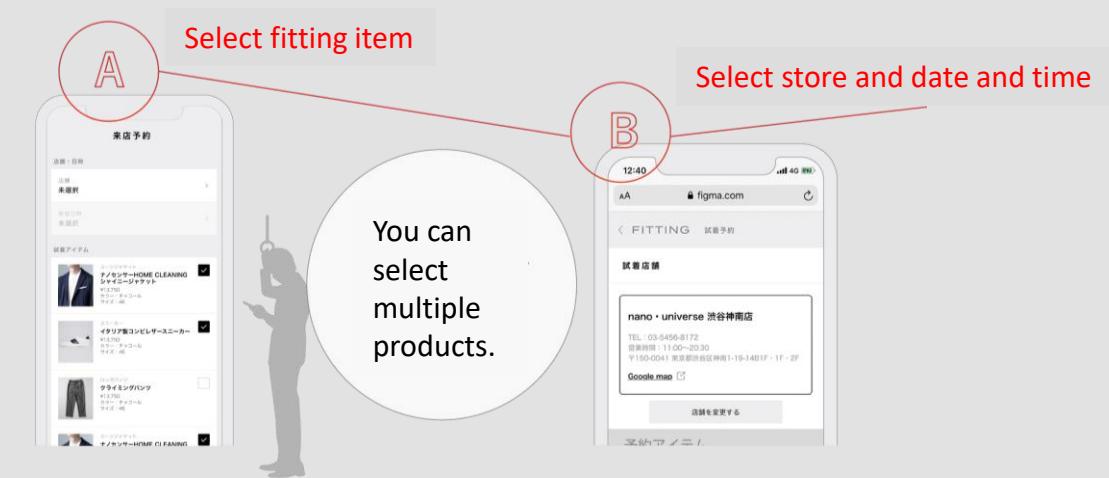
Store evolution by utilizing digital.

Scoring Ability of Shop Staff



We are scoring staff ability in order to be able to give guidance to staff to help them develop. In this way, we will bring about change in the behavior of shop staff.

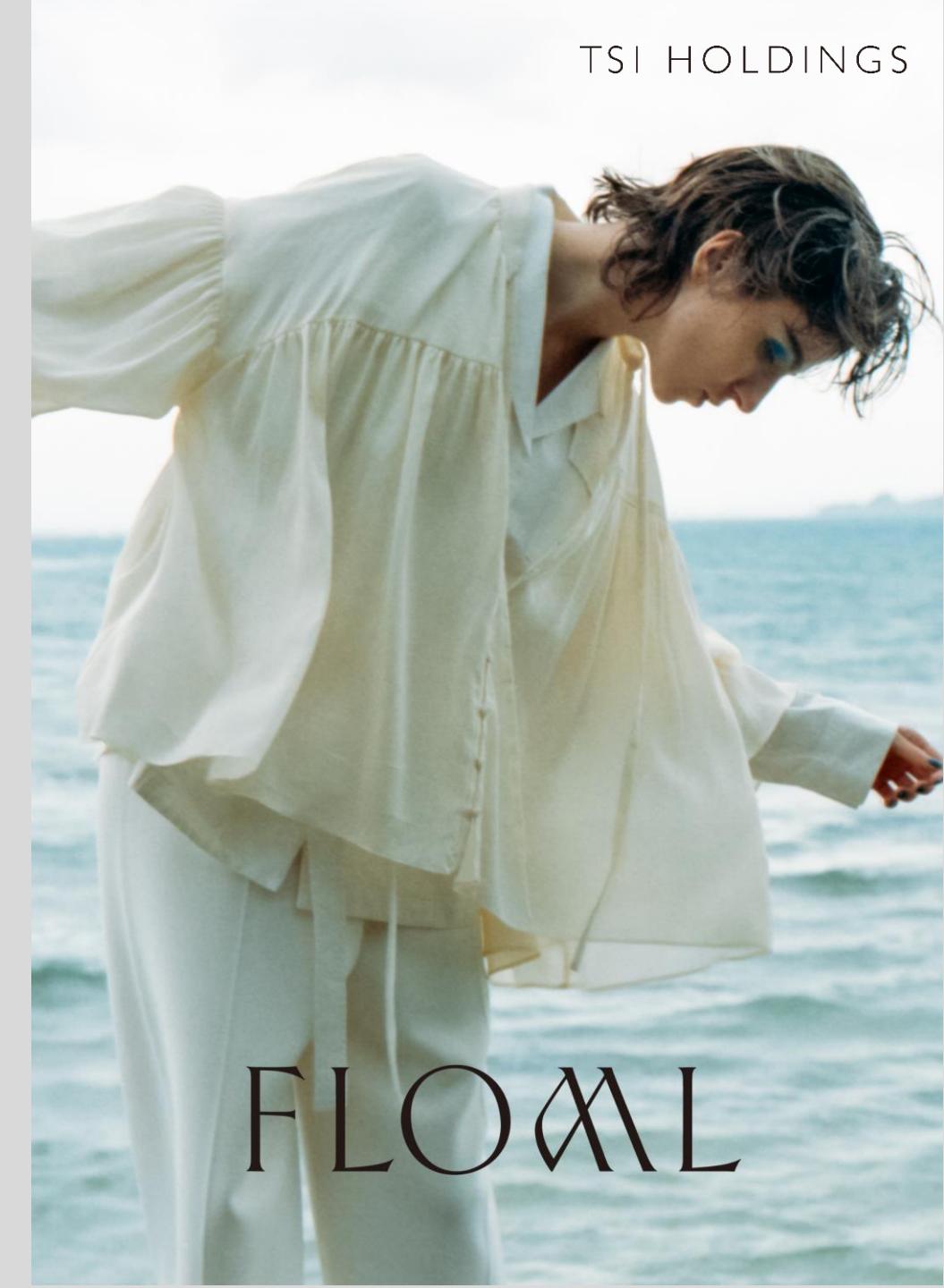
Directing customers from EC to stores and strengthening engagement



