



March 24, 2022
JCR Pharmaceuticals Co., Ltd.

Translation

Notice of Acquisition of Non-Current Assets (Land)

Mar. 24, 2022 -- [JCR Pharmaceuticals Co., Ltd.](https://www.jcr-pharm.co.jp/) (TSE 4552; Chairman and President: Shin Ashida; “JCR”) announced today that it has concluded a notarial deed and land sale agreement for the acquisition of city-owned real estate between JCR and the city of Kobe. In addition, JCR’s Board of Directors has passed a resolution regarding the acquisition of the land, with details as follows.

1. Reason for the Acquisition of Land

JCR has been successively undertaking research and development with 17 types of lysosomal storage disorders (LSDs) as candidate diseases, including mucopolysaccharidosis I (MPS I, Hurler syndrome, etc.), MPS III-A (Sanfilippo syndrome type A), MPS VII (Sly syndrome) and MPS III-B (Sanfilippo syndrome type B), Pompe disease and GM2 gangliosidosis (Tay-Sachs and Sandhoff disease). These will follow JCR’s treatment for MPS II (Hunter syndrome), which has obtained marketing approval in Japan as a protein preparation using JCR’s proprietary J-Brain Cargo® blood-brain barrier (BBB) penetration technology. JCR plans to simultaneously advance research and development of therapeutics for these 17 types of LSDs in parallel, so it expects to be unable to meet the required production volume at its current facilities. Therefore, JCR will acquire this land to upgrade and expand its drug substance manufacturing and finished product manufacturing facilities.

2. The Land (Acquired Real Estate)

(1) Overview

(1) Location	7-3-10 Ibukidaihigashicho, Nishi-ku, Kobe (in Kobe Science Park)*
(2) Property overview	1)Use: Production plant site 2)Site area: 27,150.59 m ²
(3) Acquisition price	Approx. ¥2.7 billion
(4) Acquisition funding	Funds on hand
(5) Date of Board of Directors resolution	January 27, 2022

* In the process of acquiring the site for the new plant, 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.

(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
	Qualification as related party	None

(3) Date of Agreement Conclusion

March 24, 2022

3. Future Outlook

This acquisition is expected to have a minor impact on JCR's consolidated financial results for the year ending March 31, 2022.

JCR will continue striving to further strengthen its business activities 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 46-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, MPS II (Hunter syndrome), 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), Hunter syndrome, MPS IIIA and B (Sanfilippo disease), 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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