

**TRANSLATION FOR REFERENCE PURPOSE ONLY**

*This notice has been translated from the original Japanese text of the timely disclose statement and is for reference purpose only. In the event of any discrepancy between the original Japanese and this translation, the Japanese text shall prevail.*

July 27, 2018

To whom it may concern:

Company Name: **Asahi Holdings, Inc.**  
Representative: Tomoya Higashiura, President  
(Code: 5857, First Section of the Tokyo Stock Exchange)  
Contact: Hisanobu Aoki, General Manager of  
Corporate Planning & Communications Department  
(Phone: +81-3-6270-1833)

**Notice on the Dissolution of Consolidated Overseas Subsidiaries**

This is to notify that ASAHI PRETEC CORP. resolved at its board of directors' meeting held today to dissolve its two affiliates, which are consolidated overseas subsidiaries, as shown below:

1. Overview of subsidiaries to be dissolved

Shanghai Asahi Pretec Co., Ltd.

(1) Location	Shanghai City, China
(2) Description of business	Precious metal recycling business in China
(3) Capital	1.8 million U.S. dollars
(4) Date of establishment	March 2003
(5) Major shareholders and share-holding ratio	100% of shares held by ASAHI PRETEC CORP. *ASAHI PRETEC CORP. is a 100%-owned subsidiary of the Company
(6) Reason for dissolution	The smooth operation of its business became difficult due to the tightening of various administrative regulations, among other reasons.

Asahi Pretec Taiwan Co., Ltd.

(1) Location	Hsinchu County, Taiwan
(2) Description of business	Precious metal recycling business in Taiwan
(3) Capital	130 million Taiwan dollars
(4) Date of establishment	February 2013
(5) Major shareholders and share-holding ratio	100% of shares held by ASAHI PRETEC CORP. *ASAHI PRETEC CORP. is a 100%-owned subsidiary of the Company
(6) Reason for dissolution	Due to business transition and changes in the asset management policies of the factory building owner, it became difficult for the company to sustain approvals and licenses in the dental-related business, which constituted its core operations. Although the company withdraws from the dental-related business, ASAHI PRETEC CORP. in Japan, the parent company, succeeds and continues the other businesses.

2. Future prospects

The liquidation of the two companies will take place as soon as the necessary procedures are completed according to local laws. The impact of losses resulting from the dissolution on the Company's consolidated earnings will be minor.