



Overview of Financial Results for FY2022 2nd Quarter/1H

CMIC HOLDINGS Co., Ltd. April 28, 2022

CMIC Group Business



Healthcare Solutions

Comprehensive support of medical institutes and medical staff

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



Pharmaceutical Solutions

Comprehensive support for research and development of disease prevention and treatment

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

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



CMIC Group Network

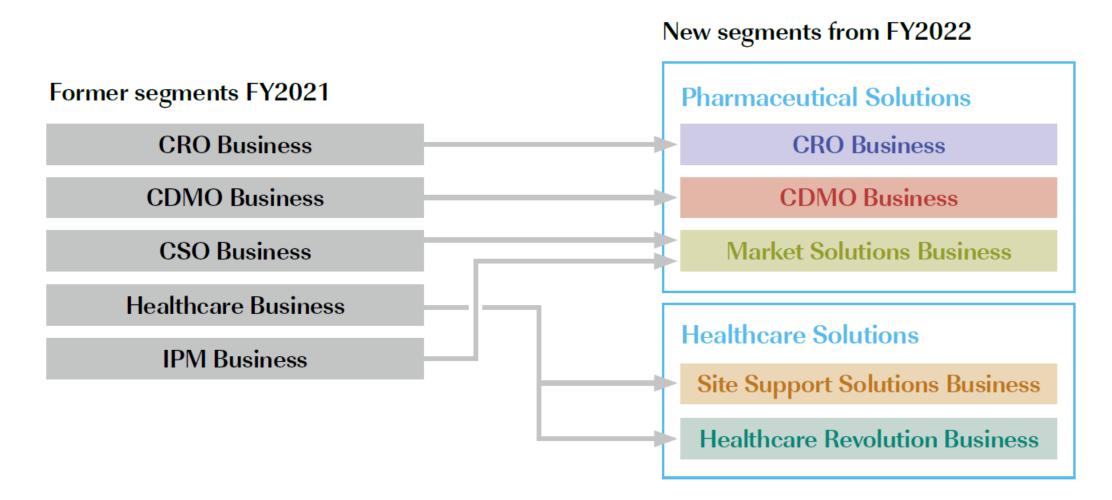


25 group companies, 61sites (48 offices, 6 factories, 7 laboratories) Japan: 12 companies **Overseas: 13 companies** Korea China **Hong Kong** Taiwan Vietnam **Philippines** Thailand Malaysia **Japan** : **47** Singapore (Plants: 4, Labs: 6) Offices Australia Plants **Q** Labs Global: 14 (Plants: 2, Lab: 1) Offices Plants Lab

Change in reportable segment



From FY22, there will be two reportable segments: Pharmaceutical Solutions, which expands PVC models, and Healthcare Solutions, which contributes to the health of individuals through medical institutions and local governments, etc.



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



Progress of 2nd quarter of FY2022



Evolution of healthcare business

- Support for COVID vaccination and PCR testing by local governments
 - Utilization of the COVID-19 vaccination information management system "harmo® vaccine care"
 - Call center (to consult about adverse reactions), human resources support (Physician and nurse reference, admin staff), launch of antigen test kits
- Collaboration with local governments
 - VRS Vaccination Records used by all Citizens: "harmo® vaccine care " in Hokuto City, Yamanashi Prefecture
 - Comprehensive Collaborative Agreement with Myoko City, Niigata Prefecture, on measures against new coronavirus infection and health promotion
 - "harmo® vaccine care" app used in seven towns and villages at the foot of Mt. Yotei to prevent accidental vaccination of children



Progress of 2nd quarter of FY2022



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



- Accelerating & streamlining drug and device development
 - Partnership with Science 37[®] to accelerate Decentralized Clinical Trials (DCTs)
 and speed up drug development
- ➤ In the bioanalysis business, CMIC supports drug discovery in cutting-edge areas where modalities are diversifying, such as next-generation biopharmaceuticals and gene therapy drugs

Progress of 2nd quarter of FY2022



Contribution to sustainable society through services with high social benefits

CMIC acquires "Kurumin Certification" as a company that supports child-rearing



Support of Rare Disease Day (the world rare and intractable disease day) activities





Consolidated income statement (overview)



	2021	/Q2	2022	2/Q2		
	Amount Composition ratio		Amount	Composition ratio	Change	Percent Change
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)
Sales	38,645	100.0	51,769	100.0	+13,123	+34.0
Operating income	2,158	5.6	5,743	11.1	+3,584	+166.1
Ordinary income	2,368	6.1	6,169	11.9	+3,800	+160.5
Profit attributable to owners of parent	1,222	3.2	3,503	6.8	+2,281	+186.6
Earnings per share	¥67	.58	¥194	4.07		

The impact of the situation in Ukraine on our Group through the first half of the current fiscal year has been minimal.

