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CEO and COO  
(Securities code: 456A; Growth Market)  
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### **Frequently Asked Questions and Answers (March 2026)**

We appreciate your ongoing support and interest to HUMAN MADE Inc. Below is a summary of recent key inquiries from our investors and our corresponding updates.

The purpose of this disclosure is to strengthen communication and maintain fair disclosure practices. While responses may vary slightly depending on when they were recorded, the information provided reflects our latest official positions and policies.

### **Q1. Geopolitical Risks in China**

Since tensions between Japan and China have been rising recently, how do you view the risks associated with business expansion into China?

#### **Addressing risks through geographic diversification and a profit structure resilient to downside risks**

We believe that geopolitical risks are always present when expanding overseas, not just in China. On the other hand, we recognize that overseas markets offer significant growth potential for our business, and our policy is to expand into these markets while implementing appropriate risk management.

We are implementing the following specific risk management measures:

##### 1) Portfolio management of operating regions

As part of our long-term management policy, we aim to limit our dependence on China and its surrounding regions (Hong Kong, and Taiwan) to a certain percentage of total sales.

For example, we are preparing to enter the U.S. market which is expected to be substantial through our own direct operations. In the medium to long term, we aim to diversify our geographic footprint and achieve a revenue structure that avoids excessive reliance on any single region.

##### 2) Maintaining a financial structure capable of withstanding crises

Our break-even point sales ratio is estimated at 44% (FY26/1). Based on our current structure, we believe we have a robust PL structure that is unlikely to result in a negative operating profit even if sales decline by approximately 40%.

For example, even if a conflict were to break out in the regions surrounding China, causing sales in those areas to drop to zero in the short term, we believe we can withstand the financial impact by keeping the sales ratio relative to the total at a constant level, and that we will be able to implement countermeasures during that period.

### **Q2. Decline in inbound tourism from China**

There have been reports of a sharp decline in inbound Chinese tourists. What is the impact on your business performance?

#### **We do not rely on a single country, so the impact on our performance is virtually nonexistent**

The reported decline in inbound tourism from China has virtually no impact on our business performance at present. As stated on page 13 of the “Matters Concerning Business Plans and Growth Potential” disclosed at the timing of our IPO (November 27, 2025), our customer base is distributed across multiple countries, and the proportion of Chinese customers is relatively low. Furthermore, as part of our product supply policy, we keep supply volumes low relative to demand, so any decline in purchases by Chinese customers is being offset by purchases from customers in other countries.

**Q3. Risk of Share Sales by Major Shareholders**

HUMAN MADE has two major shareholders: Mr. NIGO (Tomoaki Nagao and his asset management company, NIGOLD Co., Ltd.) and Mr. Pharrell Williams (“Mr. Williams”). How do you assess the risk that they might sell their shares immediately after the lock-up period expires and withdraw from HUMAN MADE Co., Ltd.’s business?

**Regarding Mr. NIGO: Policy of Long-Term Holding as a Stable Shareholder**

As disclosed in the “Risks Related to Business, etc. (13) Major Shareholders” section of the Securities Registration Statement (filed on October 23, 2025), we recognize Mr. NIGO as a stable shareholder, as he is the founder of the HUMAN MADE brand, the founder of our company, and the current Creative Director.

We have been informed that Mr. NIGO wishes to expand our company’s corporate value over the medium to long term and maintain a good relationship with us. As a stable shareholder, he intends to continue holding a certain number of voting rights and, when exercising those rights, has a policy of pursuing the common interests of shareholders while also taking into consideration the interests of minority shareholders.

Mr. Williams has been appointed as an advisor to our company and has a long-standing relationship of trust with both our company and Mr. NIGO. Furthermore, as we have been informed that he wishes to maintain a good relationship with our company, we recognize him as a stable shareholder.

**Q4. Share Liquidity and Trading Volume**

What is your view on stock liquidity and daily trading volume?

**Aiming to Further Improve Liquidity**

We believe that improving liquidity is extremely important from the perspective of enhancing the appeal of the stock as a financial instrument and promoting appropriate stock price formation.

As of the end of January 2026, public shareholders (shareholders other than major shareholders and directors) held 28.5% of our company’s shares. As our market capitalization grows through medium- to long-term growth, we will continue to promote the diversification of our shareholder base by strengthening our investor relations activities. Furthermore, as disclosed in our timely disclosure dated March 16, 2026, the Board of Directors has resolved to implement a 4-for-1 stock split to make trading more accessible for individual investors.

**Q5. Regarding Shareholder Returns**

What is your stance on shareholder returns?

The prospectus states that you will consider distributing profits to shareholders in the future. How should we interpret this, including means other than dividends?

**In the near term, we will prioritize growth investments while considering dividends and other measures at the appropriate time.**

Our business model is characterized by high ROIC and low CAPEX, and we recognize that we have strong cash generation capabilities.

Therefore, we believe that growth investment and shareholder returns can coexist.

Going forward, we will first return medium- to long-term returns in the form of increased shareholder value through business expansion, and we will consider shareholder returns such as dividends at the appropriate time after assessing trends in capital efficiency.

Regarding share buybacks, while we recognize them as an effective method of shareholder returns, they also lead to a decrease in the free-float ratio of our shares in the market. Therefore, we plan to carefully consider market conditions and capital efficiency before implementing such measures.

**Q6. Regarding shareholder benefits**

Are you not considering shareholder benefits?

**We recognize this as an important initiative and a topic for future consideration.**

We believe that having our shareholders support us as fans is extremely important for enhancing brand value and increasing corporate value over the medium to long term.

As the Company has only recently gone public, we are prioritizing business growth—such as opening new stores and expanding overseas operations in order to meet the expectations of our shareholders.

At the same time, we recognize that a shareholder benefits program offers a valuable opportunity for shareholders to directly experience our products and services. Taking into account our current stage of business growth and shareholder composition, we will explore various options including the balance between dividends and benefits, to ensure long-term satisfaction for our shareholders.