



Overview of Financial Results for FY2023 1st Quarter

CMIC HOLDINGS Co., Ltd.
January 31, 2023

CMIC Group Business



CMIC Group Network



27 group companies, 62 sites (49 offices, 6 factories, 7 laboratories)
Japan: 14 companies
Overseas: 13 companies



Focus Activities of Mid-term Management Plan (FY2022-25)

Evolution of healthcare business

Comprehensive support for disease prevention, treatment R&D, and marketing

Contribution to sustainable society through services with high social benefits





Evolution of healthcare business



✓ Expansion of support for local governments

Comprehensive support for measures against COVID-19 infections, ranging from infection prevention to post-infection follow-up

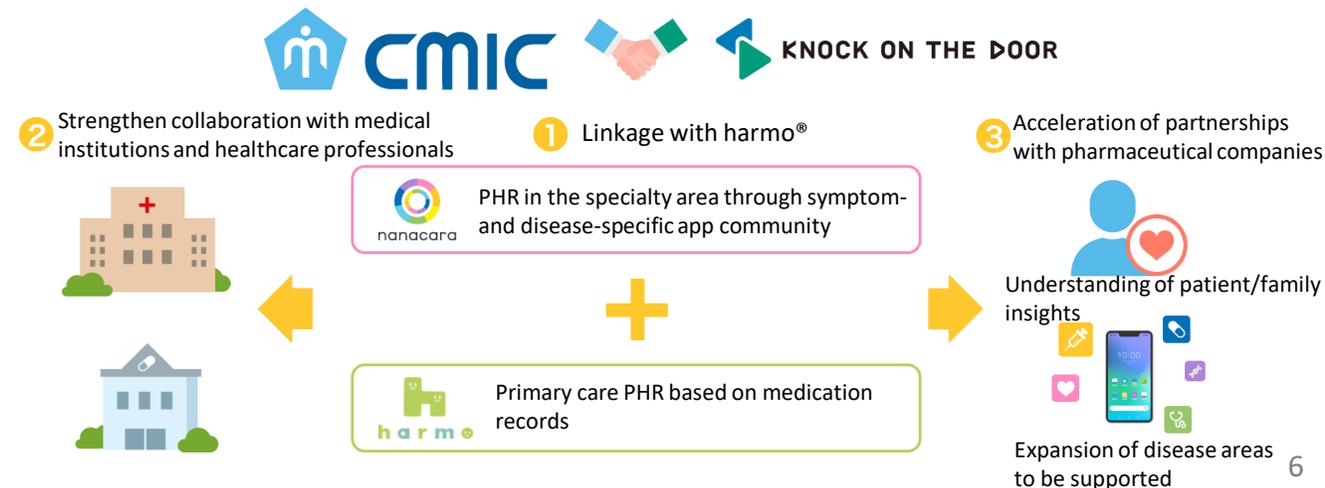
- The support work being expanded, including vaccination, PCR testing, and positive case follow-up
 - Call center (to consult about adverse reactions), human resources support (Physician and nurse reference, admin staff)
 - Utilization of the COVID-19 vaccination information management system “harmo[®] vaccine care”
 - Launch of antigen and antibody test kits

- ✓ Strengthening our digital platform with the aim of increasing the individuals' health values

A capital & business alliance formed with KNOCK ON THE DOOR Inc. (KOD)

- KOD is developing a business focusing on support platforms for patients and their families in the field of rare diseases.
- CMIC will be able to deepen its ties with medical institutions and healthcare providers through harmo[®].
- The alliance will create synergies with existing businesses, including providing support for patients and their families in the field of rare diseases and utilizing the platform in clinical studies.

Realization of a healthcare platform that is personalized for each individual, from primary to specialty care



Progress of 1st quarter of FY2023

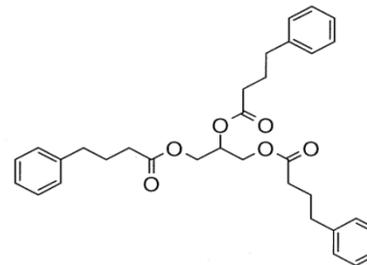


Comprehensive support for disease prevention, treatment R&D, and marketing

- Strengthening support for overseas bio-venture companies entering the Japanese market, as well as for companies from other industries entering the healthcare space
 - Established the “Consulting and Navigation Unit” (A unit in charge of providing the necessary functions and undertaking the services according to the customer's strategy and needs) -
- Launched the development of glycerol phenylbutyrate (overseas trade name: Ravicti[®]) for the treatment of urea cycle disorders in Japan

*Urea Cycle Disorders (UCD)

A congenital deficiency of an enzyme in the urea cycle of the liver results in hyperammonemia, a failure to metabolize ammonia



Progress of 1st quarter of FY2023



Contribution to sustainable society through services with high social benefits



- The “International Children’s Drawing Contest” received an Award of Excellence in the “Mécénat Awards 2022.”
- Co-sponsorship of the 14th "International Children's Drawing Contest" and presentation of the 19th "Society Prize (CMIC Prize) of the AIDS Society of Japan"
- Support for athletes with disabilities

Consolidated income statement (overview)



	FY2022 Q1		FY2023 Q1		Change	Percent Change
	Amount	Composition ratio	Amount	Composition ratio		
	(¥ millions)	(%)	(¥ millions)	(%)		
Sales	24,629	100.0	29,677	100.0	+5,048	+20.5
Operating income	3,375	13.7	4,270	14.4	+894	+26.5
Ordinary income	3,462	14.1	3,401	11.5	(60)	(1.7)
Profit attributable to owners of parent	2,107	8.6	1,950	6.6	(156)	(7.4)
Earnings per share	¥116.48		¥111.73			

The situation in Ukraine had no significant direct impact on the Group during the period under review.

