



June 19, 2023  
Onward Holdings Co., Ltd.  
Public Relations Div.

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## **Onward Holdings Deepens Capital and Business Alliance with Textile Trading Company SanMarino Co., Ltd., Acquires Additional Portion of Outstanding Shares for Further Acceleration of Structural Reform in Areas of Planning and Production**

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Onward Holdings, Co., Ltd. (Headquarters: Chuo-ku, Tokyo; President and CEO: Michinobu Yasumoto) hereby announces that it has acquired an additional portion of outstanding shares in textile trading company SanMarino Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President: Akihiko Sadanaga) in order to deepen the capital and business alliance existing between the two companies.

### **■ Purpose of the Capital and Business Alliance**

Having formed a capital and business alliance with SanMarino in 2021, Onward Holdings has worked to further strengthen its planning and production bases (which serve both as the company's foundation as an apparel maker shouldering the responsibility of manufacturing and as a source of competitiveness) in an effort to adapt to rapidly changing consumer lifestyles and fashion markets. On this occasion, Onward Holdings will further accelerate the restructuring of its planning and production through the acquisition of an additional portion of outstanding shares in SanMarino.

Through initiatives undertaken together with SanMarino, Onward Holdings has worked to establish a stable planning and production system by building a streamlined supply chain (spanning from the stages of raw material procurement to the delivery of products to customers) and worked to improve customer satisfaction by establishing a system involving the efficient provision of the right product at the right time through the centralization of fabric and material procurement, the selection of production plants, and through other such efforts. In particular, the company's planning arm has developed a system to provide products which customers favor by improving the frequency of close communication undertaken with manufacturing sites.

SanMarino has also successfully expanded its business domains and the scope of its business through the deployment of efforts such as collaboration undertaken with Kashiya Saga Co., Ltd. (a production platform) in addition to the active utilization of production-related expertise possessed by talent at the Onward Group, which has been facilitated by the creation of an optimal manufacturing system involving the mutual exchange of talent taking place between the two companies.

Going forward, the two companies will further promote PLM (Product Lifecycle Management) in order to go about creating new models for production initiatives for the entire apparel and fashion industry. By digitalizing the manufacturing process to speed up production and optimize prices, and by improving product traceability, Onward Holdings aims to strengthen its foundation for the kind of sustainable manufacturing which meets the needs of the times, which does not serve to generate excess inventory, and which serves to connect together production, stores, e-commerce websites, and customers.

#### ■ **Overview of Acquisition of Additional Shares**

Date of share acquisition	June 19, 2023
Number of shares held before transfer	4,000 shares (Percentage of voting rights held: 5.1%)
Number of shares held after transfer	26,800 shares (Percentage of voting rights held: 34.0%)

#### ■ **Company Profile of SanMarino**

Company name	SanMarino Co., Ltd.
Location	1-3-1, Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Akihiko Sadanaga (President)
Business content	Proposal-type OEM/ODM business involving clothing, cut-and-sewn knits, sweaters, sundries, etc.
Establishment	January 1975
Number of employees	158 (as of the end of June 2022)
Overseas offices	China (Shanghai) Hong Kong France (Paris) Italy (Assisi)