

Healthcare / Nutrition

Wellness Business Unit

Masato Sugahara

Building Resilience amid the COVID-19 Pandemic

Situation as of November 2020

- ◆ Active social contributions in cooperation with governments to curb the spread of COVID-19 pandemic
- ◆ Witnessed a gradual recovery in our biggest market : Singapore, which contributed to the revenue growth.
Taking COVID-19 as an opportunity to capture a diverse range of patients

Changes since Spring 2020

- ◆ Fewer non-essential hospital visits and surgeries
- ◆ Decrease in medical tourism
- ◆ Increase in domestic patients
- ◆ Increase in lab testing

**30,000
COVID-19
patients treated**

(Singapore, India, Turkey)

**10,000/day and 1.5 mil
cumulative PCR tests**

Measures

**Hundreds of
collaboration cases**
cumulative non-COVID-19
patients accepted from public
hospitals (Singapore, Hong Kong)

**8 countries and
regions**
Telemedicine launched

**10 locations, 18mil
people**
Public sector support at care
facilities and border checkpoints
(Singapore)

-30%
Deferment of non-urgent
CAPEX

Future

- ◆ **Medical tourism gradually recovering**
(in Turkey, 18% of recent revenue)
- ◆ **Increasing demand from Asian countries for IHH to build new hospitals**
(opportunities for new entries)

Building resilience amid the COVID-19 pandemic

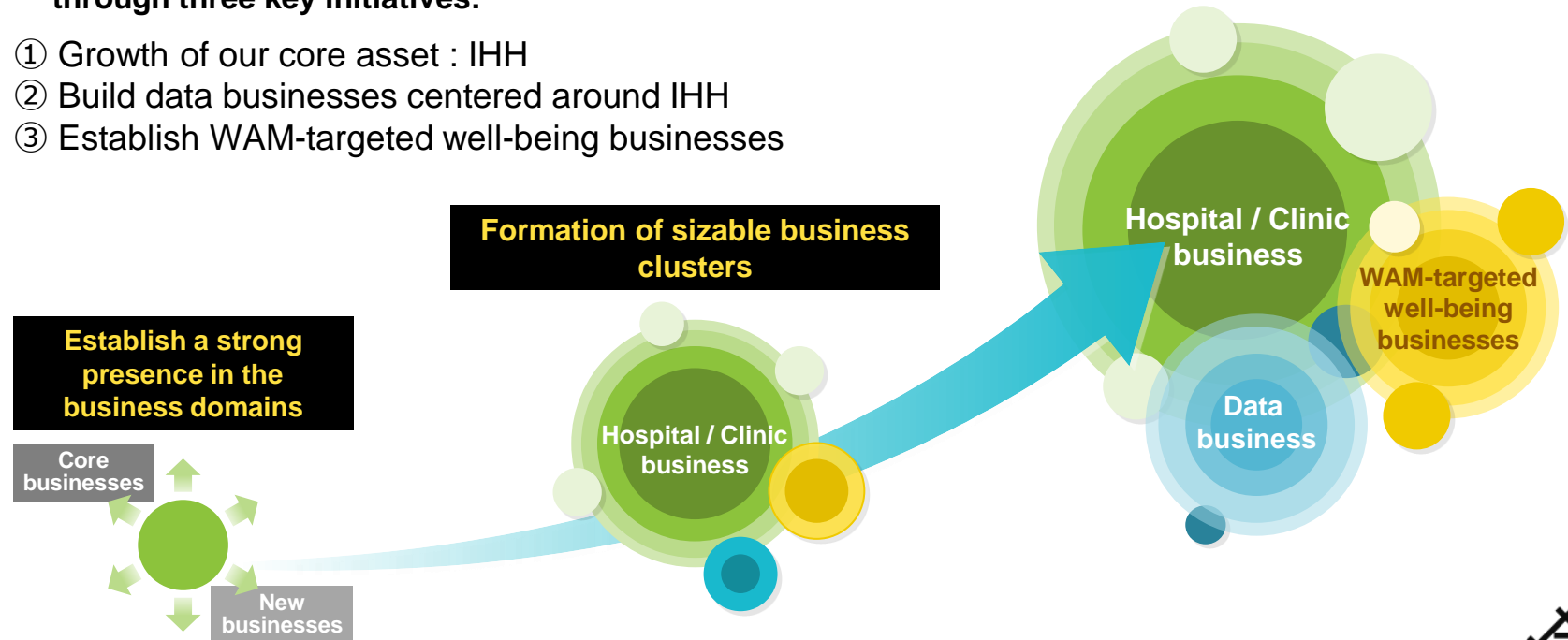
- **Fight against COVID-19** : Cooperating with governments and becoming one of Asia's largest provider of PCR tests
- **Providing vaccination** : Hospitals/clinics in Singapore, Malaysia, Turkey, and India (as of May 2021)
- **Strong recovery in earnings**: Increase in the number of domestic patients and COVID-19-related revenue to cover for the dip in medical tourism sales.

