



December 11, 2024

Press Release

World Co., Ltd.
IR & Group Communication Promotion Office

Establishment of a Joint Venture Company in Thailand
Leveraging Expertise in the Resale Business for the Global Expansion of RAGTAG, a Provider of Selected Secondhand Items

World Co., Ltd. (head office: Kobe City, Hyogo Prefecture, Japan; President and Representative Managing Executive Officer: Nobuteru Suzuki) signed an agreement yesterday with Saha Group (Bangkok, Thailand; Chairman: Boonsithi Chokwatana), a leading business group in Thailand, to establish a joint venture company aimed at developing the RAGTAG business in Thailand. The details are as follows.

1. Background and Purpose of the Joint Venture

RAGTAG has been operated in Japan by Tin Pan Alley Co., Ltd., the World Group company. RAGTAG offers carefully selected secondhand fashion items, including casual and high-end brands, bags, shoes, and accessories. The value of secondary distribution has been further enhanced by the recent addition of the sustainability perspective to the lineup of products sought after by customers who want to buy "coveted brands at reasonable prices," and the store has been performing well with expanding demand not only from domestic customers but also from inbound customers

We have found a huge potential of the secondhand business in Thailand during operating a pop-up store* in Bangkok for about two months, back in March this year.

*See the next page for photos and information about the pop-up store.

The joint venture partner, Saha Group, is a Thai conglomerate established in 1942, and is one of the largest corporate groups in Thailand, engaged in manufacturing, distribution, and sales of a wide range of consumer goods, including cosmetics, clothing, food, and daily necessities. It also has more than 300 affiliated companies in Japan and overseas, and has established business alliances and joint ventures with many major Japanese companies.

In 2017, World and Saha Group established World Saha Fashion Co., Ltd. to expand the opening of men's brand TAKEO KIKUCHI stores. Seven years after its expansion, the company has succeeded in creating local TAKEO KIKUCHI customers and is further expanding store openings. With the new "RAGTAG" store, we aim to capture the needs of the secondary distribution market and customers in Thailand, as well as to quickly establish a business foundation in Thailand, the fashion hub of the fast-growing ASEAN market, with a view to opening new stores overseas in the future.

2. Overview of Local Subsidiary

Company Name	World Saha (Thailand) Co., Ltd.
Head Office	530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok 10120, Thailand
Representative	Hayato Motegi
Paid-in Capital	THB 90 million (World Co., Ltd. owns 49%)
Business	Development of a resale business (RAGTAG business) in Thailand

3. Overview of Joint Venture Partner

Name	Saha Group (http://www.sahagroup.com/)
Location	Bangkok, Thailand
Representative	Chairman Boonsithi Chokwatana
Business	Manufacturing, management of industrial parks, logistics, retail, and other businesses
Date of Establishment	1942

4. Schedule

Signing of Joint Venture Agreement	December 10, 2024
Establishment of Joint Venture	December 2024 (scheduled)

5. Future Outlook

The joint venture is planned to become a consolidated subsidiary of World Group. While the impact of this transaction on our consolidated financial performance is expected to be minor, we believe it will contribute to enhancing our medium to long-term financial performance and elevating corporate value. We will promptly announce any matters that require public disclosure in the future.

6. About RAGTAG (Reference: <https://www.ragtag.jp/>)

RAGTAG

"RAGTAG" is a used select store that has been experiencing double-digit growth against the backdrop of the growth of the reuse market and rising inbound demand. 23 stores are currently operating in Japan after opening its first store in Harajuku, Tokyo, in 1985. The company purchases 700,000 items annually, and all purchased items are managed in a central warehouse, checked for authenticity and repaired before being sold. In addition to in-store sales, the company also offers its products online as quickly as possible. In terms of product lineup, the store offers high-quality used items by experienced buyers, and since customers can experience the pleasure of selecting items with peace of mind, the store is supported by customers with high fashion sensitivity and has a unique presence in the secondary distribution market. The Thailand store to be opened this time is a real store only at the time of commencement (confirmation required for online).

7. Pop-up Store in Thailand (<https://corp.world.co.jp/news/brand/2024/8330/>)



The RAGTAG pop-up store, with a floor space of approximately 135 m², operated at the centralWOrld for 80 days, from March 28, to June 15, 2024.

Through the pop-up event, we were able to grasp the best-selling brands, price ranges, and sizes in the Thai market. We also confirmed that the level of customer service, in which "RAGTAG" excels, is not different from the needs of the Japanese domestic market. Additionally, the positive response on social networking sites and Instagram Live, which we can expect our online and OMO operations will surely boost the sales. Furthermore, we are also looking to sell not only to local customers but also to tourists visiting Thailand.

In terms of store design, the stylish and open space that changed the image of secondary distribution was a resounding success. The store was designed by the World Group's ASPLUND Co., Ltd., a company specializing in the interior design of commercial facilities and luxury hotels.

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