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Notice of Capital Expenditures for Research, Factory and Warehouse Buildings

The Board of Directors of JCU Corporation approved a resolution today to construct research, factory and warehouse buildings in Kumamoto prefecture. These buildings will be constructed on land that was purchased as announced in a September 2, 2022 press release titled “Notice of Purchase of Non-Current Assets (Purchase of Land).”

1. Purpose of the capital expenditures

In the electronics industry, which is one of the primary business sectors of JCU, the demand for semiconductors is expected to continue to increase due to the emergence new technologies involving 6G wireless technology, the digital transformation and other advances. To continue to grow, JCU will build a new manufacturing base in Kumamoto prefecture, which has a rapidly expanding semiconductor industry. The new base will perform R&D concerning chemicals used for semiconductor production and manufacture these chemicals and other products.

JCU believes that this new manufacturing base will make it possible to meet the needs of customers in an even more timely manner. This investment will also allow supplying products from two locations in Japan, including the current main manufacturing base in the city of Joetsu in Niigata prefecture. Two locations are expected to increase the stability of the supply of JCU’s products.

2. Summary of the projects

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| (1) Location: | Mashiki, Kamimashiki District, Kumamoto |
| (2) Site area: | 26,178.40 m ² |
| (3) Facilities: | Research, Factory and Warehouse Buildings |
| (4) Capital expenditures: | Approximately 8 billion yen (does not include cost of land) |
| (5) Completion: | April 2025 (tentative) |

3. Outlook

JCU plans to fund these expenditures internally. These capital expenditures will have only a negligible effect on consolidated results of operations in the fiscal year ending in March 2023. An announcement will be made if there is any additional information concerning this subject that requires disclosure.