It's a service that reserves fittings at stores on EC. 55% of customers who applied for the fitting reservation service actually got customer service at the store. 80% of those customers bought after trying it on.



4 About Initiatives Related to Environmental Issues



Solving problems with fashion and technology

Developing products that benefit both the environment and customers



Proposing ethical fashion using digital technology

“FLOML” collaborates with Shimaai Farm on Ishigaki-jima island to come up with ideas on natural plant dyeing, on the assumption that designs will be re-dyed after a few years.

By using 3D data images when selling it, processes such as sample production are minimized. The sales method is also eco-friendly.



Orders received by “CLO” 3D data



Challenge to control global warming

Collaboration between “SONY” and “PEARLY GATES”
PEARLY GATES released a product compatible with the wearable thermo device "REON POCKET 2" from July 1st.
By eliminating waste of air conditioning energy, we will help global warming.



Creator's responsibility

Reborn what is thrown away for future global environment.



Reusing waste ingredients for fashion

“Human woman” uses FOOD TEXTILE of natural dyes that are made from thrown away ingredients, such as vegetable scraps.



Environmentally Friendly Initiatives Improvement of soil and water quality

The 100% cotton items in the “NATURAL BEAUTY BASIC” lineup have been changed to organic cotton 28 product number, switching over 30% of cut & sewn garments.



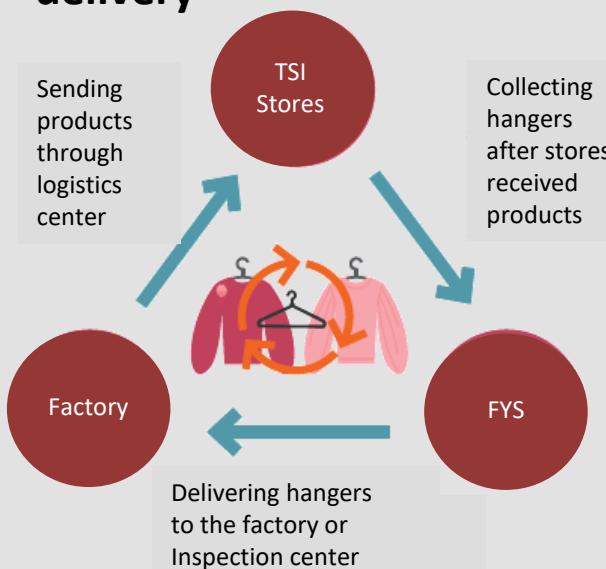
Aiming to reduce CO2 throughout the supply chain

Formed a sustainable project team, we will do our utmost to improve the internal environment that supports our business.



Reduction of plastic by reusing hangers

Promoting zero emission of 5 million hangers for delivery



Unified to FYS hangers that have obtained wide-area certification for industrial waste treatment by the Ministry of the Environment. Collected from stores nationwide, sorted, cleaned and reused.

Reducing CO2 by Material rationalization

Reduced the number of delivery cardboard models from 33 to 15



Strengthened corporate branding by making cardboard for the TSI entire group. Achieved reduction of environmental load by consolidating the number of models at the same time.



