

**NOTICE OF THE 74TH ORDINARY GENERAL MEETING
OF SHAREHOLDERS
TO BE HELD IN KYOTO, JAPAN ON JUNE 29, 2022**

DATE

TUESDAY, JUNE 29, 2022 AT 10:00 A.M. (RECEPTION WILL OPEN AT 9:00 A.M.)

PLACE

**THE HALL ON THE 10TH FLOOR OF THE HEAD OFFICE OF WACOAL HOLDINGS
CORP., LOCATED AT 29, NAKAJIMA-CHO, KISSHOIN, MINAMI-KU, KYOTO,
JAPAN**

MATTERS TO BE RESOLVED

- | | |
|--------------------------|---|
| AGENDA ITEM NO.1: | PARTIAL AMENDMENTS TO THE ARTICLES OF
INCORPORATION |
| AGENDA ITEM NO.2: | ELECTION OF SEVEN DIRECTORS |
| AGENDA ITEM NO.3: | ELECTION OF ONE AUDIT & SUPERVISORY BOARD
MEMBER |

(This is an English translation of the original notice in the Japanese language dispatched to shareholders in Japan, and may be used solely for reference purposes. In cases where any differences occur between the English translation and the original Japanese version the Japanese version shall prevail. This translation is subject to change without notice. Wacoal Holdings Corp., its subsidiaries, and/or its affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.)

**WACOAL HOLDINGS CORP.
(CODE NUMBER: 3591)**

KYOTO, JAPAN

June 3, 2022

TO OUR SHAREHOLDERS

WACOAL HOLDINGS CORP.
29, Nakajima-cho
Kisshoin, Minami-ku
Kyoto, Japan

Hironobu Yasuhara
Representative Director, President and Corporate
Officer

NOTICE OF THE 74TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

This is to inform you that the 74th ordinary general meeting of shareholders of Wacoal Holdings Corp. (the “Company” or “we”) will be held as described below.

You are cordially invited to attend the meeting.

IF YOU ARE UNABLE TO ATTEND THE MEETING, WE WOULD LIKE TO REQUEST THAT YOU CAREFULLY EXAMINE THE REFERENCE MATERIALS SET FORTH BELOW AND MAIL OR CAST YOUR BALLOT ONLINE SHOWING YOUR CONSENT OR DISSENT SO THAT WE RECEIVE IT NO LATER THAN JUNE 28, 2022 (TUESDAY) at 5:30 p.m.

Particulars

1. Date: Wednesday, June 29, 2022 at 10:00 a.m. (Reception will open at 9:00 a.m.)
2. Place: The hall on the 10th floor of the Head Office of Wacoal Holdings Corp., located at 29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto, Japan (on the west side of Nishi-Oji Station on the JR line)

3. Purpose of the Meeting:

Matters to be reported:

1. Presentation of the Business Report, Consolidated Financial Statements, and Audit Reports of the Independent Auditor and the Audit & Supervisory Board for the Consolidated Financial Statements for the 74th fiscal year from April 1, 2021 through March 31, 2022
2. Presentation of the Non-Consolidated Financial Statements for the 74th fiscal year from April 1, 2021 through March 31, 2022

Matters to be resolved:

- | | |
|--------------------|---|
| Agenda Item No. 1: | Partial Amendments to the Articles of Incorporation |
| Agenda Item No. 2: | Election of Seven Directors |
| Agenda Item No. 3: | Election of One Audit & Supervisory Board Member |

* * * * *

1. The “Consolidated Statement of Equity,” “Notes to the Consolidated Financial Statements,” “Non-Consolidated Statement of Changes in Net Asset,” and the “Notes to the Non-Consolidated Financial Statements” are not included in this Notice as attachments, but are provided and posted on the Company’s website^(*) pursuant to the provisions of the applicable laws and regulations and Article 15 of our Articles of Incorporation.

The consolidated financial statements and the non-consolidated financial statements audited by the Audit & Supervisory Board Members and the Independent Auditor include the “Consolidated Statement of Equity,” “Notes to the Consolidated Financial Statements,” “Non-Consolidated Statement of Changes in Net Asset,” and the “Notes to the Non-Consolidated Financial Statements” that are posted on the Company’s website^(*), in addition to the matters stated in this Notice as attachments.

2. Any amendments to the reference materials, Business Report, Non-Consolidated Financial Statements and Consolidated Financial Statements will be posted and announced on the Company’s website^(*).
3. We will not send shareholders a notice concerning the results of resolutions at this General Meeting of Shareholders. Such results will be posted and announced on the Company’s website^(*) after the General Meeting of Shareholders.

(*) Company’s website: https://www.wacoalholdings.jp/ir/general_meeting/.

REFERENCE MATERIALS

Agenda and Reference Matters

Agenda Item No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

The amended provisions in the proviso of Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will come into effect on September 1, 2022, and will introduce a system for the electronic provision of materials for the general meeting of shareholders. The Company proposes the following amendments to the Articles of Incorporation in order to introduce a system for the electronic provision of such materials.

- (1) The introduction of Paragraph 1 of Article 15 which prescribes that the Company shall take measures to provide information contained in the reference materials for the general meeting of shareholders in electronic format.
- (2) The introduction of Paragraph 2 of Article 15 which stipulates new provisions to limit the scope of matters to be included in the documents to be physically delivered to shareholders at the request of shareholders.
- (3) The deletion of the current provisions of Article 15 of the Articles of Incorporation titled “Internet Disclosure and Deemed Delivery of Reference Materials etc. for General Meeting of Shareholders” as this Article will be no longer necessary.
- (4) The introduction of supplementary provisions concerning the effective date and other details of the proposed introductions and deletions above.

2. Details of amendments

The contents of the amendment shall be as follows:

(Parts to be amended are underlined.)

Current Provision	Proposed Amendments
<p><u>Article 15. Internet Disclosure and Deemed Delivery of Reference Materials etc. for General Meeting of Shareholders</u></p> <p><u>The Company may, for the purpose of convocation of a General Meeting of Shareholders, deem that it has delivered to the shareholders the information to be stated or indicated in the reference materials for the General Meeting of Shareholders, business reports, financial statements and consolidated financial statements by disclosing such information using the Internet as provided by law and regulation.</u></p>	<p>(Deleted)</p>
<p>(New)</p>	<p><u>Article 15. Measures to Provide Information in Electronic Format</u></p> <ol style="list-style-type: none"> 1. <u>The Company shall, for the purpose of convocation of a General Meeting of Shareholders, take measures to provide information contained in the reference materials for the General Meeting of Shareholders in electronic format.</u> 2. <u>The Company may choose not to include in the documents to be delivered to shareholders who have requested delivery of the documents by the</u>

Current Provision	Proposed Amendments
	<u>record date of the voting rights, all or part of the matters for which the Company provides in electronic format as provided by law and regulation.</u>
(New)	<p style="text-align: center;">SUPPLEMENTARY PROVISIONS</p> <p><u>Article 1</u></p> <ol style="list-style-type: none"> 1. <u>The amendment to Article 15 of the Articles of Incorporation shall take effect on September 1, 2022 (the “Enforcement Date”), the date of enforcement of the amended provisions in the proviso of Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019).</u> 2. <u>Notwithstanding the preceding paragraph, the existing Article 15 (Internet Disclosure and Deemed Delivery of Reference Materials etc. for General Meeting of Shareholders) of the Articles of Incorporation shall remain in force with respect to the General Meeting of Shareholders to be held within six months from the Enforcement Date.</u> 3. <u>This Article shall be deleted on the later of either after (i) the date on which six months have passed since the Enforcement Date, or (ii) the date on which three months have passed since the date which the General Meeting of Shareholders in the preceding paragraph is held.</u>

Agenda Item No. 2: Election of Seven Directors

The terms of office of seven (7) Directors, Mr. Yoshikata Tsukamoto, Mr. Hironobu Yasuhara, Mr. Tomoyasu Ito, Mr. Akira Miyagi, Ms. Madoka Mayuzumi, Mr. Shigeru Saito and Mr. Tsunehiko Iwai, will expire at the conclusion of this Meeting. It is therefore proposed that seven (7) Directors be elected.

The candidates for Director are nominated based on the list submitted by the Executive Nomination Advisory Committee, which is chaired by our Independent Outside Director, pursuant to the “Criteria for Appointment and Removal of Officers” (please see page 11 of this Notice). Also, the candidates for the Outside Director meet the “Criteria for Appointment of Outside Officers (to ensure independence)” (please see pages 11 and 12 of this Notice).

The candidates for Director are as follows:

Candidate #		Name	Current Position held at the Company	Meeting Attendance	
1	Re-election	Hironobu Yasuhara	Representative Director, President and Corporate Officer; Member of Executive Nomination Advisory Committee	14/14 (100%)	
2	Re-election	Tomoyasu Ito	Director and Vice President Corporate Officer; Member of Corporate Ethics and Risk Management Committee; Chair of Sustainability Committee	14/14 (100%)	
3	Re-election	Akira Miyagi	Director and Managing Corporate Officer; Member of Executive Nomination Advisory Committee and Executive Compensation Advisory Committee; Chair of Corporate Ethics and Risk Management Committee; Member of Sustainability Committee	14/14 (100%)	
4	New Election	Masaaki Yajima	Member of Corporate Ethics and Risk Management Committee, and Sustainability Committee	—	
5	Re-election	Madoka Mayuzumi	Independent Officer Outside Director	Outside Director; Member of Executive Nomination Advisory Committee and Executive Compensation Advisory Committee	14/14 (100%)
6	Re-election	Shigeru Saito	Independent Officer Outside Director	Outside Director; Member of Executive Nomination Advisory Committee and Executive Compensation Advisory Committee	14/14 (100%)
7	Re-election	Tsunehiko Iwai	Independent Officer Outside Director	Outside Director; Chair of Executive Nomination Advisory Committee and Executive Compensation Advisory Committee	14/14 (100%)

Candidate No.

1

Hironobu Yasuhara

December 28, 1951 (70 years old)

Re-
electionCompany Shares Owned by the Candidate

18,000 shares

Tenure of Office

11 years (at the conclusion of this Meeting)

Board of Directors Meeting Attendance during the Current Fiscal Year

14/14 (100%)

Career summary, position and areas of responsibility

March 1975	Joined the Company
April 1997	Appointed President of Wacoal China Co., Ltd.
April 2005	Appointed Corporate Officer, General Manager of Wing-Brand Operations of the Company
June 2006	Appointed Director and Managing Corporate Officer, General Manager of Wing-Brand Operations of Wacoal Corp.
April 2010	Appointed Director and Senior Managing Corporate Officer, and General Manager of Wacoal-Brand Operations of Wacoal Corp.
April 2011	Appointed Representative Director, President and Corporate Officer of Wacoal Corp.
June 2011	Appointed Director of the Company
June 2013	Appointed Senior Managing Director of the Company
June 2016	Appointed Director and Vice President of the Company
April 2018	Appointed Representative Director and Chairman of Wacoal Corp.
June 2018	Appointed Representative Director and President of the Company
April 2020	Appointed Representative Director, President and Corporate Officer of the Company (acting)

Reasons for nomination as Director

Mr. Yasuhara has extensive experience in the sales division of Wacoal Corp., our core operating entity, has served as Representative Director and President and Representative Director and Chairman of Wacoal Corp. for the period from April 2011 to March 2021, and has been in charge of the management as Representative Director and President of the Company from June 2018. We believe that he is qualified to serve as a Director of the Company, and therefore request that Mr. Yasuhara continue to be elected as a Director.

Status of significant concurrent positions

None.

Conflicts of interest with the Company

There is no conflict of interest between Mr. Yasuhara and the Company.

Candidate No.

2

Tomoyasu Ito

January 18, 1960 (62 years old)

Re-
electionCompany Shares Owned by the Candidate

7,900 shares

Tenure of Office

2 years (at the conclusion of this Meeting)

Board of Directors Meeting Attendance during the Current Fiscal Year

14/14 (100%)

Career summary, position and areas of responsibility

April 1983	Joined the Company
April 2006	Appointed General Manager of Sales Planning Supervisory Division, Wacoal-Brand Operations of Wacoal Corp.
April 2007	Appointed Representative Director and President of Studio Five Corp.
April 2011	Appointed General Manager of Innerwear Merchandising Supervisory Division, Wacoal-Brand Operations of Wacoal Corp.
April 2014	Appointed Director, Corporate Officer, Head of Wacoal-Brand Operations of Wacoal Corp.
April 2015	Appointed Director, Managing Corporate Officer, Head of Wacoal-Brand Operations of Wacoal Corp.
April 2016	Appointed Director, Senior Managing Corporate Officer, Head of Wacoal-Brand Operations of Wacoal Corp.
April 2018	Appointed Representative Director, President and Corporate Officer of Wacoal Corp. (acting)
April 2020	Appointed Vice President Corporate Officer
June 2020	Appointed Director and Vice President Corporate Officer (acting)

Reasons for nomination as Director

Mr. Ito has extensive experience in the sales division of Wacoal Corp., our core operating entity, and has been in charge of the management as Representative Director and President of Wacoal Corp. since April 2018 and as Director and Vice President of the Company since June 2020. We believe that he is qualified to serve as a Director of the Company, and therefore request that Mr. Ito continue to be elected as a Director.

Status of significant concurrent positions

Representative Director, President and Corporate Officer of Wacoal Corp.

Conflicts of interest with the Company

There is no conflict of interest between Mr. Ito and the Company.

Candidate No.

3

Akira Miyagi

October 18, 1960 (61 years old)

Re-election

Company Shares Owned by the Candidate

6,000 shares

Tenure of Office

4 years (at the conclusion of this Meeting)

Board of Directors Meeting Attendance during the Current Fiscal Year

14/14 (100%)

Career summary, position and areas of responsibility

March 1984	Joined the Company
October 2007	Appointed Manager of Business Management and Administration of Wacoal-Brand Operations of Wacoal Corp.
April 2011	Appointed Director and Deputy General Manager of Wacoal China Co., Ltd.
April 2014	Appointed General Manager of Corporate Planning of the Company
April 2017	Appointed Corporate Officer of Wacoal Corp.
June 2018	Appointed Director and General Manager of Corporate Planning of the Company
June 2019	Appointed Managing Director and General Manager of Corporate Planning of the Company
April 2020	Appointed Director and Managing Corporate Officer in charge of Group Finance of the Company
June 2021	Appointed Director and Managing Corporate Officer in charge of Group Business Management (acting)

Reasons for nomination as Director

Mr. Miyagi has extensive experience and expertise in the administrative divisions (particularly in the administration division and corporate planning division) of the Company and Wacoal Corp., our core operating entity, and also has been serving as a Director of the Company since June 2018, in charge of corporate planning and finance. We believe that he is qualified to serve as a Director of the Company, and therefore request that Mr. Miyagi continue to be elected as a Director.

Status of significant concurrent positions

None.

Conflicts of interest with the Company

There is no conflict of interest between Mr. Miyagi and the Company.

Candidate No.

4

Masaaki Yajima

September 30, 1960 (61 years old)

New Election

Company Shares Owned by the Candidate

4,800 shares

Career summary, position and areas of responsibility

March 1984	Joined the Company
June 2004	Appointed Director and President, Wacoal International Hong Kong Co., Ltd.
April 2007	Appointed Leader of Sales Group, International Headquarters, Wacoal Corp.
September 2008	Appointed Director and Deputy General Manager, Wacoal China Co., Ltd.
April 2009	Appointed Director and General Manager, Wacoal China Co., Ltd.
April 2011	Appointed Corporate Officer, Wacoal Corp.
April 2015	Appointed Corporate Officer and General Manager of Technology & Production Division, Wacoal Corp.
April 2016	Appointed Director, Corporate Officer and General Manager of Technology & Production Division, Wacoal Corp.
April 2018	Appointed Director, Managing Corporate Officer and General Manager of Wholesale Division, Wacoal Corp.
April 2021	Appointed Director, Managing Corporate Officer and General Manager of Global Division, Wacoal Corp.
April 2022	Appointed Director and Managing Corporate Officer, Wacoal Corp. (acting)
April 2022	Appointed General Manager of Global Division of the Company (acting)

Reasons for nomination as Director

Mr. Yajima has extensive experience and expertise in the technology & production, sales and global divisions of Wacoal Corp., our core operating entity. We believe that he is qualified to serve as a Director of the Company, and therefore request that Mr. Yajima be elected as a Director.

