



June 20, 2024

Company name: AXXZIA Inc.
 Representative: Duan Zhuo, president and representative director
 Securities code: 4936, TSE Prime
 Contact person: Yasuhito Fukui, director
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Notice Concerning the Establishment of an Overseas Subsidiary

AXXZIA Inc. (the "Company") announces that, during a meeting held on June 20, 2024, its Board of Directors reached the decision to establish a subsidiary in the United States of America (the "U.S.").

1. Purpose of establishing the subsidiary

The U.S. is one of the largest markets in the world, and the Chinese consumer population, who are our main customers, are said to number in the hundreds of millions. We believe that the establishment of this subsidiary will enable us to accurately grasp consumer needs in the U.S. Another aim is to enhance flexibility and responsiveness to changes in the U.S. market by directly monitoring trends in the market and enabling rapid decision-making and execution.

The establishment of this subsidiary marks an important step in increasing awareness of the AXXZIA Group's brand in the North American region. The Company will be in direct contact with local consumers and business partners to further boost the AXXZIA Group's brand awareness and reputation. There are also many Chinese communities in the U.S. Targeting these communities, we hope to leverage the track record we have already established in the Chinese market to gain a foothold to expand sales in the U.S.

The establishment of this subsidiary will initially allow us to create a framework to reinforce our cosmetics business in the U.S. and eventually support our global business expansion, driving the growth of the entire AXXZIA Group.

2. Overview of the subsidiary to be established

(1)	Name	AXXZIA Cosmetic USA Ltd.	
(2)	Location	160 E. Tasman Drive, Suites 125 & 126, San Jose, CA (tentative)	
(3)	Name of representative	Duan Zhuo	
(4)	Business	Online store operation support, U.S. market development, brand awareness improvement	
(5)	Capital	1 million US dollars (tentative)	
(6)	Ownership ratio	AXXZIA Inc. 100%	
(7)	Date of establishment	July 2024 (tentative)	
(8)	Fiscal year-end	End of July	
(9)	Relationship between the listed company and the subsidiary	Capital ties	The subsidiary will be established as a wholly owned subsidiary of the Company.
		Personal relationships	It is planned for Duan Zhuo, representative director of the Company, to concurrently serve as the representative of the subsidiary.
		Business relationship	The Company aims to boost brand awareness mainly for cosmetics through marketing and branding activities in the U.S., manage online store operations, and develop the U.S. market.

3. Schedule

(1)	Decision by the Board of Directors	June 20, 2024
(2)	Date of establishment	July 31, 2024 (tentative)

4. Impact on business performance

The impact of this matter on the Company's consolidated financial results is expected to be negligible.