



April 22, 2020
JCR Pharmaceuticals Co., Ltd.

Translation

Notice of Concluding Commitment Line Agreements and Borrowing Funds

JCR Pharmaceuticals Co., Ltd. (TSE 4552; Chairman and President: Shin Ashida; “JCR”) announced that it will conclude commitment line agreements and borrow funds following passage of a resolution at a Board of Directors meeting held today. Details are as follows.

1. Purpose of Concluding the Commitment Line Agreements and Borrowing Funds

Social conditions are changing significantly on a daily basis following the proclamation of a state of emergency under the COVID-19 special measures law.

At this point in time, the JCR Group has not felt the impact of the pandemic. But the global outlook remains uncertain. For the JCR Group to continue sustainable global growth, it needs to rapidly and stably ensure it has financing, and as a backup plan, will conclude commitment line agreements with its financial institutions for the purpose of securing operating funds.

In addition, although JCR currently has a sufficient cash balance, it will borrow funds using overdraft facilities to back up its cash in hand.

2. Overview of the Commitment Line Agreements

The commitment line agreements will entail a bilateral contract totaling 15 billion yen.

(1) Agreement parties	Mizuho bank, Ltd., MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
(2) Maximum loan amount	Total 15 billion yen (5 billion yen from each bank)
(3) Date of contract	Planned for April 2020
(4) Contract period	One year from date of contract
(5) Purpose of funds	Operating funds
(6) Collateral	Unsecured loans with no guarantees

3. Future Outlook.

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

<Reference>

A Commitment line agreement is an agreement between a company and bank whereby a commitment is made to enable the company to borrow funds at any time within a period and amount that both parties set in advance.

This agreement in conjunction with existing financing facilities enables flexible financing in such ways as securing stable operating funds, responding to temporary changes in the market environment and providing smooth funding in the event of an earthquake, etc.

[About JCR Pharmaceuticals]

JCR is a specialty pharma company engaged in the research, development, manufacturing and marketing of biopharmaceuticals and regenerative medicine with a focus on rare diseases. Its philosophy, “Contributing towards people’s healthcare through pharmaceutical products” drives JCR to create innovative pharmaceutical products as value-added treatment options for the under-served patient populations.

[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 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.

Investors & Media:

JCR Pharmaceuticals Co., Ltd.

Corporate Communications

ir-info@jcrpharm.co.jp

END

###