

November 14, 2024

To whom it may concern

Company: OPTEX GROUP CO., LTD.  
 Representative: Tatsuya Nakajima, President  
 (TSE Prime Market: 6914)  
 Inquiries: Iwao Shimokawa, General Affairs Manager  
 Telephone: +81-77-527-9861

**Notice of Change in Subsidiary  
 (Conversion of Consolidated Subsidiary into Sub-subsidiary)**

OPTEX GROUP Co., Ltd. (the “Company”) announces that it passed a resolution at its Board of Directors’ meeting held on November 14, 2024 to transfer all of its shares in consolidated subsidiary Three Ace Co., Ltd. (hereinafter “Three Ace”) to consolidated subsidiary Optex Co., Ltd. (hereinafter “Optex”).

Details

1. Purpose of the conversion to a sub-subsidiary

Three Ace is a software development company that became a consolidated subsidiary of the Company through an acquisition in June 2018, and is responsible for the development of applications and digital content for the Group. We have decided to make Three Ace a wholly owned subsidiary of Optex because we believe that further collaboration with our main operating company Optex to promote the IoT business will lead to the expansion of the Group’s solution proposal business.

The change in the Company’s consolidated subsidiaries resulting from this stock transfer will not change the scope of consolidation of the Company.

2. Outline of the company to be converted from a subsidiary to a sub-subsidiary

(1) Company name	Three Ace Co., Ltd.	
(2) Location	26-1, Fujimotoyoricho, Shijodori Aburanokouji Nishiiru, Shimogyoku, Kyoto	
(3) Name of title of representative	Shigeru Katayama, President	
(4) Scope of business	Software development company specializing in system and application development	
(5) Capital	34.5 million yen	
(6) Date of foundation	August 4, 1981	
(7) Principal shareholders and their percentage of holdings	Optex Group Co., Ltd. 100.0%	
(8) Relationship with the Company	Capital relationships	Three Ace is a subsidiary of the Company.
	Personnel relationships	Three employees of the Company concurrently serve as directors of the Three Ace.
	Transactional relationships	No items to report

3. Outline of the company to which the shares will be transferred

(1) Company name	Optex Co., Ltd.
(2) Location	5-8-12, Ogoto Otsu, Shiga
(3) Name of title of representative	Toru Kamimura, President/ CEO
(4) Scope of business	Planning, development and sales of sensors
(5) Capital	350 million yen
(6) Date of foundation	January 1, 2017
(7) Principal shareholders and their percentage of holdings	Optex Group Co., Ltd. 100.0%

(8) Relationship with the Company	Capital relationships	Optex is a subsidiary of the Company.
	Personnel relationships	Toru Kamimura, Executive Vice President of the Company, concurrently serves as President/CEO of Optex.
	Transactional relationships	The Company outsources operations, leases land and buildings, etc.

4. Number of shares to be transferred, transfer price, and status of shares held before and after transfer

(1) Number of shares held before transfer	4,600 (Percentage of voting rights: 100.0%)
(2) Number of shares to be transferred	4,600
(3) Number of shares to be held after transfer	0 (Percentage of voting rights: 0.0%)

5. Schedule

(1) Date of resolution by the Board of Directors	November 14, 2024
(2) Date of contract conclusion	January 1, 2025 (planned)
(3) Execution date of share transfer	January 1, 2025 (planned)

6. Outlook

As a result of this share transfer, Three Ace will become a subsidiary of Optex and a consolidated sub-subsidiary of the Company, and will continue to be included in the scope of consolidation of the Company. This stock transfer will have no impact on the Company's business performance.