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September 11, 2026

Company Name:	HUMAN MADE Inc
Name of representative:	Rei Matsunuma, Representative Director, CEO (Securities code: 456A; Growth Market)
Inquiries:	Junichi Yanagisawa, Director, CFO (Tel: +81-3-6823-7801)

Notice Concerning the Execution of Share Purchase Agreement **for UNDER COVER CO., LTD**

As announced in the disclosure document dated June 15, " Notice Concerning the Execution of a Letter of Intent for the Acquisition of Shares of UNDERCOVER CO., LTD. " HUMAN MADE Inc. (the "Company") had concluded a basic agreement toward the acquisition of shares. The Company hereby announces that its Board of Directors, at a meeting held on September 11, 2026, resolved to acquire all shares of UNDERCOVER CO., LTD. ("UNDERCOVER") and make it a subsidiary, as detailed below.

1. Purpose of the Share Acquisition

Under the Company's purpose "CULTIVATE CULTURE", the Company aims to nurture culture sparked by human inspiration and craft, aiming to grow it into Japan's next iconic creative industry following manga, anime, and games. As one of the growth strategies to realize this purpose, the Company established a policy to acquire companies whose brand equity has not sufficiently translated into profits, and to grow them into the second and third pillars of the business following HUMAN MADE (Reference: "IP Strategy - Brand Portfolio Expansion").

UNDERCOVER, the brand operated by UNDERCOVER CO., LTD., has established a unique position blending street and mode fashion. Backed by a brand history cultivated over 30 years, it is a designer brand with high global recognition.

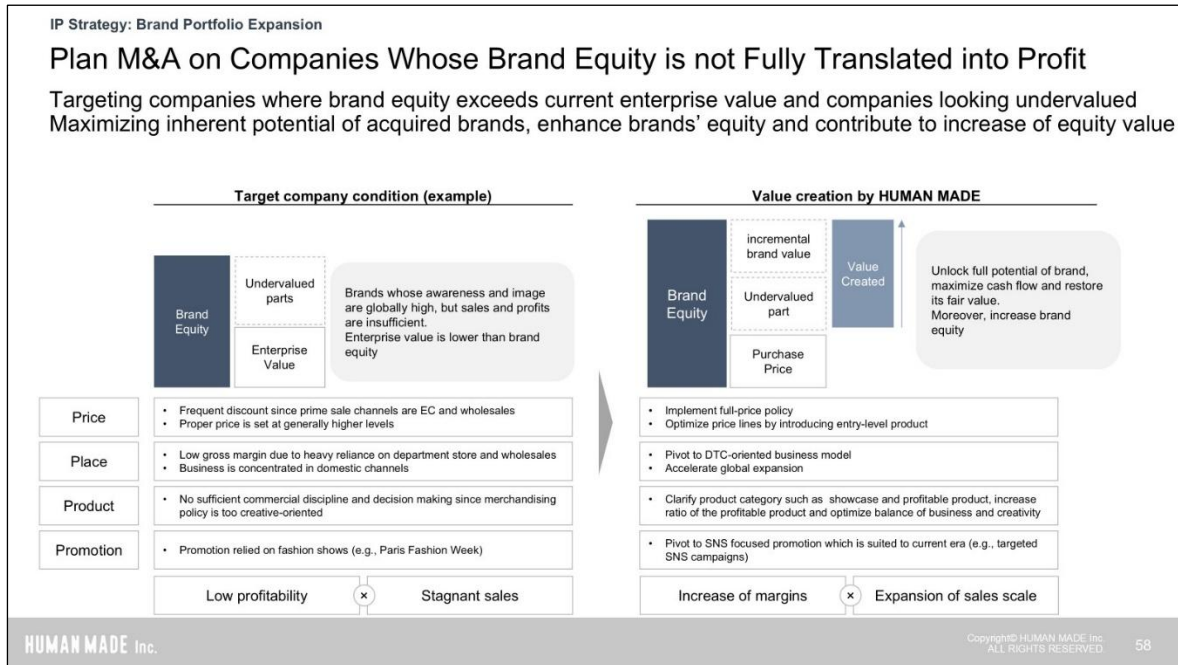
The Company and UNDERCOVER have built a strong relationship through partnerships including the release of the "HUMAN MADE × UNDERCOVER" collaboration items in 2025. The Company believes that UNDERCOVER's brand value, its attitude toward creativity, and its culture-driven approach to business creation have a strong affinity with the Company's purpose, "CULTIVATE CULTURE," and its business policies.

