

June 9, 2021

To All Concerned Parties,

Company: Asahi Intecc Co., Ltd.
Representative: Masahiko Miyata, President & CEO
(Securities code: 7747, First section of Tokyo Stock Exchange and Nagoya Stock Exchange)
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Notice Regarding Establishment of the Overseas Sub-Subsidiary Filmecc USA, Inc.

Asahi Intecc Co., Ltd (Asahi Intecc) announces that it passed a resolution at its board of directors' meeting held on June 9, 2021 to establish Filmecc USA, Inc. as a sub-subsidiary mainly engaged in OEM/ODM(*) business in the U.S. market through ASAHI INTECC USA, INC., a wholly owned subsidiary of Asahi Intecc, as set forth below.

1. Summary of the sub-subsidiary

①	Company name	Filmecc USA, Inc.	
②	Location	3002 Dow Avenue, Suite 216, Tustin, CA 92780 USA	
③	Representative	Yoshinori Terai (Director of Asahi Intecc)	
④	Description of main business	OEM and ODM business of medical devices	
⑤	Capital (Including capital surplus)	300,000 U.S. dollars (approximately 32 million yen) *1 U.S. dollar = 109.76 yen	
⑥	Investor and Investment ratio	ASAHI INTECC USA, INC. 100%	
⑦	Date of establishment	June 9, 2021	
⑧	Business start date	July 1, 2022 (Plan)	
⑨	Fiscal term	June	
⑩	Relationships between Asahi Intecc and the company	Capital relationship	The company will be established with 100% investment by ASAHI INTECC USA, INC., a wholly owned subsidiary of Asahi Intecc
		Personnel relationship	One director and three employees of Asahi Intecc will concurrently serve as directors of the company
		Business relationship	There will be a business relationship in terms of sales and purchases between the company and Filmecc Co., Ltd., a wholly owned subsidiary of Asahi Intecc

(*) OEM is an abbreviation for Original Equipment Manufacturing or Original Equipment Manufacturer, and refers to the production under the client's brand.

ODM is an abbreviation for Original Design Manufacturing, and refers to the design and production under the client's brand.

2. Reason for establishment of the sub-subsiidiary

In order to strengthen and expand the OEM/ODM business on a global scale, Asahi Intecc Group is considering consolidating the business to Filmecc Co., Ltd. a consolidated subsidiary of Asahi Intecc. ASAHI INTECC USA, INC., a wholly owned consolidated subsidiary of Asahi Intecc, has been engaged in the OEM/ODM business of medical devices in the U.S. market. To strengthen OEM/ODM business in the U.S. market, Asahi Intecc Group has decided to establish Filmecc USA, Inc. as an overseas sub-subsiidiary specializing in OEM/ODM business.

On April 12, 2021, Asahi Intecc Group concluded a basic agreement to acquire shares of Rev. 1 Engineering Inc. (Rev. 1) in order to consider making it a wholly owned consolidated subsidiary. Rev. 1 is a company that is entrusted with the design and development of medical devices in the U.S. market, and holds expertise in the design and development of a wide range of interventional products, including cutting-edge catheters. By establishing Filmecc USA, Inc., Asahi Intecc Group aims to develop a wide range of OEM/ODM business in cooperation with Rev. 1, and expand the OEM/ODM business mainly in the U.S. market.

Although the date of establishment of Filmecc USA, Inc. is June 9, 2021, the business start date is scheduled for July 1, 2022.

3. Impact on operating results

Impact on the forecast of Asahi Intecc Group's business performance related to the establishment of the sub-subsiidiary will be minimal.