

October 10, 2023

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TSE Code: 4927 (Prime Market)
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Establishment of New Subsidiary and Launch of New Business (Aesthetic Medicine-related Field)

POLA ORBIS HOLDINGS INC. (the “Company”) hereby announces that it will establish a new business subsidiary to launch a new business, aiming to develop its business in the aesthetic medicine-related field as follows:

1. Reasons for establishing new subsidiary and launching new business

In the years leading up to 2029, the POLA ORBIS Group’s 100th anniversary, the Group is working toward becoming a collection of unique businesses that respond to diversifying values of “beauty,” as stated in VISION 2029. We have set its three basic strategies as “develop the cosmetics business globally; reform and enhance the brand portfolio,” “create new value and expand business domains,” and “strengthen research and technical strategy.” One of the pillars of our strategies is to expand our business portfolio with the aim to provide value through means not limited to cosmetics alone.

As the values of people and society grow increasingly diverse, we recognize a growing segment of users who do not make a clear distinction between cosmetics/beauty services and medical services. We believe that, going forward, the ideal situation for people would be to have a free and active choice of the beauty methods that suit them best.

Against this backdrop, we have decided on this occasion to establish a subsidiary that will conduct new business in the form of an independent organization, separate from our existing cosmetics brands. This new subsidiary will start conducting business in the aesthetic medicine-related field as a new measure to utilize the Group’s dermatology research findings. During the next medium-term management plan, which begins in 2024, we will start providing significant new value in new business domains in full scale.

2. Overview of new business (to be launched in January 2024)

- 1) Development of aesthetic medicine-related products and services based on the evidence produced by the Group’s research centers
- 2) Supplying clinics such as dermatology clinics with aesthetic medicine-related products and services through the new business subsidiary

3. Overview of the subsidiary that will engage in this new business

(1) Company Name	POLA MEDICAL INC.
(2) Address	560 Kashio-cho, Totsuka-ku, Yokohama-shi, Kanagawa
(3) Name and Title of Representative	Noriko Suenobu, Representative Director and President
(4) Description of Business	Research and development in the dermatology and aesthetic medicine-related fields, manufacturing and sale of deliverables, sale of cosmetics, etc.
(5) Amount of Capital	JPY 100 Million
(6) Date of Establishment	August 2023
(7) Major Shareholder and Shareholding ratio	POLA ORBIS HOLDINGS INC. 100%
(8) URL	https://polamed.co.jp/

4. Impact on business results

The impact on consolidated business results for fiscal 2023 will be minimal. The Company will promptly disclose information if any revisions to business forecasts become necessary, or if any other matters which require disclosure arise.

Note: The impact on the consolidated financial results is estimated based on the information available today and the actual impact may differ due to various changes of situation in the future.