Status of significant concurrent positions

None.

Conflicts of interest with the Company

There is no conflict of interest between Mr. Yajima and the Company.

Candidate No.

5

Madoka Mayuzumi

July 31, 1962 (59 years old)

Re-election

Independent
OfficerOutside
DirectorCompany Shares Owned by the Candidate

0 share

Tenure of Office

7 years (at the conclusion of this Meeting)

Board of Directors Meeting Attendance during the
Current Fiscal Year

14/14 (100%)



Career summary, position and areas of responsibility

August 1996	Launched and organized monthly <i>haiku</i> magazine <i>Gekkan Hepburn</i>
January 2001	Member of "National Language Subdivision" of Council for Cultural Affairs, Ministry of Education, Culture, Sports, Science and Technology
December 2004	Member of "Council for the Promotion of Cultural Diplomacy," Cabinet Secretariat
April 2010	"Japan Cultural Envoy" appointed by the Agency for Cultural Affairs
May 2013	Member of "Forum to Realize culture and Arts-Oriented Nation" held by Minister of Education, Culture, Sports, Science and Technology
April 2014	Member of "Cultural Policy Subdivision" of Council for Cultural Affairs, Ministry of Education, Culture, Sports, Science and Technology
April 2014	Appointed Advisor of the Company
June 2015	Appointed Outside Director of the Company (acting)

Reasons for nomination as Outside Director and overview of expected roles

Although Ms. Mayuzumi has never been directly involved in company management other than serving as an outside director in the past, she plays an active role in the field of arts and culture in Japan and overseas, and possesses extensive knowledge, which we believe will contribute to the management of the Company in a manner that respects diversity, including promotion of D&I and human resource development for women and other minorities. She also provides valuable opinions and advices from her perspective as a consumer and a woman. We expect that she will provide advice that will contribute to enhance our corporate value and strengthen oversight over the Company. We therefore request that Ms. Mayuzumi continue to be elected as an Outside Director.

Status of significant concurrent positions

Visiting Professor at Kitazato University; Visiting Professor at Showa Women's University, Faculty of Humanities and Culture, Department of Japanese Language and Literature; Visiting Professor at Kyoto Tachibana University, Faculty of Humanities, Department of Japanese Language and Literature; Trustee of East Japan Railway Culture Foundation

Conflicts of interest with the Company

Ms. Mayuzumi has provided lecture for *haiku* classes at Wacoal Study Hall Kyoto, which is hosted by our business company, Wacoal Corp., from January 2017 until December 2017, but not after 2018. The amount of annual compensation for such services was less than 1 million yen and there is no other conflict of interest between Ms. Mayuzumi and the Company. From April 2014 to June 2015, before Ms. Mayuzumi was appointed as an Outside Director, she provided advice related to social challenges and educational training for employees of the Company and Wacoal Corp. while serving as Advisor of the Company. The amount of compensation for such services was less than 4 million yen and there is no concern with respect to her independence.

Candidate No.

6

Shigeru Saito

January 26, 1957 (65 years old)

Re-election

Independent
OfficerOutside
DirectorCompany Shares Owned by the Candidate

1,700 shares

Tenure of Office

5 years (at the conclusion of this Meeting)

Board of Directors Meeting Attendance during the
Current Fiscal Year

14/14 (100%)



Career summary, position and areas of responsibility

November 1979	Joined TOSE CO., LTD. Appointed General Manager of Development Department
October 1985	Appointed Director of TOSE CO., LTD.
February 1987	Appointed Representative Director and President of TOSE CO., LTD.
September 2004	Appointed Representative Director and President, and CEO of TOSE CO., LTD.
December 2015	Appointed Representative Director and Chairman, and CEO of TOSE CO., LTD. (acting)
June 2017	Appointed Outside Director of the Company (acting)

Reasons for nomination as Outside Director and overview of expected roles

Mr. Saito is currently the Representative Director and Chairman of a software development firm which operates globally and Outside Director of another company. His extensive knowledge and insight as a company manager enable him to contribute to the management of the Company. Ms. Saito also has expertise in the IT area and gives valuable opinions and advice regarding the digital transformation strategies of the Company. We expect that he will provide advice that will contribute to enhance our corporate value and strengthen oversight over the Company. We therefore request that Mr. Saito continue to be elected as an Outside Director.

Status of significant concurrent positions

Representative Director and Chairman, CEO of TOSE CO., Ltd.;
Outside Director of SCREEN Holdings Co., Ltd.

Conflicts of interest with the Company

The amount of transactions between TOSE CO., Ltd. group and our group during the current fiscal year was less than 0.1% of consolidated sales for each group, and there is no concern with respect to his independence.

Candidate No.

7

Tsunehiko Iwai

May 28, 1953 (69 years old)

Re-election

Independent
Officer

Outside
Director

Company Shares Owned by the Candidate

0 share

Tenure of Office

4 years (at the conclusion of this Meeting)

Board of Directors Meeting Attendance during the
Current Fiscal Year

14/14 (100%)



Career summary, position and areas of responsibility

April 1979	Joined Shiseido Co., Ltd.
April 2002	Appointed General Manager of Product Commercialization, Planning Department, Shiseido Co., Ltd.
April 2008	Appointed Corporate Officer, General Manager of Technical Department, Shiseido Co., Ltd.
June 2014	Appointed Director, Corporate Executive Officer in charge of Research & Development, Production and Technical Affairs, Shiseido Co., Ltd.
January 2016	Appointed Representative Director, Executive Vice President Chief Technology & Innovation Officer, Shiseido Co., Ltd.
March 2018	Appointed Senior Advisor, Shiseido Co., Ltd.
June 2018	Appointed Outside Director of the Company (acting)
April 2022	Appointed Outside Director, Cross Plus Inc. (acting)

Reasons for nomination as Outside Director and overview of expected roles

Mr. Iwai served as the Representative Director of a cosmetics manufacturer and distributor which operated globally. Mr. Iwai's extensive knowledge and insight as a company manager, as well as his expertise on research & development, production and technology enable him to contribute to the management of the Company. He also provides valuable opinions and advice based on his knowledge on compliance or sustainable management and knowledge acquired at a company which "pursues beauty" like our Company. He also serves as the Chair of both the Executive Nomination Advisory Committee and the Executive Compensation Advisory Committee. We expect that he will provide advice that will contribute to enhance our corporate value and strengthen oversight over the Company. We therefore request that Mr. Iwai continue to be elected as an Outside Director.

Status of significant concurrent positions

Outside Director of Cross Plus Inc.

Conflicts of interest with the Company

There is no conflict of interest between Mr. Iwai and the Company.

(Notes)

1. Mr. Yajima currently serves as the Director and Managing Corporate Officer of Wacoal Corp., and is scheduled to retire from such position as of June 21, 2022.
2. Ms. Madoka Mayuzumi, Mr. Shigeru Saito and Mr. Tsunehiko Iwai have been notified to the Tokyo Stock Exchange as our independent officers, pursuant to the rules of the Tokyo Stock Exchange. If their reelection is approved at this Meeting, we plan to continue to designate them as our independent officers.
3. Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and Article 28 of Articles of Incorporation of the Company, the Company has executed an agreement with each of Ms. Madoka Mayuzumi, Mr. Shigeru Saito and Mr. Tsunehiko Iwai to limit their liabilities for damages as stipulated in Paragraph 1, Article 423 of the Companies Act. The maximum amount of liability under such agreement is the minimum liability amount as provided by law. If their reelection is approved at this Meeting, we plan to continue the limitation of liability agreement with them.
4. The Company maintains directors' and officers' liabilities insurance as stipulated in the provisions of Paragraph 1, Article 430-3 of the Companies Act with an insurance company for the benefit of our Directors and Audit & Supervisory Board Members and is planning to renew the insurance policy. The purpose of the insurance policy is to cover the insured persons for losses arising from legal fees and litigation expenses as a result of claims for damages due to the Company's indemnification obligations, shareholder derivative actions or proceedings brought by third parties. If the election of the candidates as Directors is approved, these candidates will be included in the insurance policy as insured persons. The damages less than the deductible under the insurance policy will not be covered. In addition, coverage under the insurance policy is excluded for certain conduct such as an officer's conduct for illegal personal gain, criminal act or violation of law. Insurance premiums will be borne by the Company (and none by the insured persons) including under special clauses.

Agenda Item No. 3: Election of One Audit & Supervisory Board Member

The term of office of one (1) Audit & Supervisory Board Member, Mr. Minoru Shimada, will expire at the conclusion of this Meeting. Accordingly, the election of one (1) Audit & Supervisory Board Member has been proposed.

The submission of this agenda item has been approved by the Audit & Supervisory Board.

The candidate for Audit & Supervisory Board Member is nominated pursuant to the “Criteria for Appointment and Removal of Officers” (please see page 11 of this Notice). Also, the candidate for Audit & Supervisory Board Member meets the “Criteria for Appointment of Outside Officers (to ensure independence)” (please see pages 11 and 12 of this Notice).

The candidate for Audit & Supervisory Board Member is as follows:

<h1 style="margin: 0;">Minoru Shimada</h1> <p style="margin: 0;">February 22, 1955 (67 years old)</p>	<div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> Re-election Independent Officer Outside Director </div>	<p><u>Company Shares Owned by the Candidate</u> 2,100 shares</p> <p><u>Tenure of Office</u> 4 years (at the conclusion of this Meeting)</p> <p><u>Board of Directors Meeting Attendance during the Current Fiscal Year</u> 14/14 (100%)</p> <p><u>Audit & Supervisory Board Meeting Attendance during the Current Fiscal Year</u> 15/15 (100%)</p>																						
	<p><u>Career summary, position and areas of responsibility</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 15%;">April 1977</td><td>Joined The Bank of Tokyo, Ltd. (current “MUFG Bank, Ltd.”)</td></tr> <tr><td>June 2004</td><td>Appointed Corporate Officer, General Manager of Corporate Banking Group No. 1, Corporate Banking Division No. 4, The Bank of Tokyo Mitsubishi, Ltd. (current “MUFG Bank, Ltd.”)</td></tr> <tr><td>May 2005</td><td>Appointed Corporate Officer, Manager of New York Branch, The Bank of Tokyo Mitsubishi, Ltd. (current “MUFG Bank, Ltd.”)</td></tr> <tr><td>April 2008</td><td>Appointed Managing Corporate Officer, General Manager of Corporate Banking Group, Nagoya Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current “MUFG Bank, Ltd.”)</td></tr> <tr><td>June 2010</td><td>Appointed Representative Director and Vice President, SOTSU CORPORATION</td></tr> <tr><td>June 2011</td><td>Appointed Representative Director and President, NAIGAI Construction Co., Ltd.</td></tr> <tr><td>June 2012</td><td>Appointed Representative Director and President, SOTSU CORPORATION</td></tr> <tr><td>June 2012</td><td>Appointed Representative Director and President, Sotsu Amenity Service Corporation</td></tr> <tr><td>June 2018</td><td>Appointed Director and Chairman, SOTSU CORPORATION</td></tr> <tr><td>June 2018</td><td>Appointed Outside Director of the Company (acting)</td></tr> <tr><td>June 2020</td><td>Appointed Full-time Advisor, SOTSU CORPORATION (acting)</td></tr> </table>		April 1977	Joined The Bank of Tokyo, Ltd. (current “MUFG Bank, Ltd.”)	June 2004	Appointed Corporate Officer, General Manager of Corporate Banking Group No. 1, Corporate Banking Division No. 4, The Bank of Tokyo Mitsubishi, Ltd. (current “MUFG Bank, Ltd.”)	May 2005	Appointed Corporate Officer, Manager of New York Branch, The Bank of Tokyo Mitsubishi, Ltd. (current “MUFG Bank, Ltd.”)	April 2008	Appointed Managing Corporate Officer, General Manager of Corporate Banking Group, Nagoya Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current “MUFG Bank, Ltd.”)	June 2010	Appointed Representative Director and Vice President, SOTSU CORPORATION	June 2011	Appointed Representative Director and President, NAIGAI Construction Co., Ltd.	June 2012	Appointed Representative Director and President, SOTSU CORPORATION	June 2012	Appointed Representative Director and President, Sotsu Amenity Service Corporation	June 2018	Appointed Director and Chairman, SOTSU CORPORATION	June 2018	Appointed Outside Director of the Company (acting)	June 2020	Appointed Full-time Advisor, SOTSU CORPORATION (acting)
April 1977	Joined The Bank of Tokyo, Ltd. (current “MUFG Bank, Ltd.”)																							
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May 2005	Appointed Corporate Officer, Manager of New York Branch, The Bank of Tokyo Mitsubishi, Ltd. (current “MUFG Bank, Ltd.”)																							
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June 2018	Appointed Outside Director of the Company (acting)																							
June 2020	Appointed Full-time Advisor, SOTSU CORPORATION (acting)																							
<p>(Notes)</p> <ol style="list-style-type: none"> Mr. Shimada has been notified to the Tokyo Stock Exchange as our independent officer, pursuant to the rules of the Tokyo Stock Exchange. If his reelection is approved at this Meeting, we plan to continue to designate him as our independent officer. Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and Article 36 of Articles of Incorporation of the Company, the Company has executed an agreement with Mr. Shimada to limit his liabilities for damages as stipulated in Paragraph 1, Article 423 of the Companies Act. The maximum amount of liability under such agreement is the minimum liability amount as provided by law. If his reelection is approved at this Meeting, we plan to continue the limitation of liability agreement with him. The Company maintains directors’ and officers’ liabilities insurance as stipulated in the provisions of Paragraph 1, Article 430-3 of the Companies Act with an insurance company for the benefit of our Directors and Audit & Supervisory Board Members and is planning to renew the insurance policy. The purpose of the insurance policy is to cover the insured persons for losses arising from legal fees and litigation expenses as a result of claims for damages due to the Company’s indemnification obligations, shareholder derivative actions or proceedings brought by third parties. If the election of the candidate as Audit & Supervisory Board Member is approved, such candidate will be included in the insurance policy as insured person. The damages less than the deductible under the insurance policy will not be covered. In addition, coverage under the insurance policy is excluded for certain conduct such as an officer’s conduct for illegal personal gain, criminal act or violation of law. Insurance premiums will be borne by the Company (and none by the insured persons) including under special clauses. 																								

REFERENCE

Appointment of Candidates for Directors and Audit & Supervisory Board Members

<Criteria for Appointment and Removal of Officers>

Wacoal Holdings Corp. (the “Company”) follows the following criteria for the appointment and removal of Directors and Audit & Supervisory Board Members (collectively, the “Officers”).

- Criteria for Appointment
 1. A candidate with superior character and knowledge who is mentally and physically healthy;
 2. A candidate who has a law-abiding spirit;
 3. A candidate who has comprehensive experience in business operation, company management, the legal community, administration, accounting, education or culture and art and upon re-appointment, his/her management performance and contribution to the group management during the term of office shall be considered;
 4. At least one third of the number of Directors shall be Outside Directors, and with respect to Outside Directors and Outside Audit & Supervisory Board Member (collectively, the “Outside Officers”), a candidate who is not in violation of the “Criteria for Appointment of Outside Officers (to ensure independence)” separately prescribed by the Company;
 5. With respect to Outside Officers, a candidate who is not currently holding a position as an officer of 4 or more listed companies; and
 6. A candidate whose appointment to the Board of Directors or the Audit & Supervisory Board contributes to balanced knowledge, experience and expertise, and ensures diversity such as gender, global awareness, career background and age.
- Criteria for Removal
 1. If an officer acts against public policy; or
 2. If an officer is neglecting its duties and deemed to be failing to fulfill its duties.