Furthermore, Mr. Jun Takahashi, Representative Director of UNDERCOVER, and NIGO, a major shareholder and Creative Director of the Company, have been close friends for over 30 years, and both dominated the era as leading figures of the Ura-Harajuku street culture in the 1990s. Mr. Takahashi subsequently gained worldwide recognition by participating in the Paris Fashion Week and is now known as one of Japan's leading designers. Additionally, "NOWHERE," the shop jointly opened by them in 1993, became a symbolic presence of the so-called "Ura-Hara Boom," laying the foundation for subsequent street culture and fashion. This movement is highly regarded as one of the most important trends in global fashion history, continuing to influence current luxury brands and the global fashion scene, particularly in Europe and the United States.

Based on this background, the Company has determined that welcoming UNDERCOVER into its group and leveraging the Company's management capabilities to transform its business model is expected to enhance both the brand value of UNDERCOVER and the corporate value of the entire group. Accordingly, the Company has resolved to execute the Share Purchase Agreement.

Reference: "IP Strategy - Brand Portfolio Expansion"

(Excerpted from "Matters Concerning Business Plan and Growth Potential")



2. Overview of UNDERCOVER

(1)	Name	UNDERCOVER CO., LTD.		
(2)	Location	4-23-16 Jingumae, Shibuya-ku, Tokyo		
(3)	Title and Name of Representative	Jun Takahashi, Representative Director		
(4)	Business Description	Planning, manufacturing, and sales of men's clothing, women's clothing, accessories, etc.		
(5)	Capital	12 million yen		
(6)	Establishment Date	September 1, 1994		
(7)	Major Shareholders	Jun Takahashi (80%), Hiroshi Takahashi (20%)		
(8)	Relationship between the Company and UNDERCOVER	Capital	Not applicable	
		Personnel	Not applicable	
		Business	There are business transactions with the Company.	
(9)	Operating Result and Financial Position for the Past Three Years			
Fiscal Year End		FY ended June 2024	FY ended June 2025	FY ended June 2026
Net Assets		494 million yen	500 million yen	537 million yen
Total Assets		2,355 million yen	2,382 million yen	2,306 million yen
Net Assets Per Share		2,059,841 yen	2,084,502 yen	2,241,118 yen
Net Sales		3,690 million yen	3,331million yen	3,590 million yen
Operating Income		127 million yen	33million yen	65 million yen
Ordinary Income		106 million yen	15 million yen	51 million yen
Net Income		99 million yen	5 million yen	37 million yen
Earnings Per Share		416,224 yen	24,661 yen	156,615 yen
Dividend Per Share		—	—	—

3. Overview of the Counterparty to the Share Purchase Agreement

The counterparty to the Share Purchase Agreement is the major shareholder (individual) mentioned above. There are no capital relationships, personnel relationships, business relationships, or other notable relationships to be stated between the Company and the said individual.

4. Number of Shares Acquired, Acquisition Price, and Status of Share Ownership Before and After Acquisition

Number of shares held before change	- shares (Number of voting rights: -) (Voting rights ownership ratio: -%)
Number of shares to be acquired	240 shares (Number of voting rights: 240)
Acquisition price	Common shares of UNDERCOVER CO., LTD.: 538 million yen Advisory fees, etc. (estimated): 16 million yen Total (estimated): 554 million yen
Number of shares held after change	240 shares (Number of voting rights: 240) (Voting rights ownership ratio: 100%)

5. Schedule

- (1) Date of resolution by the Board of Directors: September 11, 2026
- (2) Date of signing: September 11, 2026
- (3) Date of closing: February 2027 (Scheduled)

6. Future Outlook

With this transaction, UNDERCOVER is scheduled to become a consolidated subsidiary of the Company from the first quarter of the fiscal year ending January 2028. While the impact of this transaction on the Company's consolidated business results for the fiscal year ending January 2027 is expected to be minor, we believe it will contribute to enhance the Group's consolidated business results over the medium to long term. The Company will promptly announce any matters that require disclosure should they arise in the future.

