



First Half of Fiscal Year 2027 Financial Results Briefing

TSI HOLDINGS CO., LTD.

Stock Code : 3608 (Tokyo Stock Exchange Prime Market)

Oct 15, 2026



N A N O
universe

AGENDA

- 1 1H FY2027 Overview
- 2 Sales Performance by Channel
- 3 Business Highlights
- 4 Structural Reforms – Progress Update
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<Definitions>

Q1: March 1 – May 31, 2026

Q2: June 1 – August 31, 2026

1H: March 1 – August 31, 2026

2H: September 1, 2026 – February 28, 2027

FY: Fiscal year ending in February of the stated year (e.g., FY2027 ends February 28, 2027)

TSI Holdings Co., Ltd. is referred to as the "Company" in this presentation.

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1H FY2027 Overview

(March 1-August 31, 2026)



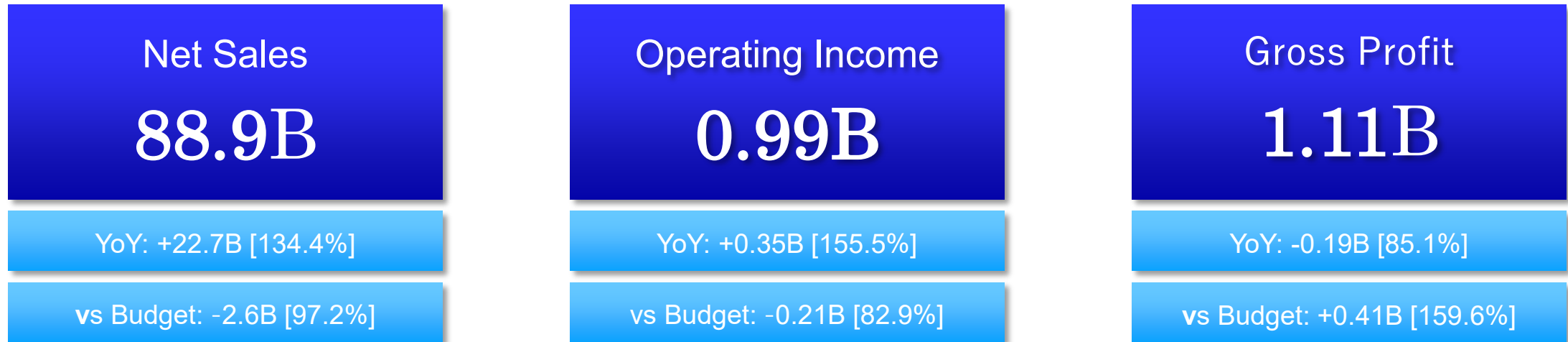
FREAK'S STORE

Executive Summary

- ✓ Throughout the first half, the Japanese economy showed positive signs, including improvements in real wages and higher spending per inbound tourist. However, continued yen depreciation and rising prices kept consumers cautious about spending, preventing a full-fledged recovery in consumption.
- ✓ The apparel market remained relatively firm, supported by the macroeconomic environment, but was significantly affected by weather conditions. Higher temperatures in early spring had a positive impact on sales, while unstable weather from June onward weighed on demand for summer apparel.
- ✓ The Company's net sales and operating income increased significantly year-on-year, driven by the full-period consolidation of Daytona International and Waterfront from the beginning of the fiscal year, as well as a recovery in sales at its core brands. However, both net sales and operating income fell short of the first-half plan, and the Company aims to make up for the shortfall in the second half.

1H Financial Highlights

Net sales rose over 30% YoY, driven by contributions from acquired businesses and growth in existing businesses. Operating income increased 55% YoY, supported by cost controls, including structural reforms, although growth moderated in Q2. Both fell short of the 1H plan.



- Net sales increased, driven by contributions from acquired businesses. Existing businesses also recorded sales growth, led by strong menswear performance and a recovery in core womenswear brands.
- Operating income increased, driven by higher net sales and an improvement in the SG&A expense ratio. However, it fell short of the plan due to lower-than-planned sales and a decline in the gross profit margin, reflecting discounting and the impact of yen depreciation on fully imported brands.
- Income before income taxes and interim net income declined year-on-year but exceeded their respective plans. (In the previous year, profits were temporarily boosted by tax effects.)

1H FY2027 Overview

1H Financial Highlights

Net Sales
88.9B
YoY:
+22.7B [134.4%]

- Net sales increased significantly, driven by contributions from acquired companies and new businesses.
- Existing businesses recorded sales growth, led by menswear, while brands that had underperformed in the previous year, including Margaret Howell and human woman, showed signs of recovery.

