



June 30, 2023

To whom it may concern:

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Corporate Split in Tandem with Intergroup Organizational Restructuring

The Mitsubishi Chemical Group (hereinafter “MCG”) hereby announces it has decided to embark on intergroup organizational restructuring that will involve MCG, our consolidated subsidiary Mitsubishi Chemical Corporation (hereinafter “MCC”; Head office: Chiyoda-ku, Tokyo; Representative directors: Kouji Eguchi and Manabu Chikumoto), and two subsidiaries* of our group in Singapore.

Note that, given this is a corporate split (simple/simplified absorption split) targeting MCG and its wholly-owned subsidiaries, this disclosure omits certain disclosure matters and details.

*The names of the two subsidiaries of our group in Singapore are as follows:

(1) Subsidiary directly invested in by MCG

Mitsubishi Chemical APAC Pte. Ltd. (President: Hidefumi Shigemi, Location: Singapore, hereinafter “MC APAC”)

(2) Subsidiary directly invested in by MCC

Mitsubishi Chemical Singapore Pte. Ltd. (President: Shintaro Yajima; Location: Singapore; hereinafter “MCS”)

1. Purpose of this organizational restructuring

In accordance with “Forging the future,” the management policy for the period FY2021–FY2025, MCG has been transitioning to a flat organizational system based on the “One Company, One Team” concept.

In conjunction with this transition, MCG aims to improve its management efficiency in Singapore by reshuffling, concentrating and optimizing the functions currently divided between a subsidiary directly invested in by MCG and a subsidiary directly invested in by MCC.

MCG aims to maximize the group’s corporate value. This is in accordance with a clear-cut strategy for business management that pursues efficiency and which extracts the growth potential of group businesses.

2. Summary of this organizational restructuring

The organizational restructuring of the group’s subsidiaries in Singapore shall be carried out as follows by October 2023.

(1) This will be an absorption split with MCG as the split company and MCC as the succeeding company. Reflecting this, MCC will acquire all the shares and management operations of MC APAC (hereinafter “this absorption split”).

(2) MCS and MC APAC will be merged in Singapore to integrate the group’s subsidiaries in Singapore. The details, including the schedule and method, of this merger will be taken into consideration moving forward.



3. Summary of this absorption split

(1) Points of this absorption split

① Schedule for this absorption split

Decision date for this absorption split	June 30, 2023
Signing date for this absorption split agreement	June 30, 2023
Date this absorption split takes effect	August 9, 2023

*This absorption split to be carried out by MCG is a simplified absorption split in accordance with Article 784-2 of the Companies Act. MCC's simplified absorption split is stipulated in Article 796-1 of the Companies Act. In light of this, both companies will not hold an ordinary general shareholders meeting to approve the absorption split. In addition, at MCG, owing to the delegation of authority from the Board of Directors in accordance with Article 416-4 of the Companies Act, the executive officers are determining the details of this absorption-split agreement.

② Method for this absorption split

MCG will be split and MCC will be absorbed as the surviving company.

③ Details of the allocations related to this absorption split

At the time of this absorption split, stock allocation and the delivery of other considerations will not be carried out.

④ Handling related to bonds with warrants and stock acquisition rights in tandem with this absorption split

No applicable matters

⑤ Change in capital owing to this absorption split

There is no change in capital due to this absorption split.

⑥ Rights and obligations succeeded by the surviving company

On the date this absorption split takes effect, MCC will succeed the rights and obligations, including assets and liabilities related to subject businesses stipulated in the separate absorption-split agreement.

⑦ Expected fulfillment of obligations

Regarding the assumption of obligations on and after the day this absorption split takes effect, it is deemed that MCC will have no problem fulfilling its obligations.