Supplementary Explanation on UNDERCOVER Acquisition
September 11, 2026

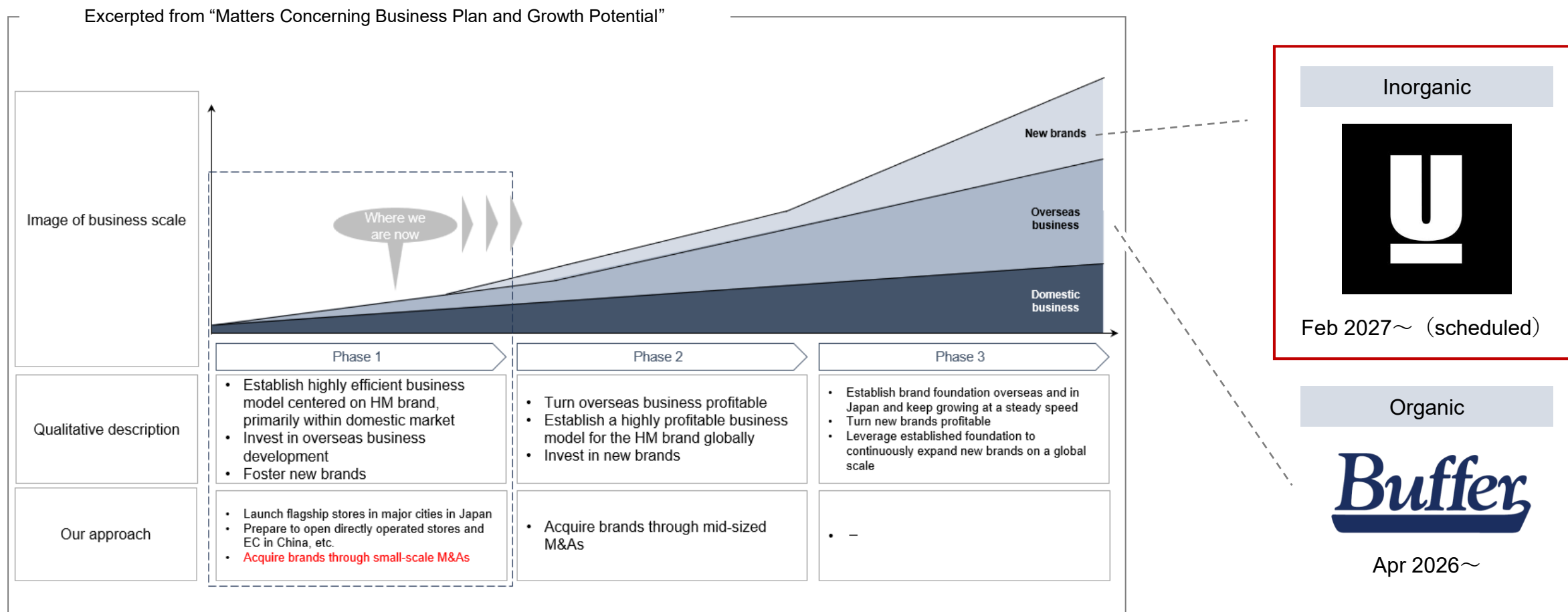
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Our First Project Aligned with Mission, Vision and Growth Strategy

Acquired shares of UNDERCOVER Inc. as an inorganic growth initiative to transform its business model and pursue global expansion

Launched "Buffer" as an organic growth initiative, while continuously exploring further business opportunities



*This graph shows the medium to long-term growth image of our business scale. It does not guarantee specific trends in business performance figures

UNDERCOVER is a High-Profile Designer Brand Blending Street and Mode with Strong Global Brand Recognition

Brand



Founded in 1990 by designer Jun Takahashi, UNDERCOVER fuses diverse elements such as street fashion, art, music, and subculture into high-end fashion, delivering collections with a unique worldview. In 2002, the brand moved its runway presentations from Tokyo to Paris.

Designer

Jun Takahashi

Born in 1969 in Kiryu City, Gunma Prefecture. Established UNDERCOVER in 1990 while attending Bunka Fashion College. Debuted at Tokyo Collection in 1994.