Breakdown of Non-operating income and expenses/Extraordinary income and losses/Income taxes/Profit (loss) attributable to non-controlling interests



(¥ millions)	FY2022 Q1	FY2023 Q1
Non-operating income	137	32
Interest income	0	1
Foreign exchange gains	109	—
Subsidy income	6	11
Other	20	19
Non-operating expenses	50	901
Interest expenses	37	42
Foreign exchange losses	—	816
Share of loss of entities accounted for using equity method	—	15
Other	12	27

(¥ millions)	FY2022 Q1	FY2023 Q1
Extraordinary losses	23	25
Loss on retirement of non-current assets	23	13
Loss on valuation of investment securities	—	11
Income taxes	1,330	1,516
Profit attributable to non-controlling interests	1	(91)

Sales & Operating income by reportable segment



		FY2022 Q1 Amount (¥ millions)	FY2023 Q1 Amount (¥ millions)	Change (¥ millions)	Percent change (%)
Pharmaceutical Solutions	Sales	17,723	20,494	+2,770	+15.6
	Operating income	1,306	1,722	+416	+31.8
Healthcare Solutions	Sales	7,069	9,646	+2,577	+36.5
	Operating income	2,395	2,945	+550	+23.0
Adjustments	Sales	(163)	(463)	(300)	—
	Operating income	(326)	(398)	(71)	—
Consolidated	Sales	24,629	29,677	+5,048	+20.5
	Operating income	3,375	4,270	+894	+26.5

*Adjustments

Sales are internal elimination of transactions between reporting segments .

Operating income represents corporate expenses that are not allocated to each reportable segment and are related to the Company (holding company).