<Criteria for Appointment of Outside Officers (to ensure independence)>

The Company believes that Outside Directors and Outside Audit & Supervisory Board Members (collectively, the “Outside Officers”) should maintain independence so that they do not cause any conflict of interest with general shareholders. From this perspective, the Company appoints candidates for Outside Officer who do not fall under any of the following categories:

1. Has held a position to execute business^(*) at the Company and any of its consolidated subsidiaries (collectively, “Wacoal Group”) in the past;
*A person holding a position to execute business shall mean an executive director, executive officer and other employee who is in an equivalent position.
2. Is a major shareholder holding the shares of the Company under its own name or another name whose percentage of voting rights is equal to or higher than 5% (in case such major shareholder is a legal entity or an association such as general partnership (the “Entities”), a candidate who holds a position to execute business at such Entities);
3. A candidate who:
 - (1) is a major client of Wacoal Group or who considers Wacoal Group as a major client of the candidate (in case such candidate is an Entity, a candidate who holds a position to execute business at such Entity)^(*);
 - (2) is a major lender of Wacoal Group (in case such lender is an Entity, a candidate who holds a position to execute business at such Entity)^(**);
 - (3) holds a position to execute business as a lead manager with respect to the Company’s capital markets matters;
 - (4) holds a position to execute business at any Entity in which Wacoal Group holds shares with a percentage of voting rights equal to or higher than 5%;
*A major client shall mean a supplier or purchaser of Wacoal Group whose average amount of transactions in the last 3 years exceeded 2% of the consolidated net sales of Wacoal Group or those of the supplier or purchaser.
**A major lender shall mean a financial institution or an individual who provides loans to Wacoal Group and whose average amount of outstanding loans in the last 3 years exceeded 2% of the consolidated total assets of the Company or those of such lender.

4. A certified public accountant who works at an audit firm that is the Accounting Auditor of Wacoal Group;
5. Any legal counsel, accountant, tax accountant, patent attorney, consultant or other expert who receives a large amount^(*) of money or other property from Wacoal Group (in case such candidate is an Entity, an expert who works at such Entity);
*A large amount shall mean that the average annual amount of compensation payable for the duties performed by the expert in the last 3 years exceeded 10,000,000 yen, whether such expert as an individual or the organization to which such expert belongs provides services to Wacoal Group.
6. Anyone who receives a large amount^(*) of donations from Wacoal Group (in case such candidate is an Entity, a candidate who holds a position to execute business at such Entity);
* A large amount shall mean that the average annual amount of donation in the last 3 years exceeded 10,000,000 yen;
7. A person who executes business at another company which has an outside officer from the Company;
8. A spouse or second-degree relative of a person who materially falls under any of the items under 1 through 7 above (but limited to a significant person^(*));
*A significant person shall mean (i) a member or other person who is in an equivalent position in case of a certified public accountant who belongs to an audit firm or an accounting firm, a partner or other person who is in an equivalent position in case of a lawyer who belongs to a law firm, and a person who is in an equivalent position in case of another expert who belongs to an Entity, and (ii) an executive director, executive officer, corporate officer, an employee who is in a position of senior management (i.e., a general manager or higher level) in case of a person who executes business at an Entity, and an executive holding a title such as trustee, councilor and auditor, as well as any other person who is objectively and reasonably deemed to have equal significance as any of the above;
9. A candidate who used to fall under any of the items under 2 through 8 above during the past three years; and
10. A candidate who is deemed to be subject to special circumstances under which a possible conflict of interest with general shareholders of the Company may arise.

It should be noted, however, that a candidate who falls under any of the items under 2 through 9 above, but who fulfills the requirements of an outside officer under the Companies Act, may under exceptional circumstances become a candidate for an Outside Officer if the Company deems it appropriate for such candidate to be appointed as an Outside Officer and if the Company describes its reasons for making such judgement.

<Skills Matrix for Elected Directors and Audit & Supervisory Board Members>
(assuming Agenda Items No. 2 and No. 3 are approved)

Wacoal Group is a global enterprise with its focus on innerwear business (primarily women's). As a holding company, we have established a sound and transparent governance/internal controls to govern the entire group.

We are a company with a board of auditors, and our Board of Directors makes important business decisions and supervises our Directors' execution of their duties. In order for our Board of Directors to properly fulfill its role, we believe it is important for the Board of Directors to be equipped with the necessary skills based on the business and the governance structure of Wacoal Group.

Directors Candidate No.	Name	Male Female	Independence (for outside officer only)	Knowledge and Experience expected by the Company ^(*)								
				Company Management (Experience and Insight)	Legal/ Compliance	Finance/ Accounting	Sustainability Diversity & Inclusion	Human Resource/ Organizational Development	Global Awareness	Digital Transformation	Marketing	Technology/ Production Quality Control
1	Hironobu Yasuhara	•		•					•		•	•
2	Tomoyasu Ito	•		•			•	•			•	
3	Akira Miyagi	•		•	•	•		•	•			
4	Masaaki Yajima	•		•					•		•	•
5	Madoka Mayuzumi	•	•				•	•				
6	Shigeru Saito	•	•	•					•	•		
7	Tsunehiko Iwai	•	•	•	•		•				•	•

*The above list does not cover the entire knowledge and experience of the candidates.

Name	Male Female	Independence	Knowledge and Experience expected by the Company ^(*)
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(Audit & Supervisory Board Members) Candidate No.		●Female	(for outside officer only)	Company Management (Experience and Insight)	Legal/ Compliance	Finance/ Accounting	Sustainability Diversity & Including	Human Resource/ Organizational Development	Global Awareness	Digital Transformation	Marketing	Technology/ Production Quality Control
-	Shinichi Kitagawa	●		●		●		●		●		
-	Katsuhiro Okamoto	●		●					●			●
-	Hiroshi Shirai	●	●			●			●			
-	Mitsuhiro Hamamoto	●	●		●			●				
○	Minoru Shimada	●	●	●		●			●		●	

*The above list does not cover the entire knowledge and experience of the candidates.

*The above list includes the current Audit & Supervisory Board Members who are not candidates.

Policy on Cross-Shareholdings

In order to enhance our medium to long-term corporate value, we may hold cross-shareholdings in other listed companies including our business and financial partners which we deem to establish, maintain and enhance transactional relationships, promote cooperation for business expansion and contribute to stable financial operations. We examine and analyze whether the purpose of a cross-shareholding is appropriate from a medium to long-term perspective and whether the benefits and risks of the cross-shareholding are appropriate in terms of capital cost, and periodically report the results to the Board of Directors. Based on the reported results, the Board of Directors assesses whether such cross-shareholding contributes to the enhancement of our medium to long-term corporate value and decides whether to maintain or dispose of the cross-shareholding. If any of our cross-shareholdings loses its value based on the purpose therefor, we dispose of and reduce such cross-shareholding as appropriate after taking in consideration the circumstances of the issuer.

Under the current medium-term management plan (from April 2020 to March 2022), we have decided to reduce our overall cross-shareholdings by 30% (over 20 billion yen at market value as of March 2019) by the end of March 2022 to improve capital efficiency. During the term of this medium-term management plan, we have sold a cumulative total of 37 stocks (of which some stocks were partially sold) amounting to 19.7 billion yen (at market value as of March 2019), closely in line with our target.

Status of Cross Shareholdings (Wacoal Corp.'s cross shareholdings shown here as Wacoal Corp. has the largest balance sheet amount of investment stocks (recorded amount of investment stocks))

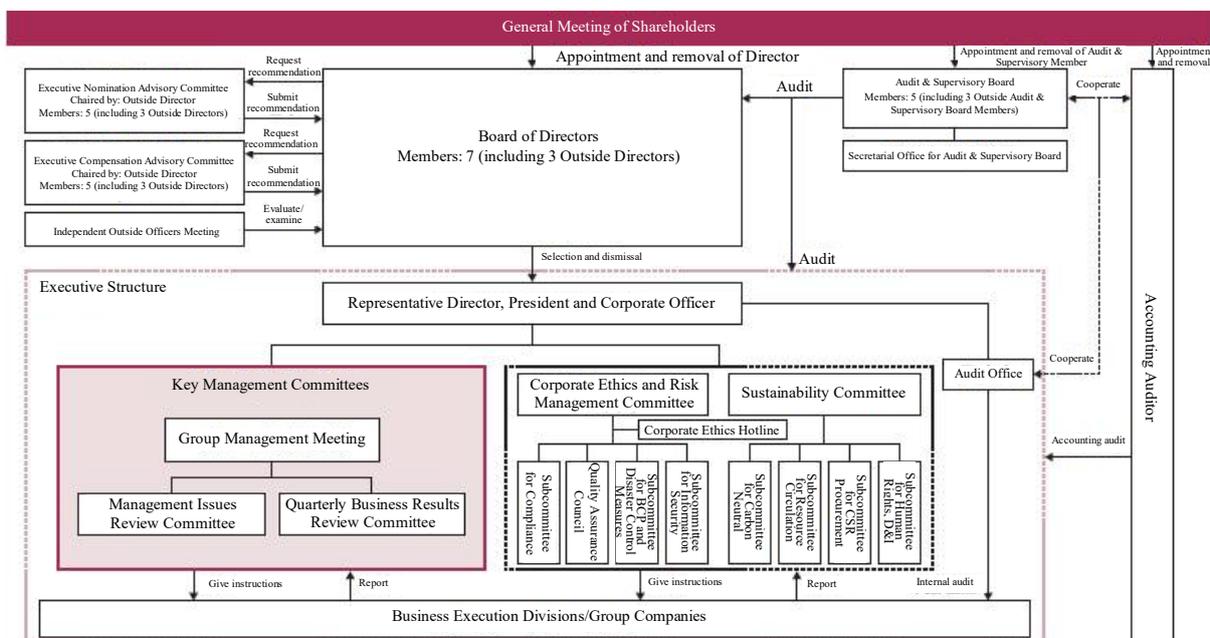
Category	Fiscal year ended March 31			
	2019	2020	2021	2022
Number of stocks	98	86	75	65
Total balance sheet amount (Millions of yen)	60,837	42,173	50,114	46,000
Ratio to consolidated net assets	27.5%	20.1%	22.9%	20.3%

When exercising voting rights of shares in our cross-shareholdings, we determine whether or not to vote in favor of agenda items after closely examining and analyzing comprehensively whether the relevant agenda item would contribute to the enhancement of the issuer's and our corporate value, while fully respecting each issuer's management policy.

Status of Corporate Governance System

<Outline of Corporate Governance System>

The basic policy and purpose of our group's corporate governance is to continuously enhance our corporate value by increasing transparency and securing the fairness and independence of our corporate management from the perspective of all stakeholders including our shareholders and customers. The following bodies and systems have been established within the Company with the aim of enhancing our corporate governance, and the entire Company is also working toward achieving this goal.



Outline	
Executive Nomination Advisory Committee	<ul style="list-style-type: none"> An advisory body for our Board of Directors, composed of three Outside Directors and two Inside Directors, with our Independent Outside Director acting as the chair The committee discusses the appointment and promotion of our Directors and provides recommendations to our Board of Directors on resolved matters Attendance and approval of all committee members is required to pass resolutions
Executive Compensation Advisory Committee	<ul style="list-style-type: none"> An advisory body for our Board of Directors, composed of three Outside Directors, one Inside Director and one Corporate Officer, with our Independent Outside Director acting as the chair The committee discusses the compensation of our Directors and provides recommendations to our Board of Directors on resolved matters Attendance and approval of all committee members is required to pass resolutions
Independent Outside Officers Meeting	<ul style="list-style-type: none"> Composed mainly of our Independent Officers The meeting attendees exchange opinions about and conduct assessment of our Board of Directors
Corporate Ethics and Risk Management Committee	<ul style="list-style-type: none"> Composed of our Internal Directors, and directors and executive officers and other officers of operating group companies, with our Representative Director, President and Corporate Officer acting as the administrative manager and a Director who supervises Group Business Management as the chair The committee implements the establishment of a compliance system, considers compliance issues that have a material impact on Wacoal Group, and promotes enhancement of awareness and enlightenment on corporate ethics issues, and the effective control of any management risks to Wacoal Group
Sustainability Committee	<ul style="list-style-type: none"> Composed of our Internal Directors, and directors and corporate officers and other officers of operating group companies, with our Representative Director, President and Corporate

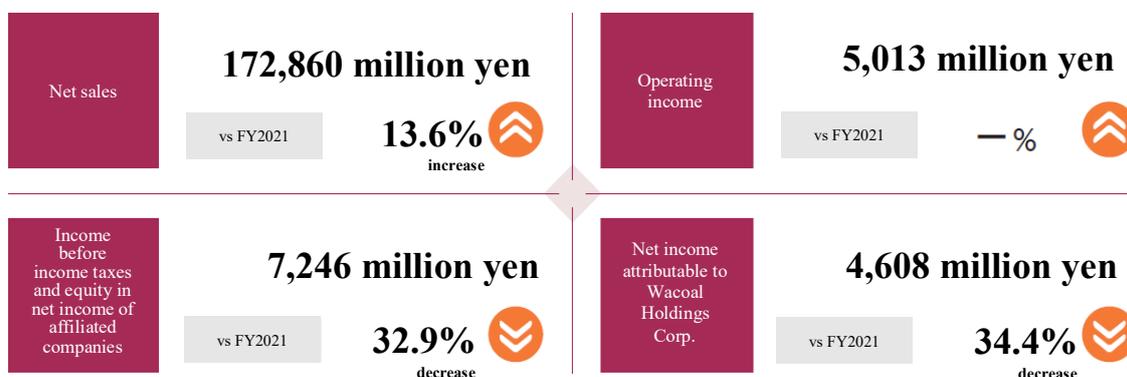
	<p>Officer acting as the administrative manager and our Director, Vice President and Corporate Officer as the chair</p> <ul style="list-style-type: none">• The committee discusses the direction of Wacoal Group's overall sustainability activities and monitors the status of sustainability initiatives
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**SUPPLEMENTARY SCHEDULES ON MATTERS TO BE REPORTED
BUSINESS REPORT
FOR THE PERIOD FROM APRIL 1, 2021 THROUGH MARCH 31, 2022**

1. STATUS OF GROUP BUSINESS

(1) Business Developments and Results

(a) Summary of Operations



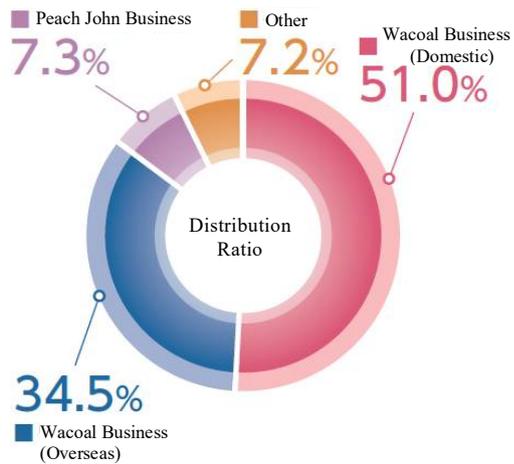
While the business environment surrounding our group during the current fiscal year (from April 1, 2021 to March 31, 2022) in the United States and Europe improved due to relaxations of restrictions on economic activities related to the coronavirus pandemic (“COVID-19”) which supported a recovery in sales, the business environment in Japan has remained difficult due to the prolonged restrictions on economic activities as a result of a number of declarations of the state of emergency and implementation of focused preventative measures.

Under such circumstances, our group has moved forward with our initiatives to create a management structure that leads to high profitability, while prioritizing the well-being and safety of our customers, employees and partner companies to conduct our business. We also worked to build a deeper, broader and longer-term relationship with each customer by continuing to develop and provide products and services that consumers expect in their new lifestyles, which have significantly changed as a result of the spread of COVID-19, and by promoting our unique CX strategies, which involve merger of online and offline activities and utilization of a customer database, in efforts to improve customer experience values.

For the current fiscal year, which is the last year of our mid-term business plan, consolidated sales were 172.86 billion yen (an increase of 13.6% as compared to such sales for the previous fiscal year) and consolidated operating income was 5.01 billion yen (as compared to an operating loss of 1.12 billion yen for the previous fiscal year). Consolidated income before income taxes and equity in net income of affiliated companies were 7.25 billion yen (a decrease of 32.9% as compared to such income for the previous fiscal year) due to a valuation loss on marketable securities and investments of 0.64 billion yen (as compared to a valuation gain of 10.39 billion yen for the previous fiscal year). (We have been using U.S. accounting standards, under which equity securities held by Wacoal Holdings Corp. and consolidated subsidiaries are measured at fair value, and any change from the beginning of the period are recognized as “valuation gain (loss) on marketable securities and investments – net” under “Other income (expenses)”.)

As a result of the above, net income attributable to Wacoal Holdings Corp. was 4.61 billion yen (a decrease of 34.4% as compared to previous fiscal year). The exchange rates used for the current fiscal year (the previous fiscal year) were: 112.38 yen (106.06 yen) to the U.S. dollar; 153.56 yen (138.68 yen) to the Sterling pound; and 17.03 yen (15.48 yen) to the Chinese yuan.