Won the Mainichi Fashion Grand Prize Newcomer Award in 1997, and the Mainichi Fashion Grand Prize in 2001.

Presented his collection at Paris Fashion Week in 2002.

Participated as a special guest designer at the 76th Pitti Imagine Uomo in 2009.

Won the Mainichi Fashion Grand Prize for a second time in 2013. Created graphic designs for Valentino's Autumn/Winter 2019-20 Men's & Women's collections.

In May 2024, pieces from UNDERCOVER's Spring/Summer 2024 Women's collection were exhibited at The Metropolitan Museum of Art Costume Institute's 2024 exhibition and selected as the main key visual.



Transaction Summary & Financial Impact

Estimated Goodwill Accounting Around ¥200M - ¥300M with Limited P&L Amortization Impact

In short-term, HM's business growth will be larger, and UC's proportion of net sales, etc., is expected to decline
Acquisition cost of 540 Million Yen can be fully covered by cash reserves (10.4 Billion Yen as of end-Jul 2026)

Company Overview

- Company Name UNDERCOVER Inc.
- Representative Jun Takahashi, Representative Director
- Establishment September 1, 1994
- Capital 12 Million Yen
- Shareholders Jun Takahashi 80%/ Hiroshi Takahashi 20%
- Business Design, manufacturing, sales of men's / women's apparel and accessories.

Deal Overview

- Acquisition Price 5.4 Million Yen
- Funding Source Cash reserves
- Agreement Date September 11, 2026
- Closing Date February 2027 (Scheduled)

Financial Impact

	(Million Yen)	FY24/6	FY25/6	FY26/6
UC Inc. PL/BS	Net Assets	494	500	537
	Total Assets	2,355	2,382	2,306
	Net Sales	3,690	3,331	3,590
	Operating Income	127	33	65
	Ordinary Income	106	15	51
	Net Income	99	5	37
Goodwill	Amount recorded upon acquisition is expected to be approximately 200–300 Million Yen*1			

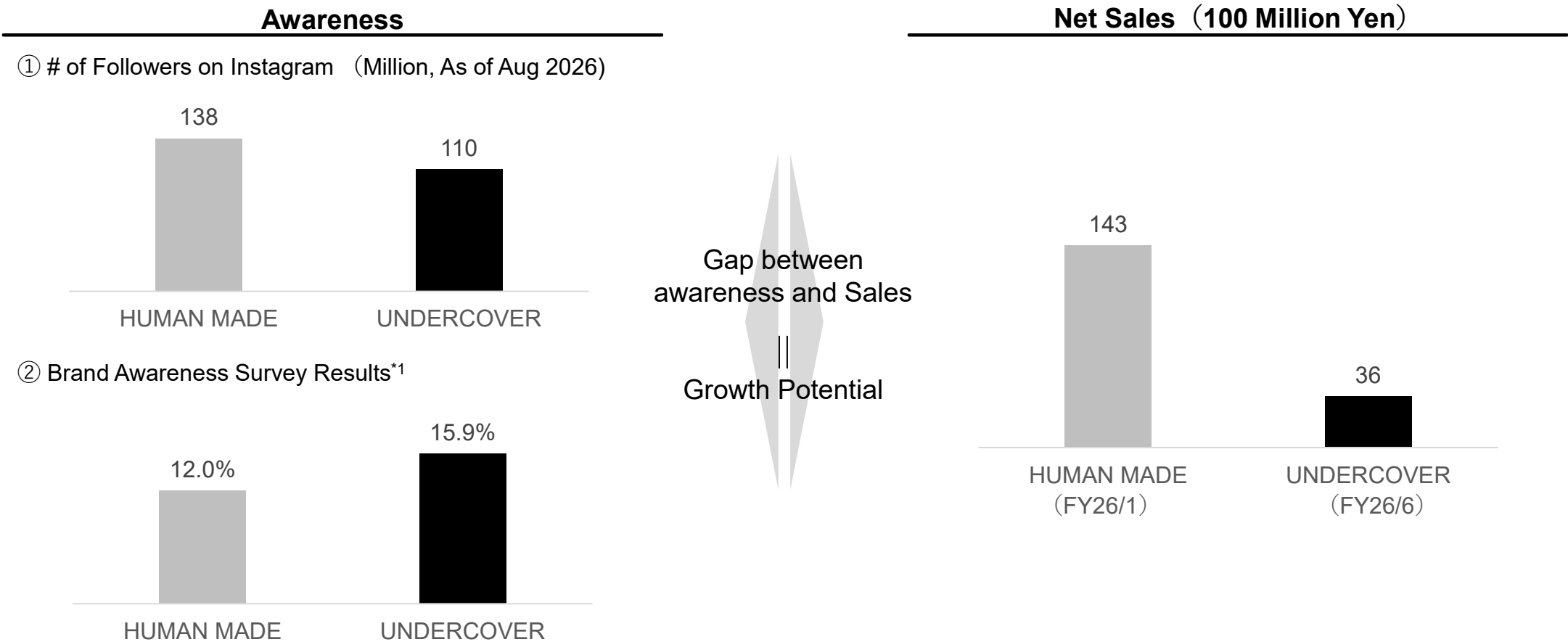
*1: Preliminary estimate as of the present; subject to change in the future.

