



Mar. 18, 2024

To whom it may concern

Company Name	Y.A.C. HOLDINGS CO., LTD.
Representative	MOMOSE Takefumi, Representative Director, Chairman and President (Code 6298 TSE PRIME)
Inquiry	HATAKEYAMA Osamu Director and General Manager Administration H.Q.

Notice regarding establishment of subsidiary

We notice that at the board of directors meeting held today (March 18, 2024), the Company resolved to establish YAC BIO INC. (hereinafter referred to as Bio Inc.) as a wholly owned subsidiary of the Company.

1. Background and purpose of establishing the subsidiary

- (1) After entering into a business alliance agreement with Linus BIOTECHNOLOGY, INC. (hereinafter referred to as Linus) of the United States, on December 9, 2022, our company have been providing necessary information for Linus's "hair exposome analysis and biomarker development". We have jointly developed two devices: a fully automatic hair mounter (for analyzing of heavy metal) and a fully automatic hair slicer (for analyzing of organic substance) (collectively referred to as SAMURAI), and are currently working on future testing business projects. We are also focusing on popularizing in Japan the originally developed hair slicer "KATANA", which is the root of "SAMURAI".
- (2) On the other hand, we also proceeding with separate plans for the full-scale commercialization of its proprietary disease analysis technology "NeuroDetect" using blood markers, with the aim of utilizing it in the diagnosis of diseases such as dementia.
- (3) We have recently intended to separate this business from our company and made it independent in order to further accelerate the development and improvement of the above-mentioned testing technology and equipment, promote social implementation in collaboration with specialized organizations, and expand our business in the future. Therefore, we decided to establish Bio Inc. as a new company.

2. Outline of newly establishing company

(1)	Name	YAC BIO INC.	
(2)	Head Office	3-10-6, Musashino, Akishima-Shi, Tokyo, Japan	
(3)	Name and title of representative	MOMOSE Takefumi, Representative Director and Chairman SEKIGUCHI Takashi, Representative Director and President	
(4)	Other executive and name	ITO Toshihiko, Board member TAKAHASHI Nobuyuki, Board Member HATAKEYAMA Osamu, Auditor	
(5)	Major Business	<ul style="list-style-type: none"> • Research and development, manufacturing, domestic and international sales, rental, and repair of medical equipment, medical supplies, reagents, consumables, and related chemical industry products. • Contract testing, specimen storage, data analysis and sales and related information provision services. 	
(6)	Paid up capital	¥100 Million	
(7)	Date of establishment	1st, Apr., 2024 (Scheduled)	
(8)	Investment ratio	100% by Y.A.C. HOLDINGS CO., LTD.	
(9)	Fiscal year end	End of Mar.	
(10)	Relationship with us	Capital	100% by Y.A.C. HOLDINGS CO., LTD.
		Personal relationship.	The representative director and directors of the Company are scheduled to concurrently serve as directors and auditors of the subsidiary. In addition, the employees of the subsidiary are mainly seconded from the Company and its subsidiaries.
		Business relationship	The Company will lease the office of the subsidiary. In addition the Company will be entrusted with general management work, including management guidance, by the subsidiary.

3. Schedule

(1)	Date of Board of Directors resolution	18 th , Mar., 2024
(2)	Establishment date	1 st , Apr., 2024 (scheduled)
(3)	Business start date	1 st , Apr., 2024 (scheduled)

4. Impact on future performance

The establishment of this subsidiary will be in the next fiscal year, and will transfer some of the operations of the Company and its group companies into an independent subsidiary, so there will be no impact on the consolidated results for the current fiscal year (ending March 2024).

If the impact on consolidated business results becomes significant from the next fiscal year onward, we plan to incorporate this into our consolidated business forecasts and disclose it in a timely manner.

5. Others

This subsidiary does not fall under the category of specified subsidiary.

END