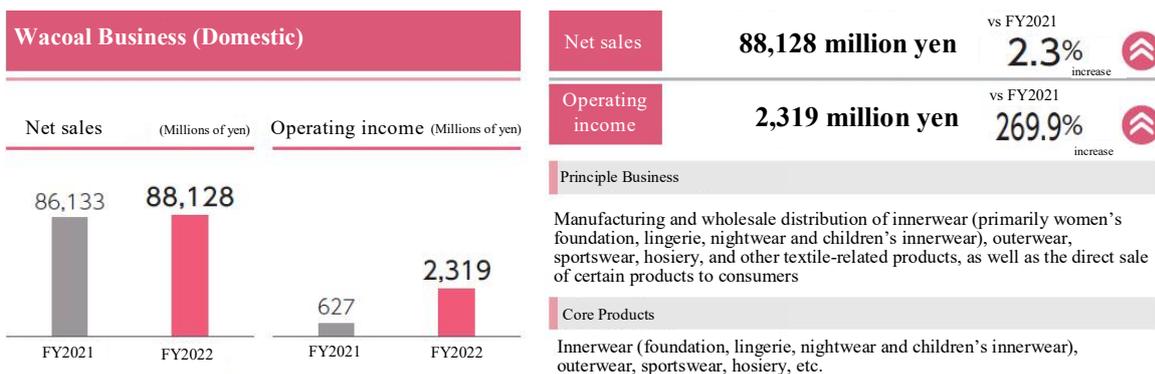
The following is a summary of operations by operating segment.



▶ Operating Segment Information

	Net sales (Millions of yen)	vs FY2021 (%)
Wacoal Business (Domestic)	88,128	102.3
Wacoal Business (Overseas)	59,678	144.3
Peach John Business	12,528	102.7
Other	12,526	100.1
Total	172,860	113.6

(Note) U.S. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 280 "Segment Reporting" has been applied in our Segment Information.

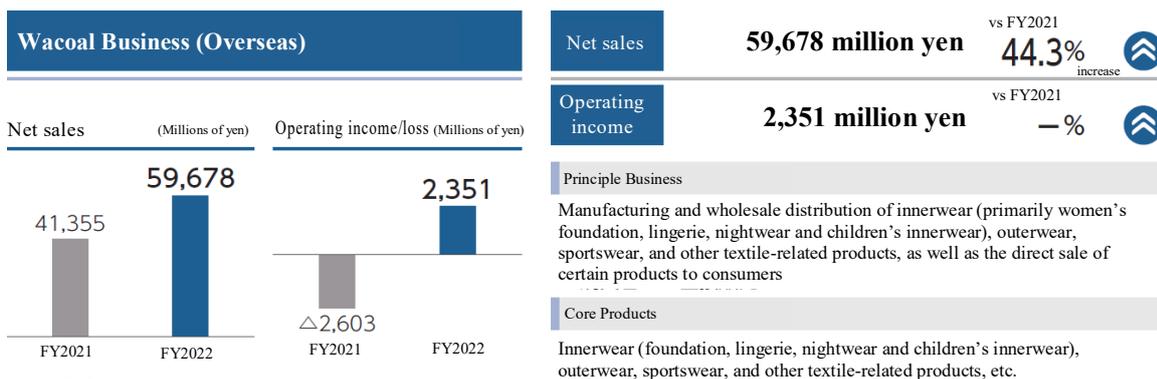


Net sales attributable to our “Wacoal Business (Domestic)” segment were 88.13 billion yen (an increase of 2.3% as compared to such sales for the previous fiscal year) and operating income was 2.32 billion yen (an increase of 269.9% as compared to such income for the previous fiscal year). Although we were affected by the absence of the employment adjustment subsidy, which we received during the previous fiscal year, we recorded an increase in operating income during the current fiscal year, attributable to our increased sales and a gain from sale of real estate.

Wacoal Corp.:

Net sales from Wacoal Corp., our core operating entity in Wacoal Business (Domestic) segment, increased by 1.6% as compared to such sales for the previous fiscal year. Our e-commerce website “Wacoal Web Store”, which achieved significant growth during the previous fiscal year, recorded its highest sales figure ever during the current fiscal year as a result of strong sales from our existing customers even though we struggled to attract new customers. Sales from third-party e-commerce websites also exceeded such sales for the previous fiscal year. On the other hand, sales from physical stores, including our key sales channels such as department stores, general merchandise stores and directly operated stores, remained suppressed as they were impacted by more customers staying home in response to another wave of the spread of COVID-19 and rapid spread of its Omicron variant.

Although Wacoal Corp.’s operating income improved from the previous fiscal year as a result of our continued efforts to reduce fixed costs such as sales promotion expenses and personnel costs as part of a revenue structural reform, we recorded an operating loss of 0.73 billion yen (as compared to an operating loss of 2.02 billion yen for the previous fiscal year) due to the weak sales resulting from the long-term effects of COVID-19. The employment adjustment subsidy and a gain from sale of real estate are not included or reflected in Wacoal Corp.’s operating income because they are recognized as non-operating income and extraordinary income, respectively (which have been reclassified as operating income under the consolidated business results based on the U.S. accounting standards).



Net sales and operating income attributable to our “Wacoal Business (Overseas)” segment on a Japanese yen basis were 59.68 billion yen (an increase of 44.3% as compared to such sales for the previous fiscal year) and 2.35 billion yen (as compared to an operating loss of 2.60 billion yen for the previous fiscal year), respectively, achieving significant increases due to expanded sales in the United States and Europe. Starting in the current fiscal year, we have changed the presentation of net sales from Wacoal China Co., Ltd. related to department stores to be based on storefront prices, but we have not made retroactive revisions. In addition, there is no impact of this change in presentation on operating income because this change resulted in increases in both net sales and selling, general and administrative expenses of the same amount (2.04 billion yen each).

Wacoal International Corp. (U.S.):

Net sales from Wacoal International Corp. (U.S.) on a local currency basis increased by 35.2% (an increase of 43.2% on a Japanese yen basis) as compared to such sales for the previous fiscal year, achieving its highest sales figure ever, during the current fiscal year.

Net sales from Wacoal America, Inc., which distributes “Wacoal” and “b.tempt’d” brand products, increased by 39.1% as compared to such sales for the previous fiscal year due to strong sales from our e-commerce website and physical stores maintained throughout the year supported by a strong recovery in consumer spending despite the impact of more customers staying home in response to the spread of the Omicron variant and missed opportunities to sell our products due to delay of production in the second half of the current fiscal year. Net sales from Intimates Online, Inc., which distributes “LIVELY” brand, increased by 14.9% as a result of expanded sales from wholesale and directly-operated stores even though sales from its e-commerce website struggled to grow as a result of reducing advertising investment due to the impact of rising costs of social media advertising.

On a local currency basis, we recorded an operating income of 3.9 million dollars (0.43 billion yen on a Japanese yen basis) (as compared to an operating loss of 8.6 million dollars (0.91 billion yen on a Japanese yen basis) for the previous fiscal year) from Wacoal International Corp. (U.S.). Operating income from Wacoal America, Inc. grew significantly as a result of increased sales while operating loss from Intimates Online, Inc. increased due to changes in distribution ratio of sales channels, as well as our strengthened efforts for inventory optimization.

Wacoal Europe Ltd.:

Net sales from Wacoal Europe Ltd. on a local currency basis increased by 48.8% (an increase of 64.8% on a Japanese yen basis) as compared to such sales for the previous fiscal year, achieving its highest sales ever as a result of sales in the United Kingdom, Europe and the United States which exceeded the pre-pandemic level across all areas, supported by a strong recovery in consumer spending.

With respect to sales by channel, our core specialty stores and third-party e-commerce websites maintained strong sales, and our own e-commerce website in the United Kingdom achieved an increase in net sales of 35.5% as compared to the previous fiscal year. While sales from our department stores fell short of reaching the pre-pandemic level due to the impact of the closings of certain department stores, net sales significantly increased as compared to such net sales for the previous fiscal year by developing business with new client.

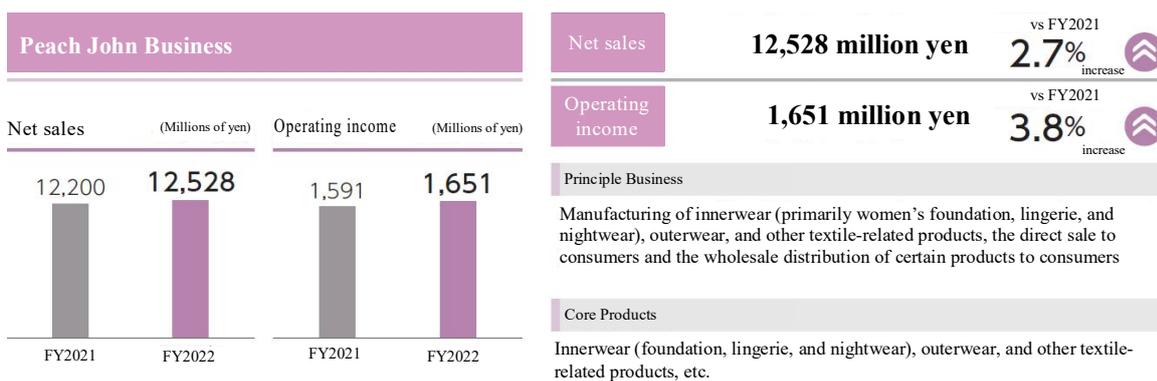
Operating income on a local currency basis increased significantly by 144.9% (an increase of 170.9% on a Japanese yen basis) as compared to such income for the previous fiscal year due to the effect of increased sales.

Wacoal China Co., Ltd.:

Net sales from Wacoal China Co., Ltd. on a local currency basis increased by 26.2% (an increase of 38.9% on a Japanese yen basis) as compared to such sales for the previous fiscal year.

While sales from physical stores, such as department stores, remained suppressed during the second half of the year (from July to December) due to the impact of regulations restricting activities in response to the spread of COVID-19, Wacoal China recorded an increase in net sales for the current fiscal year as a result of an improvement in sales for the first half of the year (from January to June) as physical stores that temporarily closed during the previous fiscal year began to reopen and the number of new openings of directly-operated stores at shopping malls increased. On the other hand, e-commerce sales were below such sales for the previous fiscal year due to increased competition with Chinese domestic brands, which limited the effects of our promotional efforts, including influencer marketing using popular Key Opinion Leaders.

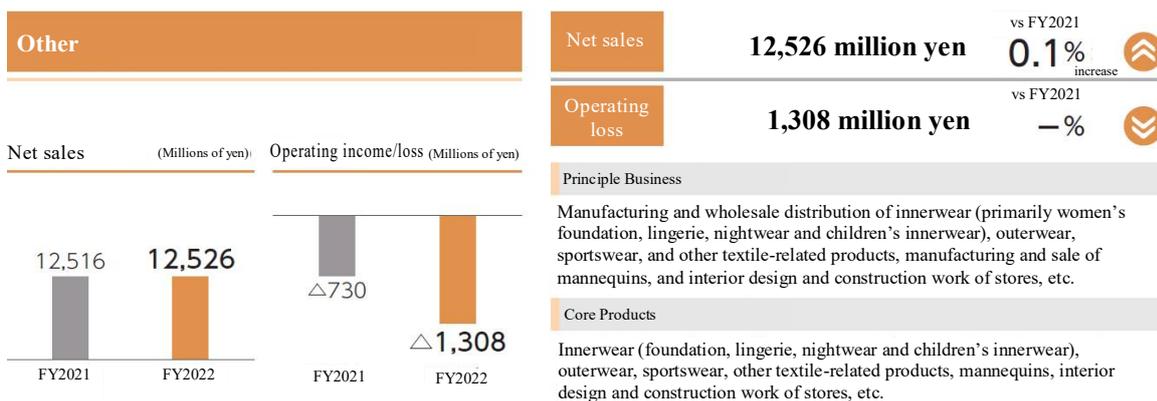
Although net sales from Wacoal China Co., Ltd. increased, operating income on a local currency basis decreased by 62.0% (a decrease of 58.4% on a Japanese yen basis) as compared to such income for the previous fiscal year due to the absence of government assistance, which were available during the previous fiscal year, and an increase in costs incurred for resuming business activities.



Net sales attributable to our “Peach John Business” segment were 12.53 billion yen (an increase of 2.7% as compared to such sales for the previous fiscal year).

Net sales from our directly-operated stores increased by 13.4% as an increased number of customers returned to our physical stores as a reaction to the temporary closings of our physical stores due to the spread of COVID-19 during the previous fiscal year and as a result of our trendy marketing efforts including the launch of our products through collaboration with celebrities. On the other hand, despite the positive impact of products released in collaboration with celebrities, e-commerce sales did not reach the level of sales achieved in the previous fiscal year, when sales significantly expanded, and decreased by 11.0% as compared to such sales in the previous fiscal year.

We recorded an operating income from our Peach John Business segment of 1.65 billion yen (an increase of 3.8% as compared to such income for the previous fiscal year). Despite the absence of favorable factors for the previous fiscal year such as rent relief, we maintained a high level of profit due to increased sales.



Overall net sales attributable to our “Other” business segment were 12.53 billion yen (an increase of 0.1% as compared to such sales for the previous fiscal year), while we recorded an operating loss of 1.31 billion yen (as compared to an operating loss of 0.73 billion yen for the previous fiscal year).

Lecien Corporation:

Net sales from Lecien Corporation decreased by 24.5% as compared to such sales for the previous fiscal year due to delivery delays caused by our factory in Vietnam which suspended its operation, and weak sales of our private products sold by general merchandise stores and major apparel supply chain companies.

We recorded an operating loss of 0.64 billion yen (as compared to an operating income of 0.22 billion yen for the previous fiscal year) due to one-time expenses incurred for the liquidation of unprofitable subsidiaries, in addition to the impact of decreased revenue, during the current fiscal year.

Nanasai Co., Ltd.:

Although net sales from Nanasai Co., Ltd. were weak for the first half of the current fiscal year due to cancellation of new shop openings and various events following the spread of COVID-19, net sales increased by 13.7% as compared to such sales for the previous fiscal year due to a recovery seen in the renovation orders after October.

Despite our efforts to reduce costs by reassessing our operations, we recorded an operating loss from Nanasai Co., Ltd. of 0.25 billion yen (as compared to an operating loss of 0.36 billion yen for the previous fiscal year) due to the significant impact of suppressed sales during the first half of the current fiscal year.

(b) Financing

We received short-term loans in the amount of 10.0 billion yen from financial institutions to be used as our group's funds for the current consolidated fiscal year.

There were no other financing activities such as capital increases or bond issuances.

(c) Capital Expenditures

The total amount of capital expenditures during fiscal year 2022 was 9.745 billion yen, mainly including expenditures for expansion of our Moriyama Distribution Center, information system investments incurred by our subsidiaries, and expenditures for the maintenance and repair of real estate.