➡ Net sales from existing businesses: +3.1% YoY

Gross Profit
47.6B
YoY
+10.7B [129.3%]

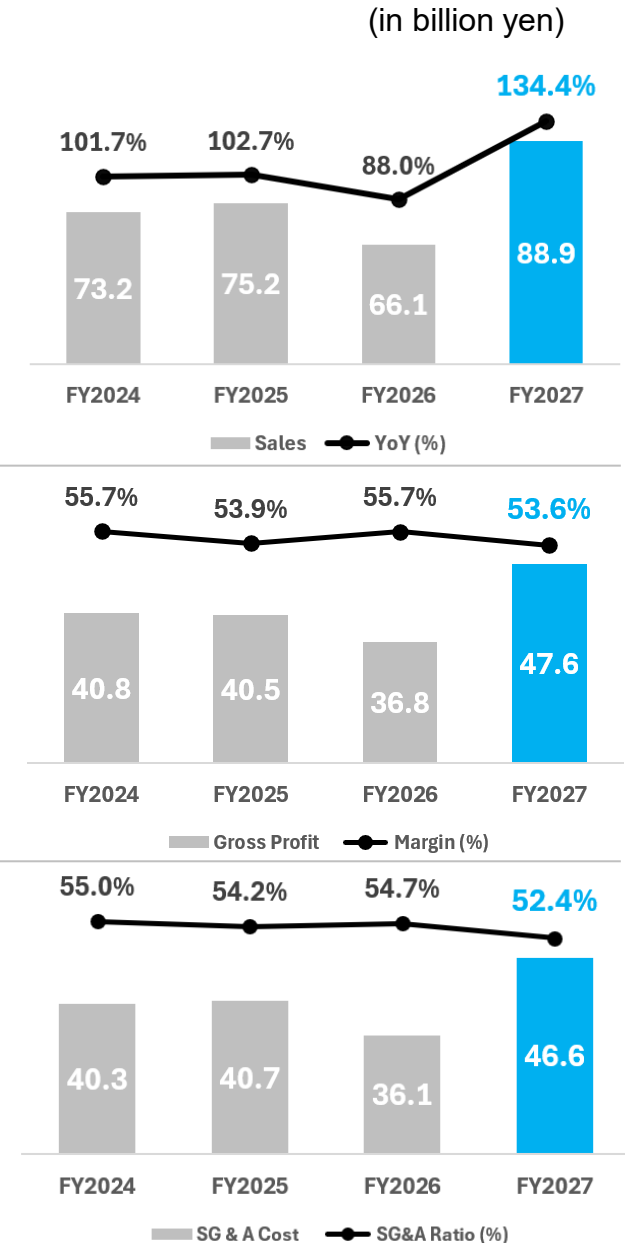
- Gross profit increased on higher sales, while the gross profit margin declined 2.1pp.
- Lower margins at acquired companies, primarily engaged in multi-brand retail and wholesale, weighed on the overall margin.
- Existing businesses saw margin deterioration in Q2 due to increased discounting, yen depreciation affecting fully imported brands, and weak overseas performance.

➡ Existing businesses' gross profit margin: -0.4pp YoY

SG&A Expenses
46.6B
YoY
+10.4B [128.8%]

- SG&A expenses increased partly due to acquired companies, but their lower expense ratios helped improve the overall ratio.
- Disciplined cost control in existing businesses also contributed to the improvement.

