May 19, 2020

To whom it may concern

Company name：Asante, Inc.
（Code：6073）
Representative：Sei Miyauchi,
Chief Executive Officer
Contact：Yoshiyuki Nakao,
Director, General Manager,
Corporate Planning Department
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Notice of Acquisition of Shares of Heartful Home Co., Ltd. (Making into Subsidiary)

Asante, Inc. at the board of directors meeting held on May 19, 2020 resolved to acquire the shares of Heartful Home Co., Ltd. (hereinafter called as “Heartful Home”) and make it into our wholly-owned subsidiary. Details are as follows.

1. Reason for the acquisition of shares

Since our establishment in 1970, we have been providing comprehensive house maintenance services for wooden houses with focus on termite control. By providing customers with safety and security and promoting the extension of the life of existing homes, we are also contributing to solving social issues involving housing and environment.

Heartful Home was founded in 1965 and is engaged in architectural remodeling business centered on exterior wall remodeling with metal siding. The company is based in Sapporo, Hokkaido and operates in the Hokkaido region. It focuses on general housing, apartments, stores, and other structures, and has an excellent track record and reputation in Hokkaido in the exterior wall remodeling industry.

With this acquisition of shares, Asante will establish a business base in Hokkaido, a market in which we do not currently have presence. Furthermore, we will be able to move forward with our core strategy of expanding our service menu and sales areas. We will fully leverage the know-how and human resources that have been accumulated by Heartful Home. This will help us to increase our business by capturing synergy with our main business of comprehensive house maintenance service and lead to further growth as a group.

2. Overview of the subsidiary to acquire (Heartful Home)

(1) Name	Heartful Home Co., Ltd.
(2) Location	6-2 Kitano 1-jo 2-chome, Kiyota-ku, Sapporo-shi, Hokkaido
(3) Representative	Daisuke Watanabe, President
(4) Business Content	Construction and remodeling business
(5) Capital	15,000 thousand yen
(6) Establishment	June 1975
(7) Major shareholders and share holding ratio	Daisuke Watanabe (100%)

(8) Relationship with the Company	There is no capital, personal and business relationships between the Company and Heartful Home.		
(9) Operating results and financial position for the last three years (unit: thousand yen)			
Fiscal year end	FY3/17	FY3/18	FY3/19
Total assets	232,924	264,567	278,237
Net sales	846,218	856,308	880,898

3. Outline of the counterparty to the share acquisition

Daisuke Watanabe (Number of shares held: 300 shares)

(1) Name	Daisuke Watanabe
(2) Location	Sapporo-shi, Hokkaido
(3) Relationship with the Company	There is no capital, personal and business relationships that is required to be disclosed, between the Company and the individuals concerned. (including their close relatives, companies in which the individuals and their close relatives own a majority, and their subsidiaries).

4. Number of shares to acquire, acquisition price, and status of shares held before and after the acquisition

(1) Number of shares owned prior to the acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)
(2) Number of shares to acquire	300 shares (Number of voting rights: 300)
(3) Acquisition price	We will refrain from disclosing the acquisition price in accordance with the agreement with the counter party. The acquisition price has been agreed upon through consultation with the counter party and after due diligence by a third party. We and Heartful Home recognize that the acquisition price fair.
(4) Number or shares owned after the acquisition	300 shares (Number of voting rights: 300) (Percentage of voting rights held: 100%)

5. Schedule

(1) Date of resolution of Board of Directors	May 19, 2020
(2) Date of contract for share transfer agreement	May 19, 2020
(3) Date of execution of share transfer agreement	July 1, 2020 (planned)

6. Future outlook

As a result of making the company a subsidiary, we will adopt consolidated accounting from the second quarter of the fiscal year ending March 2021. This move will have insignificant effect on our business results for the fiscal year ending March 2021. We will promptly disclose any material issues that arise in the future and need to be disclosed.