5

About Balance Sheet and Future Investment Strategy



Jack Bunny!!

The financial situation continues to be sound.

By activating investment in digital transformation (DX) infrastructure and new areas of business development, we will make effective use of funds .

| | Unit: Million Yen | | | | | | | | | |
|--|----------------------------------|----------------------|---------------------|----------------------|----------------------------------|----------------------|------------|---------|--------------|-----------|
| | Cumulative Q1ST 2021 Ending Feb. | | FY Ending Feb. 2021 | | Cumulative Q1ST 2022 Ending Feb. | | | | | |
| | Results | Composition Rate (%) | Results | Composition Rate (%) | Results | Composition Rate (%) | Y/Y Change | Y/Y (%) | Q1/Q4 Change | Q1/Q4 (%) |
| Current Assets | 67,865 | 43.2 | 82,714 | 53.4 | 76,430 | 51.5 | 8,565 | 112.6 | -6,284 | 92.4 |
| (of Cash and Deposits) | 25,681 | 16.3 | 49,871 | 32.2 | 42,817 | 28.9 | 17,136 | 166.7 | -7,054 | 85.9 |
| (of which, Inventory) | 27,159 | 17.3 | 18,400 | 11.9 | 18,793 | 12.7 | -8,366 | 69.2 | 393 | 102.1 |
| Non-current Assets | 89,278 | 56.8 | 72,237 | 46.6 | 71,899 | 48.5 | -17,379 | 80.5 | -338 | 99.5 |
| (of Investment Securities) | 25,724 | 16.4 | 28,873 | 18.6 | 29,440 | 19.8 | 3,716 | 114.4 | 567 | 102.0 |
| (of Investment Real estate) | 16,587 | 10.6 | 4,980 | 3.2 | 4,974 | 3.4 | -11,613 | 30.0 | -6 | 99.9 |
| Total Assets | 157,143 | 100.0 | 154,951 | 100.0 | 148,329 | 100.0 | -8,814 | 94.4 | -6,622 | 95.7 |
| Current Liabilities | 46,223 | 29.4 | 35,970 | 23.2 | 28,357 | 19.1 | -17,866 | 61.3 | -7,613 | 78.8 |
| (of Short-term borrowings) | 14,595 | 9.3 | 152 | 0.1 | 153 | 0.1 | -14,442 | 1.0 | 1 | 100.5 |
| (of Current portion of long-term borrowings) | 8,878 | 5.6 | 8,915 | 5.8 | 8,699 | 5.9 | -179 | 98.0 | -216 | 97.6 |
| Non-current Liabilities | 29,577 | 18.8 | 21,551 | 13.9 | 19,624 | 13.2 | -9,953 | 66.3 | -1,927 | 91.1 |
| (of Long-term borrowings) | 23,046 | 14.7 | 16,082 | 10.4 | 14,390 | 9.7 | -8,656 | 62.4 | -1,692 | 89.5 |
| Total Liabilities | 75,799 | 48.2 | 57,521 | 37.1 | 47,981 | 32.3 | -27,819 | 63.3 | -9,540 | 83.4 |
| Total Net Assets | 81,344 | 51.8 | 97,430 | 62.9 | 100,348 | 67.7 | 19,004 | 123.4 | 2,918 | 103.0 |
| Total Liabilities and Net Assets | 157,143 | 100.0 | 154,951 | 100.0 | 148,329 | 100.0 | -8,814 | 94.4 | -6,622 | 95.7 |

> Cash & Deposits

- 30 to 35 billion yen, which is the appropriate level of cash on hand under the corona wreck has been properly secured, so we will identify areas of market growth and invest.

※ The reason why cash and deposits decreased is mainly due to payment of corporate tax of 2 billion yen and repayment of long-term borrowings of 1.7 billion yen.

> Inventory

- By prioritizing the digestion of inventories from previous years, purchasing was curtailed and inventories were significantly reduced.
- Inventories were suppressed to about 69.2% compared to the previous quarter and improved 8.3 billion yen.

> Loans

We will maintain the short-term line of credit of 15 billion yen as unused balance.

> Capital adequacy ratio

- Capital adequacy ratio of 67%

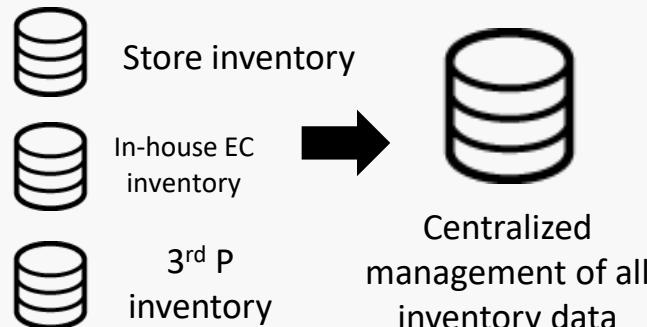
Strengthen SCM and CRM through digital investment.

