



NEWS RELEASE

Teijin Group Companies Selected for Government Subsidies to Expand Regenerative Medicine CDMO Operations

Tokyo, Japan, July 23, 2025 --- Teijin Co., Ltd. announced today that two of its group companies, Japan Tissue Engineering Co., Ltd., (J-TEC) and Teijin Regenet Co., Ltd., have been selected to share a government subsidy under the Ministry of Economy, Trade and Industry's CDMO subsidy program for regenerative medicine, cell Therapy, and gene Therapy. This program supports the development of contract development and manufacturing organizations (CDMOs) for regenerative medicine, cell therapy and gene therapy products. The two companies' joint proposal, which focused on creating a new business model for regenerative medicine CDMO services, was selected on what July 15 for the subsidy.

Leveraging this financial support, J-TEC and Teijin Regenet will invest several billion yen by 2027 to expand their facilities and equipment and establish advanced human resource development systems. These efforts aim to strengthen the companies' business foundations, enabling them to handle additional and larger contract manufacturing orders from both domestic and international clients in the regenerative medicine field.

The subsidy, officially titled the "FY2024 Supplementary Grant for Equipment Support for Regenerative, Cell, and Gene Therapy Manufacturing," is designed to transform Japan's advanced research achievements into export-oriented industries. It supports the development of manufacturing facilities, the introduction of automation and quality control systems, and the skills development for existing and new personnel, which are currently in short supply in Japan.

By enhancing their respective business foundations and strengthening collaboration with each other, J-TEC and Teijin Regenet aim to contribute significantly to the government's strategic goals for regenerative medicine.

They will implement the following measures to expand manufacturing capacity and improve worker productivity and skills:

- J-TEC will renovate part of its research facilities to create manufacturing sites that
 comply with Japan's national standards for regenerative medicine products (Good
 Gene, Cellular, and Tissue-based Products Manufacturing Practice, or GCTP). It will
 also introduce artificial intelligence (AI) into manufacturing and quality control
 processes to promote automation and reduce reliance on individual skills.
- Teijin Regenet will expand laboratory space at its Kashiwanoha Facility and increase cell processing equipment and laboratory capacity at its lwakuni Factory, which is currently undergoing expansion.
- To address the shortage of skilled personnel and develop experts capable of handling international projects, both companies will implement high-level training programs and establish dedicated training environments.

Teijin entered the regenerative medicine business in 2021 by welcoming J-TEC, a pioneer in Japan's regenerative medicine industry, into its group. In 2023, Teijin established Teijin Regenet, a company dedicated to regenerative medicine CDMO services. Together, these companies are expanding their business through a dual approach: manufacturing and marketing regenerative medicine products and providing CDMO services.

The CDMO business is supported by Teijin Regenet's Kashiwanoha Facility, its CDO base in Chiba Prefecture; by the Iwakuni Factory, its CMO base in Yamaguchi Prefecture; and by J-TEC, which boasts the highest number of approved regenerative medicine products in Japan. The business derives its strength from close collaboration among these organizations and a one-stop service model that includes specialized capabilities delivered through partnerships with domestic and international companies and academic institutions.

Through the initiatives supported by this new government subsidy, Teijin aims to secure development projects from domestic and international clients by strengthening the business foundations and collaboration between J-TEC and Teijin Regenet, with the goal of achieving 20 billion yen in annual sales from its regenerative medicine business by fiscal year 2030.

About the Teijin Group

Teijin (TSE: 3401) is a technology-driven global group with two core businesses: high-performance materials and healthcare solutions. Established in 1918 as Japan's first rayon manufacturer, Teijin today comprises some 170 companies employing 20,000 people in 20 countries. Teijin is committed to its Purpose, "Pioneering solutions together for a healthy planet." Teijin works together with employees and external partners to achieve its Long-Term Vision, "To be a company that supports the society of the future." Teijin posted consolidated revenue of JPY 1,005.5 billion and total assets of JPY 1,061.3 billion in the fiscal year ending March 31, 2025.

About Teijin Regenet

Established in 2023, <u>Teijin Regenet</u> is a contract development and manufacturing organization (CDMO) for regenerative medical products. It operates the Kashiwanoha facility for contract development and cell processing, and the lwakuni factory for contract manufacturing.

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About Japan Tissue Engineering

<u>Japan Tissue Engineering Co., Ltd</u> (J-TEC) is a pioneer in regenerative medicine in Japan. J-TEC will continue to contribute to solving unmet medical needs worldwide and strive to realize its vision of "Creating a Future for Regenerative Medicine".

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