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



(¥ millions)	2021/Q2 2022/Q2		(¥ millions)	2021/Q2	2022/Q2
Non-operating income	326	530	Extraordinary income	116	_
Interest income	1	1	Gain on forgiveness of debts	116	_
Foreign exchange gains	159	467			
Share of profit of entities accounted for using equity method	20	_	Extraordinary losses	58	51
Other	145	61	Loss on retirement of non-current assets	25	43
			Loss on valuation of investment securities	32	8
Non-operating expenses	116	104			
Interest expenses	64	74	Income taxes	1,004	2,631
Other	52	29			
			Profit (loss) attributable to non-controlling interests	199	(17)
				<u> </u>	

Sales & Operating income by reportable segment



		2021/Q2 Amount (¥ millions)	2022/Q2 Amount (¥ millions)	Change (¥ millions)	Percent change (%)
Pharmaceutical	Sales	33,566	36,820	+3,254	+9.7
Solutions	Operating income	2,686	2,326	(359)	(13.4)
Healthcare	Sales	5,348	15,262	+9,913	+185.4
Solutions	Operating income	152	4,182	+4,030	+2,650.4
A dissature conta	Sales	(269)	(314)	(44)	_
Adjustments	Operating income	(679)	(765)	(86)	_
Consolidated	Sales	38,645	51,769	+13,123	+34.0
	Operating income	2,158	5,743	+3,584	+166.1

*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

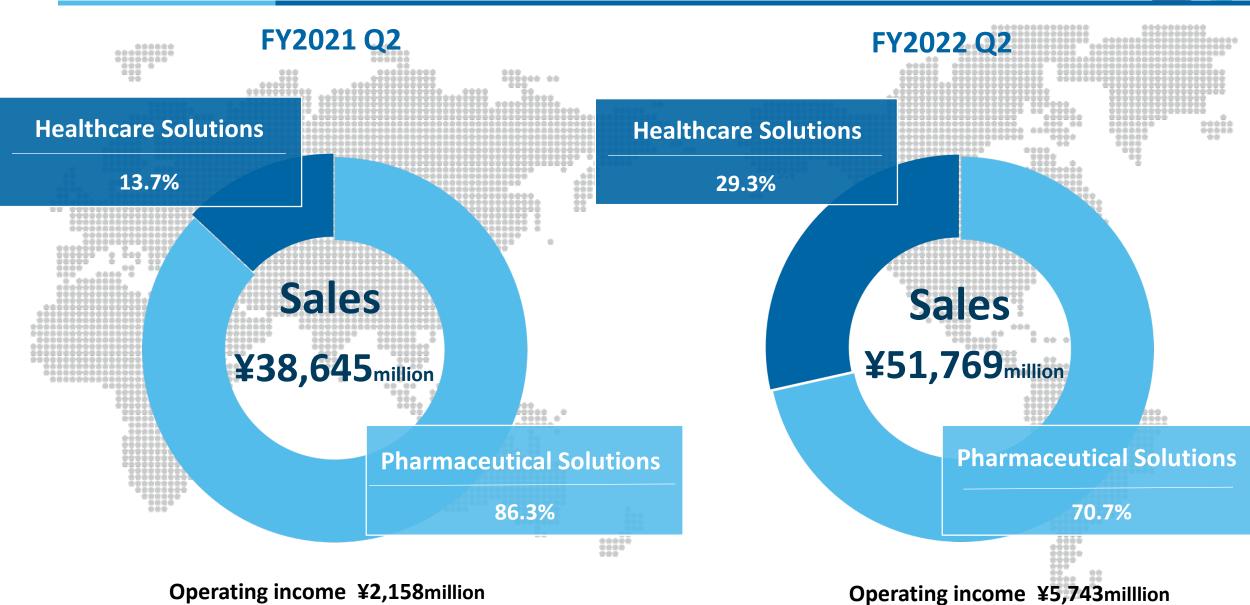


	2021/	Q2	2022/Q2						
	Orders received	Backlog	Orders received	Percent Change	Backlog	Percent Change			
	(¥ millions)	(¥ millions) (¥ millions)		(%)	(¥ millions)	(%)			
Pharmaceutical Solutions	33,156	66,227	44,327	+33.7	77,688	+17.3			
Healthcare Solutions	7,249	14,026	15,334	+111.5	16,947	+20.8			
T o t a I	40,405	80,254	59,661	+47.7	94,636	+17.9			

