



December 1, 2025

To Whom It May Concern

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**Notice on Conclusion of Definitive Agreement Concerning Business Integration Between  
Teijin Frontier Co., Ltd. and Asahi Kasei Advance Corporation**

Teijin Limited (hereinafter, the “Company”) hereby announces that it has resolved at its Board of Directors meeting today to conclude a basic agreement between Teijin Frontier Co., Ltd. (hereinafter, “Teijin Frontier”), a wholly-owned subsidiary of the Company, and Asahi Kasei Advance Corporation (hereinafter, “Asahi Kasei Advance”), a wholly-owned subsidiary of Asahi Kasei Corporation (hereinafter, “Asahi Kasei”), to conduct an absorption-type merger, with Teijin Frontier as the surviving company and Asahi Kasei Advance as the absorbed company, (hereinafter, the “Integration”), and to make Teijin Frontier a joint venture between the Company and Asahi Kasei after the effective date of the Integration (hereinafter, the “Definitive Agreement”). The details of the business integration are outlined below.

1. Objective of the integration

The integration aims to achieve sustainable growth and maximize corporate value by mutually complementing the business bases, sales networks, and customer bases of Teijin Frontier Co., Ltd. and Asahi Kasei Advance Corporation.

Both companies have unique strengths in the field of textiles and materials, and the Integration will combine these strengths. Specifically, the integration will create cross-selling opportunities by expanding the sales channels and products handled by both companies, reduce procurement costs and establish a stable supply system by integrating value chains, and further enhance competitiveness in domestic and overseas markets by pursuing the improvement of product development speed.

The new company following the integration will aim to create sustainable value as a corporate entity with stronger competitiveness and a foundation for growth.

2. Outline of the integration

(1) Schedule of the integration

Date of resolution by the Board of Directors concerning the conclusion of the Definitive Agreement (the Company and Asahi Kasei)	December 1, 2025
Date of conclusion of the Definitive Agreement	December 1, 2025

Date of conclusion of the absorption-type merger agreement	Undetermined
Date of resolution at the extraordinary shareholders' meeting	Undetermined
Effective date of the Integration	October 1, 2026 (tentative)

## (2) Method of the integration

Subject to the obtainment of necessary approvals and permits for the Integration from relevant domestic and overseas authorities such as the Japan Fair Trade Commission, an absorption-type merger, with Teijin Frontier as the surviving company and Asahi Kasei Advance as the absorbed company, will be conducted on October 1, 2026 (hereinafter, "Business Integration Date"). Specifically, shares of common stock of Teijin Frontier will be allotted to shareholders of common stock of Asahi Kasei Advance.

## (3) Details of allotment of shares pertaining to the integration

	Teijin Frontier (Surviving company in absorption-type merger)	Asahi Kasei Advance (Absorbed company in absorption-type merger)
Allotment ratio pertaining to the integration	20,001	5,000,500

### (Note 1) Share allotment ratio

5,000,500 shares of common stock of Teijin Frontier will be allotted to 20,001 shares of common stock of Asahi Kasei Advance. However, the above integration ratio is subject to change through discussion between the Company and Asahi Kasei in the event of the occurrence or discovery of any event that may seriously hinder the financial position or operating results of Teijin Frontier or Asahi Kasei Advance.

### (Note 2) Number of shares to be delivered through the Integration

5,000,500 shares of common stock of Teijin Frontier (tentative)

The above calculation is based on the total number of shares of common stock of Asahi Kasei Advance (20,001 shares) issued and outstanding as of December 1, 2025. In reality, 5,000,500 shares of common stock of Teijin Frontier will be delivered to shareholders of Asahi Kasei Advance immediately prior to the effective date of the Integration (hereinafter, "Reference Date") in the number calculated based on the allotment ratio pertaining to the Integration described above (hereinafter, "Integration Ratio").

## (4) Treatment of stock acquisition rights and bonds with stock acquisition rights associated with the integration

Asahi Kasei Advance has not issued any stock acquisition rights or bonds with stock acquisition rights.

## 3. Outline of the parties in the integration

(1) Name	Teijin Frontier	Asahi Kasei Advance
(2) Location	Nakanoshima Festival Tower West, 2-4, Nakanoshima 3-chome, Kita-ku, Osaka	Sumitomo Fudosan Onarimon-ekimae Bldg. 6-17-21 Shimbashi, Minato-ku, Tokyo

(3) Name and title of representative	President and Chief Executive Officer Yasunari Hirata	President & Representative Director, Presidential Executive Officer Keiji Kasumi				
(4) Line of business	Manufacturing, processing, sale and import/export of polyester fibers, textiles, clothing products, automotive materials, construction materials, industrial materials, consumer products, etc.	Merchandise trading, manufacturing and processing, and provision of various services in the fields of textiles, chemicals, and building materials				
(5) Capital	2.0 billion yen	0.5 billion yen				
(6) Establishment	October 1, 2012	April 1, 2015				
(7) Number of shares outstanding	20,002,000	20,001				
(8) Fiscal year-end	March 31	March 31				
(9) Number of employees	878 (as of March 31, 2025, non-consolidated basis)	553 (announced by the company)				
(10) Major shareholder(s) and ownership percentage	Teijin Limited: 100%	Asahi Kasei Corporation: 100%				
(11) Relationship between the parties						
Capital relationship	None Teijin Frontier, Asahi Kasei and Asahi Kasei Advance have jointly invested in Asahi Kasei Airbag Fabric Vietnam Co. Ltd., a joint venture to manufacture airbag fabric in Vietnam.					
Personnel relationship	Personnel relationship at the time of the business integration has not yet been determined.					
Business relationship	Asahi Kasei Advance purchases some products from Teijin Frontier, but the transaction value is small.					
Status as a related party	None					
(12) Financial status and operating results in the recent fiscal years (Unit: Million yen; excluding those specified otherwise)						
Fiscal year	Teijin Frontier (non-consolidated) (J-GAAP)			Asahi Kasei Advance (non-consolidated) (J-GAAP)		
	Ended March 2023	Ended March 2024	Ended March 2025	Ended March 2023	Ended March 2024	Ended March 2025
Total assets	140,167	144,106	138,873	49,557	54,199	56,239
Net assets per share (yen)	1,793.26	1,723.14	1,658.15	910,327.23	947,079.51	996,912.82
Net sales	201,836	200,450	209,706	59,662	63,418	69,831
Operating income	3,365	4,458	6,473	1,785	1,714	2,170
Ordinary income	3,242	5,004	7,205	1,981	1,861	2,409
Net income	3,115	3,824	8,672	1,238	1,245	1,126
Earnings per share (yen)	155.76	191.23	433.60	61,895.55	62,226.97	56,284.25

#### 4. Status after the integration

	Surviving company in absorption-type merger
(1) Company name	Undetermined
(2) Location	Undetermined
(3) Name and title of representative	Undetermined
(4) Line of business	Undetermined
(5) Capital	Undetermined
(6) Shareholders and Investment Ratios	The Company: 80%, Asahi Kasei: 20%
(7) Fiscal year	Undetermined
(8) Net assets	Undetermined
(9) Total assets	Undetermined

#### 5. Financial outlook

The Company is currently examining the impact of the above on its consolidated earnings for the fiscal year ending March 2026 onward, and will promptly announce it if any new disclosure becomes necessary.

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