Orders received / Backlog

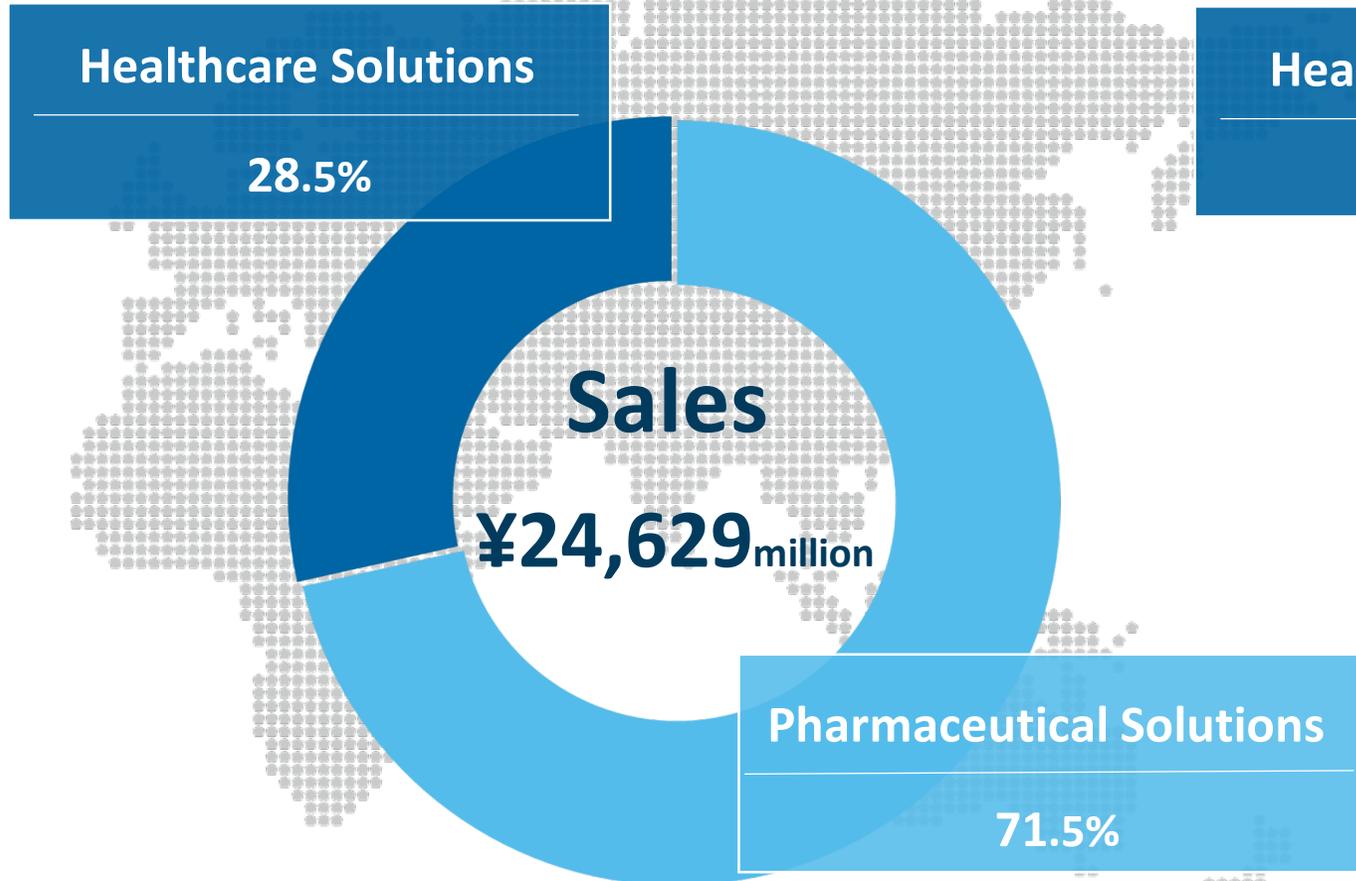


	FY2022 Q1		FY2023 Q1			
	Orders received	Backlog	Orders received	Percent Change	Backlog	Percent Change
	(¥ millions)	(¥ millions)	(¥ millions)	(%)	(¥ millions)	(%)
P h a r m a c e u t i c a l S o l u t i o n s	20,637	72,046	20,514	(0.6)	76,239	+5.8
H e a l t h c a r e S o l u t i o n s	4,994	14,661	13,945	+179.2	20,592	+40.5
T o t a l	25,632	86,707	34,460	+34.4	96,832	+11.7