Vision for the Future of the Healthcare / Nutrition Business Domain

◆ We will build Mitsui's Wellness Business Cluster through three key initiatives:

- ① Growth of our core asset : IHH
- ② Build data businesses centered around IHH
- ③ Establish WAM-targeted well-being businesses

Mitsui's Wellness Business Cluster



① Expanding and Strengthening Our Core Businesses

- ◆ Continue to strengthen IHH's business and seek to more than double its ROE over the next 4-5 years.
- ◆ Implement new growth strategies - establishing Asia's largest laboratory diagnostics business, and healthcare data business.

Strengthen group management capabilities

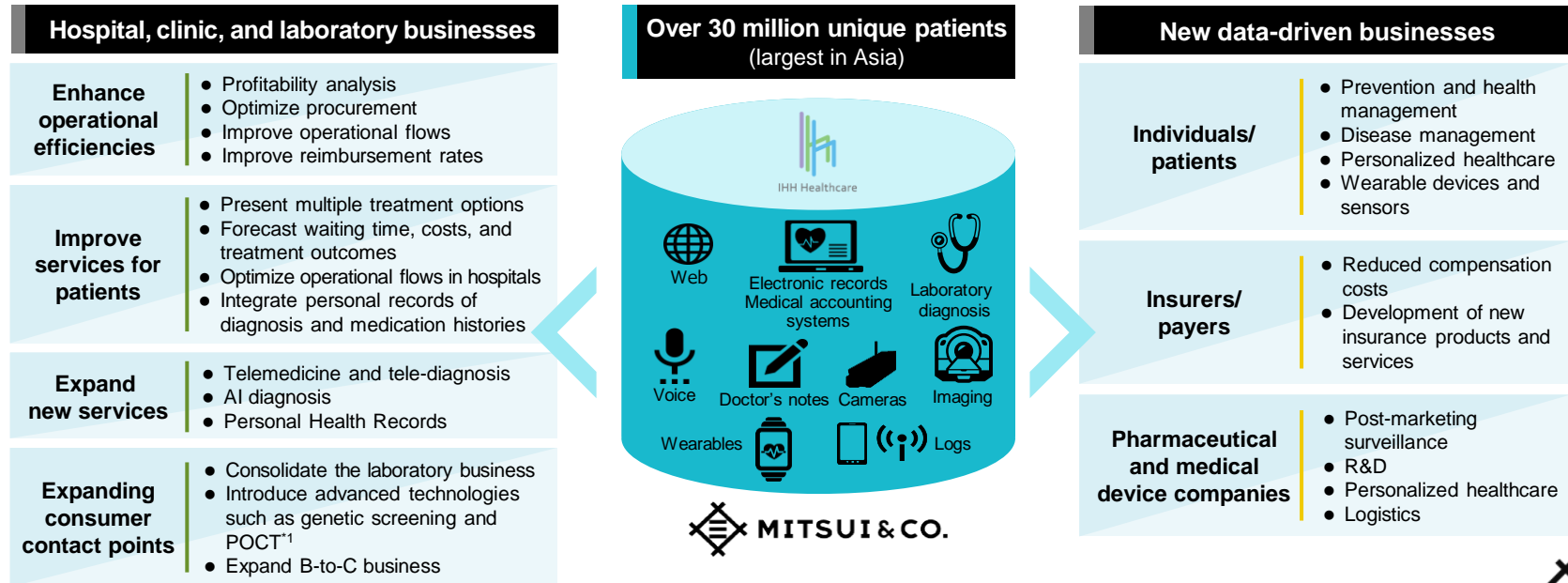
- **Strengthen portfolio:** Strategically promoted recycling of capital, such as acquisition of a hospital in Malaysia, divestment of non-core hospital in India, and entry into new markets.
- **Cluster strategy:** In the home markets, enhance services and expand market shares by optimizing the cluster of hospitals by function and induce inter-hospital collaborations.
- **Create synergies:** Initial savings already achieved as part of the long-term cost-reduction plans targeting more than USD 100 million savings. Optimization of the group procurement organization.

New growth strategies

- **Leverage healthcare data:** Use data to enhance hospital operation. Develop new business areas such as prevention and personalized healthcare.
- **Strengthen and spin out laboratory business:** Establish and co-manage Asia's largest laboratory business and provide state-of-the-art lab technologies.