➡ SG&A expense ratio of existing businesses: -1.7pp YoY

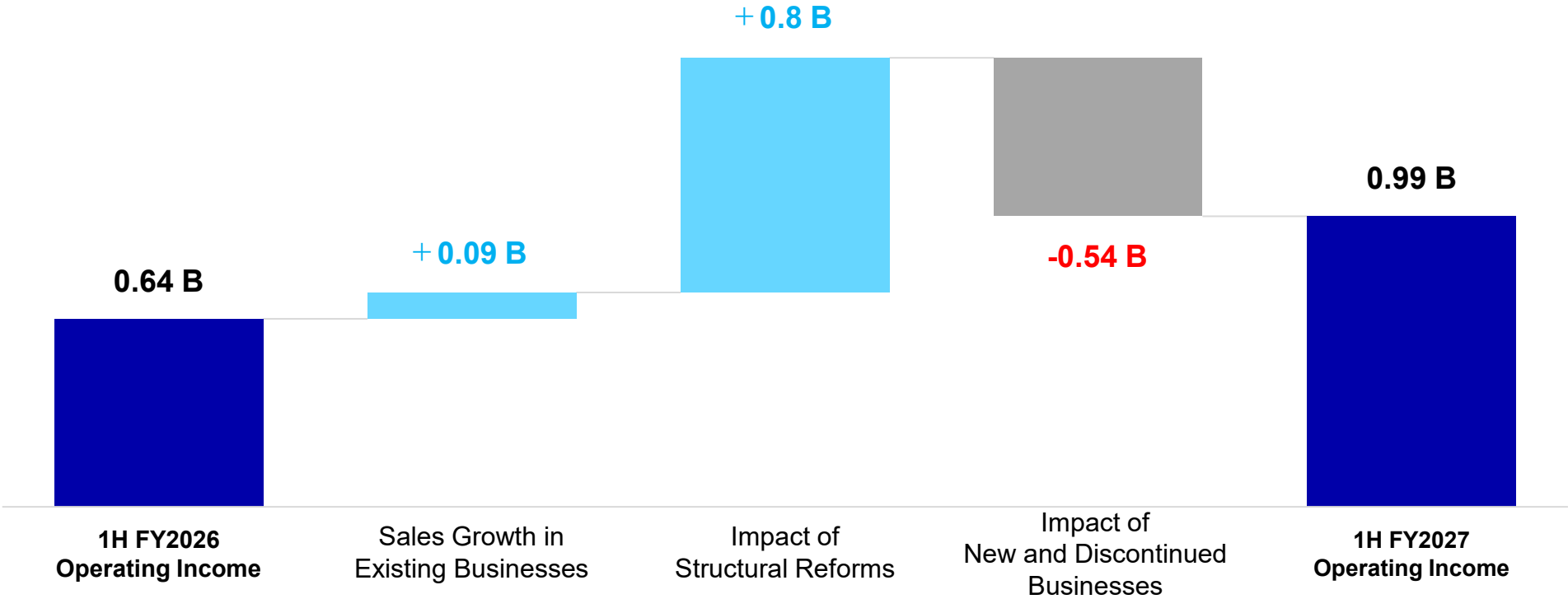


Operating Income Analysis

A recovery in sales at existing businesses, led by core menswear and womenswear brands, contributed to higher operating income. However, weather conditions and increased discounting weighed on sales and profits in Q2, moderating 1H growth compared with Q1.

Structural reforms continued to deliver results, supporting profitability.

New businesses, including acquired companies, have yet to contribute to consolidated profits in 1H, as their profits are concentrated in 2H. This was already factored into the plan.



Net Income Impact — Itemized Breakdown

Dividend income and equity-method investment income contributed to net non-operating income of approximately ¥0.9 billion, bringing ordinary income to ¥1.9 billion. Interest expenses increased due to borrowings to finance acquisitions. Income taxes totaled ¥0.9 billion. As a result, income before income taxes was ¥2.0 billion, and interim net income attributable to owners of parent was ¥1.1 billion (profit margin: 1.2%).

Non-operating Income Total: 1.4B	● Interest and dividend income ● Foreign exchange gains ● Share of profit of entities accounted for using equity method ● Other ➤ 0.9B ➤ 0.1B ➤ 0.1B ➤ 0.3B	(Unit: JPY billion)
Non-operating Expenses Total: 0.5B	● Interest expenses ● Other ➤ 0.4B ➤ 0.1B	
Extraordinary Income/Losses Extraordinary Income: 0.2B Extraordinary Loss: 0.1B	● Net Income on sale of Investment Securities ➤ 0.2B	
Income Taxes	● Corporation, inhabitant and enterprise taxes ➤ 0.9B	

Note: Only major items are shown.

1H FY2027 Overview

Balance Sheet

	1H FY2026		1H FY2027			
	Results	Composition Rate (%)	Results	Composition Rate (%)	Y/Y Change	Y/Y (%)
Current Assets	67,882	55.3%	79,542	44.8%	11,660	117.2%
(of Cash and Deposits)	28,896	23.5%	32,012	18.0%	3,116	110.8%
(of which, Inventory)	25,405	20.7%	31,864	17.9%	6,459	125.4%
Non-current Assets	54,818	44.7%	98,066	55.2%	43,248	178.9%
(of Investment Securities)	24,127	19.7%	25,377	14.3%	1,250	105.2%
(of Investment Real estate)	2,243	1.8%	2,312	1.3%	69	103.1%
Total Assets	122,701	100.0%	177,741	100.0%	54,908	144.9%
Current Liabilities	24,213	19.7%	44,850	25.3%	20,637	185.2%
(of Short-term borrowings)	7,779	6.3%	17,913	10.1%	10,134	230.3%
(of Current portion of long-term borrowings)	875	0.7%	5,245	3.0%	4,370	599.4%
Non-current Liabilities	5,728	4.7%	41,089	23.1%	35,361	717.3%
(of Long-term borrowings)	428	0.3%	28,907	16.3%	28,479	6754.0%
Total Liabilities	29,942	24.4%	85,940	48.4%	55,998	287.0%
Total Net Assets	92,759	75.6%	91,667	51.6%	-1,092	98.8%
(of Treasury stock(-))	-16,473	-13.4%	-8,143	-4.6%	8,330	49.4%
Total Liabilities and Net Assets	122,701	100.0%	177,608	100.0%	54,907	144.7%

※ Acquired companies: Daytona International Co., Ltd., Waterfront Co., Ltd., and Toyo Enterprise Co., Ltd.
(Toyo Enterprise was consolidated only in the balance sheet for 1H).