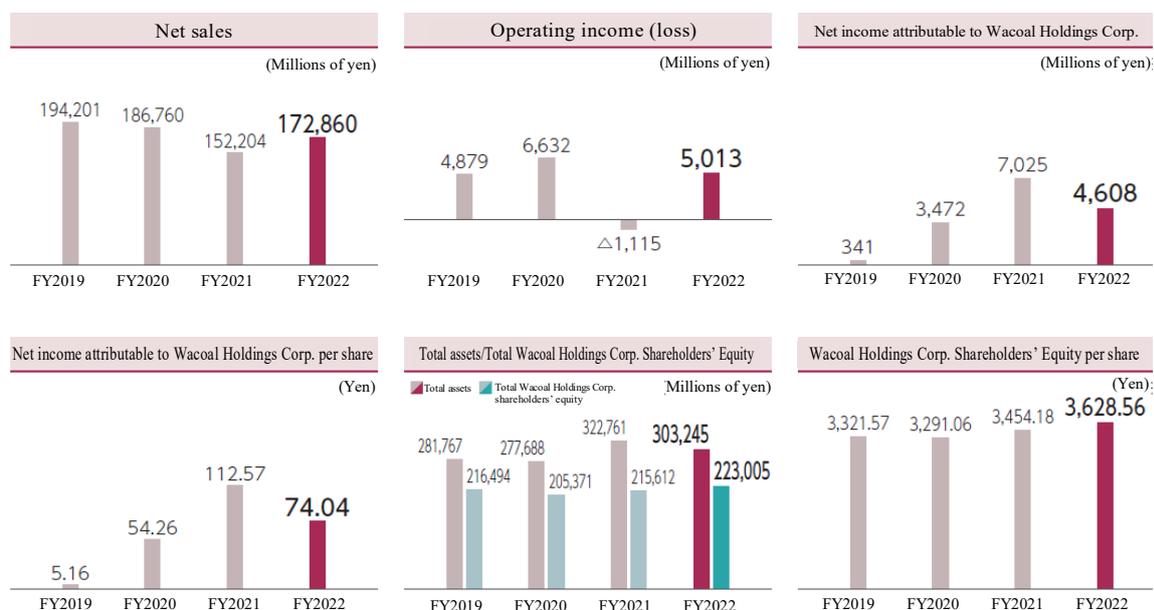
(2) Changes in State of Assets and Profit and Loss

(i) Changes in Results of Operations and State of Assets of the Group

(Millions of yen, except per share amounts)

Fiscal year ended/as of March 31,

	2019	2020	2021	2022
Net sales	194,201	186,760	152,204	172,860
Operating income (loss)	4,879	6,632	(1,115)	5,013
Net income attributable to Wacoal Holdings Corp.	341	3,472	7,025	4,608
Net income attributable to Wacoal Holdings Corp. per share (yen)	5.16	54.26	112.57	74.04
Total assets	281,767	277,688	322,761	303,245
Total Wacoal Holdings Corp. Shareholders' Equity	216,494	205,371	215,612	223,005
Wacoal Holdings Corp. Shareholders' Equity per share (yen)	3,321.57	3,291.06	3,454.18	3,628.56

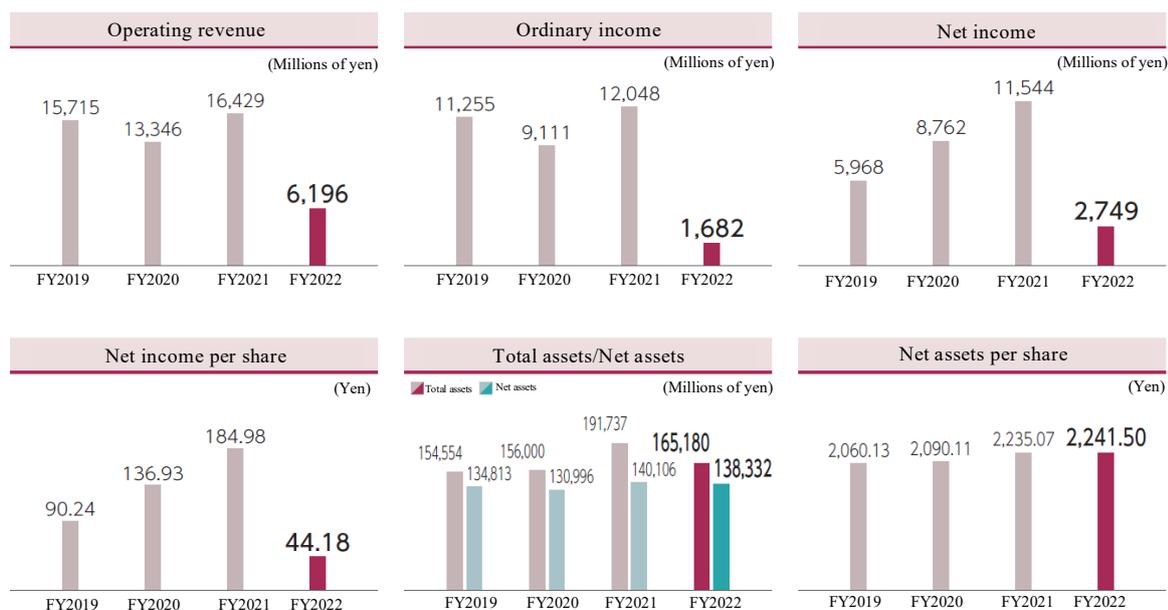


- (Notes)
- The above amounts are based on accounting principles generally accepted in the United States of America. Therefore, operating income/(loss) is shown instead of ordinary income.
 - Net income per share attributable to Wacoal Holdings Corp. is calculated based on the average number of shares issued (excluding the number of shares held as treasury stock) during each fiscal year.
 - Wacoal Holdings Corp. Shareholders' Equity per share is calculated based on the number of shares issued (excluding the number of shares held as treasury stock) as of the end of each fiscal year.

(ii) Changes in Results of Operations and State of Assets of the Company

(Millions of yen, except per share amounts)
Fiscal year ended/as of March 31,

	2019	2020	2021	2022
Operating revenue	15,715	13,346	16,429	6,196
Ordinary income	11,255	9,111	12,048	1,682
Net income	5,968	8,762	11,544	2,749
Net income per share (yen)	90.24	136.93	184.98	44.18
Total assets	154,554	156,000	191,737	165,180
Net assets	134,813	130,996	140,106	138,332
Net assets per share (yen)	2,060.13	2,090.11	2,235.07	2,241.50



- (Notes) 1. Net income per share is calculated based on the average number of shares issued (excluding the number of shares held as treasury stock) during each fiscal year.
2. Net assets per share is calculated based on the number of shares issued (excluding the number of shares held as treasury stock) as of the end of each fiscal year.

(3) Issues to Address

Our group formulated a new corporate vision of the group looking ahead to the year 2030 called “VISION 2030”. Our medium to long-term vision is “to evolve and grow as “Wacoal Group of the World” by providing both physical and emotional beauty and richness to individuals through high sensitivity and premium quality” and we will achieve sustainable growth and enhance corporate value through the following initiatives:

1. Maximize the value provided to customers
2. Achieve growth of each of our employees and establish a highly rewarding organization
3. Preserve the environment globally for future generations
4. Realization of a society in which everyone plays an active role in their own way
5. Enhance governance toward realization of sustainable growth

In order to accomplish “VISION 2030”, we are currently formulating a new mid-term business plan (which starts in the fiscal year ending March 2023 and ends in the fiscal year ending March 2025). We plan to announce in early June the new mid-term business plan and our medium- to long-term strategy framework looking ahead to the year 2030, “VISION 2030”.

Economic activities during the fiscal year ending March 2023 are expected to remain uncertain due to concerns on stagnation of economic activities in certain regions due to the further spread of COVID-19, global inflation, geopolitical risks, and further increases in raw material and transportation costs associated with these risks. Under these circumstances, we will endeavor to address increasingly complex and diverse social issues as an opportunity for future growth, and to enhance our corporate value by promoting “sustainable management”, a management approach that balances resolving social issues on one hand and sustainable growth on the other hand through our business activities. In our domestic business, we will continue promoting our unique CX strategy including the merger between online and offline activities and utilization of our customer database to improve value of our customer experience, and strengthening our efforts to improve profitability, aiming to transform ourselves into a resilient corporate structure. In our overseas business, we will seek further expansion by expanding our e-commerce business and entering into the emerging markets, in addition to expanding solid sales growth in the existing areas where we conduct our business. On the financial side, we will utilize our operating cash flow to make IT and digital investments for growth and to implement shareholder returns, as well as to explore opportunities for new business investments. In addition, we will work to improve our return on equity by improving our asset and capital efficiency, with profit improvement as our first priority.

(4) Main Offices and Factories

(i) Main Offices and Factories of the Company

Head Office (Kyoto)

(ii) Main Offices and Factories of Subsidiaries

Wacoal Corp. (Kyoto), Peach John Co., Ltd. (Tokyo), Lecien Corporation (Kyoto), Kyushu Wacoal Manufacturing Corp. (Nagasaki), Nanasai Co., Ltd. (Kyoto), Torica Inc. (Osaka), Wacoal International Corp. (U.S.A.), Wacoal America, Inc., Wacoal Europe Ltd. (U.K.), Wacoal EMEA Ltd. (U.K.), Wacoal Europe SAS (France), Wacoal International Hong Kong Co., Ltd., Wacoal Hong Kong Co., Ltd., Wacoal Investment Co., Ltd. (Taiwan), Wacoal China Co., Ltd., A Tech Textile Co., Ltd. (Thailand)

(Note) As of April 1, 2022, Kyushu Wacoal Manufacturing Corp., our consolidated subsidiary has changed its trade name to Wacoal Manufacturing Japan Corp.

(5) Employees

(i) Employees within the Group

Name of Operating Segment	Number of Employees	Increase (Decrease) from the End of Previous Fiscal Year
Wacoal Business (Domestic)	6,885	(347)
Wacoal Business (Overseas)	10,655	432
Peach John Business	450	(38)
Other	1,727	(154)
Total	19,717	(107)

- (Notes) 1. The number of employees is the number of individuals working within our Group (excluding individuals seconded from our Group to third parties, but including individuals seconded from third parties to our Group).
2. The number of employees does not include the number of temporary employees (the average number of temporary employees during the period, including temporary staff and part-time workers, is 730).

(ii) Employees of the Company

Number of Employees	Increase (Decrease) from the End of Previous Fiscal Year	Average Age	Average Years of Service
90	5	46.0	19.8

(Note) The number of employees is the number of individuals working within the Company.

(6) Principal Subsidiaries

Name of Company	Location	Stated Capital (Millions of yen)	Shareholding Ratio	Main Business	Remarks
Wacoal Corp.	Minami-ku, Kyoto	5,000	100.0%	Manufacture and sale of garments	
Peach John Co., Ltd.	Minato-ku, Tokyo	90	100.0%	Sale of garments	
Lecien Corporation	Minami-ku, Kyoto	90	100.0%	Manufacture and sale of garments and other textile-related products	
Nanasai Co., Ltd.	Minami-ku, Kyoto	90	99.9%	Manufacture and sale of mannequins and display fixtures; interior design and construction work of stores	
		(Thousands of U.S. dollars)			
Wacoal International Corp.	NY, U.S.A.	20,000	100.0%	Investment in U.S. subsidiaries	*1
Wacoal America, Inc.	NY, U.S.A.	2,062	100.0%	Manufacture and sale of garments	*2
		(Thousands of pounds)			
Wacoal Europe Ltd.	Northamptonshire, U.K.	175	100.0%	Investment in subsidiaries	
Wacoal EMEA Ltd.	Northamptonshire, U.K.	250	100.0%	Manufacture and sale of garments	*3
		(Thousands of Chinese yuan)			
Wacoal China Co., Ltd.	Beijing, People's Republic of China	189,364	100.0%	Manufacture and sale of garments	*4
		(Millions of Thai baht)			
A Tech Textile Co., Ltd.	Bangkok, Thailand	1,000	54.2%	Manufacture and sale of raw materials	*5

(Notes) *1. Wacoal International Corp. is a wholly owned subsidiary of our subsidiary, Wacoal Corp.

*2. Wacoal America Inc. is a wholly owned subsidiary of Wacoal International Corp.

*3. Wacoal EMEA Ltd. is a wholly owned subsidiary of our subsidiary, Wacoal Europe Ltd.

*4. Wacoal China Co., Ltd. is a wholly owned subsidiary of Wacoal International Hong Kong Co., Ltd.

*5. Wacoal Corp, our subsidiary, owns 54.2% of A Tech Textile Co., Ltd.

(7) Matters concerning Specified Wholly Owned Subsidiaries

Name of Company	Address	Total Carrying Amount	Total Assets of the Company
Wacoal Corp.	29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto	(Millions of yen) 72,336	(Millions of yen) 165,180

(8) Major Lenders (as of March 31, 2022)

Name of Lender	Amount of Borrowings (Millions of yen)
MUFG Bank, Ltd.	5,000
The Bank of Kyoto, Ltd.	3,000
The Shiga Bank, Ltd.	2,000

2. STOCK INFORMATION (As of March 31, 2022)

(1)	Total Number of Shares Authorized to be Issued:	250,000,000 shares
(2)	Total Number of Issued and Outstanding Shares: (including 4,130,773 shares of treasury stock)	65,589,042 shares
(3)	Total Number of Shareholders:	20,109
(4)	Major Shareholders (Top 10):	

Name of Shareholder	Number of Shares Held by Shareholder (Thousands of shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,062	13.12
Custody Bank of Japan, Ltd. (Trust Account)	4,943	8.04
MUFG Bank, Ltd.	3,095	5.04
Meiji Yasuda Life Insurance Company	3,050	4.96
The Bank of Kyoto, Ltd.	2,352	3.83
The Shiga Bank, Ltd.	1,751	2.85
Nippon Life Insurance Company	1,569	2.55
Mitsubishi UFJ Trust and Banking Corporation	1,525	2.48
Asahi Kasei Corporation	1,241	2.02
Custody Bank of Japan, Ltd. (Re-trust of Sumitomo Mitsui Trust Bank, Limited; Trust Account for the retirement allowance for Toray Industries, Inc.)	1,205	1.96

- (Notes)
1. The number of shares held by shareholder is rounded down to the nearest thousand.
 2. The Company is holding 4,130,773 shares of treasury stock, which are not listed in the above list of major shareholders.
 3. The shareholding ratio is calculated excluding the number of shares of treasury stock.

(5) Shares Issued to Officers as Consideration for Execution of Duties During the Fiscal year ended March 31, 2022

Pursuant to a resolution adopted at the 73rd Ordinary General Meeting of Shareholders held on June 29, 2021, the Company introduced a new compensation framework in the form of restricted stock. Accordingly, our Board of Directors adopted a resolution to allot treasury stock as compensation in the form of restricted stock at its meeting held on June 29, 2021, and 17,500 shares and 9,300 shares of treasury stock were allotted to four Directors (excluding Outside Directors) of the Company and six Directors of our subsidiaries, respectively, on July 16, 2021.

3. MATTERS CONCERNING STOCK ACQUISITION RIGHTS

Stock Acquisition Rights Granted to Officers as Consideration for Execution of Duties Held as of the End of Fiscal Year Ended March 31, 2022

Name (Issuance Date)	Number of stock acquisition rights	Class and number of shares represented by stock acquisition rights	Amount to be paid upon exercise of stock acquisition rights	Exercise period	Status (held by)
1st Stock Acquisition Rights (July 30, 2008)	19	Common stock 9,500 shares	One (1) yen per share	September 2, 2008 - September 1, 2028	1 Director
2nd Stock Acquisition Rights (July 30, 2008)	4	Common stock 2,000 shares	One (1) yen per share	September 2, 2008 - September 1, 2028	1 Director (Note 2)
3rd Stock Acquisition Rights (July 30, 2009)	20	Common stock 10,000 shares	One (1) yen per share	September 2, 2009 - September 1, 2029	1 Director
4th Stock Acquisition Rights (July 30, 2009)	4	Common stock 2,000 shares	One (1) yen per share	September 2, 2009 - September 1, 2029	1 Director (Note 2)
5th Stock Acquisition Rights (July 30, 2010)	21	Common stock 10,500 shares	One (1) yen per share	September 2, 2010 - September 1, 2030	1 Director
6th Stock Acquisition Rights (July 30, 2010)	4	Common stock 2,000 shares	One (1) yen per share	September 2, 2010 - September 1, 2030	1 Director (Note 2)
7th Stock Acquisition Rights (July 29, 2011)	31	Common stock 15,500 shares	One (1) yen per share	September 2, 2011 - September 1, 2031	2 Directors
9th Stock Acquisition Rights (July 31, 2012)	35	Common stock 17,500 shares	One (1) yen per share	September 4, 2012 - September 3, 2032	2 Directors
11th Stock Acquisition Rights (July 31, 2013)	34	Common stock 17,000 shares	One (1) yen per share	September 3, 2013 - September 2, 2033	2 Directors
13th Stock Acquisition Rights (July 31, 2014)	30	Common stock 15,000 shares	One (1) yen per share	September 2, 2014 - September 1, 2034	2 Directors
14th Stock Acquisition Rights (July 31, 2014)	3	Common stock 1,500 shares	One (1) yen per share	September 2, 2014 - September 1, 2034	1 Director (Note 2)

Name (Issuance Date)	Number of stock acquisition rights	Class and number of shares represented by stock acquisition rights	Amount to be paid upon exercise of stock acquisition rights	Exercise period	Status (held by)
15th Stock Acquisition Rights (July 31, 2015)	25	Common stock 12,500 shares	One (1) yen per share	September 2, 2015 - September 1, 2035	2 Directors
16th Stock Acquisition Rights (July 31, 2015)	3	Common stock 1,500 shares	One (1) yen per share	September 2, 2015 - September 1, 2035	1 Director (Note 2)
17th Stock Acquisition Rights (July 29, 2016)	32	Common stock 16,000 shares	One (1) yen per share	September 2, 2016 - September 1, 2036	2 Directors
18th Stock Acquisition Rights (July 29, 2016)	4	Common stock 2,000 shares	One (1) yen per share	September 2, 2016 - September 1, 2036	1 Directors (Note 2)
19th Stock Acquisition Rights (July 31, 2017)	20	Common stock 10,000 shares	One (1) yen per share	September 2, 2017 - September 1, 2037	2 Directors
20th Stock Acquisition Rights (July 31, 2017)	3	Common stock 1,500 shares	One (1) yen per share	September 2, 2017 - September 1, 2037	1 Director (Note 2)
21st Stock Acquisition Rights (July 20, 2018)	111	Common stock 11,100 shares	One (1) yen per share	August 18, 2018 - August 17, 2038	3 Directors
22nd Stock Acquisition Rights (July 20, 2018)	25	Common stock 2,500 shares	One (1) yen per share	August 18, 2018 - August 17, 2038	1 Director (Note 2)
23rd Stock Acquisition Rights (June 27, 2019)	146	Common stock 14,600 shares	One (1) yen per share	July 23, 2019 - July 22, 2039	3 Directors
24th Stock Acquisition Rights (June 27, 2019)	33	Common stock 3,300 shares	One (1) yen per share	July 23, 2019 - July 22, 2039	1 Director (Note 2)
25th Stock Acquisition Rights (June 26, 2020)	214	Common stock 21,400 shares	One (1) yen per share	July 18, 2020 - July 17, 2040	4 Directors

- (Notes) 1. Stock acquisition rights are not held by the outside director nor audit & supervisory board member.
2. The stock acquisition right(s) held by the director was granted during which such director held a position as a director at our subsidiary upon issuance of the stock acquisition right(s).
3. The number of shares subject to one stock acquisition right is 100 shares (500 shares for stock acquisition right granted before September 1, 2017).