② Mitsui to utilize IHH data to achieve management efficiencies and develop new biz

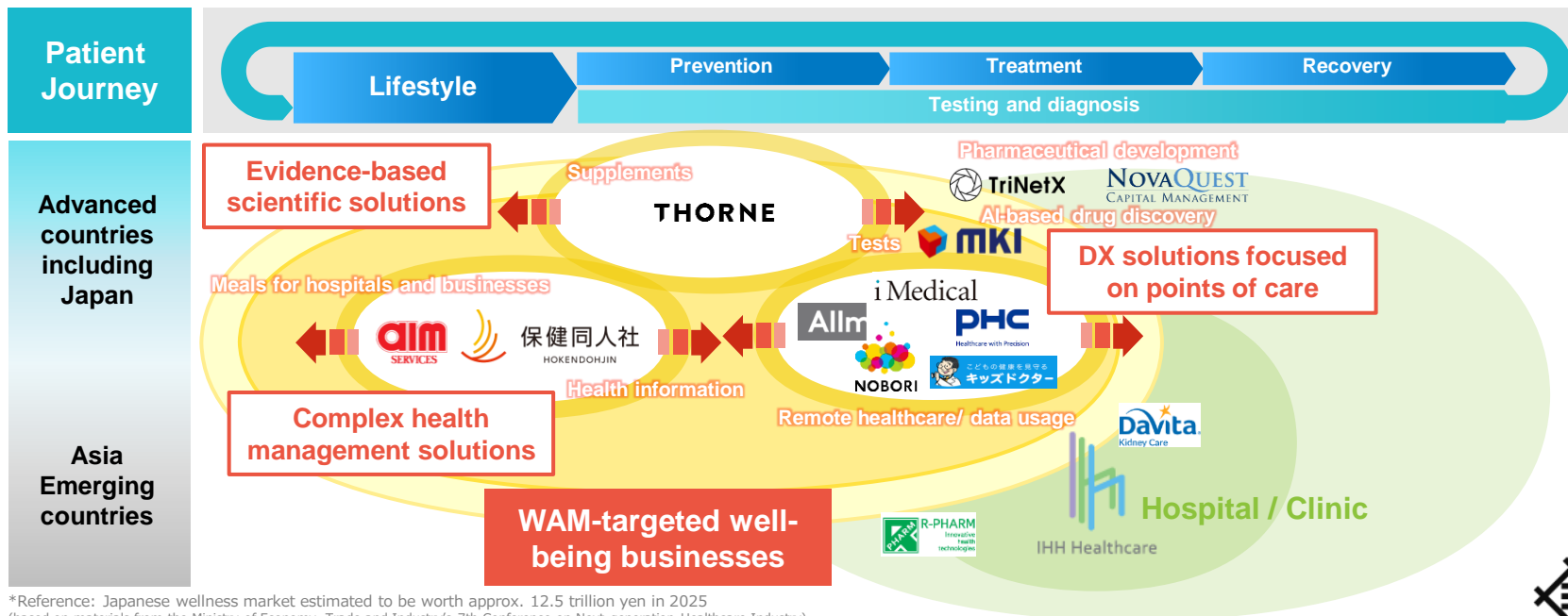
- ◆ Implementing value-based healthcare in Asia and beyond by utilizing the data of over 30 million unique patients in IHH and the consumer contact points held by its laboratory business.
- ◆ Aim to develop new data-driven businesses and scale it to be on par with IHH in value.



*1 POCT (Point of Care Testing): A testing system that uses portable analytical equipment or diagnostic kits to gain useful healthcare information at the place the patient is being treated, rather than in a laboratory.

③ Establish a WAM-targeted Well-being Businesses (WAM: Wellness All Mitsui)

- ◆ In advanced countries, which have growing needs for health-conscious offerings and reduced healthcare costs, expand target from “patients” to include “healthy individuals” and establish well-being businesses that offer services which utilize digital technology for preventive care, testing and diagnosis outside of hospitals.
- ◆ Driving a Groupwide initiatives (WAM) that aims to take a multifaceted and complex approach to each stakeholder.



*Reference: Japanese wellness market estimated to be worth approx. 12.5 trillion yen in 2025 (based on materials from the Ministry of Economy, Trade and Industry's 7th Conference on Next-generation Healthcare Industry)