Sales composition ratio

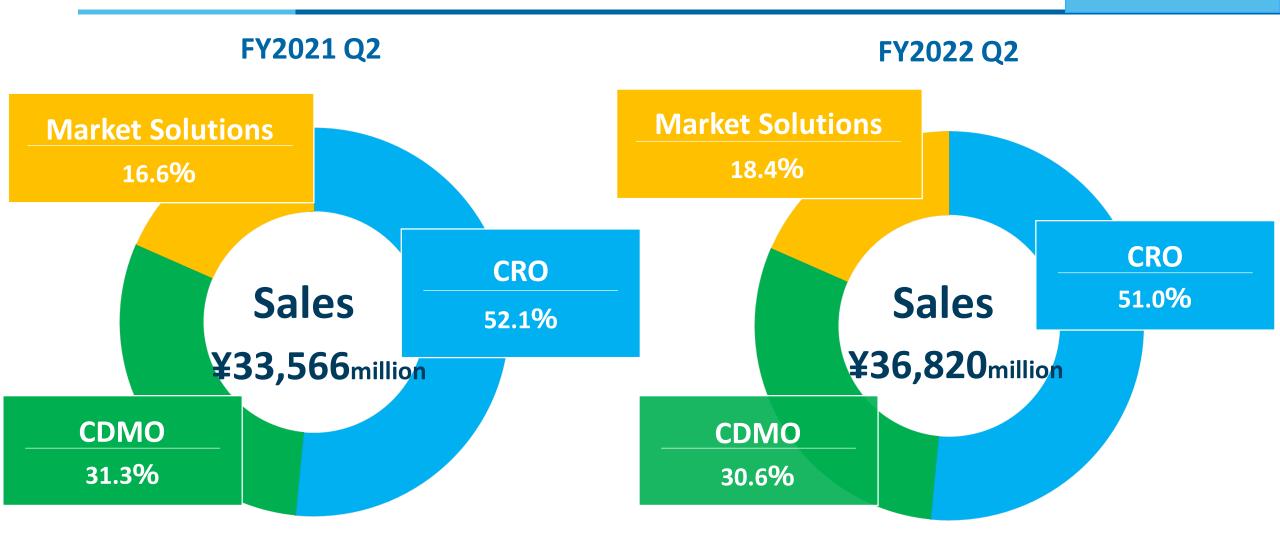
Operating margin 5.6%





Operating margin 11.1%

Sales composition ratio of Pharmaceutical Solutions



Operating income ¥2,686million
Operating margin 8.0%

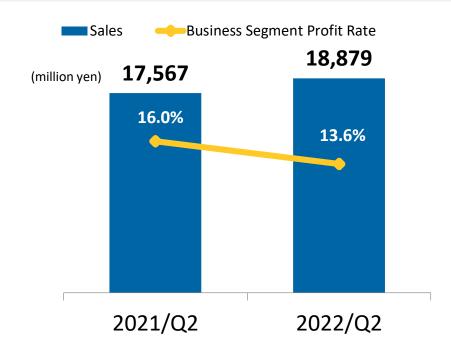
Operating income ¥2,326million
Operating margin 6.3%

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
- Partnership with Science 37® to Promote Decentralized Clinical Trials (DCTs) and Accelerate Drug Development
- In the bioanalysis business, CMIC supports drug discovery in cutting-edge areas where modalities are diversifying, such as next-generation biopharmaceuticals and gene therapy drugs



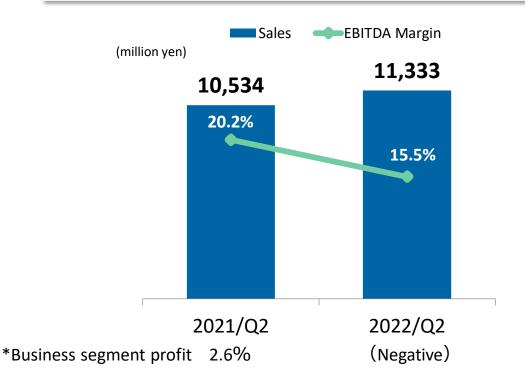
- Enhanced development support for advanced therapies such as biologics and regenerative medicine (full support for filing by Academia and BV)
- Digital applications such as DCT and RWD
- Proactive take on nucleic acid medicine projects via collaboration of laboratories in Japan and the U.S.
- Proactive 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
- Energy costs on the rise
- Growing need to ensure stable supply in response to the spread of new coronavirus infections and generic quality issues
- Focus on acquiring new projects in the U.S.



