

Asahi Kasei Corp.
September 18, 2024

**Notice of establishment of subsidiary, separation between consolidated subsidiaries,
transfer of subsidiary and transfer of shares in Health Care**

The Board of Directors of Asahi Kasei has today adopted a resolution that Asahi Kasei Medical Co., Ltd. (Asahi Kasei Medical), a wholly owned subsidiary of Asahi Kasei performing business in hemodialysis, therapeutic apheresis, etc. (Blood Purification Business), receive investment from a special purpose company, IA Holdings Co., Ltd. (Investing Company), established by Integral Corporation and to be owned by the funds managed by Integral Corporation and its affiliates (Integral comprising Integral Corporation and the affiliates), and that Asahi Kasei transfer its shares in Asahi Kasei Medical, as described below.

I. Outline of the Resolution

1. Asahi Kasei is to establish Asahi Kasei Life Science Corp. (Asahi Kasei Life Science) as a wholly owned subsidiary (Company Establishment).
2. Asahi Kasei Medical is to transfer its bioprocess business, etc. to Asahi Kasei Life Science by absorption-type separation (Separation).
3. On condition that the Separation takes effect, Integral is to invest in Asahi Kasei Medical through the Investing Company by preferred stock, and Asahi Kasei is to transfer 80% of its shares in Asahi Kasei Medical through a share buyback by Asahi Kasei Medical and, as necessary, negotiated transaction with the Investing Company (First Transfer of Shares), making Asahi Kasei Medical 20% owned by Asahi Kasei and 80% owned by the Investing Company. The remaining 20% of shares are to be transferred some years subsequently (Second Transfer of Shares), raising the Investing Company's ownership of Asahi Kasei Medical to 100% (Including cases where the ownership ratio jointly held with a company designated by the Investing Company is 100%. Share Transfer comprising the First Transfer of Shares and Second Transfer of Shares).

II. Outline of Company Establishment, Separation, and Share Transfer

1. Purpose of Company Establishment, Separation, and Share Transfer

With a 50-year history of development, manufacture, and sale of dialysis and therapeutic apheresis related products, the Blood Purification Business supplies a range of products that are highly regarded by users both in Japan and overseas. High value-added products include dialyzer with Vitamin E-interactive membrane, plasmapheresis products for intractable diseases, and the CryoSeal System for automated production of autologous fibrin sealant. Recently, the Blood Purification Business has leveraged its extensive cultivated experience and know-how to newly expand into the field of intensive care with products and services that provide diverse value to patients and healthcare professionals. While Asahi Kasei had studied various strategic options for the continuous growth of the Blood Purification Business, it

received a proactive investment proposal from Integral with a strong will to grow the business. Asahi Kasei determined that it would be important for the Blood Purification Business to further strengthen investment for growth as an independent and specialized business under a new partner.

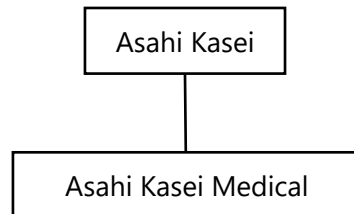
Founded in 2007, Integral is an independent Japanese private equity fund whose corporate mission is to make long-term equity investments based on a relationship of deep trust with investee companies. Integral provides various support, not just optimal managerial support in both management and financing, to maximize the corporate value of its investee companies by sharing the same perspective and timeline as the management of the investee companies while respecting their business policies. It also has an extensive track record of raising the business growth and corporate value of investee companies. Rather than pursuing short-term gains solely through cost reductions and operational efficiency improvements, Integral works with investee companies to invest and allocate resources from a long-term perspective, aiming for enduring business growth and development.

Asahi Kasei is confident that the Blood Purification Business can achieve further growth and enhanced competitiveness with faster and more flexible decision-making as an independent company specializing in medical devices under Integral.

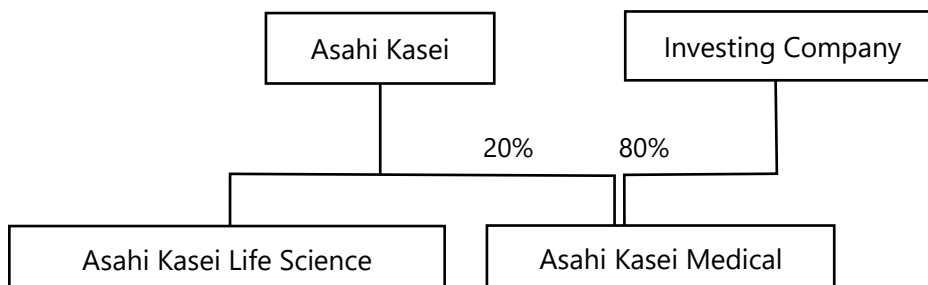
The Bioprocess business of Asahi Kasei Medical, including virus removal filters for biotherapeutics manufacturing, and CRO and CDMO operations, will be maintained under the new company Asahi Kasei Life Science.