We will increase profitability to deal with discontinuous markets.

Centralized inventory

Started system renovation to unify inventory data that was previously separated by channel.

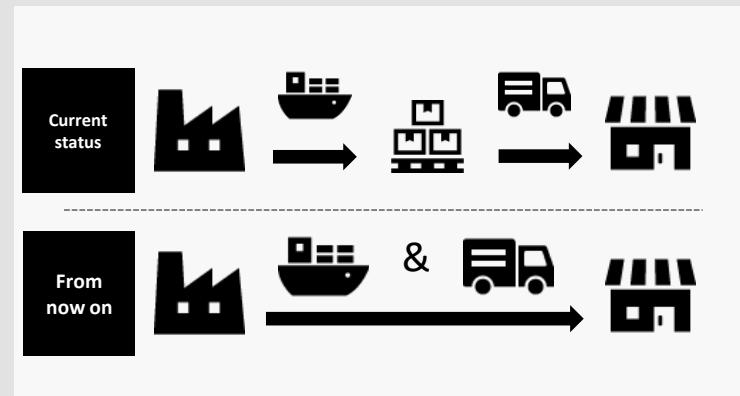
Reducing lost sales opportunities by centralizing inventory.



Directly from the store

Renewed thinking of logistics in line with centralized inventory.

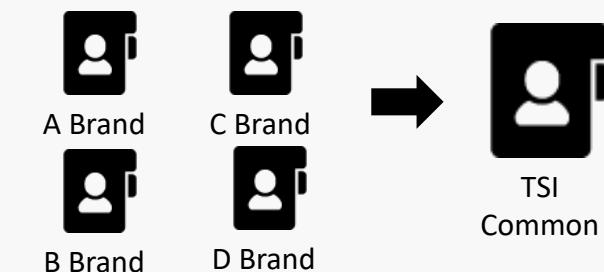
Reducing distribution costs by building a system that allows direct delivery from production bases to stores.



CRM integration

Started CRM integration.

Strategies to increase membership acquisition and customer engagement by leveraging the advantage of scale will improve LTV.



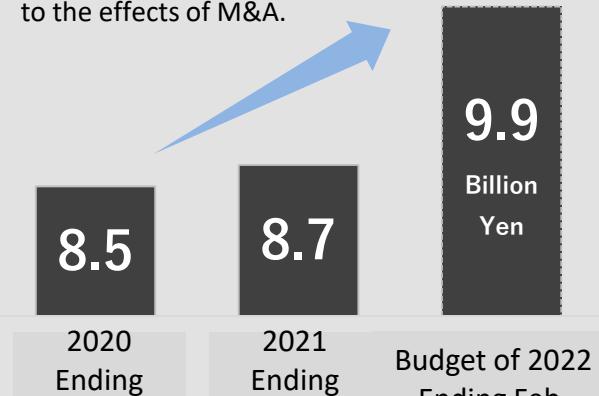
Rethinking Global Strategy

Due to the influence of Covid-19, globalization was suddenly braked.

As some overseas countries are getting the glimpse of after-corona mood, We will review our global strategy again.

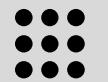
Overseas Sales

Sales for the last 3 years have grown steadily due to the effects of M&A.



We will revise the strategy to be globally accepted and try it again.



