

March 16, 2022

Notice of Establishment of Subsidiary in Mainland China

The Company announced that has established a subsidiary and has completed all formalities. Details are as follows.

1. Reason for the establishment of overseas subsidiary

Mainland China is an important production base in its supply chain, and Adastria is positioning business in the Chinese market as a key driver in its growth strategy for 2025. In order to accelerate the growth of the business in Mainland China and improve the efficiency of the local supply chain, Adastria has decided to establish a Chinese subsidiary to oversee procurement and logistics.

The new company will enable Adastria to strengthen its logistics infrastructure for the expansion of the business in Mainland China and enhance the inventory efficiency of the global business as a whole.

2. Overview of the subsidiary

- (1) Company name: SES GLOBAL LOGISTICS (SHANGHAI) Co., LTD.
- (2) Headquarters: Pudong New Area, Shanghai (Free Trade Zone)
- (3) Representative: Kohei Ogawa
- (4) Business activities: Logistics operations in Mainland China as well as related and incidental operations
- (5) Capital: 100 million yen
- (6) Establishment: February 15, 2022
- (7) Relationships between Adastria and SES GLOBAL LOGISTICS (SHANGHAI) :
 1. Capital: Wholly owned by Adastria
 2. Personnel: One Adastria director is to serve concurrently as director of SES GLOBAL LOGISTICS (SHANGHAI)
 3. Business: Not applicable at this time

3. Outlook

The impact of this matter on the consolidated results of operations for the current fiscal year is negligible, and there will be no revision to the earnings forecast. An announcement will be made promptly if the disclosure of any further information is needed.