



May 31, 2023

To whom it may concern

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Notice on Establishment of a Subsidiary by Company Split (Simplified Incorporation-type Company Split)

Teijin Limited (hereinafter, the “Company”) hereby announces that it has resolved at its Board of Directors meeting held today to transfer the rights and obligations arising from its contract development and manufacturing organization (CDMO) business for regenerative medicines, including cell and gene therapies, to TEIJIN REGENET CO.,LTD., a new company to be established (hereinafter, the “successor company”), through an incorporation-type company split (hereinafter, the “Company Split”), with August 1, 2023 as effective date (planned).

As the Company Split is a simplified incorporation-type company split involving only the Company, some disclosure items and contents are omitted from this announcement.

1. Purpose of the Company Split

The Company Split will be implemented to promote agile and flexible business strategy for the purpose of developing and expanding the CDMO business for regenerative medicines, including cell and gene therapies (hereinafter, the “Business”).

2. Outline of the Company Split

(1) Schedule for the Company Split

Board of Directors resolution on the Company Split plan: May 31, 2023

Planned date of the Company Split (effective date): August 1, 2023 (planned)

*As the Company Split meets the requirements for a simplified incorporation-type company split in accordance with the provisions of Article 805 of the Companies Act of Japan, the Company does not require approval at its General Meeting of Shareholders.

(2) Method of the Company Split

The Company Split is a simplified company split in which the Company is the splitting company and the company to be newly established is the successor company, and the newly established company will be a wholly owned subsidiary of the Company.

(3) Allocation of shares upon the Company Split

The successor company will issue 10,000 shares of common stock upon the Company Split, and all the shares will be allocated to the Company.

(4) Treatment of stock acquisition rights or bonds with stock acquisition rights upon the Company Split

There will be no change in the handling of issued stock acquisition rights due to the Company Split.

(5) Increase or decrease in capital due to the Company Split

There will be no increase or decrease in capital due to the Company Split.

(6) Rights and obligations to be assumed by the successor company

The successor company will assume the assets, liabilities, contractual status, and other rights and obligations with respect to the Business prescribed in the Company Split plan to be established on May 31, 2023.

(7) Prospects for fulfilling financial obligations

It is expected that the amount of assets of the successor company after the effective date of the Company Split will exceed that of liabilities. As of today, it is not anticipated that any event that is likely to hinder fulfillment of financial obligations to be borne by the successor company will occur on or after the effective date of the Company Split.

Thus, we have judged that the obligations of the successor company are expected to be fulfilled on and after the effective date of the Company Split.

3. Outline of Parties involved in the Company Split

	Splitting company (As of March 31, 2023)	Successor company (August 1, 2023; Planned)								
Company name	Teijin Limited	TEIJIN REGENET CO., LTD.								
Location of head office	2-4, Nakanoshima 3-chome, Kita-ku, Osaka, Japan	Kasumigaseki Common Gate West Tower, 2-1, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo, Japan								
Name of representative	President and CEO, Representative Director of the Board Akimoto Uchikawa	President and Representative Director Takayuki Nakano								
Businesses	Research, production and sales of synthetic fibers and chemical products, etc.	CDMO business for regenerative medicines, including cell and gene therapies								
Capital	71,833 million yen	100 million yen								
Date of establishment	June 17, 1918	August 1, 2023 (Planned)								
Number of shares issued	197,953,707	10,000 (Planned)								
Accounting period	March 31	March 31								
Major shareholders and shareholding ratio	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust account)</td> <td>17.11%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust account)</td> <td>6.69%</td> </tr> <tr> <td>Nippon Life Insurance</td> <td>3.66%</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (Trust account)	17.11%	Custody Bank of Japan, Ltd. (Trust account)	6.69%	Nippon Life Insurance	3.66%	<table border="0"> <tr> <td>Teijin Limited</td> <td>100.00%</td> </tr> </table>	Teijin Limited	100.00%
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Nippon Life Insurance	3.66%									
Teijin Limited	100.00%									

	Company And others	
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Note: The shareholding ratio has been calculated after excluding treasury stocks.

4. Consolidated Financial Position and Operating Results of the Splitting Company for the Latest Fiscal Year

Year ended March 31, 2023 (consolidated)	
Net assets	451,084 million yen
Total assets	1,242,433 million yen
Shareholders' equity per share	2,209.82 yen
Net sales	1,018,751 million yen
Operating income	12,863 million yen
Ordinary income	9,100 million yen
Profit attributable to owners of parent	(17,695) million yen
Earnings per share	(92.04) yen

5. Overview of the Business to be Split

(1) Business to be split

CDMO business for regenerative medicines, including cell and gene therapies

(2) Operating results of the Business to be split (year ended March 31, 2023)

The Business is a new business and has not contributed to the Company for the latest fiscal year.

(3) Amount of assets and liabilities to be split (As of March 31, 2023)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	3,586 million yen	Current liabilities	-
Noncurrent assets	430 million yen	Noncurrent liabilities	16 million yen
Total	4,016 million yen	Total	16 million yen

Note: The actual amount of the assets and liabilities to be split may vary from the amounts stated above after reflecting any increase or decrease of the assets and liabilities occurring prior to the effective date of the Company Split.

6. Status of the Company after the Company Split

The company name, location of head office, title and name of representative, businesses, capital, and accounting period of the Company will not change after the Company Split.

7. Financial Outlook

The impact of the Company Split on the business performance of the Company is expected to be minor. However, we will make an announcement as quickly as possible if any matter requiring disclosure occurs in the future.

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