2. Schematic of Company Establishment, Separation, and Share Transfer

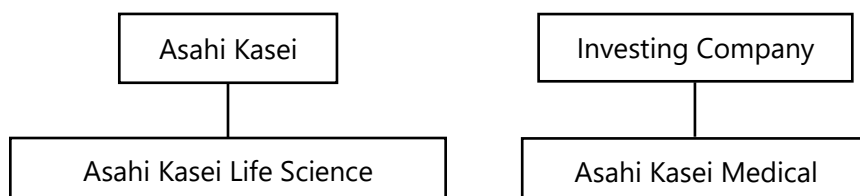
Current configuration



After Company Establishment, Separation, and First Transfer of Shares



After Second Transfer of Shares



3. Schedule of Company Establishment, Separation, and Share Transfer

Authorization by Board of Directors	September 18, 2024
Date of Company Establishment	October 2024 (scheduled)
Execution of Separation Agreement	January 28, 2025 (scheduled)
Execution of Agreement for First Transfer of Shares	April 1, 2025 (scheduled)
Effective Date of First Transfer of Shares	April 1, 2025 (scheduled)
Effective Date of Separation	April 1, 2025 (scheduled)
Execution of Agreement for Second Transfer of Shares	April 2027 (scheduled)
Effective Date of Second Transfer of Shares	April 2027 (scheduled)

4. Profile of the New Company (scheduled)

1) Company name	Asahi Kasei Life Science Corp.	
2) Location	1-1-2 Yurakucho, Chiyoda-ku, Tokyo, Japan	
3) Name and position of representative	Ken Shinomiya, President & Representative Director	
4) Business field	Development, manufacture, and sale of virus removal filters (Planova) etc. for biotherapeutics manufacturing	
5) Paid-in capital	¥1	
6) Date of establishment	October 2024	
7) Largest shareholders and percentage of equity	Asahi Kasei: 100%	
8) Relationship with the listed company	Capital	Asahi Kasei is scheduled to own 100% of the total number of issued shares.
	Personnel	Asahi Kasei is scheduled to dispatch a Corporate Auditor.
	Business	None as the new company has not begun operations.

III. Overview of Separation

1. Outline of Separation

1) Schedule of Separation

Please refer to "3. Schedule of Company Establishment, Separation, and Share Transfer" in

section II., above.

2) Method of Separation

Absorption-type separation with Asahi Kasei Medical as the separating company and Asahi Kasei Life Science as the succeeding company.

3) Allocation related to Separation

Since the Separation is between wholly-owned subsidiaries of Asahi Kasei, it is performed without consideration, with no allocation of new shares from the succeeding company, and no allotment of funds or other assets.

4) Share warrants and bonds with share warrants with Separation

None.

5) Change of paid-in capital due to Separation

There will be no change in paid-in capital due to the Separation.

6) Rights and obligations to be succeeded to the succeeding company

In accordance with the Separation, Asahi Kasei Medical shall succeed to Asahi Kasei Life Science the assets, liabilities, contractual status and obligations, and other incidental rights and obligations pertaining to the Separation.

7) Outlook for fulfillment of obligations

It is judged that there is no issue regarding the outlook for fulfillment of obligations by Asahi Kasei Life Science after the Effective Date of Separation.

2. Corporate Profile of Parties to Separation

	Separating Company	Succeeding Company (new company)
1) Company name	Asahi Kasei Medical Co., Ltd.	Asahi Kasei Life Science Corp.
2) Location	1-1-2 Yurakucho, Chiyoda-ku, Tokyo, Japan	1-1-2 Yurakucho, Chiyoda-ku, Tokyo, Japan
3) Name and position of representative	Ken Shinomiya, President & Representative Director	Ken Shinomiya, President & Representative Director
4) Business field	Development, manufacture, and sale of dialyzers (artificial kidneys) and related products; development, manufacture, and sale of therapeutic apheresis products; development, manufacture, and sale of virus removal filters (Planova) etc. for biotherapeutics manufacturing	Development, manufacture, and sale of virus removal filters (Planova) etc. for biotherapeutics manufacturing
5) Paid-in capital	¥3 billion (as of March 31, 2024)	¥1

6) Date of establishment	July 24, 1974	October 2024
7) Largest shareholders and percentage of equity	Asahi Kasei: 100%	Asahi Kasei: 100%
8) Fiscal year end	March 31	March 31
9) Financial position and earnings in previous fiscal year (non-consolidated, JGAAP, fiscal year ended March 31, 2024)		
Net assets	¥93,924 million	—
Total assets	¥166,173 million	—
Net assets per share	¥46.9 million	—
Net sales	¥64,112 million	—

Note: As the succeeding company is scheduled to be established in October 2024, information is shown as currently planned. Financial position and earnings of the succeeding company are omitted as the succeeding company did not exist in the previous fiscal year.