③ Key Strategic Domains for the WAM-targeted Well-being Businesses

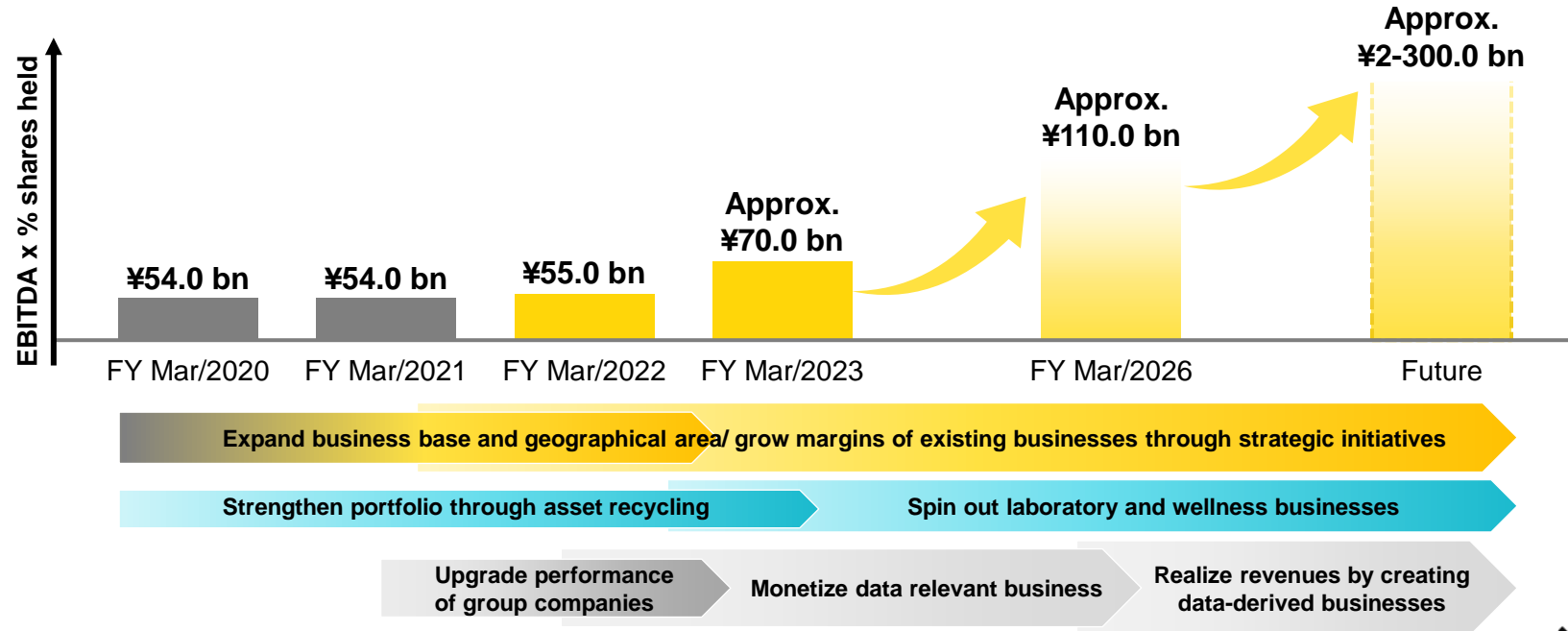


- ◆ Strive to leverage industry-government-academic frameworks and introduce new technology and patient /consumer centric services to implement a plan of attack that builds on existing businesses, invests in new businesses, and utilizes data and digital technology to provide the following three solutions.



Quantitative Targets and Milestones

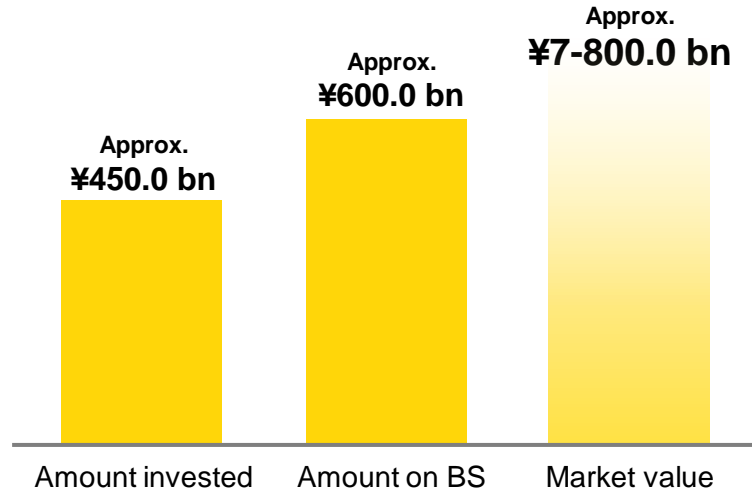
- ◆ By expanding core businesses as well as new investments in data, laboratory, and wellness businesses with high valuation multiples, we will aim for non-linear but steady growth by combining recurring earnings flows and capital gains earned through IPO and strategic recycling.



Appendix: Healthcare/ Nutrition Investments

Value of investments

(As of the end of March 2021)



*Based on market value of listed shares as of the end of March 2021

*For non-listed shares, fair market valuation was used only for shares that can be calculated rationally

Examples of assets that generated capital gains

IHH Healthcare Berhad
Columbia Asia Healthcare Pte. Ltd.
Fuji Pharma Co., Ltd.
Sogo Medical Co., Ltd.
MBK Real Estate holdings Inc.
MIMS Pte Ltd
Lifenet Insurance Company
etc.