Cash and deposits

- Cash and deposits of acquired companies※ were newly consolidated.
- Despite significant cash outflows from share repurchases and acquisitions funded with internal cash, the cash balance remained positive.

Inventories

- Inventories increased due to the consolidation of acquired businesses.
- Inventories in existing businesses stood at 104.3% of the previous year's level, mainly due to early deliveries of fall/winter merchandise.

Investment securities

- Reduction of cross-shareholdings is progressing in line with the Company's policy.

Short-term and long-term borrowings

- Borrowings increased due to bank financing for working capital and M&A.
- Borrowings were managed flexibly through committed credit facilities.

Treasury stock

- Repurchased treasury shares worth ¥3.0 billion in April 2026.

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1H FY2027

Sales Performance by Channel



AVIREX®

1H FY2027 Sales Performance by Channel

Sales by Channel

Total domestic retail store sales increased by ¥8.3 billion to 120.3% YoY. Directly operated store sales reached 124.7% YoY, driven by Daytona International and continued strength in menswear brands. Domestic Other sales reached 127.4% YoY, supported by wholesale contributions from Waterfront and the golf business. Overseas sales declined YoY due to business exits in the previous fiscal year, but reached 107.0% YoY excluding their impact.

		1H FY2025		1H FY2026		1H FY2027※ ³	YoY
Domestic Retail	Department Store [% of total sales]	9.3B [12.4%]	▶	7.5B [11.5%]	▶	7.6B [8.6%]	100.4%
	Directly Operated Stores※ ¹ [% of total sales]	35.1B [46.8%]	▶	33.7B [51.1%]	▶	42.1B [47.4%]	124.7%
	E-commerce [% of total domestic retail sales]	15.9B [26.4%]	▶	13.2B [24.3%]	▶	26.0B [29.3%]	196.5%
	Domestic Misc. ※ ² [% of total sales]	8.9B [11.9%]	▶	7.7B [11.7%]	▶	9.8B [11.1%]	127.4%
Overseas [% of total sales]		5.8B [7.7%]	▶	3.7B [5.7%]	▶	3.2B [3.6%]	84.7%

(Unit: JPY billion)

※¹ Directly Operated Stores: Stores located in shopping centers, malls, outlet malls, and standalone stores.

※² Domestic Misc.: Wholesale sales, sales to employees, and other sales by the Group's apparel-related business, as well as non-apparel business

※³ Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025

1H FY2027 Sales Performance by Channel

E-commerce Sales

Domestic sales increased by ¥12.8 billion to 196.5% YoY, with significant contributions from acquired businesses across both owned and third-party platforms. Owned sales rose by ¥4.3 billion to 178.8% YoY, while third-party sales increased by ¥8.4 billion to 208.9% YoY. Overseas sales reached 133.6% YoY, excluding the impact of the divestiture of certain U.S. operations.

		1H FY2025		1H FY2026		1H FY2027※2	YoY
Domestic	Owned [% of total domestic E-comm]	7.1B [44.9%]	▶	5.4B [41.4%]	▶	9.8B [37.6%]	178.8%
	3rd Party [% of total domestic E-comm]	8.7B [55.1%]	▶	7.7B [58.6%]	▶	16.2B [62.4%]	208.9%
	Total Domestic [% of total domestic retail sales]	15.9B [26.4%]	▶	13.2B [24.3%]	▶	26.0B [29.3%]	196.5%
Overseas E-Commerce [% of total overseas retail sales]		1.9B [33.9%]	▶	1.0B [28.1%]	▶	0.7B [23.6%]	71.2%
Total E-Commerce Sales [% of total retail sales]※1		17.9B [27.0%]	▶	14.3B [24.5%]	▶	26.8B [29.1%]	187.2%

(Unit: JPY billion)

※1 The e-commerce sales ratio is calculated excluding other domestic sales (such as wholesale and employee sales).
 ※2 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

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Business Highlights



human woman

Core Brands

Core brands showed a recovery in sales, particularly in womenswear. MARGARET HOWELL and NATURAL BEAUTY BASIC returned to growth, while AVIREX and FREAK' S STORE maintained strong momentum, continuing to drive Group sales.

FREAK'S STORE

YoY* 103.8%

- Sales and operating income continued to grow steadily.
- The brand launched its 40th anniversary initiatives, highlighted by a well-received collaboration with GAP. More exciting projects are planned.

*Compared with the pre-acquisition period.

AVIREX®

YoY 123.5%

- Core products and special initiatives drove double-digit sales growth.
- Women's Daily Wear attracted new customers and proved popular.
- Further growth is expected from the September Ginza opening and the October Korea pop-up.

MARGARET HOWELL

YoY 110.6%

- Store portfolio optimization helped existing-store sales recover, while e-commerce grew strongly.
- Excess inventory was successfully reduced, despite some impact on earnings.
- A book and exhibition highlighting the brand's craftsmanship and style helped showcase its appeal.