Current Assessment of UNDERCOVER Inc.

UNDERCOVER Brand has High Global Awareness Comparable to HUMAN MADE, but Brand Strength is not Fully Reflected in Sales and Profits

Recognized as having strong brand awareness, comparable even to HUMAN MADE

Currently, brand awareness and 30+ year history are not fully reflected in sales and profits, which we aim to resolve

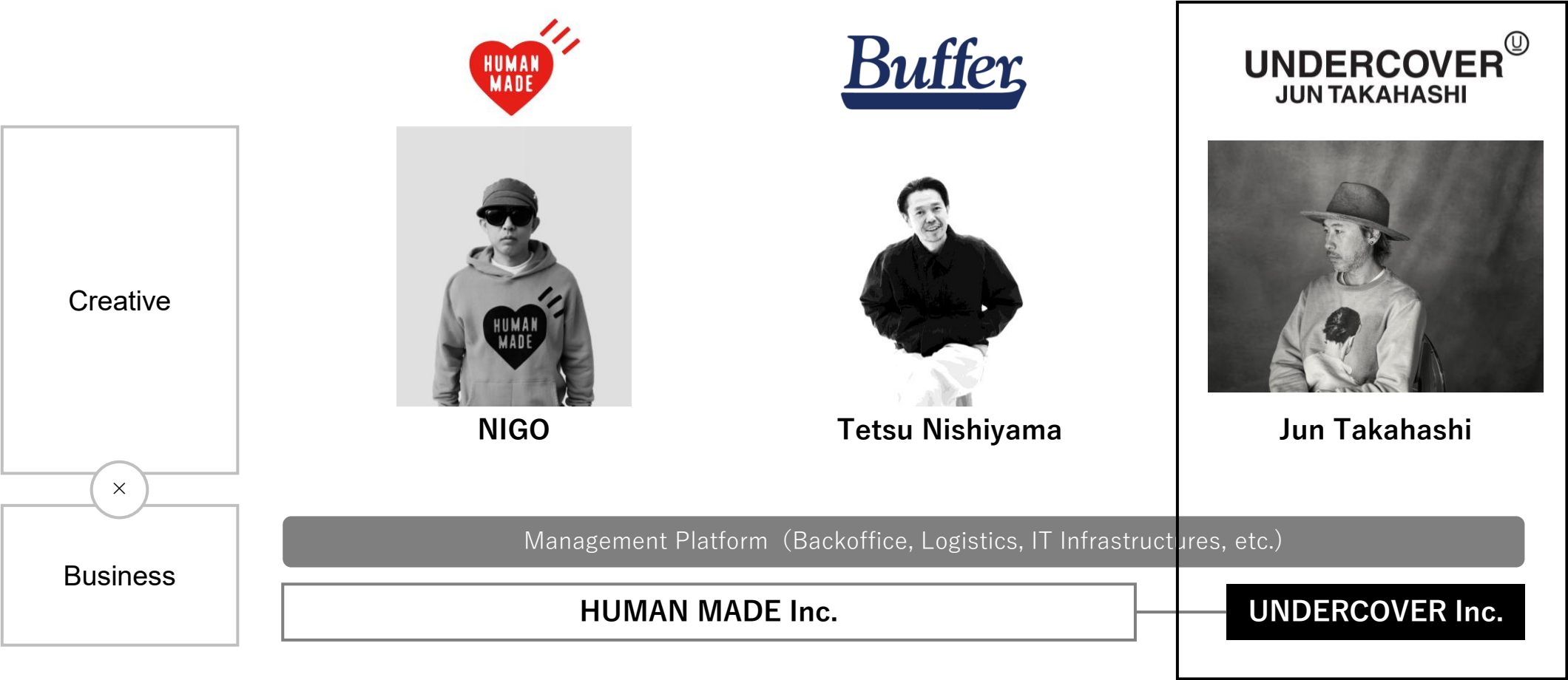


Post-Acquisition Management Structure

