Name of listed company: Chugai Pharmaceutical Co., Ltd.

Code number: 4519 (Prime Market of Tokyo Stock Exchange)

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## Chugai to Construct a New Laboratory Building "UKX" to Strengthen Manufacturing Process Development Capabilities and Advance Environmental Initiatives toward TOP I 2030

TOKYO, July 24, 2025 — Chugai Pharmaceutical Co., Ltd. (TOKYO: 4519) announced that it resolved at the Board of Directors meeting held today to construct a new laboratory building (hereinafter "UKX") at Ukima Site (Kita-ku, Tokyo) to strengthen manufacturing process development capabilities for small, mid-size molecule drugs and biopharmaceuticals, as well as to promote environmental measures.

Under its growth strategy TOP I 2030, Chugai aims to double R&D output and launch global inhouse products every year. The number of projects with highly challenging process development is increasing, including mid-size molecules and antibodies leveraging its proprietary antibody engineering technologies, and their success is key. To facilitate rapid entry into clinical trials and accelerate development, enhancement of its process development capabilities has become an urgent priority. Additionally, addressing initiatives for phasing out of halogenated hydrocarbons and  $CO_2$  emission reduction is an important challenge under its Mid-Term Environmental Goals 2030. To address these challenges, Chugai has decided to construct UKX at Ukima Site.

UKX is designed as an environmentally friendly building in addition to expanding state-of-the-art laboratory, and will be constructed on the west side of current Ukima Site for which a purchase agreement was concluded in October 2022. UKX will feature an office design that activates cross-functional communication for process development and will leverage lab automation to improve research efficiency. These initiatives will foster innovation and research productivity, further accelerating the establishment of manufacturing processes for Active Pharmaceutical Ingredients (APIs), which are becoming increasingly complex.

"The construction of this new laboratory building will further strengthen the foundation of RED SHIFT\*, one of the Key Drivers of our growth strategy TOP I 2030. To advance promising drug candidates generated continuously from our discovery research into clinical development, it is extremely important to swiftly establish their manufacturing processes. Particularly for mid-size molecules, for which we have numerous projects at the discovery stage, we will establish a

platform that can efficiently develop manufacturing processes by utilizing their common structures and physicochemical properties. By enhancing these process development capabilities, we aim to achieve early proof of concept in clinical development and deliver innovative drugs to patients as soon as possible," said Chugai's President and CEO, Dr. Osamu Okuda. "At the same time, we will accelerate environmental initiatives at Ukima Site. Achieving the ambitious targets set in our Mid-Term Environmental Goals 2030 requires robust efforts, particularly in our process development and manufacturing functions. Chugai will proactively strive to reduce environmental impact for the sustainable development of both society and our company."

This capital investment is not expected to affect the consolidated financial forecast for the fiscal year ending December 2025, announced on January 30, 2025.

\*RED SHIFT: RED stands for Research & Early Development, and RED functions correspond to the initial development stages of research, early clinical development, and pharmaceutical technology functions. By focusing resources and expanding investment in RED functions, Chugai aims to enhance capabilities from drug discovery, the source of its value creation, to translational research for acquiring PoC, and to increase R&D outputs.

## [Overview of Ukima Site]

1. Location: 5-5-1 Ukima, Kita-ku, Tokyo

2. Site area: 69,065 m<sup>2</sup>

3. Main activities: Process research for API manufacturing; product design (formulation and packaging) and process research; facilities design and production technology research; structural/physicochemical analysis of pharmaceuticals and development of quality test methods

## [Overview of Construction Plan of UKX]

1. Total investment: 80 billion yen

2. Start of construction: May 2026

3. Completion of building: August 2028

4. Construction area: 5,047 m²
5. Total floor area: 27,136 m²

## [Reference]

Purchase of Land for Business in Ukima (News release by Chugai issued on October 28, 2022) <a href="https://www.chugai-pharm.co.jp/english/news/detail/20221028153000">https://www.chugai-pharm.co.jp/english/news/detail/20221028153000</a> 950.html

[Conceptual Drawing of the New Laboratory Building (UKX)]



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