Sales composition ratio



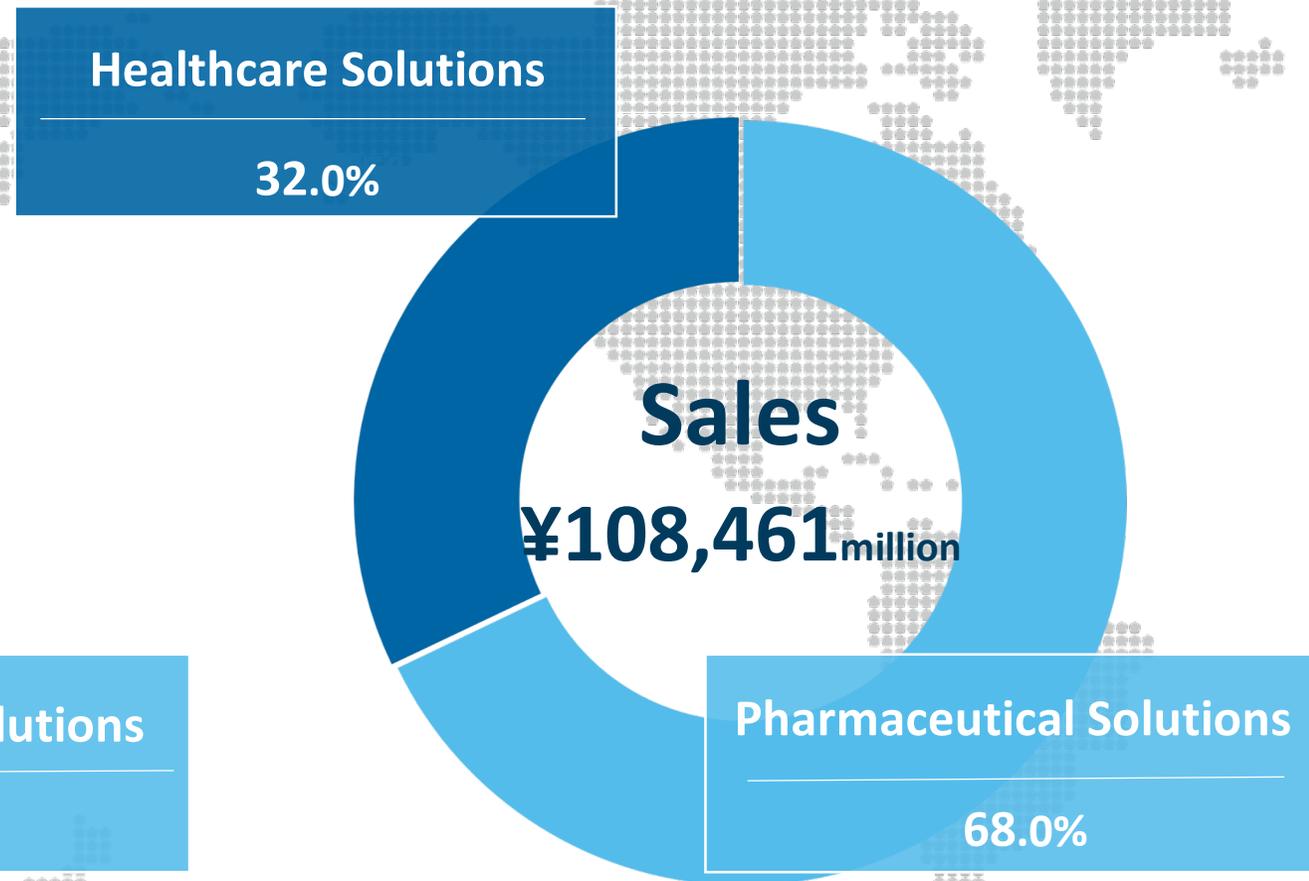
FY2022 Q1



Operating income ¥3,375million

Operating margin 13.7%

FY2023 Q1



Operating income ¥4,270million

Operating margin 14.4%

Sales composition ratio of Pharmaceutical Solutions

FY2022 Q1

FY2023 Q1

Market Solutions

18.4%

Sales

¥17,723million

CRO

51.5%

CDMO

30.1%

Market Solutions

17.6%

Sales

¥20,445million

CRO

50.6%

CDMO

31.8%

Operating income ¥1,306million

Operating margin 7.4%

Operating income ¥1,722million

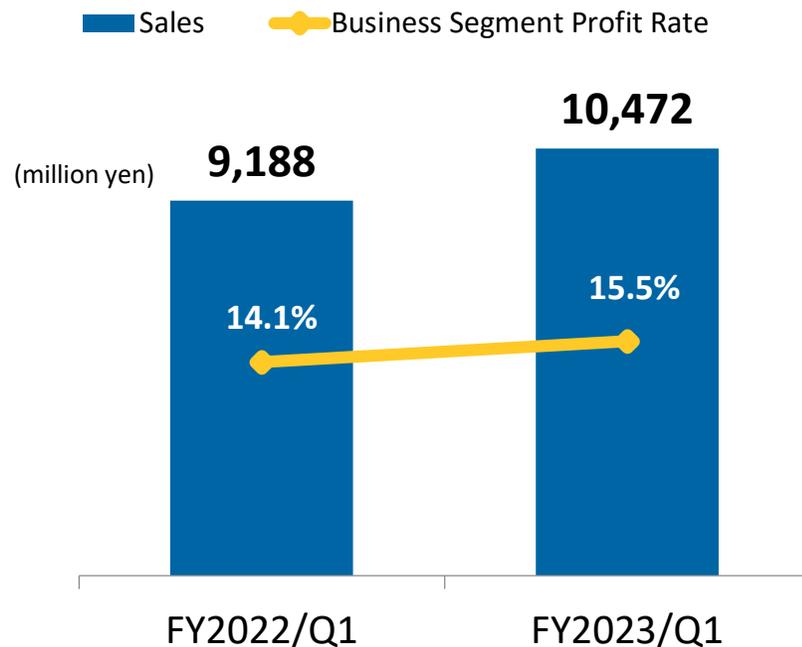
Operating margin 8.3%

Business Segment: CRO Business

Comprehensive support for research and development of disease prevention and treatment

Business Overview

- Sales increased from the same period of the previous year.
- Increase in inquiries for development projects
- Promote DCT (Decentralized Clinical Trial: telemedicine, home nursing, ePRO, wearable devices, etc.)
- Strengthen support for overseas bio-venture companies entering the Japanese market and for companies from other industries entering the healthcare field.
- In the bioanalysis business, CMIC supports drug discovery in cutting-edge areas where modalities are diversifying, such as next-generation biopharmaceuticals, gene therapy drugs and biomarker



Focus activities

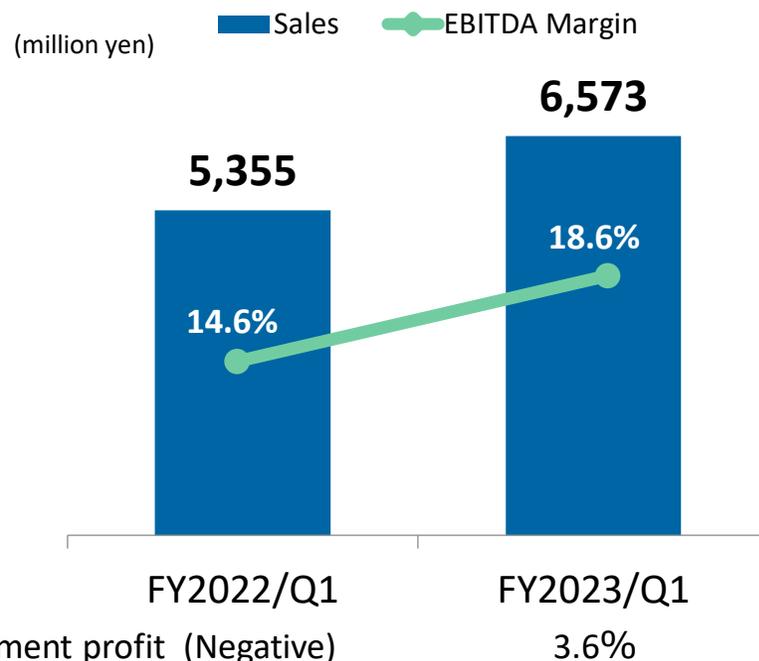
- Enhanced development support for advanced therapies such as biologics and regenerative medicine (full support for filing by Academia and BV)
- Digital applications such as DCT and RWD
- Proactive take on nucleic acid medicine projects via collaboration of laboratories in Japan and the U.S.
- Proactive take on global clinical studies (clinical trials in Asia, Japan-US bioanalysis business)
- Business expansion to the U.S. and Asia
- Aim for the #1 share in Japan

Business Segment: CDMO Business

Development and manufacturing support for pharmaceutical products and biopharmaceutical API from clinical to commercial