Jun Takahashi is scheduled to step away from management and focus on his role as Head Designer of UNDERCOVER

HUMAN MADE will handle corporate management to transform the business model, while sharing management infrastructure such as back-office functions

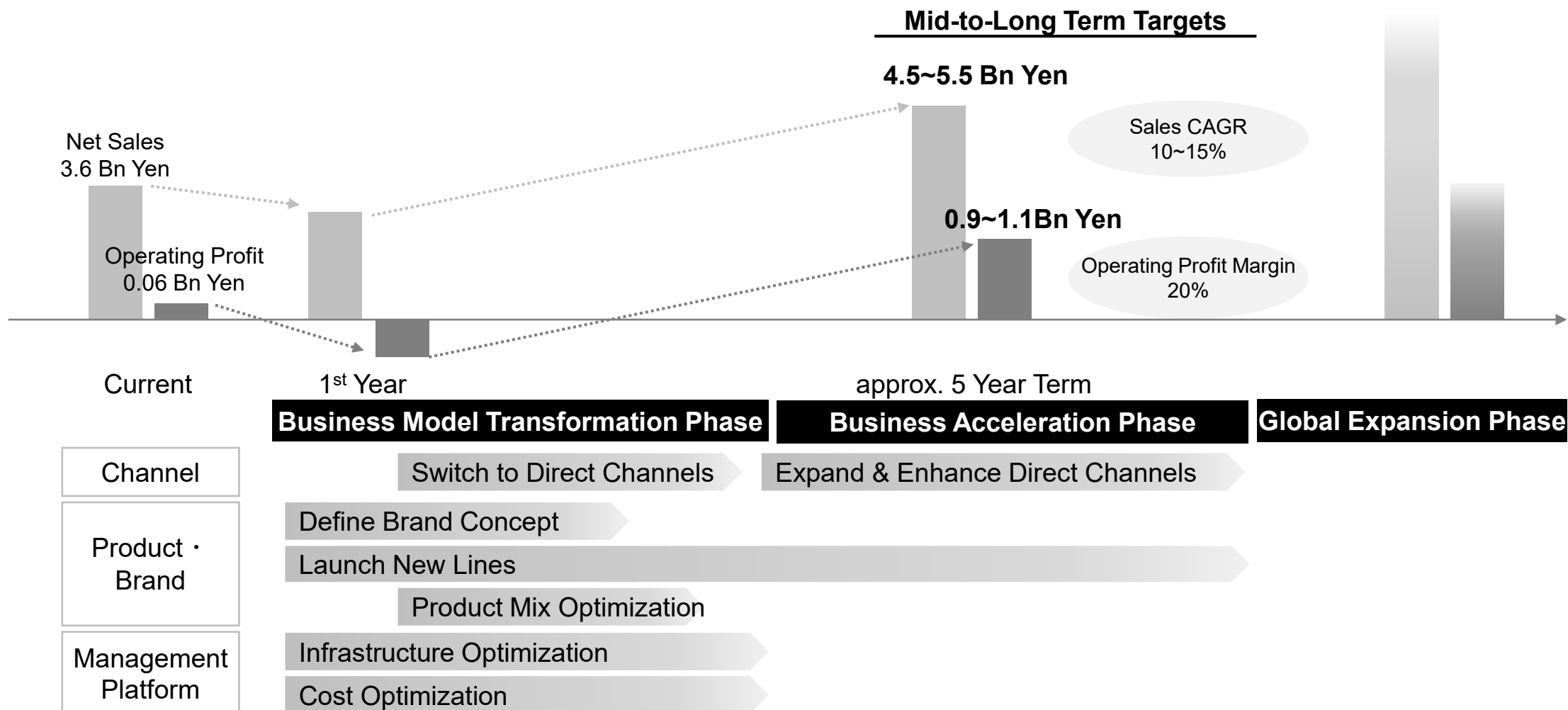
Jun Takahashi continues creative leadership; leverage designs as IP to build a structure for sustainable growth