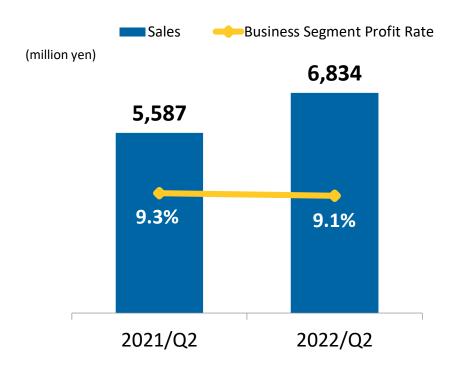
- Steady implementation of production at the Ashikaga injectable facility and its contribution to earnings
- Full-scale development of licensing business for formulation technologies (microneedles, etc.)
- Expand business at the new U.S. site
- Strengthen our position as a strategic partner for domestic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

Business Segment: Market Solutions Business

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

Business Overview

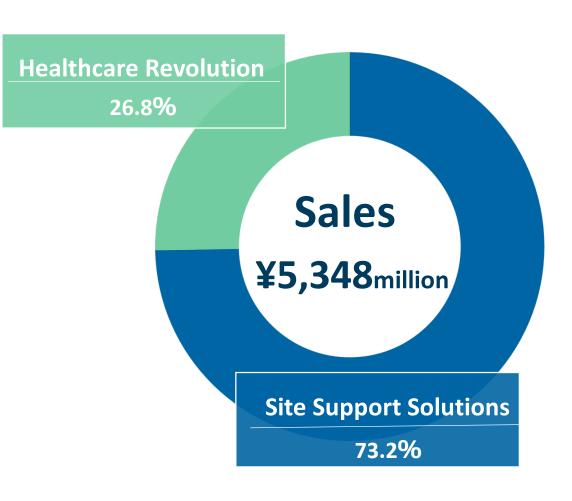
- Sales increased from the same period of the previous year
- Acquired new projects and made steady progress in existing projects in MR dispatch services

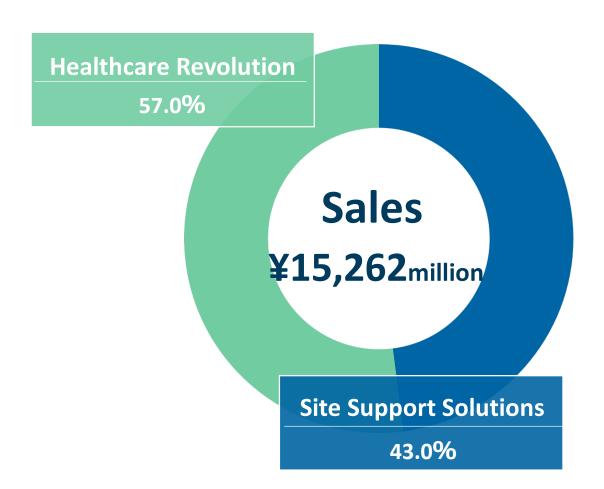


- Expand positioning in the MR dispatch business
- Efficient recruitment of MRs and MSLs
- Provision of hybrid services
- Promotion of multi-channel

Sales composition ratio of Healthcare Solutions

FY2021 Q2 FY2022 Q2





Operating income ¥152million

Operating margin 2.8%

Operating income ¥4,182million

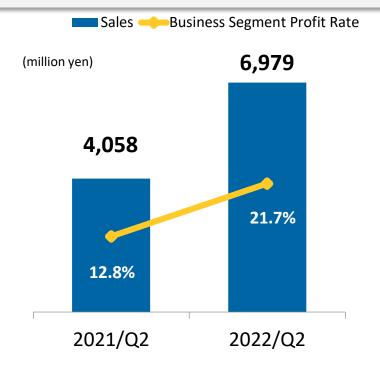
Operating margin 27.4%

Business Segment: Site Support Solutions Business

Comprehensive support of medical institutes and medical staff

Business Overview

- Sales significantly exceeded the same period of the previous year
- Increase in development projects for vaccines and therapeutic drugs for new coronavirus infections
- Needs for clinical trials (researches) and other support for medical institutions are expanding
- Promote collaboration with academia