Business Overview

- Sales increased from the same period of the previous year
- Growing need to ensure stable supply in response to the spread of new coronavirus infections and generic quality issues
- Rising prices for energy, raw materials, and packaging materials in manufacturing
- Respond to supply shortage risks, such as prolonged delivery times, in cooperation with customers and suppliers
- Delayed recovery in US performance, focus on acquiring new projects



Focus activities

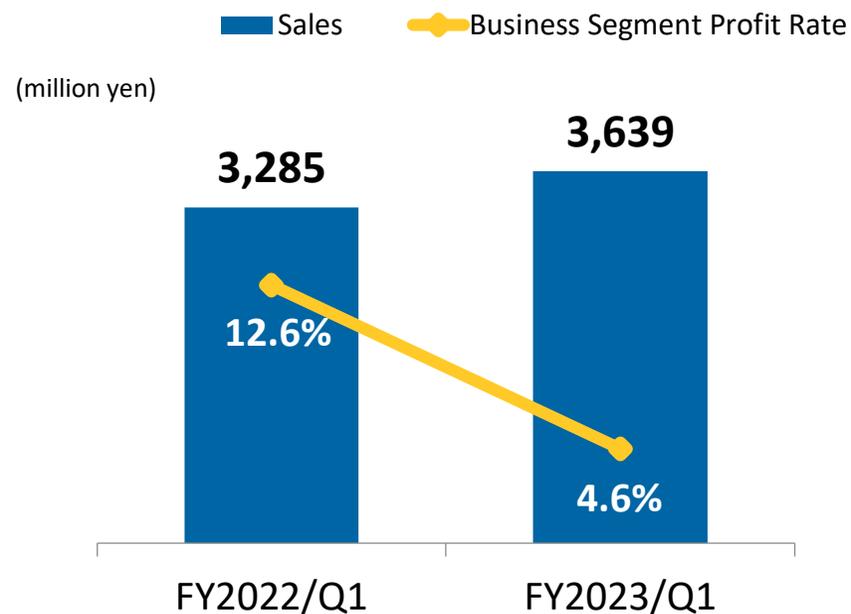
- Steady implementation of production at the Ashikaga injectable facility and its contribution to earnings
- Full-scale development of licensing business for formulation technologies (microneedles, etc.)
- Expand business at the new U.S. site
- Strengthen our position as a strategic partner for domestic pharmaceutical companies

Business Segment: Market Solutions Business

Medical, sales and marketing support for pharmaceuticals, and orphan drugs development to commercialization

Business Overview

- Sales increased from the same period of the previous year
- Received many customer inquiries for MR dispatch services
- Launched the development of glycerol phenylbutyrate (overseas trade name Ravicti®) for the treatment of urea cycle disorders in Japan and increased research and development expenses associated with this development