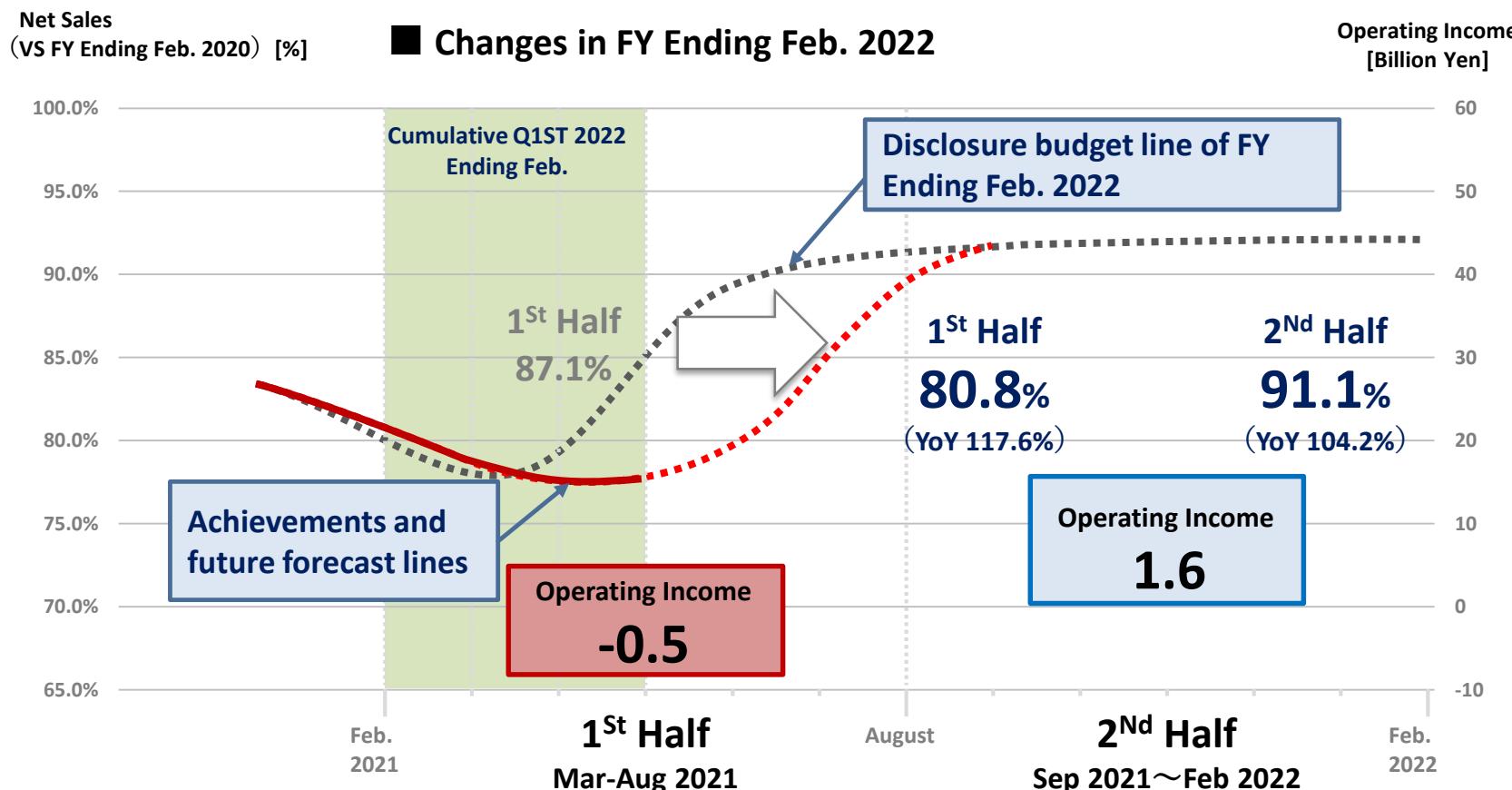


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About Full-year Forecast



As the state of emergency remained in place longer than expected, the sales forecast for the first half of the FY is down from 87.1% to 80.8% compared to year before last. Nevertheless, Q1 got off to a good start thanks to the improvement in gross profit margin and restraint in SG&A expenses. Hence, **we expect to achieve operating profit in the first half of the FY.**



Full-year sales budget
(compared to year before last)

89.6%



Full-year sales forecast
compared to year before last

86.6%

YoY 109.8%

Full-year operating income budget

1.1Billion Yen

Q2 tends to spit out profits since it is mainly discount-season and off-season.

Though we are supposed to make a complete transition to a profitable business model, it will take more times.

Therefore, we expect an operating income budget of -500 million yen in the first half by conducting the same polite management as in Q1

| | Q1 Budget | Q1 Results | First Half Expectation |
|------------------|---|---|--|
| Net Sales | 37.00 Billion Yen | 34.21 Billion Yen | 71.30 Billion Yen |
| Gross Profit | 21.00 Billion Yen (Composition ratio: 55.9%) | 19.14 Billion Yen (Composition ratio: 56.0%) | 38.00 Billion Yen (Composition ratio: 53.3%) |
| SG&A Expenses | 19.20 Billion Yen (Composition ratio: 51.1%) | 16.87 Billion Yen (Composition ratio: 49.3%) | 38.50 Billion Yen (Composition ratio: 54.0%) |
| Operating Profit | 1.80 Billion Yen (Profit margin: 4.8%) | 2.27 Billion Yen (Profit margin: 6.6%) | -0.50 Billion Yen (Profit margin: -%) |



We will improve the soundness of the business with a precise management controlling.

