



NEWS RELEASE

Teijin and Axcelead to Establish Drug Discovery Research Joint Venture

Tokyo, Japan, July 3, 2023 --- [Teijin Limited](#) and [Axcelead, Inc.](#), announced today that they have agreed to establish a drug discovery research joint venture company on April 1, 2024. The new company will investigate and identify candidate compounds for new drugs, as well as support drug discovery research. It is expected to grow its drug discovery support services worldwide by leveraging the combined strengths of Teijin and Axcelead in knowledge, technology and assets.

The two companies concluded a basic agreement on a capital and business alliance in February 2023, and reached the final agreement regarding the establishment of the joint venture company, including management items such as investment ratios and organizational structure, on June 30. This agreement accords with Axcelead's concept of co-creating drug discovery platforms and responds to the global trend of horizontal specialization in non-clinical research and new forms of outsourced research. Axcelead provides drug discovery research support that meets the needs of bio-ventures and other pharmaceutical companies worldwide, thereby helping to strengthen and expand the global drug discovery business.

Also, Teijin has signed a contract to join the Healthcare New Platform Fund Investment Business Limited Partnership operated by [Whiz Partners Inc.](#), and will invest a total of JPY 2.9 billion to further promote open innovation, including strengthening collaboration and partnership with Axcelead.

Teijin and Axcelead will own all shares of the new joint venture company, with Axcelead holding 51% and Teijin 49%, and will jointly decide on issues such as the company's name and its capital and executive structure, including representative directors. The two companies will establish a preparatory company promptly to partially utilize or integrate the drug discovery research capabilities, such as facilities, equipment and personnel, of [Teijin Pharma Limited](#), the Teijin Group's core healthcare company. These will serve as the fundamental management resources of the new company using an absorption-type split scheme, which will become effective April 1, 2024. The business of the joint venture company will also commence on this date.

Teijin and Teijin Pharma will outsource their experimental scientific research (wet laboratory) functions in pharmaceuticals to increase the efficiency and speed of new drug development, aiming to create innovative drugs. In addition, they will utilize the capability and knowledge obtained in early out-licensing of research results to major pharmaceutical companies in Europe and the United States. Their objective is to establish a new pharmaceutical company business model that meets industry demand for horizontal specialization in drug discovery research, while generating revenues independent of their research and development functions.

Teijin Pharma carries out drug discovery research at the Teijin Institute for Bio-medical Research in Tokyo. In today's increasingly challenging environment for drug discovery research, the institute is accelerating innovation in drug discovery by leveraging its proprietary technologies and resources through collaborations and partnerships with universities and companies in Japan and overseas.

Axcelead owns [Axcelead Drug Discovery Partners Inc.](#) (Axcelead DDP), which commenced operations in July 2017, and inherited [Takeda Pharmaceutical Company Limited's](#) drug discovery platform business. Axcelead DDP, which possesses nearly all required capabilities for drug discovery, provides one-stop non-clinical drug discovery research services ranging from drug-target discovery to optimization of drug candidate compounds, as well as processes for bridging to clinical development.

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. Through "Human Chemistry, Human Solutions," Teijin relentlessly strives to aims to be a company that supports the society of the future by protecting the global environment and addressing the needs of people and communities. Teijin posted consolidated sales of JPY 1,018.8 billion (USD 7.6 billion) and total assets of JPY 1,242.4 billion (USD 9.2 billion) in the fiscal year ending March 31, 2023.

Visit www.teijin.com.

About Axcelead

Axcelead, Inc. ("Axcelead") represents a holding company which owns a group of companies which are developing a world-class healthcare platform for drug discovery. Axcelead DDP, Japan's first integrated drug discovery solution provider, functions as the core company of the Axcelead group that took over Takeda Pharmaceutical Company Limited's drug discovery platform business in 2017. ARCALIS has become Japan's only one-stop contract drug development and manufacturing organization (CDMO) for RNA therapeutics.

Axcelead also owns A-Digital which was established through the partial transfer of business from Hitachi High-Tech Corporation in order to develop a drug discovery digital platform to increase drug discovery efficacy by 100 times by promoting the digitalization of all drug discovery processes, and the American company, PassPort Technologies, Inc. in San Diego, California ("PassPort"). PassPort is a company that develops combination products of active pharmaceutical ingredients and medical devices based on next-generation transdermal drug delivery technology. Axcelead will promote the drug discovery ecosystem in Japan and will make various contributions to healthcare broadly and globally.

For more information on Axcelead, please visit the company's website at <https://www.axcelead-hd.com>

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