

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 25, 2019

To whom it may concern:

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

Notification of Change (Transfer of Shares) regarding Consolidated Subsidiary

This is to notify that Asahi Holdings, Inc. (hereinafter “the Company”) resolved to transfer all shares of KOEIKOGYO CO., LTD. (hereinafter, “KOEIKOGYO”), a consolidated subsidiary of the Company, to Eiwa Facilities Co., Ltd. (hereinafter, “Eiwa Facilities”) as shown below.

Following the transfer of shares, KOEIKOGYO will be excluded from the list of consolidated subsidiaries of the Company.

Details

1. Reasons for the transfer of shares

KOEIKOGYO, which specializes primarily in fire-fighting equipment works, has constituted the group’s Life & Health business to this day, along with FUJI MEDICAL INSTRUMENTS MFG CO., LTD. and INTER CENTRAL, INC., after becoming a consolidated subsidiary of the Company in March 2014.

During this period, KOEIKOGYO has contributed to the Company’s consolidated performance amid the growth in construction demand in preparation for the Tokyo Olympic Games. The transfer of shares to Eiwa Facilities was decided in view of the optimum future allocation of management resources for the Group on the whole.

2. Overview of the subsidiary subject to change

(1) Name	KOEIKOGYO CO., LTD.		
(2) Location	191-2 Kashio-cho, Totsuka-ku, Yokohama City, Kanagawa Prefecture		
(3) Title and Name of Representative	Shigenori Aoki (Representative Director)		
(4) Business content	Design, installation, maintenance and repair of fire-fighting, air-conditioning and sanitary equipment		
(5) Capital	30 million yen		
(6) Date of establishment	June 1978		
(7) Major shareholder and shareholding ratio	Asahi Life & Health Corporation: 100%		
(8) Relationship between the listed company and the relevant company	Capital relationship	KOEIKOGYO is a 100% subsidiary of Asahi Life & Health Corporation, a 100% subsidiary of the Company.	
	Personnel relationship	One employee of Asahi Pretec Corp., a 100% subsidiary of the Company, works at KOEIKOGYO on a temporary assignment.	
	Business transactions	There is no applicable item.	
(9) Management performance of the relevant company in the past three years			
Settlement period	Period ended March 2017	Period ended March 2018	Period ended March 2019
Sales (million yen)	3,013	2,878	2,433
Operating income (million yen)	291	250	161
Current net profits (million yen)	179	155	100

3. Overview of the company subject to the transfer of shares

(1) Name	Eiwa Facilities Co., Ltd.	
(2) Location	7-21 Abekura, Yokosuka City, Kanagawa Prefecture	
(3) Title and Name of Representative	Shigenori Aoki (Representative Director)	
(4) Business content	Design, installation, maintenance and repair of fire-fighting, air-conditioning and sanitary equipment	
(5) Date of establishment	June 2019	
(6) Relationship between the listed company and the relevant company	Capital relationship	There is no applicable item.
	Personnel relationship	There is no applicable item.
	Business transactions	There is no applicable item.

4. Number of shares transferred, and number of shares owned before and after transfer

(1) Number of shares owned before transfer	600
(2) Number of shares to be transferred	600
(3) Number of shares owned after transfer	0

5. Schedule

(1) Date of resolution by the board of directors	July 25, 2019
(2) Date of share transfer agreement	July 25, 2019
(3) Date of share transfer	August 1, 2019

6. Future prospects

The impact of share transfer on the financial results of the Company is expected to be minimal.