

December 8, 2021

Menicon Co., Ltd.

President and CEO: Hidenari Tanaka

Securities Code: 7780

TSE, 1st section, NSE, 1st section

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Notice of transfer of specified subsidiary (sub-subsidiary)

Menicon Co., Ltd. (“the Company”) hereby announces that the meeting of the board of directors held on August 28, 2020 decided to the Company’s wholly owned subsidiary, Alpha Corporation, would establish of its Chinese subsidiary (a sub-subsidiary of the Company), ALPHA(WUXI) Co., Ltd. and carry out a total capital increase of 712 million yen for this company as a registered capital. As a result of the capital increase with the payment date of September 30, 2021, the capital amount of ALPHA(WUXI) Co., Ltd was equivalent to 10% or more of the Company’s capital. Therefore, ALPHA(WUXI) Co., Ltd has become a specified subsidiary of the Company.

The Company apologizes for the delay in disclosure with this matter.

1. Reason for transfer to specified subsidiary

As a result of the remittance by Alpha Corporation, a wholly owned subsidiary of the Company, the capital amount of ALPHA (WUXI) Co. Ltd. was equivalent to 10% or more of the Company’s capital, making ALPHA (WUXI) Co. Ltd. a specified subsidiary of the Company. The purpose of this capital increase is to strengthen the production facilities for orthokeratology lenses.

2. Overview of the sub-subsidiary (specified subsidiary) to be transferred

(1) Name	ALPHA(WUXI) Co., Ltd.	
(2) Address	6# Building, No. 9 Huanpu Road, Xinwu District, Wuxi, Jiangsu, China	
(3) Name and title of representative	CEO: Masamichi Kanegae	
(4) Description of business	Manufacture of contact lenses, etc.	
(5) Capital* ¹ (before transfer)	17,343 thousand CNY* ² (280 million yen)	
(6) Date of established	November 12, 2020	
(7) Major shareholders and investment ratio	Alpha Corporation (100%)	
(8) Relationship between the listed company and this company	Capital ties	Alpha Corporation, a wholly owned subsidiary of the Company, has a 100% share.
	Personal relations	One officer of the Company concurrently serves as an officer of Alpha Corporation and this company.
	Business relationship	There is no business relationship to be noted with this company.
(9) Financial Position and results of operations* ¹	FY2020 (Ended Dec. 31, 2020)	
	Net assets	12,196 thousand CNY* ³ (193 million yen)
	Total assets	15,745 thousand CNY* ³ (250 million yen)
	Net Sales	0 thousand CNY (0 million yen)
	Operating profit	-407 thousand CNY* ⁴ (- 6million yen)
	Ordinary profit	-417 thousand CNY* ⁴ (- 6million yen)
	Current net income	-417 thousand CNY* ⁴ (- 6million yen)

*¹ Japanese yen is rounded down to the nearest million yen, and Chinese CNY is rounded down to the nearest thousand CNY.

*² The capital before the transfer is converted into CNY at the exchange rate at the time of payment of the investment.

*³ The Chinese CNY conversion rate uses the MUFG Bank, Ltd. Exchange Quotations (TTM) on December 30, 2020. (15.88 yen = 1 CNY)

*⁴ The Chinese CNY conversion rate uses the average of the end of each month of the MUFG Bank, Ltd. Exchange Quotations (TTM) from January 2020 to December 2020. (15.42 yen = 1 CNY)

3. Overview of the subsidiary to be increased

(1) Name	Alpha Corporation	
(2) Address	1-8-16 Izumi, Higashi-ku, Nagoya, Aichi	
(3) Name and title of representative	Representative Director: Masamichi Kanegae	
(4) Description of business	Manufacture and sale of contact lenses, etc.	
(5) Capital stock	90 million yen	
(6) Date of established	July 22, 1970	
(7) Major shareholders and investment ratio	Menicon Co., Ltd. (100%)	
(8) Relationship between the listed company and this company	Capital ties	The Company has a 100% share.
	Personal relations	Two officers of the Company concurrently serve as officers of this company.
	Business relationship	The Company purchases products from this company.

4. Outline of the change in share capital and shareholding ratio

Share capital and shareholding ratio before the transfer	Called-up share capital : 280 million yen (100%)
Share capital and shareholding ratio after the transfer	Called-up share capital : 560 million yen (100%)

5. Date of transfer (due date of payment)

September 30, 2021

6. Forecast

The impact of this transfer on the Company's consolidated business results is expected to be minimal.

End