

April 10, 2020

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)
Contact:
Mizuho Ito, Member of Board & CFO, General Manager of Administration
(TEL. +81-561-48-5551)

Notice Regarding Establishment of Overseas Sales Sub-subsidiary
ASAHI INTECC Deutschland GmbH

Asahi Intecc Co., Ltd (Asahi Intecc) announces that it resolved at its board of directors' meeting held on April 10, 2020 to establish ASAHI INTECC Deutschland GmbH as a sub-subsidiary mainly engaged in sales promotion of medical devices in the German region through ASAHI INTECC EUROPE B.V., a wholly owned subsidiary of Asahi Intecc, as set forth below.

1. Summary of the sub-subsidiary

①	Company name	ASAHI INTECC Deutschland GmbH	
②	Location	Frankfurt am Main, Germany (To be decide later)	
③	Representative	Manabu Sakamoto (Employee of Asahi Intecc)	
④	Description of main business	Sales promotion of medical devices manufactured by Asahi Intecc Group	
⑤	Capital	25,000 Euro (About 3 million yen) *1 Euro = 120 yen	
⑥	Investor and Investment ratio	ASAHI INTECC EUROPE B.V. 100%	
⑦	Date of establishment	July, 2020 (Plan)	
⑧	Business start date	July, 2020 (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 EUROPE B.V., 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	Business relationship with ASAHI INTECC EUROPE B.V., a wholly owned subsidiary of Asahi Intecc, will occur for the services provided by the company

2. Reason for establishment of the sub-subsiidiary

One of the key strategies of Asahi Intecc Group is to strengthen its global revenue base by further enhancing sales and marketing functions in each region, mainly for our own brand products of medical devices.

In Germany, the largest market in Europe, direct sales of neurovascular products has begun in February 2016. In addition to this, it was resolved that ASAHI INTECC EUROPE B.V. will commence direct sales to the hospitals from January 2021 for cardiovascular, peripheral vascular, and abdominal vascular products, which have been sold through local distributors to date. Accordingly, it resolved to establish a local subsidiary, ASAHI INTECC Deutschland GmbH, in July 2020 as a wholly owned subsidiary of ASAHI INTECC EUROPE B.V., a subsidiary of Asahi Intecc, with the aim of further strengthening the support system such as marketing and bidding deals in the German region. Through these measures, we aim to further increase in market share and revenue.

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.