NATURAL BEAUTY BASIC

YoY 100.1%

- Store portfolio restructuring and e-commerce growth boosted sales and improved profitability.
- To mark its 30th anniversary, the brand launched a special collaboration and campaigns featuring popular models, reinforcing its appeal.

NANO UNIVERSE

YoY 88.2%

- The store count declined due to closures, with existing-store sales at 97% YoY.
- Inventory and merchandising strategies are under review, while promotions and collaborations supported sales.

PEARLY GATES

YoY 98.2%

- Customer traffic remained weak, particularly at outlet stores, but reduced discounting significantly improved profitability.
- Improved merchandising and successful collaborations drove a strong recovery in e-commerce sales.

Emerging Growth Brands

Strong-performing brands saw robust sales through e-commerce and existing stores, attracting inbound tourists and new customers. Exclusive and collaborative products performed particularly well, with demand-driven product allocation supporting sales growth.



YoY 128.0 %

- Strong growth in existing-store and owned e-commerce sales drove a significant YoY increase.
- Exclusive products from popular brands performed well, attracting inbound tourists and new customers and boosting customer traffic.



and wander

YoY 126.4 %

- Sales grew across all channels, supported by domestic and overseas wholesale expansion.
- Domestic demand offset fewer Chinese tourists, boosting customer traffic.
- Collaborations with Starbucks and Brompton helped reach new customer segments.



JILL by JILL STUART

YoY 106.9 %

- Owned e-commerce sales rebounded sharply, supported by improved merchandising and rapid product replenishment.
- Core bags and collaborative caps and accessories drove sales between seasons and boosted e-commerce growth.



1H FY2027 Business Highlights

mix.tokyo Update

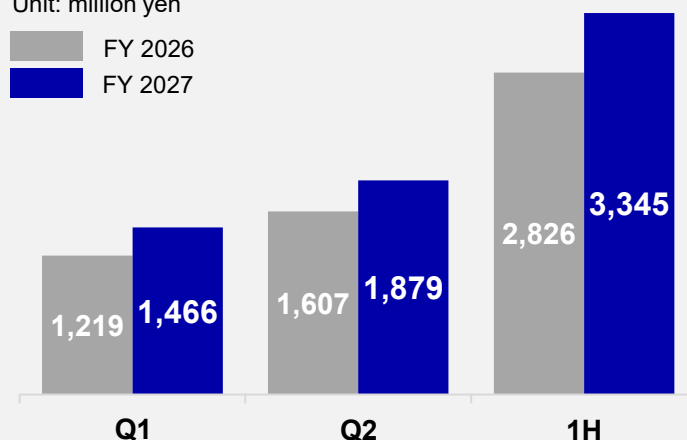
Sales exceeded prior-year levels every month in 1H, driven by recovering core brands, online exclusives, and collaborations. Successful brand initiatives attracted new customers and boosted registrations, expanding membership to approximately 1.4 million.

mix.Tokyo Sales Trend*

1H FY2027: YoY 118.4%

Unit: million yen

■ FY 2026
■ FY 2027



- 1H sales reached ¥3.35 billion (118.4% YoY), with monthly YoY growth and double-digit gains in both quarters.
- New member registrations reached 111.3% YoY, bringing total membership to approximately 1.4 million at end-August.

Core Brands Rebound with Double-Digit YoY Growth

AVIREX®

MARGARET
HOWELL

PEARLY
GATES

human woman

NATURAL BEAUTY
BASIC

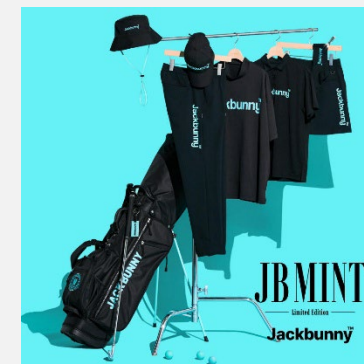
MHL,

Jack Bunny!!

JILL by JILL STUART

- Sales recovered across core brands in the second year following the e-commerce platform integration.
- AVIREX grew to 160% YoY, while JILL by JILL STUART and Jack Bunny!! both reached 138% YoY, contributing to overall sales growth.

Collaborations & Exclusives Drive New Sign-ups



▲ Jack Bunny!!
Online Exclusive Collection



▲ AVIREX's Collaboration
with Disney

- Golf brands and AVIREX performed well, supported by ongoing mix.tokyo exclusives and collaborations.
- These initiatives attracted new customers, driving steady growth in first-time buyers throughout 1H.

* Includes owned e-commerce sales from mix.Tokyo, NANO universe, and ALPHA INDUSTRIES.

1H FY2027 Business Highlights

Sustainability Management

Charity T-shirts for Kumamoto Earthquake Relief



Seven golf apparel brands, including PEARLY GATES, and Fukuoka-based multi-brand retailer Dice&Dice launched charity T-shirts to support those affected by the 2026 Kumamoto earthquake.

