September 14, 2026

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Notice of Differences between Full-Year Consolidated Earnings Forecast and Actual Results and Recognition of Extraordinary Loss (Impairment Loss)

AXXZIA Inc. (the "Company") hereby announces its actual results for the fiscal year ended July 31, 2026 differ from the full-year consolidated earnings forecast announced on June 12, 2026, as set out below. The Company also recorded an extraordinary loss (impairment loss) for the fiscal year ended July 31, 2026.

1. Differences between Full-Year Consolidated Earnings Forecast and Actual Results
   (1) Differences between Full-Year Consolidated Earnings Forecast and Actual Results for the Fiscal Year Ended July 31, 2026 (August 1, 2025–July 31, 2026)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	13,500	-250	-34	-105	-4.59
Revised forecast (B)	13,466	-176	23	-464	-20.33
Change (B-A)	-33	73	57	-359	-
Change (%)	-0.2	-	-	-	-
(Reference) FY07/25 results	13,478	513	504	320	13.74

   (2) Reasons for Differences Between Full-Year Consolidated Earnings Forecast and Actual Results
   Net sales and operating loss were broadly in line with the Company's previous forecast.
   Ordinary income exceeded the previous forecast as a weakening yen led to increased foreign exchange gains.
   Loss attributable to owners of parent, however, was larger than previously forecast due to the recognition of the extraordinary loss described in section 2 below.

2. Recognition of Extraordinary Loss (Impairment Loss)
   In light of recent earnings performance and its business plan for the fiscal year ending July 31, 2027, the Company carefully assessed the future recoverability of its corporate group's fixed assets in accordance with the Accounting Standard for Impairment of Fixed Assets. As a result, the Company determined recoverability was lower than originally expected for assets used in its operations; goodwill and fixed assets associated with M&D Co., Ltd.; and right-of-use assets and property, plant and equipment held by overseas consolidated subsidiaries. Accordingly, the Company recorded an impairment loss of 410 million yen as an extraordinary loss for the fiscal year ended July 31, 2026.