Besides, we wil achieve advanced business through supply chain reform, digital store development, new services, new content development, etc.

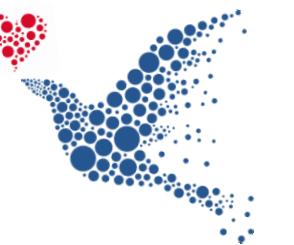
We will start activities to create new businesses without staying in this market.

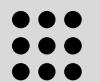


Striving to be the
happiest fashion company
in the world.



Becoming a company that creates
happiness for our shareholders,
customers, society and employees.





7

Reference Data



Overview

| | Q1ST 2021 Ending Feb. | | | | Q1ST 2022 Ending Feb. | | | | Unit: Million Yen | |
|---|-----------------------|----------------------|----------------------|---------|-----------------------|----------------------|------------|---------|-------------------|--|
| | Results | Composition Rate (%) | | Results | Composition Rate (%) | | Y/Y Change | Y/Y (%) | | |
| | | Results | Composition Rate (%) | | Results | Composition Rate (%) | | | | |
| Net Sales | 21,682 | 100.0 | | 34,215 | 100.0 | 12,532 | 157.8 | | | |
| Gross Profit | 9,058 | 41.8 | | 19,145 | 56.0 | 10,087 | 211.4 | | | |
| SG&A Expenses | 15,504 | 71.5 | | 16,872 | 49.3 | 1,368 | 108.8 | | | |
| SG&A Expenses (excl. Goodwill Amortization, Depreciation and Amortization) | 14,545 | 67.1 | | 15,950 | 46.6 | 1,404 | 109.7 | | | |
| Goodwill Amortization | 192 | 0.9 | | 194 | 0.6 | 2 | 101.3 | | | |
| Depreciation and Amortization | 766 | 3.5 | | 727 | 2.1 | -38 | 94.9 | | | |
| Operating Income | -6,445 | -29.7 | | 2,273 | 6.6 | 8,718 | - | | | |
| Ordinary Income | -6,094 | -28.1 | | 2,578 | 7.5 | 8,672 | - | | | |
| Extraordinary Income | 67 | 0.3 | | 514 | 1.5 | 447 | 761.6 | | | |
| Extraordinary Loss | 3,320 | 15.3 | | 597 | 1.7 | -2,722 | 18.0 | | | |
| Profit Before Taxes | -9,346 | -43.1 | | 2,495 | 7.3 | 11,842 | - | | | |
| Profit Attributable to Owners of Parent | -10,454 | -48.2 | | 2,431 | 7.1 | 12,885 | - | | | |
| EBITDA * | -5,486 | -25.3 | | 3,195 | 9.3 | 8,682 | - | | | |

*EBITDA = Operating Income + Goodwill Amortization + Depreciation and Amortization

Net Sales Per Channel

| | Cumulative Q1ST 2021 Ending Feb. | | Cumulative Q1ST 2022 Ending Feb. | | | |
|---------|-------------------------------------|-------------------------|----------------------------------|---------|-------------------------|-----------------------------------|
| | Results (Million yen) | Composition Rate (%) | Results (Million yen) | Y/Y (%) | Composition Rate (%) | Composition Rate Y/Y Change |
| Channel | Department Stores | 1,752 | 8.1 | 3,299 | 188.3 | 9.6 |
| | Commercial Facilities(*1) | 7,033 | 32.4 | 14,311 | 203.5 | 41.8 |
| | In-house EC | 3,886 | 17.9 | 4,442 | 114.3 | 13.0 |
| | 3rd Party | 5,295 | 24.4 | 5,042 | 95.2 | 14.7 |
| | E-Commerce | 9,181 | 42.3 | 9,484 | 103.3 | 27.7 |
| | Others(*2) | 2,508 | 11.6 | 4,931 | 196.6 | 14.4 |
| | Domestic | 20,474 | 94.4 | 32,027 | 156.4 | 93.6 |
| | E-Commerce | 193 | 0.9 | 862 | 446.4 | 2.5 |
| | Overseas(*3) | 1,207 | 5.6 | 2,187 | 181.2 | 6.4 |
| | E-Commerce TOTAL | 9,374 | 43.2 | 10,347 | 110.4 | 30.2 |
| TOTAL | | 21,682 | 100.0 | 34,215 | 157.8 | 100.0 |

*1 Fashion buildings, shopping centers, railroad station buildings, individual stores, outlet shops etc. except for department stores.