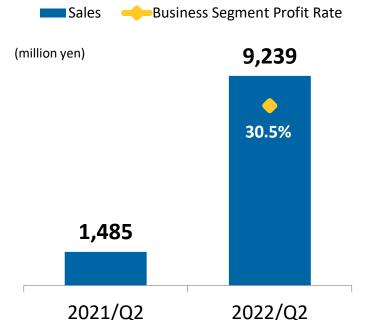
- Shifting from treatment to prevention/prognosis market (prophylaxis treatment agents and clinical trias using apps)
- Providing support for university hospital network, etc.
- Providing services in community healthcare

Business Segment: Healthcare Revolution Business

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

Business Overview

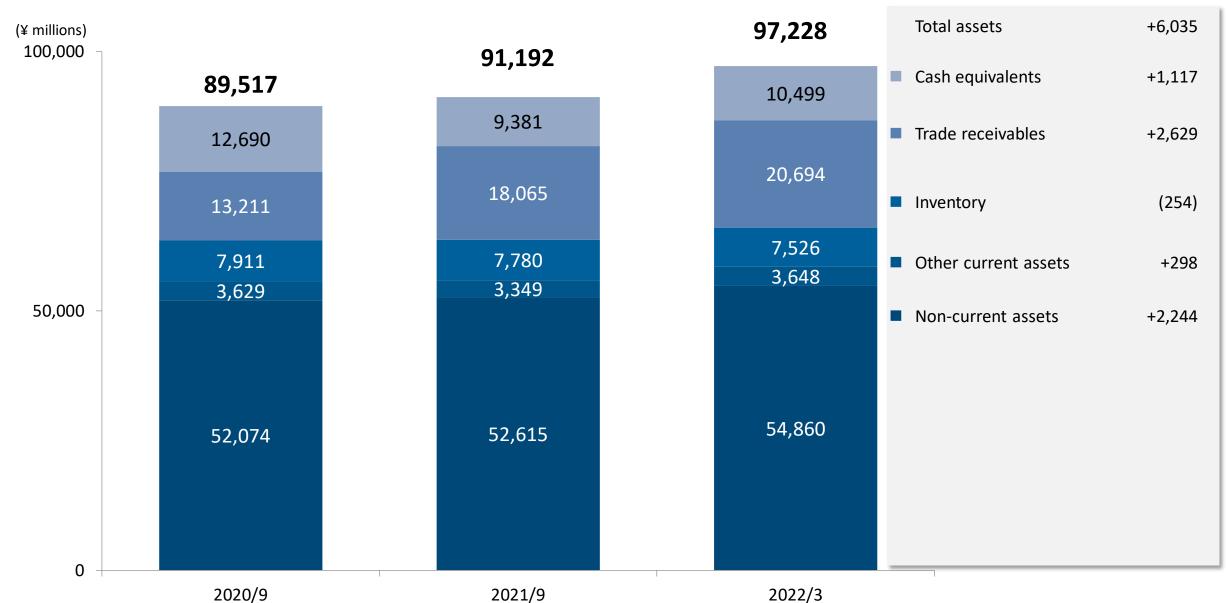
- Sales significantly exceeded the same period of the previous year
- Significant increase in vaccination support services for new coronavirus infections, etc.
- Expansion of businesses that integrate disease prevention, health information, and IT technologies
- Promote cooperation with local governments
- Promote the use of harmo® as a Healthcare Communication Channel in PHRs, etc.



