



UNITED ARROWS LTD.

May 7, 2025

Notice Concerning Capital Increase to a Subsidiary and Change in the Status of a Subsidiary

UNITED ARROWS LTD. ("the Company") resolved to increase the capital of our consolidated subsidiary in China, UNITED ARROWS SHANGHAI LTD. ("the Chinese Subsidiary"), at the meeting of the Board of Directors held on November 27, 2024. At that time, the amount of capital of the Chinese Subsidiary exceeded 10% of the company's capital, and it falls into a specified subsidiary of the company. The Company has also confirmed that the disclosure of this change in the status of the subsidiary to a specified subsidiary was yet to be made. For the above reasons, there is a time lag between this announcement and the change.

1. Purpose and reason of the capital increase to the Chinese Subsidiary

One of our mid- to long-term business expansion strategy is to expand globally, and the Company established this Chinese subsidiary in December 2019 in preparation for full-scale expansion into mainland China. Since then, the Company has conducted a series of test marketing activities in various regions of China, and in January 2025, the first directly managed store in mainland China opened in Shanghai. This capital increase is intended to secure funds for investment in the execution of future growth strategies and to strengthen our financial base by increasing our equity capital.

2. Outline of the capital increase

(1)	Time of capital increase	November 27, 2024
(2)	Amount of increase in capital	350 million yen
(3)	Capital after capital increase	400 million yen
(4)	Investment ratio after capital increase	UNITED ARROWS LTD. (100%)

3. Outline of the Chinese Subsidiary

(1)	Name	UNITED ARROWS SHANGHAI LTD.
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(2)	Location	Shanghai, China	
(3)	Title and name of representative	Chairman, Yoshinori Matsuzaki	
(4)	Description of business	Retail of clothing and accessories	
(5)	Capital (before change)	50 million yen	
(6)	Date of establishment	December 30, 2019	
(7)	Major shareholders and ownership ratio	UNITED ARROWS LTD. (100%)	
(8)	Relationship between the Company and the Chinese Subsidiary	Capital Relationship	The Company owns 100%
		Personal relations	Director of the Company concurrently serves as the chairman of the Chinese Subsidiary
		Business relations	The Company supply goods

*Since the Chinese subsidiary started sales activities through test marketing in the fiscal year ended March 31, 2025, the operating results and financial position for the most recent three years are omitted.

4. Date of transfer

November 27, 2024

5. Future outlook

The impact of this matter on the consolidated financial results for the fiscal year ended March 31, 2025 will be negligible.