(2) Profiles of concerned parties involved in this absorption split

	Spun-off company	Surviving company
① Name	Mitsubishi Chemical Group Corporation	Mitsubishi Chemical Corporation (MCC)

② Address	1-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo	1-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo
③ Name and position of representative	Jean-Marc Gilson, Representative Corporate Executive Officer, President & Chief Executive Officer	Kouji Eguchi, Representative Director Manabu Chikumoto, Representative Director
④ Business description	Management of group companies (including establishment of overall group strategies, allocation of capital, etc.)	Manufacturing and sales of chemical products
⑤ Capital	50,000 million yen	53,229 million yen
⑥ Establishment date	October 3, 2005	August 31, 1933 (founding) April 1, 2017 (Inauguration)
⑦ Number of shares outstanding	1,506,288,107 shares	572,034,109 shares
⑧ Fiscal year-end	March 31	March 31
⑨ Major shareholders and shareholding ratio (as of March 31, 2023)	<p>The Master Trust Bank of Japan, Ltd. (trust account) 15.75%</p> <p>SSBTC CLIENT 10.42%</p> <p>OMNIBUS ACCOUNT (Standing Proxy) Custody Department, Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited 6.62%</p> <p>Custody Bank of Japan, Ltd. (trust account) 4.52%</p> <p>Meiji Yasuda Life Insurance Company (Standing Proxy) Custody Bank of Japan, Ltd. 2.98%</p> <p>Nippon Life Insurance Company (Standing Proxy) The Master Trust Bank of Japan, Ltd. 1.59%</p> <p>STATE STREET BANK WEST CLIENT-TREATY 505234 (Standing Proxy) Settlement & Clearing Services Division, Mizuho Bank, Ltd. 1.52%</p>	Mitsubishi Chemical Group Corporation 100%

	Japan, Ltd. (trust account 4)			
	Taiyo Life Insurance Company	1.32%		
	JP MORGAN CHASE BANK 385781 (Standing Proxy) Settlement & Clearing Services Division, Mizuho Bank, Ltd.	1.20%		
	The Norinchukin Bank	0.95%		
⑩ Business performance and financial position in the most recent fiscal year (ended March 31, 2023)				
	(Consolidated/IFRS)		(Standalone/Japanese GAAP)	
	Equity attributable to owners of the parent	1,564,366 mn yen	Net assets	647,366 mn yen
	Total assets	5,773,903 mn yen	Total assets	1,497,576 mn yen
	Per-share equity attributable to owners of the parent	1,100.04 yen	Net assets per share	1,131.69 yen
	Sales revenue	4,634,532 mn yen	Sales	1,445,811 mn yen
	Operating income	182,718 mn yen	Operating loss	11,611 mn yen
	Income before taxes	167,964 mn yen	Ordinary income	51,358 mn yen
	Net income	135,150 mn yen	Net income	51,839 mn yen
	Basic net income per share	67.57 yen	Net income per share	90.62 yen

(3) Summary of business divisions to be split in this absorption split

① Details of business operations at divisions to be split

In the APAC region, implements management of equity in subsidiaries that provide negotiation/PR activities, intergroup management of various risks, and shared services as MCG's overseas administrative representative functions

② Business performance at divisions to be split

MC APAC sales revenue USD 2,975 thousand (FY2022)

③ Items and book value of assets and liabilities to be split

MC APAC shares wholly-owned by MCG and borrowings

MC APAC shares 157 million yen

Borrowings 157 million yen

(4) Trends after this absorption split

In tandem with this absorption split, there will be no changes to the name of the corporation, address, names and positions of representatives, business description, capital and fiscal year.

4. Forecast

This organizational restructuring involves restructuring within the group between MCG and wholly-owned subsidiaries. The impact to the consolidated earnings of MCG is minor.

(Reference) FY2023 consolidated earnings forecast (disclosed on May 12, 2023) and FY2022 consolidated earnings results

	Sales revenue	Core operating income	Operating income	Net income	Net income attributable to owners of the parent	Basic net income per share
	Million yen	Million yen	Million yen	Million yen	Million yen	Yen
FY2023 consolidated earnings forecast (Fiscal year ending March 2024)	4,555,000	250,000	239,000	143,000	97,000	68.21
FY2022 consolidated earnings results (Fiscal year ended March 2023)	4,634,532	325,558	182,718	135,150	96,066	67.57