- 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

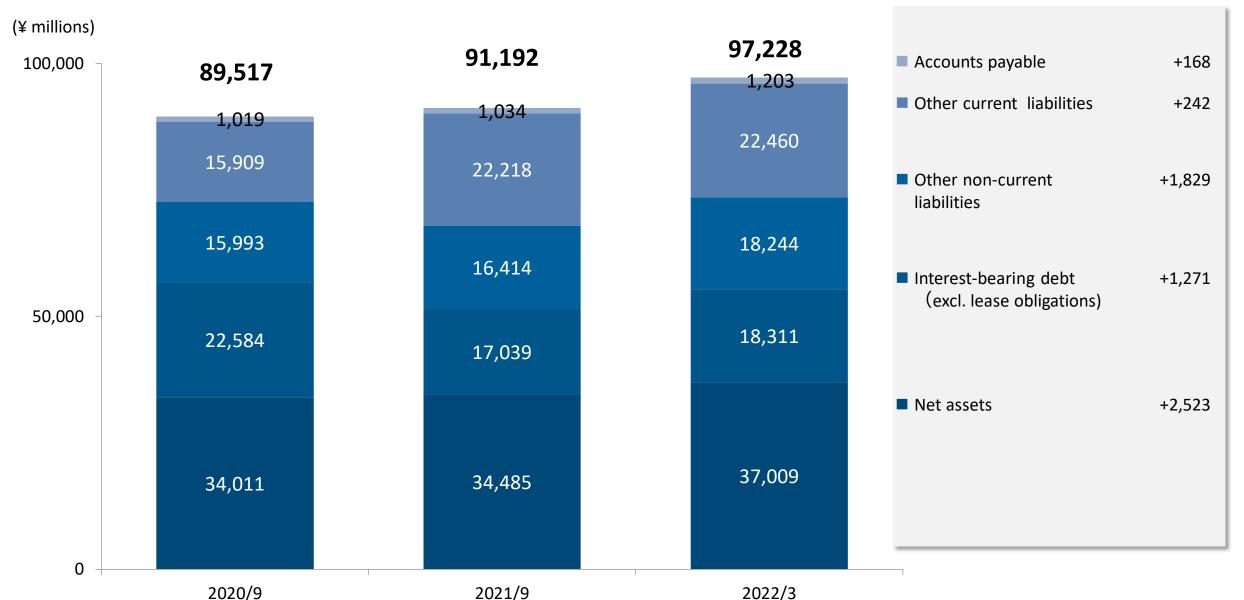
Consolidated balance sheet (assets)





Consolidated balance sheet (liabilities and net assets)









(¥ millions)	2021/3	2022/3	Increase (decrease)	【Key factors】
Cash flows from operating activities	2,089	4,011	+1,921	(Cash flow from operating activities)
Cash flows from investing activities	(2,730)	(3,682)	(951)	 Increase in funds due to recording of income before income taxes, etc.
Cash flows from financing activities	(1,412)	906	+2,318	
Effect of exchange rate change on cash and cash equivalents	(47)	(278)	(231)	(Cash flow from investing activities)Expenditures for the acquisition of property
Net increase(decrease) in cash and cash equivalents	(2,100)	956	+3,056	plant and equipment, etc. in the CDMO business
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	1	60	+58	(Cash flow from financing activities)Proceeds from borrowing payable, etc.
Cash and cash equivalents at beginning of period	12,688	9,379	(3,308)	r rocceus from borrowing payable, etc.
Cash and cash equivalents at end of period	10,589	10,395	(193)	



Forecast for FY ending Sep. 2022



Impact and risks of changes in business environment on forecasts



COVID-19-related

- ➤ Therapeutic drug and vaccine development projects continue
- Large-scale vaccination projects expected to decline

Impact and risks of changes in business environment on forecasts



Russia and Ukraine situation

- ➤ No group sites in Russia or Ukraine
- Impact on contracted projects
 - Cancellation or postponement of clinical trials in Russia and Ukraine
 - Delays in procurement of raw materials, medical equipment, and other materials due to logistics disruptions, etc.
- > Impact on profits from higher energy and logistics costs

Forecast for FY ending Sep. 2022



				(¥	millions)							
	2021/9 Actual (¥ millions)	2022/9 Previous Forecast (2022/1/31)	2022/9 Revised Forecast (¥ millions)	Change from January Forecast (%)	8,000					7,600 7.8%		- 10%
	,	(¥ millions)	(+	(70)	6,000							
Net Sales	85,788	95,000	97,000	2.1	,		4,	,920	,			
Operating income	4,920	6,000	7,600	26.7	4,000 -	2 605		5.7%			 	- 5%
Ordinary income	5,091	5,800	7,800	34.5	2,000 -	2,605 3.4%						
Profit attributable to owners of parent	2,023	3,000	3,900	30.0	0							00/
Earnings per share	¥ 111.85	¥ 165.82	¥ 217.30		0 +	2020/9 Operatin	20 g income	021/9 Op	eratinç	2022/9E g margin		- 0%



Cautionary statement:

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