All proceeds from T-shirt sales, along with donations collected in stores and within the Company, will be donated through the Japanese Red Cross Society.

Second Sustainability WEEK

The Company held its second Sustainability WEEK, featuring a low-carbon materials exhibition and an environmental labeling seminar to promote responsible communication and sustainable practices.

|Low-Carbon Materials Exhibition



|Environmental Labeling Seminar



T-Shirts for Ishikari River Cleanup in Kamikawa, Hokkaido

The Company supported the Ishikari River Cleanup in Kamikawa, Hokkaido, with which it has a comprehensive partnership agreement, by providing 100 *and wander* T-shirts to all participants. The initiative helped preserve the natural environment and maintain the river's scenic beauty.



|Ishikari River Cleanup Logo
Printed on *and wander* T-Shirts

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Structural Reforms

Progress Update



and wander

Structural Reforms – Progress Update

Restructuring initiatives across all areas delivered measurable YoY improvements, contributing approximately ¥800 million to operating income. In 2H, the Company will continue reviewing and refining these initiatives to maximize their impact.

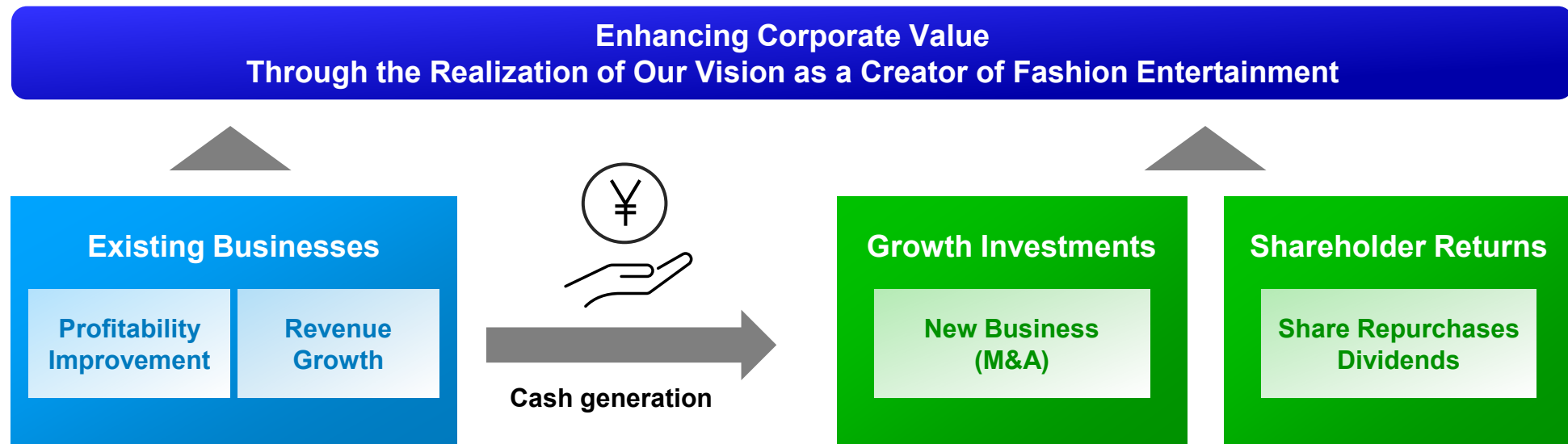
Purpose	Course of Action	(in billion yen) Impact (YoY)
Purchase Cost Reductions & Optimized Supply/Demand Management	▶ Implementing a company-wide production and manufacturing strategy (supplier and factory consolidation, relocation of production bases, changes in delivery methods, local settlement, etc.) ▶ Pricing analysis and decisions based on a standardized approach ▶ Optimizing inventory levels	Approx. 0.12B
Retail Operation Reform	▶ Optimizing sales staff allocation and reforming personnel systems across all regions	Approx. 0.33B
Improve Efficiency of Costs including SG&A	▶ Optimizing logistics costs ▶ Implementing cross-functional cost controls (advertising, sales promotion, and outsourcing expenses)	Approx. 0.35B

※ No additional impact from e-commerce platform integration, as fixed cost reductions were completed in the previous fiscal year.

Total 0.8B

Outlook for 2H and Beyond

- Despite YoY growth in net sales and operating income across both consolidated and existing businesses, 1H results fell short of plan. The Company will strengthen sales capabilities and continue structural reforms to achieve its full-year targets.
- Toyo Enterprise's manufacturing expertise is expected to enhance product quality across the Group.
- The Company is increasing dialogue between management and employees and reflecting employee feedback in its policies and initiatives to remain an employer of choice.
- The Company aims to enhance corporate value by strengthening existing businesses, growth investments, and shareholder returns.