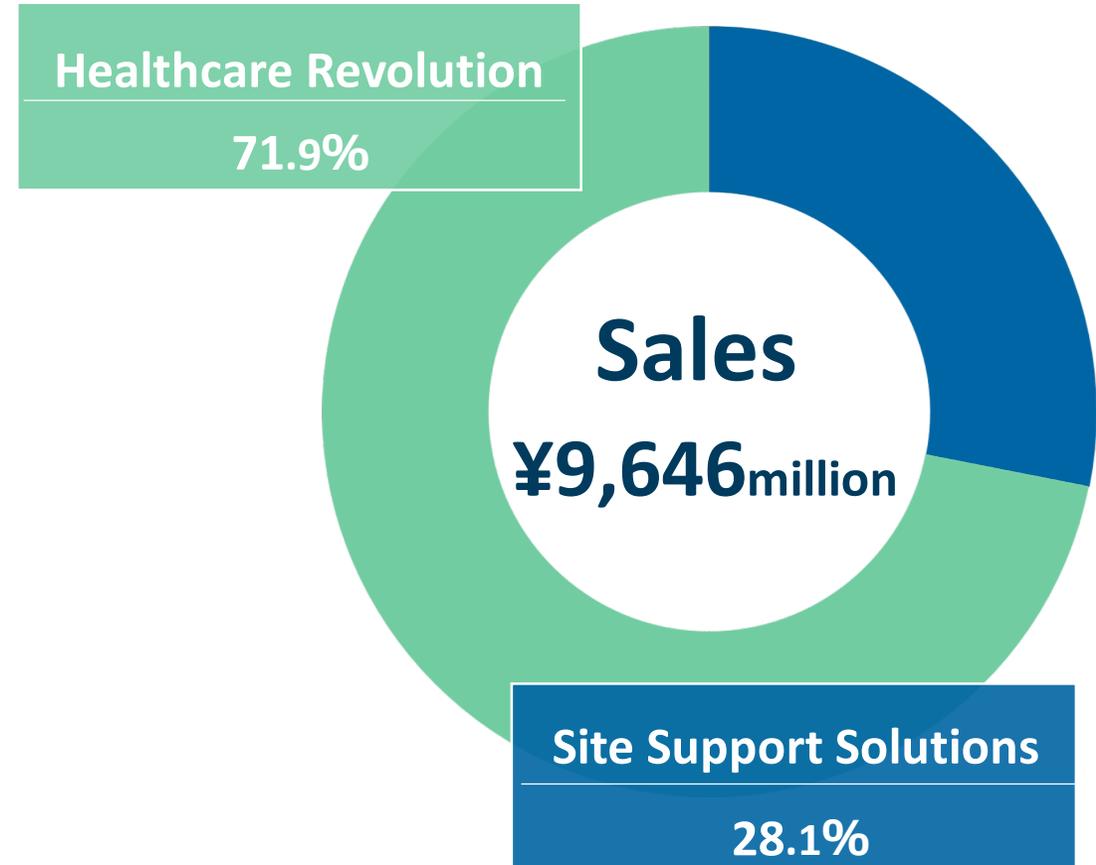
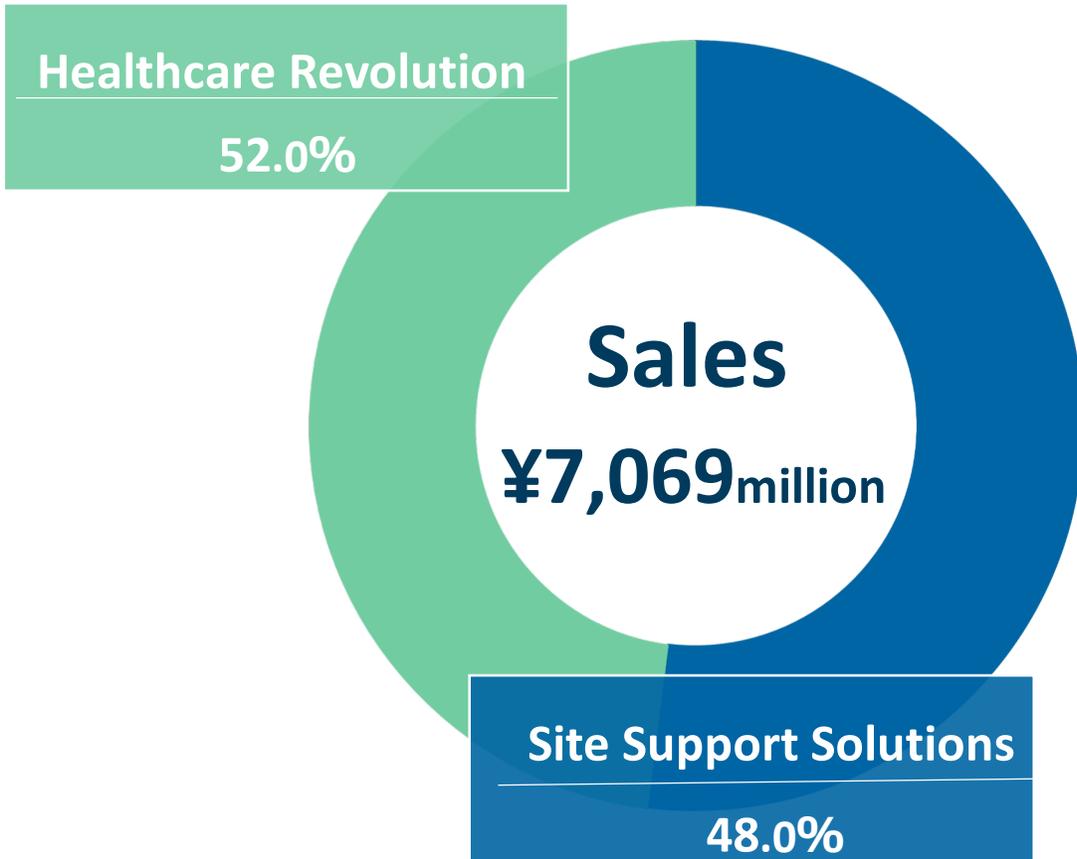
Focus activities

- Expand positioning in the MR dispatch business
- Efficient recruitment of MRs and MSLs
- Provision of hybrid services
- Promotion of multi-channel
- Development of new orphan drugs
- Supporting foreign pharmaceutical companies entering the Japanese market

Sales composition ratio of Healthcare Solutions

FY2022 Q1

FY2023 Q1



Operating income ¥2,395million

Operating margin 33.9%

Operating income ¥2,945million

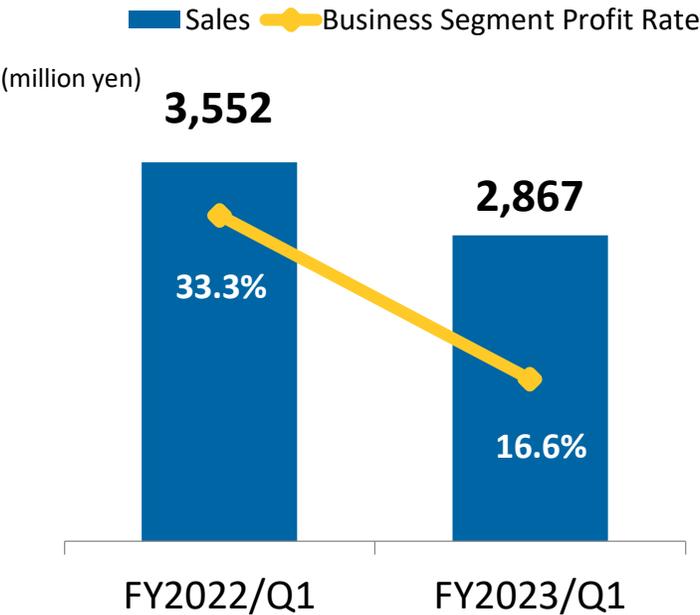
Operating margin 30.5%

Business Segment: Site Support Solutions Business

Comprehensive support of medical institutes and medical staff

Business Overview

- Sales fell below the same period of the previous year due to a decrease in new coronavirus vaccine and drug development projects
- Current orders received increased due to an influx in clinical trial projects
- Needs for clinical trials (researches) and other support for medical institutions are expanding
- Promote collaboration with academia