Medium-to-Long Term Targets

Full Profit Contribution Expected From Year 2-3 Onward; Targeting Global Expansion in Long Term

Execute 1–2 year business model reform targeting 5 Billion Yen Sales and ~20% Operating Profit Margin in approximately 5 years, followed by global expansion for further growth



Preserve Creative Brand Legacy While Restructuring Business Operations to Improve Profitability

Shift UC from department stores/wholesale to direct channels to improve margins

Adapt product mix and promotions to fit direct channels

	Current Status	Future Direction
Sale Channel Policy	• Stores primarily operating in domestic department stores • E-commerce operating on third-party online malls • Overseas expansion driven by wholesale	• Gradually transition physical stores to directly operated stores • Shift EC to proprietary in-house EC platform • Review and optimize overseas wholesale partners
Product & Brand Policy	• Offers high-design (and high-cost) products with high SKU count and low volume per item • Produces and sells products across varying price points and genres under a single brand	• <u>Preserve creative strengths and design excellence</u> • Adjust product mix in accordance with channel policy changes • Update price range and promotional strategies to align with the revised MD (merchandising) policy
Efficiency via Shared Management Platform	• Handles talent recruitment/investment, IT, logistics setup, and fundraising independently, leaving some areas insufficiently executed	• Share management platform under HUMAN MADE Inc., executing necessary investments

Selective Investment to Maintain High-Growth, High-Margin & High-Efficiency

Focus strictly on deals driving mid-to-long-term EPS and shareholder value, avoiding unguided expansion

Reasonable acquisition price caps downside risk while offering upside via business model transformation

Investment Targets	Financial Discipline	Governance
• Focus only on High-Return Potential Global growth potential Facing growth constraints or challenges (limits in scale, organization, capital, etc.) HUMAN MADE can resolve bottlenecks to unlock significant upside	• Establishing appropriate investment criteria Set IRR/ROIC targets exceeding HM's cost of capital. Avoid M&A-specific quantitative caps (e.g., EV/EBITDA multiple under X times), as target financial statements often fail to reflect true potential, and rigid limits risk missing valuable opportunities. • Investment evaluation based on post-acquisition business plans Execute deals based on post-merger business plans to ensure financial criteria (e.g., ROIC) are met	• Deliberation by executive boards Rigorous multi-angled review by Management Committee and Board of Directors (no independent investment committee) • Highly experienced team composition Multiple Directors and Executive Officers possess M&A experience, with a team of specialized professionals, including alumni from M&A advisory firms and trading conglomerates, CPAs, attorneys, and MBA holders. • Post-investment monitoring Set exit criteria upfront; conduct periodic reviews with divestment/sale options if underperforming

No Equity Financing Envisaged for M&A in the Near Term

This acquisition is fully funded by cash reserves. If future M&A scale requires financing, we will combine cash reserves with debt financing.

Current Status

- High equity ratio and high cash-to-assets ratio
- Strong financial stability, but room exists to optimize cost of capital
- Currently accumulating financial capacity for future growth investments

(B/S Conceptual Diagram)

Cash Reserves	Liabilities
Other Assets	Equity

Future Direction

- Leverage investment capacity to prioritize debt financing if funding is required
- Lower cost of capital by adjusting equity ratio as scale grows and CF stability

*Note: The share purchase price for this transaction is fully funded by cash reserves.

(B/S Conceptual Diagram)

Cash Reserves	Liabilities
Other Assets	Equity

Disclaimer

This materials has been prepared by HUMAN MADE Inc. (hereinafter referred to as the “Company”) solely for informational purposes.

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