*2 Apparel businesses such as wholesale, intercompany sales and non-apparel businesses of the group companies.

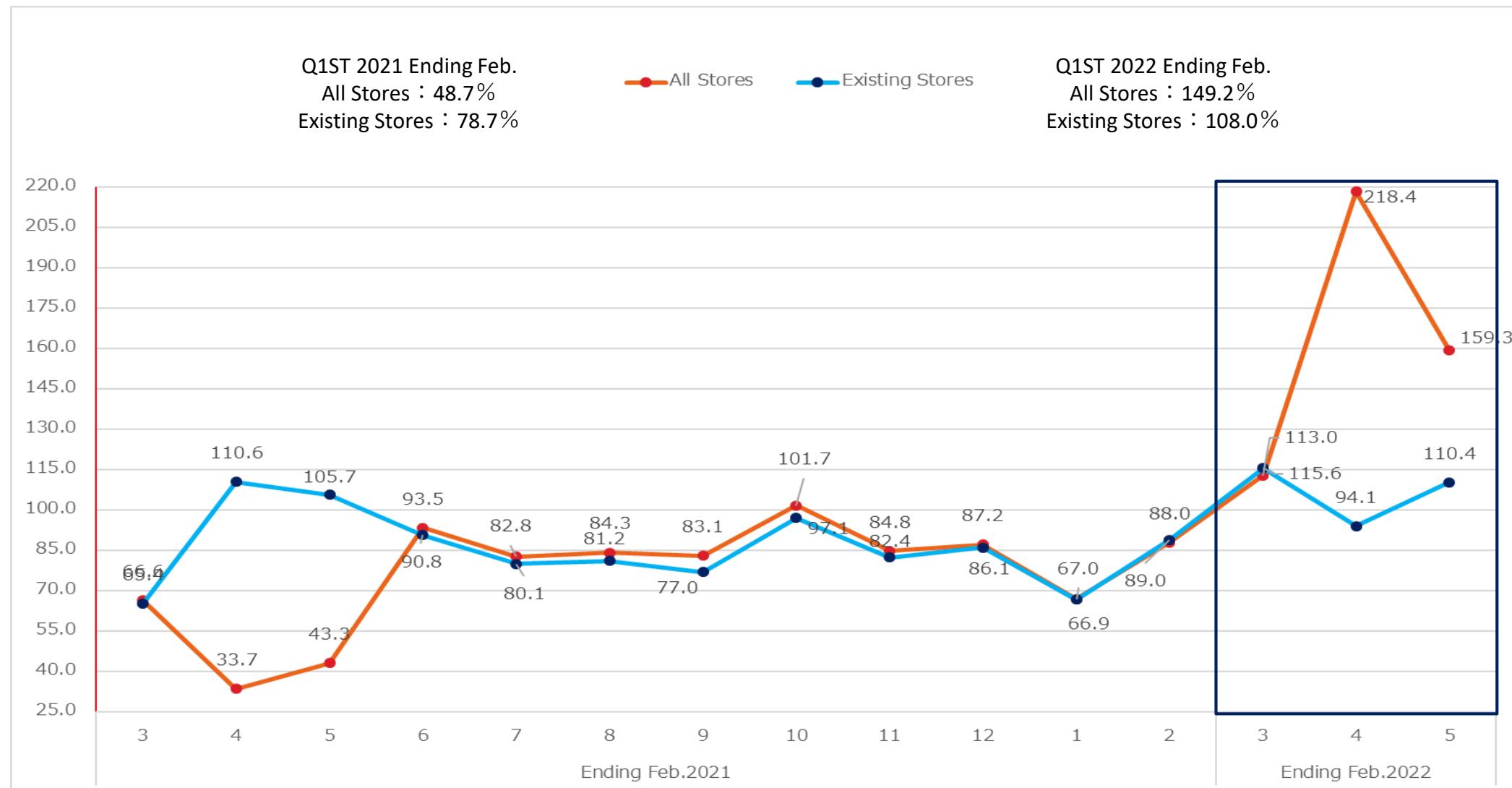
*3 Results of Efuego Corp. which operates EC sites centering on Tactics.com in the U.S. is to be consolidated from the second quarter of 2021 and onward. The results are recorded in overseas sales.