*We create empathy and social value across the world
through the power of fashion entertainment.*

Creator of Fashion Entertainment

TSI HOLDINGS GROUP

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Appendix



MARGARET
HOWELL

Financial Highlights for the 1H FY2027

1H Overview

(Revenue Recognition Standards)

(Sales amount in million JPY)

	1H FY2026		1H FY2027			
	Results	Composition Rate (%)	Results	Composition Rate (%)	Y/Y Change	Y/Y (%)
Net Sales	66,167	100.0	88,905	100.0	22,738	134.4
Gross Profit	36,827	55.7	47,623	53.6	10,795	129.3
SG&A Expenses	36,187	54.7	46,627	52.4	10,439	128.8
SG&A Expenses (excl. Goodwill Amortization, Depreciation and Amortization)	34,410	52.0	43,547	49.0	9,137	126.6
Goodwill Amortization	222	0.3	741	0.8	518	332.9
Depreciation and Amortization	1,554	2.3	2,338	2.6	784	150.4
Operating Income	640	1.0	995	1.1	355	155.5
Ordinary Income	1,333	2.0	1,929	2.2	596	144.7
Extraordinary Income	726	1.1	266	0.3	-459	36.7
Extraordinary Loss	611	0.9	121	0.1	-490	19.8
Profit Before Taxes	1,447	2.2	2,074	2.3	627	143.4
Profit Attributable to Owners of Parent	1,313	2.0	1,117	1.3	-195	85.1
EBITDA ※	2,417	3.7	4,075	4.6	1,658	168.6

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

※ Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

Financial Highlights for the 1H FY2027

(Sales amount in million JPY)

Net Sales Per Channel

(Revenue Recognition Standards)

		1H FY2026		1H FY2027			
		Sales	Composition Rate (%)	Sales (*3)	Composition Rate (%)	Y/Y (%)	Composition Rate Y/Y Change(pt)
	Department Stores	7,577	11.5	7,607	8.6	100.4	▲2.9pt
	Commercial Facilities(*1)	33,792	51.1	42,153	47.4	124.7	▲3.7pt
	Owned	5,492	8.3	9,818	11.0	178.8	+2.7pt
	3rd Party	7,784	11.8	16,265	18.3	208.9	+6.5pt
	EC(E-Commerce)	13,276	20.1	26,084	29.3	196.5	+9.3pt
	Others(*2)	7,742	11.7	9,859	11.1	127.4	▲0.6pt
	Domestic	62,388	94.3	85,705	96.4	137.4	+2.1pt
	EC(E-Commerce)	1,061	1.6	755	0.9	71.2	▲0.8pt
	Overseas	3,779	5.7	3,200	3.6	84.7	▲2.1pt
	EC(E-Commerce)	14,337	21.7	26,839	30.2	187.2	+8.5pt
TOTAL		66,167	100.0	88,905	100.0	134.4	-

*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 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

Financial Highlights for the 1H FY2027

(Sales amount in million JPY)

Brands Overview

(Revenue recognition standards)

	1H FY2026			1H FY2027			YoY	
	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales	Composition Rate (%)	Gross Profit Ratio (%)	Sales (%)	Gross Profit Ratio (pt)
1. FREAK'S STORE ^{※1}	-	-	-	19,412	21.8	48.1	-	-
2. MARGARET HOWELL	6,033	9.1	59.8	6,670	7.5	56.8	110.6	-3.0pt
3. NATURAL BEAUTY BASIC ^{※2}	4,587	6.9	63.5	5,365	6.0	63.9	117.0	+0.3pt
4. NANO universe	6,016	9.1	56.1	5,305	6.0	56.1	88.2	+0.0pt
5. AVIREX	3,991	6.0	63.7	4,928	5.5	63.6	123.5	-0.1pt
6. PEARLY GATES ^{※2}	4,741	7.2	52.3	4,653	5.2	56.5	98.2	+4.3pt
7. STUSSY	3,059	4.6	51.5	3,304	3.7	48.5	108.0	-3.0pt
8. New Balance Golf	2,530	3.8	49.2	2,732	3.1	48.0	108.0	-1.2pt
9. Waterfront	-	-	-	2,541	2.9	44.2	-	-
10. HUF	2,657	4.0	56.2	2,342	2.6	55.7	88.2	-0.5pt
TOP10	33,617	50.8	57.4	57,259	64.4	54.2	170.3	-3.2pt
Other Brands	31,344	47.4	54.4	31,640	35.6	52.2	100.9	-2.2pt
Continuing Brands	64,961	98.2	56.0	88,900	100.0	53.6	136.9	-2.4pt
Closed Brands	1,205	1.8	37.9	5	0.0	13.5	0.5	-24.4pt
TOTAL	66,167	100.0	55.7	88,905	100.0	53.6	134.4	-2.1pt

※1 Daytona International Co., Ltd. has been consolidated since September 2025, and Waterfront Co., Ltd. since December 2025.