Focus activities

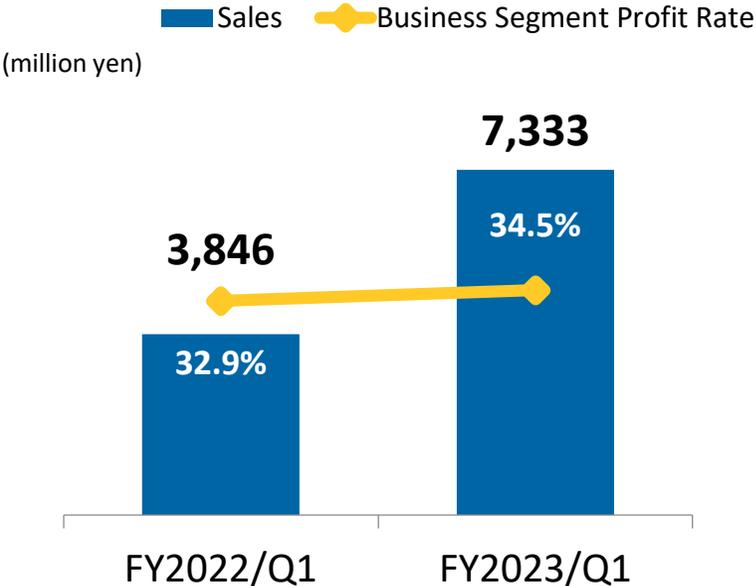
- Shifting from treatment to prevention/prognosis market (prophylaxis treatment agents and clinical trials using apps)
- Providing support for university hospital network, etc.
- Providing services in community healthcare

Business Segment: Healthcare Revolution Business

Support individuals, local governments, etc. with solutions using a new ecosystem of health care

Business Overview

- Sales significantly exceeded the previous consolidated fiscal year
- Support services related to novel coronavirus infection expanded
- Expansion of businesses that integrate disease prevention, health information, and IT technologies
 - Acquired KNOCK ON THE DOOR, Inc. as a subsidiary, a business centered on a support platform for patients and families with a focus on rare diseases