Brands Overview

Unit: Million Yen

| | Cumulative Q1ST 2021 Ending Feb. | | | Cumulative Q1ST 2022 Ending Feb. | | | Y/Y | |
|-----------------------------|----------------------------------|----------------------|------------------------|----------------------------------|----------------------|------------------------|-----------|-------------------------|
| | Sales | Composition Rate (%) | Gross Profit Ratio (%) | Sales | Composition Rate (%) | Gross Profit Ratio (%) | Sales (%) | Gross Profit Ratio (pt) |
| | | | | | | | | |
| 1. nano · universe | 3,188 | 14.7 | 40.6 | 3,945 | 11.5 | 54.7 | 123.8 | +14.1pt |
| 2. PEARLY GATES | 1,911 | 8.8 | 40.5 | 3,920 | 11.5 | 62.4 | 205.2 | +21.9pt |
| 3. NATURAL BEAUTY BASIC | 2,031 | 9.4 | 34.0 | 2,777 | 8.1 | 63.3 | 136.7 | +29.2pt |
| 4. MARGARET HOWELL | 1,269 | 5.9 | 53.4 | 2,590 | 7.6 | 65.8 | 204.0 | +12.4pt |
| 5. HUF | 901 | 4.2 | 43.6 | 1,485 | 4.3 | 48.1 | 164.7 | +4.5pt |
| 6. AVIREX | 892 | 4.1 | 56.3 | 1,302 | 3.8 | 62.7 | 146.0 | +6.4pt |
| 7. UNDEFEATED | 854 | 3.9 | 37.9 | 1,283 | 3.7 | 42.9 | 150.2 | +5.1pt |
| 8. STUSSY | 707 | 3.3 | 60.3 | 997 | 2.9 | 68.4 | 140.9 | +8.1pt |
| 9. PROPORTION BODY DRESSING | 680 | 3.1 | 50.7 | 860 | 2.5 | 64.0 | 126.5 | +13.3pt |
| 10. ROSE BUD | 627 | 2.9 | 39.4 | 826 | 2.4 | 48.3 | 131.7 | +8.9pt |
| TOP10 | 13,064 | 60.3 | 43.5 | 19,989 | 58.4 | 58.9 | 153.0 | +15.4pt |
| Other Brands | 7,911 | 36.5 | 40.5 | 14,196 | 41.5 | 52.1 | 179.4 | +11.6pt |
| Continuing Brands | 20,976 | 96.7 | 42.4 | 34,186 | 99.9 | 55.9 | 163.0 | +13.5pt |
| Closed Brands | 705 | 3.3 | 24.5 | 28 | 0.1 | 133.6 | 4.1 | +109.1pt |
| TOTAL | 21,682 | 100.0 | 41.8 | 34,215 | 100.0 | 56.0 | 157.8 | +14.2pt |

Domestic Monthly Sales Information



The Number of Stores

| | | Cumulative Q1ST 2021 Ending Feb. | FY Ending Feb. 2021 | Store Open | Store Close | Cumulative Q1ST 2022 Ending Feb. | Y/Y Change | Q1/Q4 Change |
|------------|----------|-------------------------------------|------------------------|---------------|----------------|-------------------------------------|---------------|-----------------|
| Apparel | Domestic | 1,000 | 872 | +13 | -13 | 872 | -128 | - |
| | Overseas | 73 | 52 | - | -3 | 49 | -24 | -3 |
| | Total | 1,073 | 924 | +13 | -16 | 921 | -152 | -3 |
| Restaurant | Domestic | 9 | 9 | - | - | 9 | - | - |
| Cosmetics | Domestic | 27 | 33 | +4 | -5 | 32 | +5 | -1 |
| Total | | 1,109 | 966 | +17 | -21 | 962 | -147 | -4 |

1st Half and 2nd Half Profit and Loss Plan

| | 1 st Half Plan | 2 nd Half Plan | Full-year Plan |
|--------------------|--|--|--|
| Net Sales | 71.30 Billion Yen (YoY:126.7%) | 81.10 Billion Yen (YoY:104.2%) | 152.40 Billion Yen (YoY:113.7%) |
| SG&A Expenses | 38.50 Billion Yen (Composition ratio:54.0%) | 41.40 Billion Yen (Composition ratio:51.0%) | 79.90 Billion Yen (Composition ratio: 52.4%) |
| Operating Income | -0.50 Billion Yen (Profit margin: -%) | 1.60 Billion Yen (Profit margin: 2.0%) | 1.10 Billion Yen (Profit margin: 0.7%) |
| Current Net Income | 0.17 Billion Yen (Profit margin: 0.2%) | 1.49 Billion Yen (Profit margin: 1.8%) | 1.66 Billion Yen (Profit margin: 1.1%) |



TSI HOLDINGS GROUP

Descriptions about future within this document are based on the information that the company obtains on the date of this report and certain assumptions deemed to be reasonable. Actual earnings may differ materially from various future factors.