



TSI HOLDINGS



January 12,2024

Dear All,

TSI HOLDINGS CO., LTD.
Tsuyoshi Shimoji
Representative Director and President
(TSE prime market No.3608)

**Announcement of Capital and business alliance with SynCom Agritech,
an environment and human rights friendly organic cotton producer.**

Our purpose is 'creating global empathy and social value through the power of fashion entertainment.' We promote the establishment of a sustainable supply chain and the ethical and responsible sourcing of raw materials. Cotton production has a significant environmental impact through the use of large amounts of chemical fertilizers and pesticides and excessive agricultural water use, having a negative impact on soil and biodiversity. It also gives rise to human rights issues such as low wages, forced labor, and child labor.

To address these social issues, we entered into a business partnership with SynCom Agritech in 2022 to produce highly competitive, variety-traceable organic cotton using the 'latest organic farming technology,' including soil preparation without chemical fertilizers and crop management without pesticides. The company is involved in the production of highly competitive, variety-traceable organic cotton. SEEDS (Social Education Economical Development Society), an agribusiness support organization, and ASSEFA (Association for Sarva Seva Farms), a rural support organization, have joined the project as partners on the Indian side.

The project has created a basis for all parties to share experiences and work together on quality management and human rights issues. Based on the results of this two-year project, a capital and business partnership agreement has now been signed with SynCom Agritech. Through this capital and business alliance, we will promote the reduction of environmental impact based on scientific principles and contribute to biodiversity. At the same time, we will take into account the human rights of farmers, build a new supply chain with traceability, and provide our customers with products that contribute to a sustainable society that is friendly to people, the environment, and society.

Overview of SynCom Agritech

① Trade name	SynCom Agritech co.,ltd.
② Head office location	Azuma 2-5-1, Tsukuba, Ibaraki Japan
③ Representative Director and President	Eiji Yamamura
④ Business details	Organic Farming. Development, manufacturing, sales of organic fertilizers and pesticides.
⑤ Capital stock	26.666 Million yen
⑥ Date of establishment	January 18,2021
⑦ URL	https://syncom-agri.com/