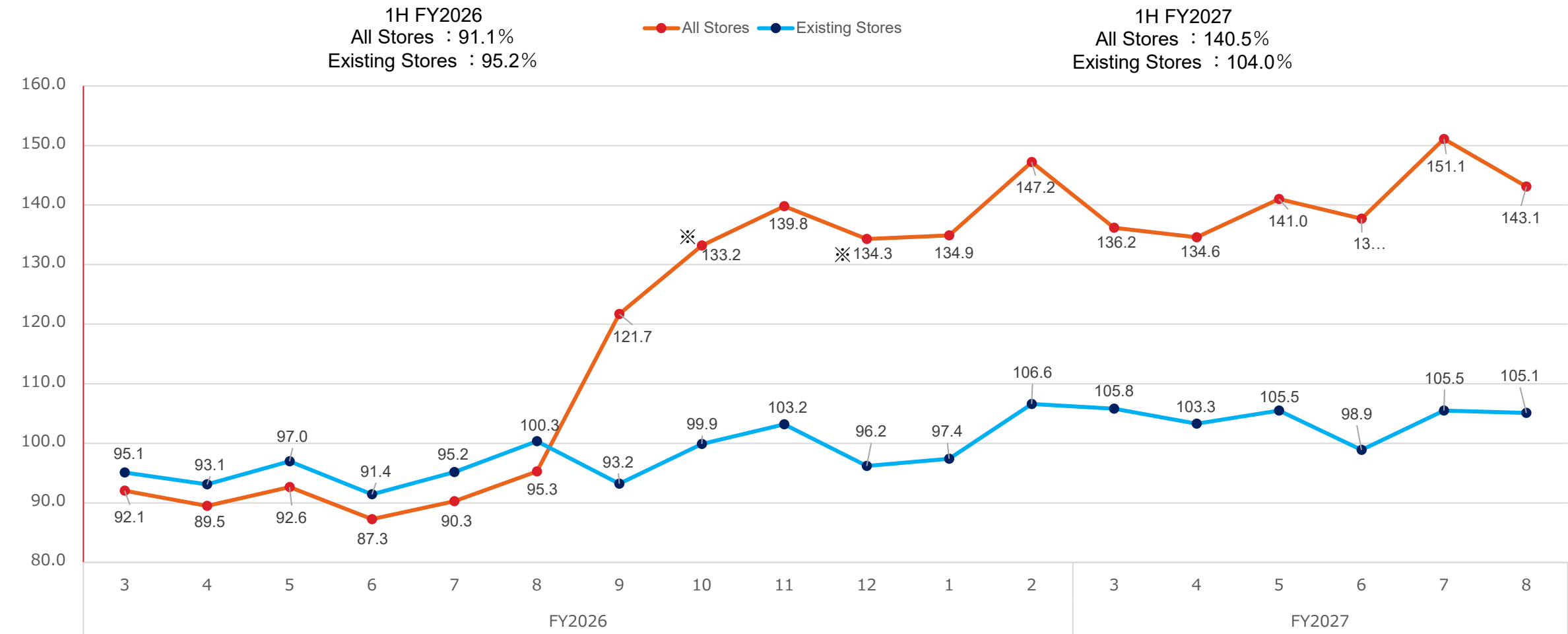
※2 Brand reporting has been revised as follows:

Net sales and gross profit of N. Natural Beauty Basic are included in NATURAL BEAUTY BASIC for both the prior and current periods.

Net sales and gross profit of MASTER BUNNY EDITION are excluded from PEARLY GATES for both the prior and current periods.

Financial Highlights for the 1H FY2027

Trends in Sales for Domestic Existing and All Stores



※ Note: Daytona International has been consolidated since Sep. 2025, and Waterfront Co., Ltd. since December 2025

Financial Highlights for the 1H FY2027

The Number of Stores

		1H FY2026	FY2026	Store Open	Store Close	1H FY2027	Y/Y Change	vs FY2026
Apparel	Domestic	678	724	+21	-17	728	50	4
	Overseas	16	16	-	0	16	0	0
	Total	694	740	+21	-17	744	50	4
Restaurant	Domestic	4	5	+1	0	6	2	1
Cosmetics	Domestic	31	30	-	-2	28	-3	-2
Total		729	775	+22	-19	778	49	3

※ Daytona International Co., Ltd. has been consolidated since September 2025 (+64 stores), Waterfront Co., Ltd. since December 2025 (+1 store), and Toyo Enterprise Co., Ltd. and Lei Lani Trading Co., Ltd. since August 2026 (+4 stores).

Disclaimer

This document contains forward-looking statements, including forecasts, outlooks, targets, and plans of the Company and its subsidiaries and affiliates.

These statements are based on information available to the Company as of the date of this document and on certain assumptions deemed reasonable by the Company.

Actual results may differ materially due to various factors.

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