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Chugai Pharmaceutical Co., Ltd.
JW Pharmaceutical Corporation

Chugai and JW Pharmaceutical Agree to Make C&C Research Laboratories, a Joint Venture in Korea, a Wholly Owned Subsidiary of JW Pharmaceutical

- Chugai and JW Pharmaceutical (JWP) agreed that JWP acquires all of Chugai's stock in C&C Research Laboratories (C&C), a R&D Joint Venture in Korea at the end of December, 2019
- C&C will become a wholly owned subsidiary of JWP with independent management
- JWP and Chugai keep maintaining amicable partnerships and Chugai reserves preferential rights to future projects on C&C discoveries

TOKYO, November 27, 2019 -- [Chugai Pharmaceutical Co., Ltd.](#) (TSE: 4519) and [JW Pharmaceutical Corporation](#) (KRX: 001060, JWP) have agreed to change the equity structure of [C&C Research Laboratories](#) (C&C), the Korean joint venture between both companies in December this year.

Upon the agreement, Chugai will sell its entire stake in C&C to JWP by December 31, 2019. C&C will become a wholly-owned subsidiary of JWP and continue its drug discovery research with independent management. The decision has been made as the companies agreed that C&C succeeded to develop drug candidates including atopic dermatitis and gout treatment, and is fully capable of conducting research activities as an independent management based entity. Both JWP and Chugai keep maintaining amicable partnerships and preferentially cooperate on new drug candidates discovered by C&C.

"C&C has created multiple drug candidates including projects that entered the clinical development phase. We successfully achieved the initial goal of establishing a new drug discovery base with high technological capabilities in Korea," said Chugai's President and CEO Tatsuro Kosaka. "I appreciate JWP's collaboration so far, and look forward to seeing many innovative projects from C&C in the future."

"C&C has created synergy by combining the human infrastructure of Korea and the Chugai's know-how on new drug development," said JWP's CEO Young sub Shin. "We appreciate Chugai's sustained cooperation since its establishment and we will endeavor to grow the C&C as a global R&D venture."

About C&C Research Laboratories

C&C Research Laboratories, the Korean first R&D joint venture corporation was established in 1992 between Chugai and JWP with the investment ratio of 50% for each. C&C has been dedicated to discover and develop new drugs in Korea based on high capabilities in synthetic organic chemistry. As a result, C&C successfully created new drug candidates such as atopic dermatitis (JW1601) and gout (URC102),

establishing its drug discovery platform.

About Chugai

Chugai Pharmaceutical is one of Japan's leading research-based pharmaceutical companies with strengths in biotechnology products. Chugai, based in Tokyo, specializes in prescription pharmaceuticals and is listed on the 1st section of the Tokyo Stock Exchange. As an important member of the Roche Group, Chugai is actively involved in R&D activities in Japan and abroad. Specifically, Chugai is working to develop innovative products which may satisfy the unmet medical needs.

Additional information is available on the internet at <https://www.chugai-pharm.co.jp/english/>.

About JW Pharmaceutical Corporation

JW Pharmaceutical Corporation was founded in 1945 under the founding principles of "Respect for Life" and "Frontier Spirit" and has been leading Korea's pharmaceutical market with a portfolio of outstanding original medicinal products. Since its establishment of the central laboratory in 1983, it has focused on R&D for First-in-Class drugs and built a world-class core technology platform. Its new drug pipelines are in various areas including cancer therapy, immune disease treatment and regenerative medicine. It also carries out diverse research activities through open innovation to meet ever-changing global needs. It is listed on the Korea Exchange (KRX) under the symbol "001060."

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