News Release

March 4, 2021

JCR Pharmaceuticals Co., Ltd.

Translation

Notice of Construction of New Plant for COVID-19 Vaccine Solution

Mar. 4, 2021 -- JCR Pharmaceuticals Co., Ltd. (TSE 4552; Chairman and President: Shin Ashida; "JCR") announced today that it has decided to construct a new plant for the manufacturing of the COVID-19 vaccine solution. A notarial deed and sale agreement for a parcel owned by the City of Kobe has been concluded. The Board of Directors has passed resolutions regarding the construction and acquisition of the city-owned real estate, with details as follows.

1. Reason for Construction of New Plant

JCR is contracted by AstraZeneca K.K. ("AstraZeneca") to manufacture the bulk substance of the COVID-19 vaccine, known as AZD1222 ("the vaccine"). AstraZeneca has been selected by the ministry of Health, Labour and Welfare (MHLW) in 2020 to manufacture the vaccine as part of the Emergency Vaccine Production System Improvement Project ("the project"), and JCR has been manufacturing the bulk substance of the vaccine at JCR's existing plant. In compliance with the project's public solicitation requirements state that the company which has been selected must secure a system to manufacture vaccines etc. at least until the end of March 2030, JCR will construct this new plant.

2. Overview of New Plant

(1) Property overview	1) Start of Construction: July 2021 (Scheduled) 2) Completion of construction: October 2022 (Scheduled) 3) Scale: Production building 1 floor above ground Office building 3 floors above ground
(2) Total construction cost	Approx. ¥11.6 billion
(3) Acquisition funding	Subsidy related to the extraordinary grant for establishment of a production system for COVID-19 vaccines* and funds on hand (planned)
(4) Date of Board of Directors resolution	February 25, 2021

* The subsidy related to the extraordinary grant for establishment of a production system for COVID-19 vaccines was received by AstraZeneca upon adoption by the Ministry of Health, Labour and Welfare and acquired by JCR upon being contracted by AstraZeneca.

3. The Land for New Plant (Acquired Real Estate)

(1) Overview

(1) Address	Nishi-ku, Kobe (in Kobe Science Park)
(2)Property overview	1) Use: Production plant 2) Site area: 19,991.17m^2
(3) Acquisition price	Approx. ¥2.0 billion
(4) Acquisition funding	Funds on hand

* In the process of acquiring the city-owned real estate, JCR received recognition as a special core business under Article 12, Items 1 and 4 of the ordinance for support measures to promote companies locating to Kobe, etc. Application for approval as a manufacturer of the AstraZeneca COVID-19 vaccine was stipulated as part of the judgment conditions for acquiring the city-owned real estate, and AstraZeneca applied to for production authorization on February 5, 2021.

(2) Overview of Counterparty

(1) Name	City of Kobe	
(2) Address	6-5-1 Kanocho, Chuo-ku, Kobe	
(3) Name and title of representative	Kobe Mayor Kizo Hisamoto	
(4) Relationship between JCR and the counterparty	Capital relationship	None
	Personnel relationship	None
	Business relationship	None
	Relevant status towards related parties	None

(3) Date of Agreement Conclusion
March 4, 2021

4. Future Outlook

This acquisition is expected to have a minor impact on JCR's consolidated financial results for the year ending March 31, 2021.

JCR will strive to further strengthen its business activities going forward and contribute to the treatment of as many patients as possible.

About JCR Pharmaceuticals Co., Ltd.

JCR Pharmaceuticals Co., Ltd. (TSE 4552) is a global specialty pharmaceuticals company that is redefining expectations and expanding possibilities for people with rare and genetic diseases worldwide. We continue to build upon our 45-year legacy in Japan while expanding our global footprint into the US, Europe, and Latin America. We improve patients' lives by applying our scientific expertise and unique technologies to research, develop, and deliver next-generation therapies. Our approved products in Japan include therapies for the treatment of growth disorder, Fabry disease, acute graft-versus host disease, and renal anemia. Our investigational products in development worldwide are aimed at treating rare diseases including MPS I (Hurler, Hurler-Scheie and Scheie syndrome), MPS II (Hunter syndrome), Pompe disease, and more. JCR strives to expand the possibilities for patients while accelerating medical advancement at a global level. Our core values – reliability, confidence, and persistence – benefit all our stakeholders, including employees, partners, and patients. Together we soar. For more information, please visit

https://www.jcrpharm.co.jp/en/site/en/.

Cautionary Statement Regarding Forward-Looking Statements

This document contains forward-looking statements that are subject to known and unknown risks and uncertainties, many of which are outside our control. Forward-looking statements often contain words such as "believe," "estimate," "anticipate," "intend," "plan," "will," "would," "target" and similar references to future periods. All forward-looking statements regarding our plans, outlook, strategy and future business, financial performance and financial condition are based on judgments derived from the information available to us at this time. Factors or events that could cause our actual results to be materially different from those expressed in our forward-looking statements include, but are not limited to, a deterioration of economic conditions, a change in the legal or governmental system, a delay in launching a new product, impact on competitors' pricing and product strategies, a decline in marketing capabilities relating to our products, manufacturing difficulties or delays, an infringement of our intellectual property rights, an adverse court decision in a significant lawsuit and regulatory actions.

This document involves information on pharmaceutical products (including those under development). However, it is not intended for advertising or providing medical advice. Furthermore, it is intended to provide information on our company and businesses and not to solicit investment in securities we issue.

Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.

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