



October 3, 2022

JCR Pharmaceuticals Co., Ltd.

Sysmex Corporation

Translation

JCR Pharmaceuticals and Sysmex Establish a Joint Venture in the Field of Regenerative Medicine and Cell Therapy

- Aiming for the Research & Development and Early Commercialization of Regenerative Medicine Products Using Stem Cells, etc. -

JCR Pharmaceuticals Co., Ltd. (HQ: Ashiya, Hyogo Prefecture; Chairman and President: Shin Ashida, hereinafter “JCR”) and Sysmex Corporation (HQ: Kobe, Japan; Chairman and CEO: Hisashi Ietsugu, hereinafter “Sysmex”) announce that they have established a joint venture (hereafter the “joint venture”) for carrying out research and development, manufacture and sales of cell-based regenerative medicine products including hematopoietic stem cells and other stem cells.

In recent years, the significant potential of regenerative medicine and cell therapy have been established in particular in areas that have traditionally been difficult to address with conventional chemically synthesized low molecular weight drugs¹ or biopharmaceuticals², such as the restoration of tissues and functions lost as a result of aging, illness, autoimmune diseases, or cancer. In particular, research and development on the therapeutic application of stem cells including hematopoietic stem cells, mesenchymal stem cells, and iPS cells have generated significant attention.

Since its inception, JCR has been engaged in the research, development, manufacturing and sales of pharmaceutical products using regenerative medicine, genetic engineering, and gene therapy technologies to advance therapies in the rare disease field. This is exemplified in the field of regenerative medicine, by the approval of TEMCELL® HS Inj.³, the first allogeneic regenerative medicine in Japan (Non-proprietary name: Human (allogeneic) bone marrow-derived mesenchymal stem cells) in February 2016 for the treatment of acute graft-versus-host disease (acute GVHD)⁴, a serious complication that develops after hematopoietic stem cell transplantation. In recent years, JCR has further streamlined and integrated its expertise around the establishment of groundbreaking medicines for the advancement of highly innovative medicines that could not be developed without such groundbreaking technologies.

Since its foundation, Sysmex has provided network solutions using IoT (Internet of Things) and automated testing flows to improve the safety of healthcare professionals and for the optimization of operational efficiency in clinical laboratories. In addition, while providing quality control testing for companies which develop regenerative medicine products, Sysmex has conducted research and development related to new pre-transplant compatibility testing examining the patient's immune response against the organ or tissue to be transplanted.

In the joint venture, the two companies aim to realize the social implementation of regenerative medicine and cell therapy by integrating JCR's expertise in developing, manufacturing and marketing regenerative medicine products, with Sysmex's expertise in quality control testing technology and knowledge of workflows efficiency using robotics technology, including IoT. AlliedCel Corporation, which is the corporate name of the joint venture following prior discussions regarding the alliance both companies, was established on October 3, 2022. The joint venture will advance programs of the potential for technology development and commercialization, including the project currently being promoted by both companies using hematopoietic stem cell proliferation technology.

The name AlliedCel stands for the joint venture's aspiration to integrate knowledge and expertise from a broad set of collaborators and stakeholders including business partners, patients and their families, with the united goal of unleashing the power of cells in supporting patients in their need for life-changing therapies. Through the research and development of regenerative medicine products using diverse cells such as stem cells, AlliedCel aims to provide appropriate treatment options to patients and improve their prognosis.

Profile of the Joint Venture

Company name:	AlliedCel Corporation
Location:	1-5-5 Minatojimaminami-machi, Chuo-ku, Kobe, Hyogo, Japan
Founded:	October 3, 2022
Capital:	100 million JPY
Capital reserve:	100 million JPY
Investment ratio:	JCR 50%, Sysmex 50%
Executive officers:	President: Hiroyuki Sonoda (Vice President, Research and Corporate Strategy, Executive Director of Research Division, JCR Pharmaceuticals Co., Ltd.) Executive Vice President, Member of the Managing Board: Kenji Tsujimoto (Executive Vice President of Technology Strategy Division, Sysmex Corporation)
Business content:	Research and development, manufacture and sales of regenerative medicine products
Settlement period:	March

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 48-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. 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.

Company Profile

Name:	JCR Pharmaceuticals Co., Ltd.
Headquarters:	3-19 Kasuga-cho, Ashiya, Hyogo, Japan
Established:	September 13, 1975

Paid-in capital: 9,061 million JPY (as of March 31, 2022)
Scope of business : Manufacture, selling, buying, import/export of pharmaceutical products, Regenerative Medicines and drug substances. Selling, buying, import/export of medical devices and laboratory instruments.
URL: <https://www.jcrpharm.co.jp/en/site/en/>

About Sysmex Corporation

In line with its mission of “shaping the advancement of healthcare,” which is defined in the “Sysmex Way,” the corporate philosophy of the Sysmex Group, Sysmex works to contribute to the development of healthcare and the healthy lives of people. Sysmex conducts integrated R&D, manufacturing and sales, and provides support services for its instruments, reagents and software for *in vitro* testing of blood, urine and other bodily fluids. Sysmex supplies its products to medical institutions in more than 190 countries and regions throughout the world. In recent years, Sysmex has been expanding its business in the life science domain, using proprietary technologies to create new testing and diagnostic value, realize healthcare that is optimized for individual patients, and help reduce patients’ burdens and enhance their quality of life.

Company Profile

Name: Sysmex Corporation
Location: 1-5-1 Wakinohama-kaigandori, Chuo-ku, Kobe, Hyogo, Japan
Established: February 20, 1968
Paid-in capital: 14,112 million JPY (as of March 31, 2022)
Lines of business: Development, manufacture, sales and export/import of diagnostic instruments, reagents and related software
URL: <https://www.sysmex.co.jp/en>

Terminology

- 1 Chemical synthesized low molecular weight drugs:
Organic compounds produced through a chemical synthesis process. The molecules are small, and the drugs have a relatively simple structure, containing very few functional molecular groups.
- 2 Biopharmaceuticals:
Pharmaceuticals produced by biotechnology (technologies such as genetic engineering and generation of recombinant cell lines for biomanufacturing). Active ingredients are proteins (growth hormones, insulin, antibodies, etc.), produced by biological sources (cells, bacteria, etc.). Compared to chemical synthesized low molecular drugs, the molecules are large, and the drugs have a complex structure.
- 3 TEMCELL:
Registered trademark by JCR.
- 4 Acute graft-versus-host disease (acute GVHD):
A transplant-related complication that affects the prognosis after hematopoietic stem cell transplantation. The immunocompetent cells derived from transplanted hematopoietic stem cells (lymphocytes, etc.) recognize the recipient’s organs as foreign and attack them.

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.

Contact:

Investors & Media:

JCR Pharmaceuticals Co., Ltd.

Corporate Communications

ir-info@jcrpharm.co.jp

Sysmex Corporation

Corporate Communication Division

IR & Corporate Communication Department

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