4. The “class and number of shares represented by stock acquisition rights” has been adjusted to reflect the share consolidation pursuant to which two (2) shares were consolidated into one (1) share effective as of October 1, 2017.

4. OFFICERS

(1) Directors and Audit & Supervisory Board Members (as of March 31, 2022)

Position	Name	Responsibility and significant concurrent positions
Representative Director and Chairman	Yoshikata Tsukamoto	Chairman of Kyoto Chamber of Commerce and Industry
Representative Director, President and Corporate Officer	Hironobu Yasuhara	
Director and Vice President Corporate Officer	Tomoyasu Ito	Representative Director, President and Corporate Officer of Wacoal Corp.
Director and Managing Corporate Officer	Akira Miyagi	Supervisor of Group Business Management; Chair of Corporate Ethics and Risk Management Committee
Director	Madoka Mayuzumi	Visiting Professor at Kitazato University; Visiting Professor at Showa Women's University, Faculty of Humanities and Culture, Department of Japanese Language and Literature; Visiting Professor at Kyoto Tachibana University, Faculty of Humanities, Department of Japanese Language and Literature; Trustee of East Japan Railway Culture Foundation
Director	Shigeru Saito	Representative Director and Chairman, and CEO of TOSE CO., LTD.; Outside Director of SCREEN Holdings Co., Ltd.
Director	Tsunehiko Iwai	Chair of Executive Nomination Advisory Committee; Chair of Executive Compensation Advisory Committee
Standing Audit & Supervisory Board Member	Shinichi Kitagawa	Audit & Supervisory Board Member of Wacoal Corp.; Director and Member of Audit Committee of House of Rose Co., Ltd.
Standing Audit & Supervisory Board Member	Katsuhiro Okamoto	Audit & Supervisory Board Member of Wacoal Corp.
Audit & Supervisory Board Member	Hiroshi Shirai	Certified Public Accountant, Managing Partner of Shirai public accounting firm; Outside audit & supervisory board member of ALTECO Inc.; Auditor of University Public Corporation Osaka
Audit & Supervisory Board Member	Mitsuhiro Hamamoto	Managing Partner of Hamamoto Law Office; Outside Director of TVE Co., Ltd.; Outside Auditor of Osaka-Hyogo Ready-Mixed Concrete Industrial Association
Audit & Supervisory Board Member	Minoru Shimada	Full-Time Advisor of SOTSU CORPORATION

- (Notes)
1. Directors Ms. Madoka Mayuzumi, Mr. Shigeru Saito and Mr. Tsunehiko Iwai are Outside Directors as prescribed in Item 15, Article 2 of the Companies Act.
 2. Audit & Supervisory Board Members Mr. Hiroshi Shirai, Mr. Mitsuhiro Hamamoto and Mr. Minoru Shimada are Outside Audit & Supervisory Board Members as prescribed in Item 16, Article 2 of the Companies Act.
 3. There are no conflicts of interest between the Company and the companies at which Outside Directors and Outside Audit & Supervisory Board Members hold significant concurrent positions.

4. Standing Audit & Supervisory Board Member Mr. Shinichi Kitagawa has accounting experience with the Accounting Department of the Company and its subsidiaries with a considerable degree of finance and accounting knowledge.
5. Audit & Supervisory Board Member Mr. Hiroshi Shirai is qualified as a certified public accountant with a considerable degree of finance and accounting knowledge.
6. Ms. Madoka Mayuzumi, Mr. Shigeru Saito and Mr. Tsunehiko Iwai, our Outside Directors, and Mr. Hiroshi Shirai, Mr. Mitsuhiro Hamamoto and Mr. Minoru Shimada, our Outside Audit & Supervisory Board Members, have been designated as our independent officers as notified to the Tokyo Stock Exchange.
7. Audit & Supervisory Board Member Mr. Kiyotaka Hiroshima resigned upon the close of the 73rd Ordinary General Meeting of Shareholders held on June 29, 2021.

(2) Compensation and Other Compensation Paid to Directors and Audit & Supervisory Board Members

- (i) Total amount of compensation and other compensation paid to officers during the current fiscal year

Category	Total amount of compensation/ other compensation (Millions of yen)	Total amount by type of compensation/ other compensation (Millions of yen)			Number of eligible recipients
		Basic compensation	Performance-based compensation	Non-monetary compensation	
Directors (of which is related to Outside Directors)	305 (28)	261 (28)	- (-)	44 (-)	8 (3)
Audit & Supervisory Board Members (of which is related to Outside Audit & Supervisory Board Members)	60 (21)	60 (21)	- (-)	- (-)	6 (3)
Total (of which is related to Outside Officers)	366 (50)	322 (50)	- (-)	44 (-)	14 (6)

- (Notes) 1. The number of eligible recipients indicated above include one Director and one Audit & Supervisory Board Member who resigned upon the close of the 73rd Ordinary General Meeting of Shareholders held on June 29, 2021.
2. The total amount of compensation/other compensation of Directors indicated above does not include salaries that Directors who concurrently serve as employees receive as employees.

- (ii) Matters concerning performance-based compensation

The Company uses consolidated operating income as the reference value for calculating performance-based compensation (officers' bonuses). The Company has selected consolidated operating income as the business metric to calculate performance-based bonuses because we most closely track consolidated operating income as a measure of profit from our main business. The amount of performance-based bonus is determined based on the percentage of achievement against consolidated operating income as the reference value and other business results. We have set the consolidated operating income reference value at 13.5 billion yen based on past business results,

and as a result of a comprehensive evaluation based on performance for the previous and current fiscal years, there will be no performance-based bonuses.

(iii) Details of non-monetary compensation

Non-monetary compensation means restricted stock-based compensation, and the policy for determining such compensation is described under “(v) Matters concerning policy on determining details of compensation by each Director” below. The status of compensation granted as of the end of current fiscal year is described under “2. (5) Shares Issued to Officers as Consideration for Execution of Duties During the Fiscal Year ended March 31, 2022”. Any eligible Director who is allotted restricted stock will be subject to transfer restrictions during the period from the date on which such restricted stock is granted until the date on which such eligible Director loses the position as Director, Audit & Supervisory Board Member or Corporate Officer of the Company or any of its subsidiaries as designated by the Board of Directors of the Company.

(iv) Matters concerning resolutions of the general meeting of shareholders regarding total amount of compensation and other compensation paid to Directors and Audit & Supervisory Board Members

The total maximum annual amount of basic compensation paid was determined to be up to 350 million yen for Directors (excluding the amount of employee’s salary for Directors who concurrently serve as employees) and up to 75 million yen for Audit & Supervisory Board Members, pursuant to a resolution adopted at the 57th Ordinary General Meeting of Shareholders held on June 29, 2005. The numbers of Directors and Audit & Supervisory Board Members upon the close of the meeting were seven (7) and five (5), respectively. The amount of performance-based bonus is determined according to the business results of each fiscal year by resolution of the Ordinary General Meeting of Shareholders held for the relevant year. Restricted stock-based compensation was approved at the 73rd Ordinary General Meeting of Shareholders held on June 29, 2021 as follows: the maximum annual amount will be up to 70 million yen, as a separate category of basic compensation; the maximum number of shares to be allotted for each fiscal year will be up to 28,000 shares; the allotted shares of restricted stock will be subject to transfer restrictions from the date on which such shares of restricted stock are granted until the date on which an allottee loses the position as Director, Audit & Supervisory Board Member or Corporate Officer of the Company or any of its subsidiaries as designated by the Company; and the transfer restrictions on all allotted shares of restricted stock of any eligible Director will be removed upon the expiration of the transfer restriction period if such eligible Director has continuously held the position of Director, Audit & Supervisory Board Member or Corporate Officer of the Company or any of its subsidiaries as designated by Company or the Board of Directors of the Company until the date of the first Ordinary General Meeting of Shareholders of the Company to be held after the commencement of the transfer restriction period. The number of Directors upon the close of such meeting was seven (7) (of which three (3) were Outside Directors).

(v) Matters concerning policy on determining details of compensation to each Director

The Company prescribes the policy on determining details of compensation payable to each Director (this “Policy”). Our compensation to Directors consists of basic compensation, the amount of which is fixed, a performance-based bonus that is linked to the business results for each fiscal year, and restricted stock, which provide medium- to long-term incentives. Because Independent Outside Directors are not involved in the execution of business, they only receive basic compensation payable in a fixed amount. An overview of the policy for determining each type of compensation is described in the table below.

	Policy for determining the amount of or calculation method for compensation to each Director	Method for determining details of and timing for compensation, etc. to each Director
Basic compensation	<ul style="list-style-type: none"> - to be determined by each position - to reflect degree of contribution to management in the previous fiscal year - to review the range of appropriate levels of compensation for companies in the same industry as well as for companies of a similar size and set level of compensation commensurate with the Company’s business results and size 	<ul style="list-style-type: none"> - fixed monthly compensation - specific details to be determined by the Board of Directors based on the reports prepared by the Executive Compensation Advisory Committee
Performance-based bonus (performance-based compensation)	<ul style="list-style-type: none"> - to be determined for each fiscal year based on the percentage of achievement against a reference value composed of consolidated operating income and based on other business results, to increase the degree of linkage between bonuses and consolidated business performance 	<ul style="list-style-type: none"> - to be paid once a year after approval at the general meeting of shareholders for the relevant fiscal year - to be resolved at a Board of Directors meeting and the total amount to be approved at the general meeting of shareholders based on reports prepared by the Executive Compensation Advisory Committee
Restricted stock (non-monetary compensation)	<ul style="list-style-type: none"> - to be determined in consideration of the monthly amount of basic compensation and the closing price of the common stock of the Company on the business day immediately preceding the date of the resolution by the Board of Directors with respect to issuance or disposal of restricted stock - allotted shares will be subject to transfer restriction during the period from the date allotted shares are granted until the date such Director, Audit & Supervisory Board Member or Corporate Officer designated by the Company retires from their position - the transfer restrictions on all allotted shares will be removed upon the expiration of the transfer restriction period if such eligible grantee has continuously held the 	<ul style="list-style-type: none"> - to be allotted after election as Director at the ordinary general meeting of shareholders held once a year - the number of stock acquisition rights allotted to be determined at a Board of Directors meeting

	position of Director, Audit & Supervisory Board Member or Corporate Officer until the date of the first Ordinary General Meeting - the Company may repurchase all of the allotted shares bearing transfer restrictions as a result of a breach of restricted stock allotment agreement without consideration	
Basic compensation, performance-based bonus, and restricted stock as percentages of total compensation are 71%, 18% and 11%, respectively, when the performance-based bonus is calculated using consolidated operating income as the reference value.		

A majority of the member of the Executive Compensation Advisory Committee are Independent Outside Directors, and the Independent Outside Director acts as the chair of the Committee. The Committee is operated with a high degree of transparency and fairness by resolving matters with the unanimous approval of all members.

The Board of Directors consulted the Executive Compensation Advisory Committee on this Policy, which was resolved at the Board of Directors Meeting held on May 14, 2021, respecting the Committee's recommendations.

We understand that the Executive Compensation Advisory Committee held discussions and deliberations, including with respect to the consistency of the draft with this Policy, upon determination of the compensation and other matters of each Director for the current fiscal year, and therefore, the Board of Directors respects the Committee's recommendations and believes in principle that the determination is consistent with this Policy.

The policy for determining the details of compensation and other matters of each Audit & Supervisory Board Member is decided by the Audit & Supervisory Board. Given that they are not involved in the execution of business, the Audit & Supervisory Board Members only receive basic compensation, a fixed monthly compensation, which is fixed in commensurate with the Company's business results and size in comparison with companies in the same industry and of a similar size. The amount of basic compensation payable to each Audit & Supervisory Board Member will be decided upon mutual discussion among the Audit & Supervisory Board Members.

(vi) Matters concerning delegation of determining details of compensation by each Director

Board of Directors of the Company determines (and does not delegate determining) the details of compensation payable to each Director.

(3) Main Activities of Outside Directors and Outside Audit & Supervisory Board Members

Category	Name	Main Activities
Director	Madoka Mayuzumi	Ms. Mayuzumi has attended all 14 Board of Directors' meetings held during the current fiscal year and has expressed her opinions on the proposals and/or discussions based on her comprehensive knowledge and experience in the field of arts and culture. Specifically, she has made a wide range of proactive recommendations on Company's communication with our consumers, social responsibility, risk management and other matters based on her insight in the field of arts and culture, and from her perspective as a consumer and a woman. In addition to expressing opinions at the Board of Directors' meetings, she acts as a function to oversee the management team of the Company by serving as a member of the Executive Nomination Advisory Committee and the Executive Compensation Advisory Committee.
Director	Shigeru Saito	Mr. Saito has attended all 14 Board of Directors' meetings held during the current fiscal year and has expressed his opinions on the proposals and/or discussions based on his comprehensive knowledge and experience of overall management. Specifically, he has made a wide range of proactive recommendations on business strategies, customer expansion and CX strategies of the Company based on his knowledge and insight on overall management, and expertise in the IT area. In addition to expressing opinions at the Board of Directors' meetings, he acts as a function to oversee the management team of the Company by serving as a member of the Executive Nomination Advisory Committee and the Executive Compensation Advisory Committee.
Director	Tsunehiko Iwai	Mr. Iwai has attended all 14 Board of Directors' meetings held during the current fiscal year and has expressed his opinions on the proposals and/or discussions based on his comprehensive knowledge and experience in the field of technology and overall management. Specifically, he has made a wide range of proactive recommendations on business strategies, brand strategies, production strategies, and risk management of the Company based on his knowledge and insight on overall management, and expertise on research & development, production, technology, and compliance. In addition to expressing opinions at the Board of Directors' meetings, he acts as a function to oversee the management team of the Company by serving as a chair of the Executive Nomination Advisory Committee and the Executive Compensation Advisory Committee.
Audit & Supervisory Board Member	Hiroshi Shirai	Mr. Shirai has attended all 14 Board of Directors' meetings and all 15 Audit & Supervisory Board's meetings held during the current fiscal year and has expressed his opinions on the proposals and/or discussions primarily from his professional perspective as a certified public accountant.
Audit & Supervisory Board Member	Mitsuhiro Hamamoto	Mr. Hamamoto has attended all 14 Board of Directors' meetings and all 15 Audit & Supervisory Board's meetings held during the current fiscal year and has expressed his opinions on proposals and/or discussions primarily from his professional perspective as an attorney-at-law.

Category	Name	Main Activities
Audit & Supervisory Board Member	Minoru Shimada	Mr. Shimada has attended all 14 Board of Directors' meetings and all 15 Audit & Supervisory Board's meetings held during the current fiscal year and has express his opinions on the proposals and/or discussions based on his comprehensive knowledge and experience of overall management.