3. Outline of Separating Business

Development, manufacture, and sale of virus removal filters (Planova) etc. for biotherapeutics manufacturing, and Sepacell leukocyte reduction filters

4. Situation after Separation

No changes are currently scheduled to the company name, location, name and position of representative, business field, paid-in capital, or fiscal year end of Asahi Kasei Medical or Asahi Kasei Life Science.

IV. Share Transfer

1. Purpose of Share Transfer

Please refer "1. Purpose of Company Establishment, Separation, and Share Transfer" in section II., above. On condition that the Separation takes effect, the First Transfer of Shares will be conducted on April 1, 2025, and the Second Transfer of Shares will be conducted some years subsequently, around April 2027.

2. Profile of Subsidiary Subject to Transfer

1) Company name	Asahi Kasei Medical Co., Ltd.
2) Location	1-1-2 Yurakucho, Chiyoda-ku, Tokyo, Japan
3) Name and position of representative	Ken Shinomiya, President & Representative Director
4) Business field	Development, manufacture, and sale of dialyzers (artificial kidneys) and related products; development, manufacture, and sale of therapeutic apheresis products; development, manufacture, and sale of virus removal filters (Planova) etc. for biotherapeutics manufacturing
5) Paid-in capital	¥3 billion (as of March 31, 2024)
6) Date of establishment	July 24, 1974

7) Largest shareholders and percentage of equity	Asahi Kasei: 100%		
8) Relationship with the listed company	Capital	Asahi Kasei owns 100% of the total number of issued shares in Asahi Kasei Medical.	
	Personnel	Asahi Kasei dispatches 1 Corporate Auditor.	
	Business	Asahi Kasei sells some materials.	
9) Financial position and earnings for the last three years (non-consolidated, ¥ million)			
Fiscal year	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024
Net assets	76,302	85,120	93,924
Total assets	99,822	144,906	166,173
Net assets per share	38.1	42.5	46.9
Net sales	63,942	69,305	64,112

3. Profile of Succeeding Company

1) Company name	IA Holdings Co., Ltd.	
2) Location	1-9-2, Marunouchi, Chiyoda-ku, Tokyo, Japan	
3) Name and position of representative	Makiko Nakata, Representative Director	
4) Business field	Investment operations and management operations related to investments	
5) Paid-in capital	¥0.5 million	
6) Date of establishment	September 4, 2024	
7) Largest shareholders and percentage of equity	Integral Corporation: 100%	
8) Relationship with the listed company	Capital	NA
	Personnel	NA
	Business	NA

4. Number of Shares Transferred and Status of Shares Held Before and After the Share Transfer

1) Number of shares held before Share Transfer	2,001 shares (Percentage of voting rights: 100%)
2) Number of shares transferred	April 1, 2025 (First Transfer of Shares): 1,600 shares (Percentage of voting rights: 80%) April 2027 (Second Transfer of Shares): 401 shares (Percentage of voting rights: 20%)
3) Transfer price	¥ 56.5 billion
4) Number of shares held after Share Transfer	0 shares (Percentage of voting rights: 0%)

Note: The final transfer price will be determined after a price adjustment etc. as stipulated in Share Transfer Agreement.

5. Schedule of Share Transfer

Please refer to "3. Schedule of Company Establishment, Separation, and Share Transfer" in section II., above.

V. Future Outlook

With the Share Transfer, Asahi Kasei Medical will be eliminated from the scope of consolidation of Asahi Kasei beginning with the first quarter of the fiscal year ending March 31, 2026. The effect of the Share Transfer on consolidated earnings for the fiscal year ending March 31, 2026, is currently under examination. Should any matters warranting publication arise, disclosure will be made without delay.

For reference:

Forecast for current fiscal year (announced May 9, 2024) and results of previous fiscal year (consolidated)

(¥ million)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Forecast for current fiscal year (ending March 31, 2025)	2,912,000	180,000	181,000	100,000
Results of previous fiscal year (ended March 31, 2024)	2,784,878	140,746	90,118	43,806