

Notice regarding investment in BMG, Inc.

Toagosei Co., Ltd. announced today that it has made an equity investment in BMG Inc., which possesses medical-use polymer technologies.

Since its founding in 1983, BMG, Inc. has established a high degree of trust and a strong track record as a pioneer in the biomaterials field, including being the first in Japan to develop a medical-use bio-absorbable polymer for surgical sutures. In addition, BMG developed LYDEX, a new medical adhesive based on its medical-use polymer technologies cultivated over many years. As LYDEX is made primarily from natural material, there is no risk of viral infection because there are absolutely no animal-derived or blood-derived ingredients. In addition, LYDEX has great potential as an innovative adhesive that is easy to use and gentle on the body because the company's proprietary technologies result in both high adhesion and excellent biodegradability.

Toagosei has focused on the development of materials for mobility and electronics in recent years. In terms of the healthcare field, Toagosei has promoted new product development and the expansion of ingredients for cosmetic and materials for medical devices from several years ago, in addition to its Aron Alpha A (Sankyo) medical adhesive already on the market. Through this equity investment in BMG, Toagosei will support the further development, clinical trials and adoption of medical adhesive LYDEX as well as encourage the joint development of new medical products using this adhesive in an effort to unlock growth and develop both companies' businesses.

The Toagosei Group established the New Products Development Division in January 2021 with the objective of creating a new business unit that provides new key materials beyond traditional business domains by combining promising technologies from outside the company obtained through open innovation with the Company's core technologies. This tie-up is the outcome of these initiatives. Toagosei will continue to promote initiatives for enhancing medium- to long-term enterprise value and supporting the sustainable growth of society.

About BMG, Inc.

- Name: BMG, Incorporated
- Address: 45 Higashikujo Minamimatsunokicho, Minami-ku, Kyoto
- Representative: Shokyu Gen, President and Representative Director
- Established: June 28, 1983
- Business lines: Development, manufacturing and marketing of various biomaterial products including medical-use polymers with excellent biodegradability

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