(4) Summary of Limitation of Liability Agreement

Pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act and our Articles of Incorporation, the Company has executed an agreement with its Outside Directors and Outside Audit & Supervisory Board Members to limit their liability for damages as stipulated in Paragraph 1, Article 423 of the Companies Act.

The maximum amount of liability under such agreement is the minimum amount as provided by laws and regulations.

(5) Outline of Directors' and Officers' Liabilities Insurance

The Company maintains directors' and officers' liabilities insurance as stipulated in the provisions of Paragraph 1, Article 430-3 of the Companies Act with an insurance company. The scope of the insured under this insurance policy is all of the officers (i.e., Directors and Audit & Supervisory Board Members) of the Company, all of the officers of our domestic consolidated subsidiaries, including Wacoal Corp., as well as the officers who are Japanese nationals and on secondment to our overseas subsidiaries and affiliated companies. The insured does not bear the premiums. This insurance policy will cover the insured's losses incurred from corporate lawsuits, shareholder derivative actions, and proceedings brought by third parties. Provided, however, that in order to ensure that the appropriate conduct of the insured when performing their duties is maintained, this insurance policy will not cover the insured's losses related to the following:

- Illegal personal gain of officers;
- Criminal activities;
- Deliberately illegal activities;
- Claim for damages for bodily injury, property damage and invasion of personal rights;
- Claim for damages attributable to act of God (earthquake, eruption, flooding, *tsunami*, etc.), war or insurrection;
- Claim for damages attributable to environmental contamination or harmful attribute of asbestos; and

Claim for damages based on allegations that the Company or the insured has violated any of the following U.S. laws ((i) the Employee Retirement Income Security Act, (ii) the Racketeer Influenced and Corrupt Organizations Act and (iii) the Securities Exchange Act of 1934).

5. MATTERS CONCERNING ACCOUNTING AUDITORS

(1) Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

(2) Compensation, etc.

Amount of compensation payable to the accounting auditor for this fiscal year:	220 million yen
Total amount of money and other property benefits to be paid to the accounting auditor by the Company and its subsidiaries:	269 million yen

- (Notes) 1. The accounting audit agreement executed between the Company and its accounting auditor does not distinguish compensation for accounting under the Companies Act from that for accounting under the Financial Instruments and Exchange Act, and they cannot be reliably distinguished. Therefore, the amount given above represents the total amount of compensation for both types of accounting work.
2. Among our significant subsidiaries, Wacoal International Corp., Wacoal America, Inc., Wacoal Europe Ltd., Wacoal EMEA Ltd., Wacoal China Co., Ltd. and A Tech Textile Co., Ltd. are subject to audits by other auditing firms and not by our accounting auditor.

(3) Description of Nonaudit Services

The Company pays fees to the accounting auditor as compensation for advisory services regarding the International Financial Reporting Standards (“IFRS”), which are out of the scope of the services that are set forth in Paragraph 1, Article 2 of the Certified Public Accountants Act.

(4) Consent on Amount of Compensation, etc. Payable to Accounting Auditor

The Audit & Supervisory Board has obtained necessary documents and received explanations regarding the comparison of the estimated time under the audit plan from the previous fiscal year and the actual time used for audit performance and the trend in the amount of compensation paid for the audit performance during the past fiscal years from the relevant departments and the accounting auditor, has reviewed the details of audit planning, basis for calculating compensation and level of compensation presented by the accounting auditor for the current fiscal year, and after deliberating whether the amount of compensation for the audit performance is appropriate to maintain the independence of the accounting auditor and to carry out its accounting audit under appropriate audit system and audit plan for the assessment of risks related to the audit environment and internal control system of the business group (including the Company and its consolidated subsidiaries), the Audit & Supervisory Board has deemed the amount of compensation for the current fiscal year is appropriate. Based on the above, the Audit & Supervisory Board has given its consent, pursuant to the provisions of Paragraph 1, Article 399 of the Companies Act, on the amount of compensation payable to the accounting auditor.

(5) Policy on Determination of Dismissal and Non-Reappointment of Accounting Auditor

If the accounting auditor comes to fall under any of the items of Paragraph 1, Article 340 of the Companies Act and its dismissal is deemed appropriate, the Audit & Supervisory Board will dismiss the accounting auditor with the consent of all Audit & Supervisory Board Members.

In addition to the above, upon the occurrence of an event which may harm the eligibility or independence of the accounting auditor, or if it is deemed difficult for the accounting auditor to perform appropriate audit procedures, the Audit & Supervisory Board will prepare and determine an agenda concerning the dismissal or non-reappointment of the accounting auditor to be submitted as a proposal at the General Meeting of Shareholders.

6. SYSTEM AND POLICIES OF COMPANY

(1) System to Ensure Appropriate Business Conduct

- (i) System to ensure that execution of duties by Directors and/or employees is in compliance with laws and regulations and the Articles of Incorporation
- To ensure that all Directors and employees of the business group comprised of the Company and its subsidiaries (“the Wacoal Group”) comply with laws and regulations and the Articles of Incorporation and conduct business based on sound social norms, we have enacted “Wacoal Code of Ethics” and “Corporate Ethics and Wacoal Standards of Conduct”.
 - In order to improve our system of compliance, we have established a Corporate Ethics and Risk Management Committee, for which our Representative Director and President acts as the head in charge of the committee and the Director of Supervisor of Group Business Management acts as chairman, which will consider any compliance issues which may have a material impact on the Wacoal Group, enhance awareness and enlightenment on corporate ethics and effectively promote control of any management risks on the Wacoal Group. The Management Planning Department shall act as organizer, and shall be responsible for the corporate ethics and risk management related to the Wacoal Group.
 - We have established a system under which our legal/compliance department could be promptly notified if a Director and/or employee of the Wacoal Group becomes aware of a compliance issue which may have violated the “Wacoal Code of Ethics” or the “Corporate Ethics and Wacoal Standards of Conduct”, or of any other compliance issues. We have also established an internal alert system (corporate ethics hotline to the legal/compliance department and a law firm). After being notified and/or alerted, the legal/compliance department conducts an investigation and formulates preventive measures after discussions with the related department. If the issue is critical, the legal/compliance department will refer the matter to the Corporate Ethics and Risk Management Committee and will report the results of its deliberation to the Board of Directors and/or Audit & Supervisory Board.
 - The “Corporate Ethics and Wacoal Standards of Conduct” prescribes that Directors and employees shall firmly refuse to comply with demands of antisocial forces. In order to handle unjust demands of antisocial forces, we cooperate with outside specialized institutions, collect and/or control information related to antisocial forces and are building an internal system.
- (ii) System concerning the Storage and Management of Information related to Execution of Duties by Directors
- With the approval of the Board of Directors, we have enacted “Document Management Rules” pursuant to which we store the following documents (including electromagnetic records, hereafter the same) along with any related materials:
*Minutes of the general meeting of shareholders, minutes of the Board of Directors’ meetings, minutes of the Group Management Meeting, documents for which a Director is the final decision maker and any other documents prescribed in the “Document Management Rules”
 - The retention period and the place for storage of the documents prescribed in the preceding paragraph shall be subject to the “Document Management Rules”, but such retention period shall be at least ten (10) years. The Directors and Audit & Supervisory Board Members shall have access to these documents at all times.
- (iii) Rules and Other Systems concerning Risk Management of Losses
- In order to understand the management risk within the Wacoal Group in general and to improve and/or strengthen our risk management system, we have established a Corporate Ethics and Risk Management Committee, for which our Representative Director and

President acts as administrative manager and the Director of Supervisor of Group Business Management as Chairman. The Management Planning Department shall act as organizer.

- The Corporate Ethics and Risk Management Committee prescribes “Risk Management Basic Rules”, subject to the approval of the Board of Directors, which form the basis for our risk management system. The Corporate Ethics and Risk Management Committee clarifies the responsibilities by risk category pursuant to these rules, and formulates a risk management system that thoroughly and/or comprehensively controls potential risk within the Wacoal Group.
 - The Corporate Ethics and Risk Management Committee regularly reports on the operations of the Wacoal Group’s risk management system to the Board of Directors.
- (iv) System to Ensure Effective Execution of Duties by Directors
- In order to enhance appropriate decision-making by our Directors, at least one-third of all Directors will be independent Outside Directors.
 - We will formulate a medium-term management plan to be shared by the Directors and/or employees within the Wacoal Group and will direct and confirm courses of action and business targets in the medium to short-term that are consistent with such plan.
 - We will follow the business results of each Wacoal Group company on a monthly basis and report back to the Board of Directors. In addition, by holding a quarterly meeting of the “Quarterly Business Results Review Committee”, we will confirm the business results and the implementation of measures and policies, consider measures in the event targets are not achieved, and review such targets, as may be necessary.
 - We adopt a corporate officer system, under which we seek to build an appropriate and efficient management system which clearly defines the delegation of authority and responsibilities with respect to major Group companies.
- (v) System to Ensure Appropriate Business Conduct within Group Companies
- We have enacted our “Group Management Rules”, which prescribes basic policies regarding the management of Group companies and matters to be decided by our Board of Directors, as well as matters to be reported to the Company and manages our Group companies in accordance with the rules.
 - We conduct any intercompany transaction fairly in compliance with laws and regulations, accounting principles and the tax system.
 - Our audit office will conduct audits of operations within the Group companies, including audits of the establishment and/or operation of our compliance system and risk management system, and will report the results of its audits to the Board of Directors and the responsible departments and give guidance and/or advice related to the above to Group companies to ensure appropriate conduct of business.
 - Our foreign subsidiaries will comply with the laws and regulations of their respective home countries and will adopt a system that is in line with our policies to the extent reasonable.
- (vi) Matters concerning Assistants to Audit & Supervisory Board Members
- Audit & Supervisory Board Members may appoint employees of the Company as their assistants who are to assist the duties of the Audit & Supervisory Board Members.
 - Such assistants shall serve on a full-time basis. In order to ensure the effectiveness and independence of such assistants, decisions on personal affairs, including appointment, evaluation, relocation and discipline of such assistants will be subject to the consent of the Audit & Supervisory Board Members.

- (vii) Reporting System of Directors and Employees to the Audit & Supervisory Board Members and Other Systems related to the report to Audit & Supervisory Board Members
- Directors of the Wacoal Group shall promptly report to the Audit & Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or Articles of Incorporation of each company, misconduct or a fact that may cause significant damage to any company of the Wacoal Group.
 - Employees of the Wacoal Group may directly report to the Audit & Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or Articles of Incorporation of each company, misconduct or a fact that may cause significant damage to any company of the Wacoal Group. Any employee who makes such report will not be at a disadvantage for the reason of making such report.
 - Through the reporting of the following matters in addition to statutory matters to the Audit & Supervisory Board Members by Directors and employees of the Wacoal Group, we strive to have the Audit & Supervisory Board Members audit conducted effectively.

Matters referred to the Group Management Meeting

Monthly and quarterly Group management conditions

Results of audits of operations

The condition of our internal alert system

Other significant matters

- (viii) Other Systems to ensure Effective Audit by Audit & Supervisory Board Members
- The majority of the Audit & Supervisory Board Members of the Company will be independent Outside Audit & Supervisory Board Members to enhance the transparency and neutrality of audit.
 - The Audit & Supervisory Board Members may order employees who belong to the audit office to perform any tasks that are required to provide their services. In addition, the Audit & Supervisory Board Members may request the Company for reimbursement of expenses incurred for performing their duties.
 - Audit & Supervisory Board Members will attend meetings of the Board of Directors and may also attend other primary meetings of the Wacoal Group.
 - The Audit & Supervisory Board Members will regularly meet with the audit office and the Accounting Auditor to receive reports and to exchange opinions.
 - The Audit & Supervisory Board may consult legal counsel, certified public accountants, consultants or other outside advisors as it deems necessary.

(2) Outline of Operation of our “System to ensure Appropriate Business Conduct”

- (i) System to ensure that execution of duties by Directors and/or employees is in compliance with laws and regulations and the Company’s Articles of Incorporation
- We have a Compliance Committee which specifically establishes and operates our compliance system. The Compliance Committee holds a meeting each quarter, and discusses and reviews awareness of compliance and matters reported to us through the internal alert system.
 - Our legal/compliance department continues to provide level-specific group education and e-learning programs as part of our educational activities for our employees. We are also making step-by-step efforts to strengthen the internal alert system for our overseas Group

companies by providing compliance awareness training and carrying out compliance review by a third-party as well as by expanding our external corporate ethics hotline.

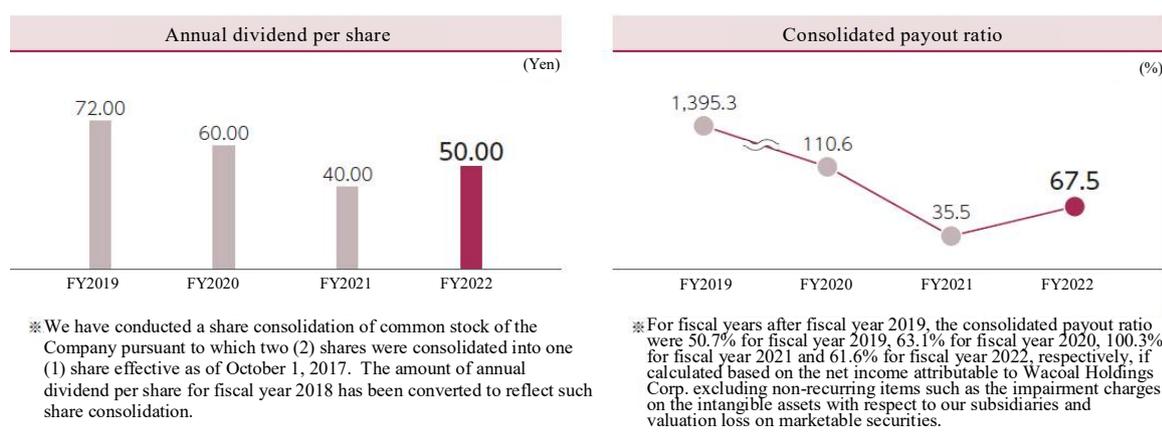
- (ii) System concerning the Storage and Management of Information related to Execution of Duties by Directors
 - Documents prescribed in the “Document Management Rules” have been properly stored in accordance with the “Document Management Rules” and the Directors and Audit & Supervisory Board Members have access to these documents on a timely basis.
- (iii) Rules and Other Systems concerning Risk Management of Losses
 - The Corporate Ethics and Risk Management Committee assesses risks, monitors the implementation of measures taken, and reports to the Board of Directors on a quarterly basis.
 - The CSR Procurement Committee was established as a subcommittee of the Corporate Ethics and Risk Management Committee. As part of our group purchase policy, we worked on an initiative that links the following functions, which we continue to expand, in order to check the outsourcees’ compliance with the “Wacoal Group CSR-based Procurement Guidelines”, which includes promotion of business transactions with business enterprises that emphasize attention to social needs with respect to human rights, labor practices, environment and ethics; monitoring of self-evaluation by outsourcees; analysis/assessment feedback; correction/improvement plans; and follow-up.
 - The Coronavirus Pandemic Countermeasure Team was created as a subcommittee of the Corporate Ethics and Risk Management Committee. The Coronavirus Pandemic Countermeasure Team gathered and delivered pandemic-related information within our group, formulated guidelines and policies based on the guidance issued by the government and local authorities, and made efforts to spread awareness of such policies and guidance within our group companies.
- (iv) System to ensure Effective Execution of Duties by Directors
 - We engage in highly transparent decision-making by appointing three independent Outside Directors among our seven Directors.
 - We held discussions and prepared Wacoal Group’s medium- and long-term management policy, which begins in the fiscal year ending March 2023.
 - We hold meetings of the Quarterly Business Results Review Committee on a quarterly basis, and confirms and reviews the business results and implementation of measures.
- (v) System to ensure Appropriate Business Conduct within Group Companies
 - Matters to be decided and reported by our subsidiaries are appropriately managed in accordance with the “Group Management Rules”.
 - Our audit office develops an audit plan for each fiscal year and conducts audits on the operation and internal controls of the Company and our domestic and overseas subsidiaries.
- (vi) Matters concerning Assistants to Audit & Supervisory Board Members
 - Our audit office assists the duties of the Audit & Supervisory Board Members upon their request from time to time. Audit & Supervisory Board Members have not requested or appointed any assistant for their duties.

