

JGC, Teijin and ITOCHU to Establish RePEaT Co., Ltd. to License Polyester Chemical Recycling Technology

JGC Holdings Corporation
Teijin Limited
ITOCHU Corporation

Tokyo, Japan, December 1, 2022 --- JGC Holdings Corporation, Teijin Limited and ITOCHU Corporation announced that they formally agreed today to establish a joint venture company, RePEaT Co., Ltd., to license technology for the chemical recycling of polyester products.

The new joint venture will use a chemical-recycling technology called dimethyl terephthalate (DMT), which decomposes and converts polyester (PET) and then repolymerizes it. Notably, the DMT method removes dyes and impurities, making it possible to manufacture recycled PET with the same quality as petroleum-derived PET. Teijin has extensive experience in using DMT technology for the commercial production of polyester products including colored textile waste and colored PET waste.

In response to urgent needs to counter global warming, the fiber and textile industry is working on measures, including the establishment of ecosystems for resource recycling, to address issues such as CO₂ emissions from manufacturing processes and the mass disposal of used clothing. Currently, disposed textile products are used as a heat source (thermal recovery) or as raw materials for the production of other products (material recycling). Chemical recycling, however, is a revolutionary method that uses chemical decomposition for textile to textile recycling that turns used textile products into new textile raw materials.

After concluding a preliminary agreement in April 2021, the three companies explored commercial opportunities to globally license the technology, utilizing Teijin's DMT expertise and know-how, JGC's general engineering experience and know-how in plant construction, and ITOCHU's global network in the textile industry. In view of the strong global demand envisioned for their licensed technology, the partners have now decided to proceed with establishing a commercial joint venture.

RePEaT will license recycling technology that was first developed by Teijin and then jointly streamlined and packaged by JGC and Teijin. Customers in Japan and other countries are expected to use the technology to launch chemical-recycling businesses for the production of polyester products.

In addition to technology licensing, RePEaT will provide consulting services to help customers establish ecosystems that collect used polyester fiber products for reuse as raw materials, thereby contributing to a more sustainable world through recycling.

Overview of New Joint Venture Company

Name	RePEaT Co., Ltd.
Business	- Global licensing of chemical-recycling technology for reuse of polyester products as raw materials - Technology, research, design, technical guidance and consulting related to the above
Location	Kasumigaseki Common Gate West Tower, 2-1, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo, Japan
Establishment	December 2022 (estimated)
Capital	JPY 100 million (plus capital reserve of JPY 100 million)
Ownership	JGC Holdings: 45%, Teijin: 45% & Itochu Corporation: 10%

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