

August 7, 2024

Company name	Datasection Inc.
Representative	Norihiko Ishihara, President, CEO (Code No. 3905, TSE Growth)
Contact	Shinichi Iwata, Vice President, CFO and COO TEL. +81 50-3649-4858

### Notice Regarding the Establishment of a Subsidiary

Datasection Inc. (hereinafter referred to as the "Company") resolved at the Board of Directors meeting held on August 7, 2024, to establish a subsidiary. The details are as follows:

#### 1. Purpose of Establishing the Subsidiary

As disclosed in the Company's announcement dated June 3, 2024, titled "Notice of Basic Agreement Among Four Companies for the Construction of an AI Data Center," the Company has been advancing the commercialization of new businesses such as AI data centers and restructuring its business portfolio in existing businesses. Following financial restructuring in the fiscal year ended March 31, 2024, the Company has transitioned to a growth phase with a strong emphasis on speed.

At the Board of Directors meeting held on June 27, 2024, the Company transitioned to a new structure with Norihiko Ishihara, Representative Director, President, and CEO, overseeing new businesses. The new strategy focuses on initiatives such as operating AI data centers and AI cloud services, as well as establishing the "AI Infrastructure Global Investment Fund."

To further accelerate the growth of new businesses and enhance synergy across the Group's operations, the Company has decided to establish a subsidiary dedicated to these specific areas.

#### 2. Overview of the Subsidiary to Be Established

(1)	Company Name	DSAI Inc. (tentative)	
(2)	Location	Gotanda PLACE 8F, 1-3-8 Nishi-Gotanda, Shinagawa-ku, Tokyo, Japan	
(3)	Representative	Norihiko Ishihara, Representative Director	
(4)	Business Activities	Operation of AI Data Centers and AI Cloud Services <ul style="list-style-type: none"> <li>● Development and provision of AI Cloud Services</li> <li>● Construction and operation of AI Data Centers</li> <li>● AI Global Infrastructure Investment Fund</li> <li>● Sales of GPUs</li> </ul>	
(5)	Capital	JPY 100 million (planned)	
(6)	Establishment Date	August 31, 2024 (planned)	
(7)	Major Shareholder and Ownership Ratio	100% owned by the Company	
(8)	Relationship with the	Capital	The subsidiary will be a wholly owned subsidiary

	Company	Relationship	of the Company.
		Personnel Relationship	Norihiko Ishihara, Representative Director, President, and CEO of the Company, will concurrently serve as the Representative Director of the subsidiary. Additionally, directors of the Company are expected to assume directorship positions at the subsidiary.
		Transactional Relationship	The Company plans to provide the subsidiary with approximately JPY 700 million in funding as a business loan.

### 3. Other Information

The subsidiary, DSAI Inc. (tentative), will be classified as a specified subsidiary of the Company.

### 4. Schedule

(1) Board of Directors resolution date	August 7, 2024
(2) Establishment date	August 31, 2024 (planned)

### 5. Future Outlook

The impact of this matter on the Company's consolidated financial results for the fiscal year ending March 31, 2025, is currently under careful examination. Details will be promptly disclosed once they are determined.

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