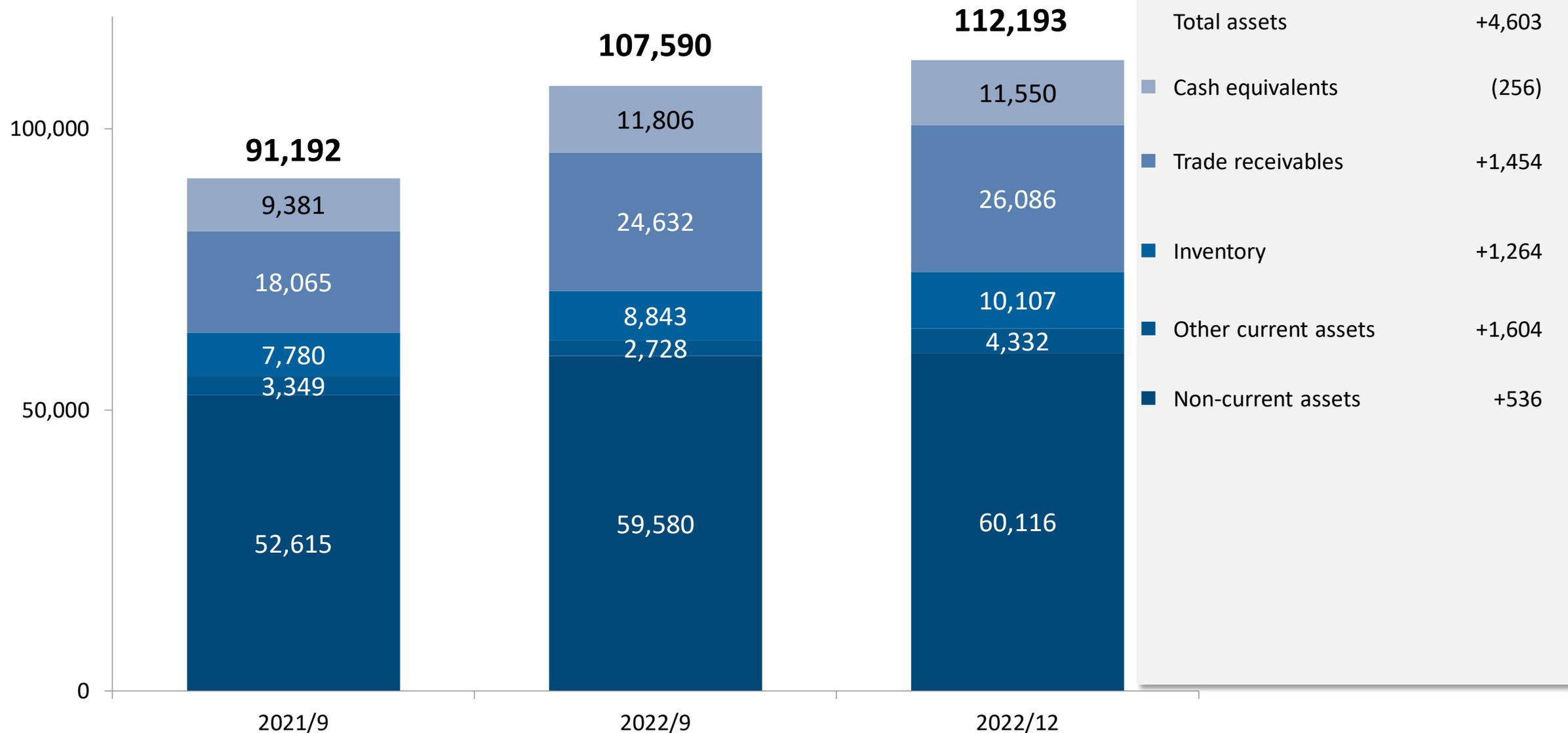
Focus activities

- Expansion of healthcare services & utilization of data by using harmo[®]
- Expansion of healthcare services for local governments and companies
- Expansion of self-screening services
- Nurture and secure healthcare human resources

Consolidated balance sheet (assets)



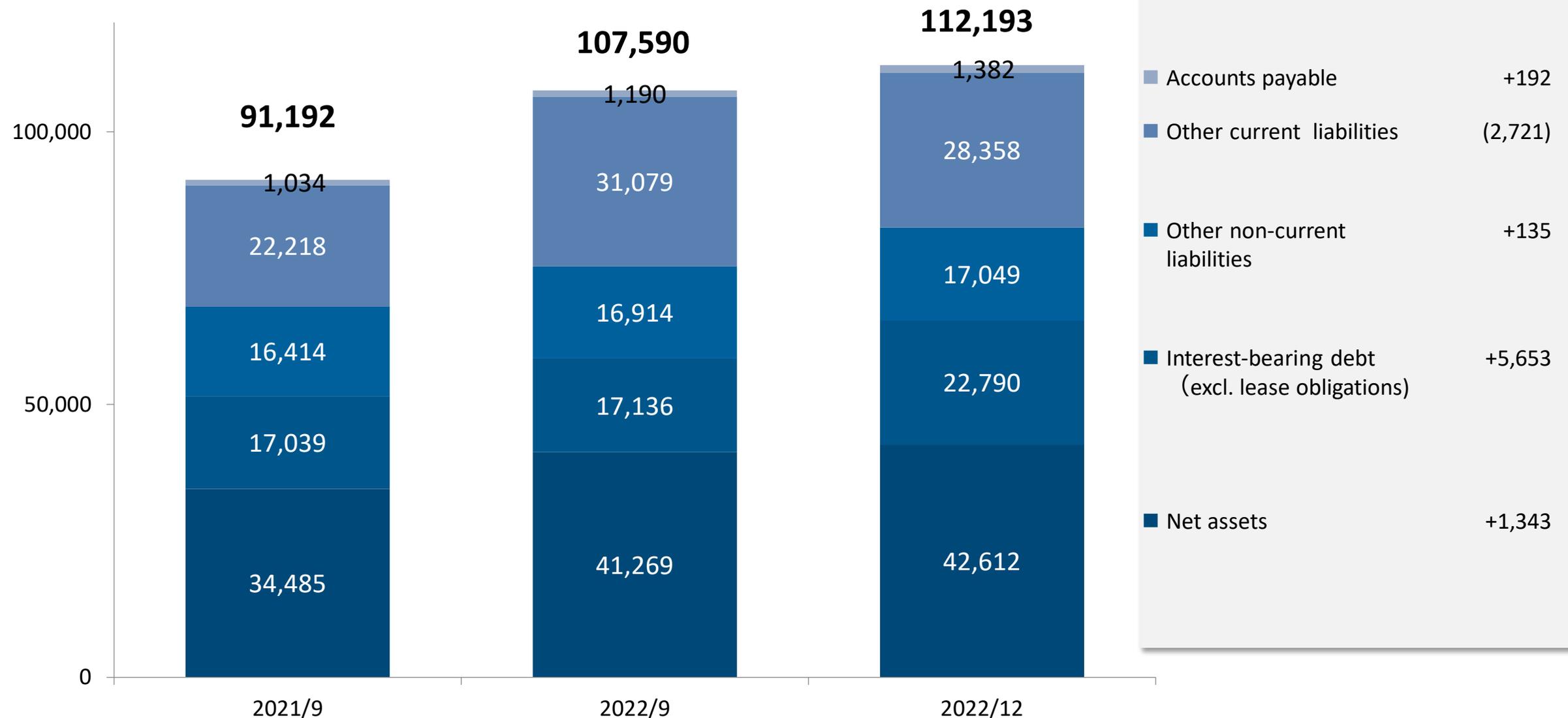
(¥ millions)



Consolidated balance sheet (liabilities and net assets)



(¥ millions)





Cautionary statement:

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