



August 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 Regarding the Establishment of a Domestic Subsidiary

At the Board of Directors meeting held today, AXXZIA Inc. (the “Company”) resolved to establish a domestic subsidiary, as below.

### 1. Purpose of establishing the subsidiary

The establishment of the subsidiary is intended to facilitate our entry into the rapidly expanding beauty devices market. We aim to sell beauty devices across various channels in Japan and North America, with the goal of increasing sales and enhancing the recognition of the AXXZIA brand.

Mr. He, an investor in the subsidiary, has much expertise in manufacture and supply networks within China. Further, by collaborating with Optech Labo Co., Ltd., which has an extensive track record in importing beauty devices, we aim to swiftly and efficiently enter the Japanese and US markets.

### 2. Overview of the subsidiary to be established

(1)	Name	AXXZIA Technology Inc. (tentative)		
(2)	Location	Shinjuku Sumitomo Building 35F 2-6-1 Nishi Shinjuku, Shinjuku-ku, Tokyo Postal code: 163-0235		
(3)	Name of representative	Duan Zhuo		
(4)	Business	Planning, production, and sales of beauty devices		
(5)	Capital	30,000,000 yen		
(6)	Ownership ratio	AXXZIA Inc.	80%	24,000,000 yen
		Optech Labo Co., Ltd.	10%	3,000,000 yen
		He XiaoDong	10%	3,000,000 yen
(7)	Date of establishment	September 20, 2024 (scheduled)		
(8)	Fiscal year-end	July 31		
(9)	Relationship between the listed company and the subsidiary	Capital relationship	The Company will have an 80% stake in the newly established subsidiary.	
		Personal relationship	Duan Zhuo, president of the Company, will concurrently serve as representative director of the subsidiary.	
		Business relationship	The subsidiary will plan, produce, and sell beauty devices to the AXXZIA Group.	

3. Schedule

(1)	Decision by the Board of Directors	August 20, 2024
(2)	Date of establishment	September 20, 2024 (scheduled)
(3)	Date of business commencement	October 2024 or later (scheduled)

4. Impact on business performance

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