

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.

September 15, 2022

Company Name: **Asahi Holdings, Inc.**
Representative: Tomoya Higashiura, President & CEO
(Code: 5857, Tokyo Stock Exchange - Prime Market)
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Notice Concerning Judgement in Lawsuit Against the Affiliated Company

Asahi Holdings, Inc. (the “Company”) hereby announces that the Osaka District Court today rendered a judgement (the “Judgement”) on a patent infringement lawsuit (the “Lawsuit”) filed to Fuji Medical Instruments MFG. Co., Ltd. (“Fuji”), the affiliated company of the Company, by Family Inada Co., Ltd. (“Inada”). The details are described below.

1. Court and date of Judgement

- (1) Court: Osaka District Court (Case No: wa-07384 (2017) (“Case 1”), wa-01391 (2018) (“Case 2”))
- (2) Date of the Judgement: September 15, 2022

2. Plaintiff

- (1) Name: Family Inada Co., Ltd.
- (2) Address: 4-2-10 Miyahara, Yodogawa-ku, Osaka-shi, Osaka
- (3) Representative: Representative Director Nichimu Inada

3. Background to filing of the Lawsuit

Inada claims that some technologies used in massage chairs manufactured and sold by Fuji infringe Inada's patent rights, then Inada filed an injunction against the Fuji's product and a claim for damages in the Osaka District Court.

4. Summary of the Judgement

<Case 1>

- (1) The defendant (Fuji) shall pay to the plaintiff (Inada) the amount of 2,779,831,907 yen plus relevant delay damages.
- (2) Dismiss all remaining claims of the plaintiff.
- (3) Litigation costs shall be divided in two, with one portion being borne by the defendant and the other portion being borne by the plaintiff.
- (4) Only item (1) can be provisionally executed.

<Case 2>

- (1) The defendant shall not manufacture, sell or offer to sell any of the products listed in the defendant's product list.
- (2) The defendant shall destroy each product on defendant's product list.
- (3) The defendant shall pay to the plaintiff the amount of 48,629,824 yen plus relevant delay damages.
- (4) Dismiss all remaining claims of the plaintiff.
- (5) Litigation costs shall be divided into 5 parts, 3 of which shall be borne by the defendant, and the rest shall be borne by the plaintiff.
- (6) Only items (1) and (3) can be provisionally executed.

5. Outlook

Fuji and the Company will carefully review the content of the Judgement and consult with external counsel with respect to possible next steps. The Company will promptly disclose the details if matters requiring further disclosure arise.