- (vii) Reporting System of Directors and Employees to the Audit & Supervisory Board Members and Other Systems related to the report to Audit & Supervisory Board Members
- The Audit & Supervisory Board Members attended primary meetings and received reports on matters that were discussed and on the management condition, and also received reports, from time to time, on the results of audits on the operation and matters reported through the internal alert system.
- (viii) Other Systems to ensure Effective Audits by Audit & Supervisory Board Members
- We enhance the effectiveness of audit by appointing three independent Outside Audit & Supervisory Board Members among the five Audit & Supervisory Board Members.
 - The Company reimburses any and all expenses incurred by the Audit & Supervisory Board Members for performing their duties.
 - The Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings, conduct hearings with the Directors and also visit our subsidiaries to conduct audits. In addition, the Audit & Supervisory Board Members preside at Audit & Supervisory Board Group Meetings and receive periodic reports from the Audit & Supervisory Board Members of the domestic subsidiaries.
 - The Audit & Supervisory Board Members, regularly and whenever necessary, exchange information and opinions with the Accounting Auditor and the audit office.

(3) Policy Regarding Determination of Distribution of Earnings

Our basic policy on profit distributions to shareholders is to make stable distributions based on consideration of our consolidated performance, while seeking to increase our enterprise value through active investments aimed at higher profitability and to increase net income per share. With respect to retained earnings, we will actively invest in expanding our customer bases for our domestic business and our overseas businesses, with the aim of improving our enterprise value.

Based on the above-described basic policy and pursuant to the provisions of our Articles of Incorporation, we have resolved at the Board of Directors' Meeting held on May 13, 2022 that the year-end dividend for the current fiscal year is 30.00 yen per share and the effective date is June 6, 2022. As a result, the annual cash dividend per share, including the interim dividend, will be 50.00 yen for the current fiscal year.



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

(Millions of yen)

ASSETS	Current Fiscal Year (as of March 31, 2022)	Reference: Previous Fiscal Year (as of March 31, 2021)
Accounts	Amount	Amount
Current Assets	108,428	134,122
Cash and cash equivalents	37,982	63,557
Time deposits	1,387	1,443
Marketable securities	-	253
Notes and accounts receivable	19,414	17,571
Allowance for doubtful receivables	(282)	(346)
Inventories	45,268	43,250
Return assets	655	600
Other current assets	4,004	7,794
Property, Plant and Equipment	52,961	49,758
Land	20,358	20,569
Buildings and structures	77,641	72,978
Machinery and equipment	20,829	19,356
Construction in progress	1,289	1,264
Accumulated depreciation	(67,156)	(64,409)
Other Assets	141,856	138,881
Operating leases right-of-use assets	12,356	12,729
Investments in affiliated companies	22,835	21,207
Investments	47,926	51,603
Goodwill	22,945	21,169
Other intangible assets	15,408	15,220
Prepaid pension expense	13,411	9,533
Deferred income taxes	1,554	1,649
Other	5,421	5,771
Total Assets	303,245	322,761

- (Note) 1. Amounts less than ¥1 million are rounded to the nearest million.
2. Figures under “Reference: Previous Fiscal Year” have not been audited.

(Millions of yen)

LIABILITIES	Current Fiscal Year (as of March 31, 2022)	Reference: Previous Fiscal Year (as of March 31, 2021)
Accounts	Amount	Amount
Current Liabilities	47,303	76,071
Short-term bank loans	10,227	40,672
Trade notes payable	558	712
Trade accounts payable	10,067	8,734
Other payables	7,006	6,610
Accrued payroll and bonuses	6,319	6,822
Income taxes payable	1,408	1,025
Refund liabilities	1,991	2,266
Short-term operating lease liabilities	4,549	4,411
Current portion of long-term debt	-	35
Other current liabilities	5,178	4,784
Long-term Liabilities	29,890	28,074
Long-term debt	1,626	1,498
Liability for termination and retirement benefits	3,345	1,942
Deferred income taxes	14,095	12,292
Long-term operating lease liabilities	8,150	8,520
Contingent consideration	820	1,639
Other long-term liabilities	1,854	2,183
Total Liabilities	77,193	104,145
EQUITY		
Common stock	13,260	13,260
Additional paid-in capital	29,077	29,120
Retained earnings	183,456	181,346
Accumulated other comprehensive income	8,070	762
Foreign currency translation adjustments	7,714	1,770
Pension liability adjustments	356	(1,008)
Treasury stock, at cost	(10,858)	(8,876)
Total Wacoal Holdings Corp. Shareholders' Equity	223,005	215,612
Noncontrolling interests	3,047	3,004
Total Equity	226,052	218,616
Total Liabilities and Equity	303,245	322,761

(Note) 1. Amounts less than ¥1 million are rounded to the nearest million.
2. Figures under "Reference: Previous Fiscal Year" have not been audited.

CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

Accounts	Current Fiscal Year (from April 1, 2021 to March 31, 2022)	Reference: Previous Fiscal Year (from April 1, 2020 to March 31, 2021)
	Amount	Amount
Net sales	172,860	152,204
Operating costs and expenses	167,847	153,319
Cost of sales	76,607	67,798
Selling, general and administrative expenses	93,221	83,201
Gain on sales or disposal of property, plant and equipment - net	(1,981)	(365)
Impairment charges on goodwill and other intangible assets	-	2,685
Operating income (loss)	5,013	(1,115)
Other income (expenses)	2,233	11,907
Interest income	53	61
Interest expense	(62)	(78)
Dividend income	1,312	1,126
Valuation (loss) gain marketable securities and investments – net	(641)	10,390
Foreign exchange gain – net	507	168
Other – net	1,064	240
Income before income taxes and equity in net income of affiliated companies	7,246	10,792
Income taxes	3,497	4,081
Current	2,300	1,803
Deferred	1,197	2,278
Income before equity in net income of affiliated companies	3,749	6,711
Equity in net income of affiliated companies	792	93
Net income	4,541	6,804
Net loss attributable to noncontrolling interests	67	221
Net income attributable to Wacoal Holdings Corp.	4,608	7,025

- (Note) 1. Amounts less than ¥1 million are rounded to the nearest million.
2. Figures under “Reference: Previous Fiscal Year” have not been audited.

NON-CONSOLIDATED FINANCIAL STATEMENTS

NON-CONSOLIDATED BALANCE SHEETS

(Millions of yen)

ASSETS	Current Fiscal Year (as of March 31, 2022)	Reference: Previous Fiscal Year (as of March 31, 2021)
Accounts	Amount	Amount
Current Assets	23,141	51,563
Cash and bank deposits	19,694	45,938
Short-term loans receivable from subsidiaries and affiliated companies	7,581	7,298
Other	336	2,179
Allowance for doubtful receivables	(4,471)	(3,852)
Fixed Assets	142,039	140,173
Property, Plant and Equipment	39,231	37,046
Buildings	20,291	17,688
Structures	327	230
Machinery	16	18
Equipment	1,198	1,177
Land	17,397	17,581
Construction in progress	-	350
Intangible Assets	587	587
Leasehold rights	585	585
Other	1	1
Investments and Other Assets	102,219	102,539
Investments	1	2
Investments in subsidiaries and affiliated companies	101,846	101,846
Long-term loans receivable from subsidiaries and affiliated companies	-	315
Other	372	375
Total Assets	165,180	191,737

(Note) 1. Amounts less than ¥1 million are rounded down to the nearest million.
2. Figures under “Reference: Previous Fiscal Year” have not been audited.

(Millions of yen)

LIABILITIES	Current Fiscal Year (as of March 31, 2022)	Reference: Previous Fiscal Year (as of March 31, 2021)
Accounts	Amount	Amount
Current Liabilities	25,500	50,367
Trade notes payable	3	13
Short-term bank loans	10,000	40,000
Short-term borrowings from subsidiaries and affiliated companies	14,311	9,802
Other payables	886	353
Accrued expenses	10	9
Income taxes payable	222	120
Accrued bonuses	47	52
Other	18	15
Long-term Liabilities	1,347	1,263
Deferred income taxes	1,245	844
Other	102	419
Total Liabilities	26,848	51,630
NET ASSETS		
Shareholders' Equity	137,758	139,514
Common stock	13,260	13,260
Additional paid-in capital	29,294	29,294
Capital reserve	29,294	29,294
Retained earnings	106,062	105,836
Legal reserve	3,315	3,315
Other retained earnings	102,747	102,521
Reserve for deferred gain on sale of property	4,934	4,000
General reserve	90,000	90,000
Retained earnings carried forward	7,813	8,520
Treasury stock, at cost	(10,858)	(8,875)
Stock Acquisition Rights	573	591
Total Net Assets	138,332	140,106
Total Liabilities and Net Assets	165,180	191,737

- (Note) 1. Amounts less than ¥1 million are rounded down to the nearest million.
2. Figures under "Reference: Previous Fiscal Year" have not been audited.

NON-CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

Accounts	Current Fiscal Year (from April 1, 2021 to March 31, 2022)	Reference: Previous Fiscal Year (from April 1, 2020 to March 31, 2021)
	Amount	Amount
Operating revenue	6,196	16,429
Rental income	4,331	4,469
Dividend income	1,505	11,625
Other	359	333
Operating costs and expenses	1,864	1,753
Cost of rent	1,864	1,753
Operating gross income	4,331	14,675
Selling, general and administrative expenses	2,032	1,925
Operating income	2,299	12,749
Non-operating income	52	39
Interest income	29	25
Other	23	13
Non-operating expenses	669	740
Interest expenses	45	51
Provision of allowance for doubtful receivable for subsidiaries and affiliated companies	619	688
Other	5	0
Ordinary income	1,682	12,048
Extraordinary income	1,958	468
Gain on sales of fixed assets	1,958	468
Extraordinary loss	5	637
Loss on sale and disposal of fixed assets	5	12
Impairment charges on fixed assets	-	625
Loss on sale of investments	0	-
Income before income taxes	3,634	11,879
Income taxes	885	335
Current	483	332
Deferred	401	2
Net income	2,749	11,544

- (Note) 1. Amounts less than ¥1 million are rounded down to the nearest million.
2. Figures under “Reference: Previous Fiscal Year” have not been audited.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 13, 2022

To the Board of Directors of
Wacoal Holdings Corp.:

Deloitte Touche Tohmatsu LLC
Kyoto office

Designated Engagement Partner,
Certified Public Accountant:

Koichiro Tsukuda

Designated Engagement Partner,
Certified Public Accountant:

Tomomi Tsuji

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Wacoal Holdings Corp. and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of March 31, 2022, and the consolidated statement of income and consolidated statement of equity for the fiscal year from April 1, 2021 to March 31, 2022, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022, and its consolidated results of its operations for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which is applied mutatis mutandis pursuant to the third paragraph of Article 120-3 of the Ordinance on Company Accounting that omit a part of the disclosures required under accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which is applied mutatis mutandis pursuant to the third paragraph of Article 120-3 of the Ordinance on Company Accounting that omit a part of the disclosures required under accounting principles generally accepted in the United States of America, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which is applied mutatis mutandis pursuant to the third paragraph of Article 120-3 of the Ordinance on Company Accounting that omit a part of the disclosures required under accounting principles generally accepted in the United States of America.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which is applied mutatis mutandis pursuant to the third paragraph of Article 120-3 of the Ordinance on Company Accounting that omit a part of the disclosures required under accounting principles generally accepted in the United States of America, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in “the accompanying supplemental schedules” referred to in the “Other Information” section of this English translation is not translated.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 13, 2022

To the Board of Directors of
Wacoal Holdings Corp.:

Deloitte Touche Tohmatsu LLC
Kyoto office

Designated Engagement Partner,
Certified Public Accountant:

Koichiro Tsukuda

Designated Engagement Partner,
Certified Public Accountant:

Tomomi Tsuji

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Wacoal Holdings Corp. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2022, and the nonconsolidated statement of income and nonconsolidated statement of changes in net assets for the 74th fiscal year from April 1, 2021 to March 31, 2022, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. In addition, the other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

AUDIT REPORT

We, the Audit & Supervisory Board, have received reports on the audit procedures and results concerning the execution of duties by the Directors during the 74th fiscal year, from April 1, 2021 to March 31, 2022, prepared by each of the Audit & Supervisory Board Members. After review of the reports, we have prepared this Audit Report as follows:

1. Procedures and details of the audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board established policy on audits and the assignment of work responsibilities, received reports on the audits and results from each of the Audit & Supervisory Board Members, received reports regarding the execution of duties by Directors and the Accounting Auditor, and requested reports whenever necessary.
- (2) In conformity with the audit standards prescribed by the Audit & Supervisory Board and in accordance with the policy on audits and the assignment of work responsibilities, each of the Audit & Supervisory Board Members has made efforts to communicate with the Directors, internal audit department, and other employees and maintain an environment for information gathering and auditing and have conducted audits as follows:
 - (i) We attended meetings of the Board of Directors and other important meetings, received reports regarding the execution of duties by the Directors and employees, investigated the conduct of the business and the assets and properties of the Company at the head office and other principal offices, and whenever necessary, requested explanations. With respect to subsidiaries, we made efforts to communicate and exchange information with the Directors and Audit & Supervisory Board Members of the subsidiaries and, whenever necessary, requested reports on the business from such subsidiaries.
 - (ii) With respect to the resolution of the Board of Directors concerning the establishment of the system required under Paragraphs 1 and 3, Article 100 of the Enforcement Regulations of the Companies Act, as described in the business report, in order to ensure that the execution of duties by Directors is in compliance with laws and regulations and the Company's Articles of Incorporation and that the business conduct of the business group comprised of a joint stock corporation (*kabushiki kaisha*) and its subsidiaries is appropriate, as well as the system established pursuant to such resolution (internal control system), we have received reports regularly from the Directors and other employees on their establishment and operation, requested explanations whenever necessary, and expressed our opinion.
 - (iii) We have monitored and inspected whether the Accounting Auditor has maintained independence and whether the audits have been conducted appropriately, received reports from the Accounting Auditor on the execution of duties, and requested explanations whenever necessary. The Accounting Auditor has reported to us that the "system to ensure the appropriate execution of duties" (matters stipulated in each Item of Article 131 of the Ordinance on Company Accounting under the Companies Act) has been established pursuant to the "Quality Control Standard for Audits" (Business Accounting Council, October 28, 2005), and we requested explanations whenever necessary.

Based on the above, we have examined the business report and the supplementary statement, financial statements (the non-consolidated balance sheets, the non-consolidated statements of income, the non-consolidated statement of changes in net assets, and the related notes), and the accompanying supplemental schedules, as well as the consolidated financial statements (the consolidated balance sheets, the consolidated statements of income, the consolidated statement of equity, and the related notes) for the 74th fiscal year.

2. Results of the audit

(1) Results of the audit on the business report

- (i) The business report and its supplementary statement present fairly the Company's affairs in conformity with the applicable laws and regulations of Japan and the Company's Articles of Incorporation.
- (ii) With regard to the execution of duties by the Directors, there has been no misconduct or material matters that would constitute a violation of any laws or regulations of Japan or the Company's Articles of Incorporation.
- (iii) In our opinion, the details of the resolution of the Board of Directors regarding the internal control system are fair, and we have nothing to point out with regard to the details of the business report and execution of duties by Directors concerning said internal control system.

(2) Results of the audit of the non-consolidated financial statements and the accompanying supplementary schedules

In our opinion, the audit procedures and audit results received from Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are appropriate.

(3) Results of the audit of the consolidated financial statements

In our opinion, the audit procedures and audit results received from Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are appropriate.

May 20, 2022

Wacoal Holdings Corp.
Audit & Supervisory Board

Shinichi Kitagawa (Seal)
Audit & Supervisory Board Member
(Standing)

Katsuhiro Okamoto (Seal)
Audit & Supervisory Board Member
(Standing)

Hiroshi Shirai (Seal)
Audit & Supervisory Board Member

Mitsuhiro Hamamoto (Seal)
Audit & Supervisory Board Member

Minoru Shimada (Seal)
Audit & Supervisory Board Member

(Note)

Mr. Hiroshi Shirai, Mr. Mitsuhiro Hamamoto, and Mr. Minoru Shimada, Audit & Supervisory Board Members, are Outside Audit & Supervisory Board Members as stipulated by Item 16 of Article 2 and Paragraph 3 of Article 335 of the Companies Act.

-End-