

Overseas Consolidated Subsidiary, Medicago to Cease Operations

The Mitsubishi Chemical Group ("the Group") announced that it has decided to cease all of its operations at Medicago Inc. (Head Office: Quebec, Canada; President: Toshifumi Tada), a consolidated subsidiary of Mitsubishi Tanabe Pharma Corporation (Head Office: Chuo-ku, Osaka; Representative Director: Hiroaki Ueno) of Mitsubishi Chemical Group.

1. Reason for Cessation of Operations

Medicago is a Canadian biopharmaceutical company specializing in the research and development of new vaccines using plant-based virus-like particles (hereinafter, "VLP") technology. Medicago's VLP vaccine for the prevention of COVID-19, COVIFENZ[®], was approved in Canada in February 2022 and the company has since been preparing for the transition to commercial-scale production. However, in light of significant changes to the COVID-19 vaccine landscape since the approval of COVIFENZ[®], and after a comprehensive review of the current global demand and market environment for COVID-19 vaccines and Medicago's challenges in transitioning to commercial-scale production, the Group has determined that it will not pursue the commercialization of COVIFENZ[®]. In addition, the Group judged that it was not viable to continue to make further investment in the commercialization of Medicago's development products, and decided to cease all of its operations at Medicago and proceed with an orderly wind up of its business and operations.

2. Overview of Medicago Inc.

- (1) Company Name: Medicago Inc.
- (2) Location: Quebec, Canada
- (3) Name and Title of Representative: Toshifumi Tada, President and Chief Executive Officer
- (4) Business Description: Research and Development of Plant-based VLP Vaccines
- (5) Establishment: July 17, 1997
- (6) Major Shareholder and Shareholding Ratio: Mitsubishi Tanabe Pharma Corporation 100%

3. Timeline for Winding Up

Medicago's activities and its regular operations will be significantly reduced and refocused on the wind down process. The winding up process will be completed in due course, in accordance with local laws and regulations.

4. Results Impact

This impact to the Group's earnings is currently under careful examination. The Group will promptly disclose any matters, should events arise that require disclosure.

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