



Healthcare / Nutrition Business Strategy

Healthcare & Service Business Unit

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Megatrends: Healthcare market trends

Social issues



Population growth, aging



Rising medical costs

Technological advancement



Spread of mobile devices



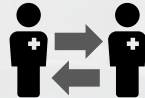
Big data, AI, etc.

Value of Healthcare data



Healthcare quality improvement

- ◆ From volume-focused to outcome-focused



Healthcare access improvement

- ◆ Improving transparency of choices and information
- ◆ Personalization of healthcare

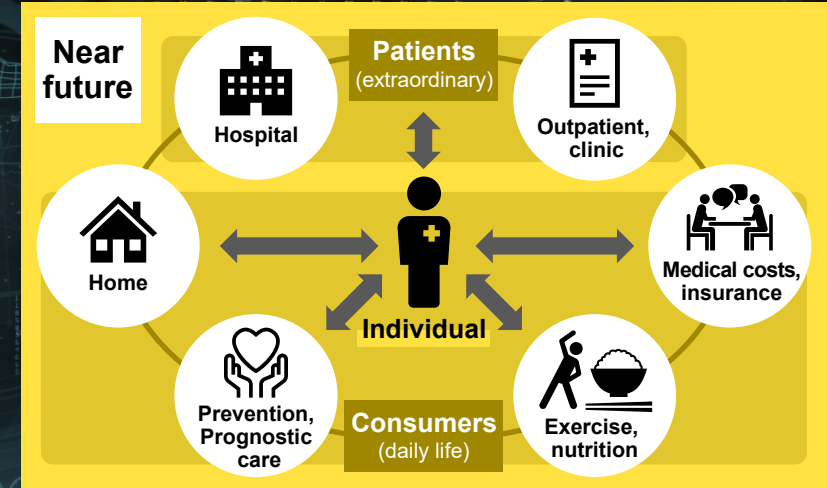
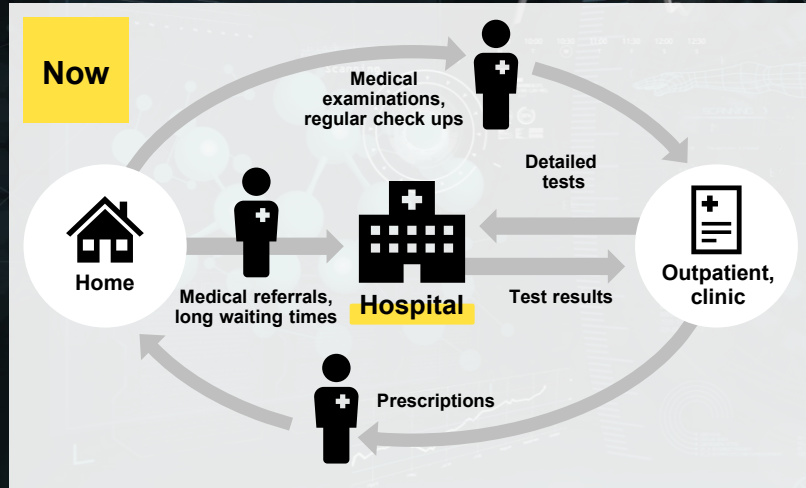


Healthcare cost management

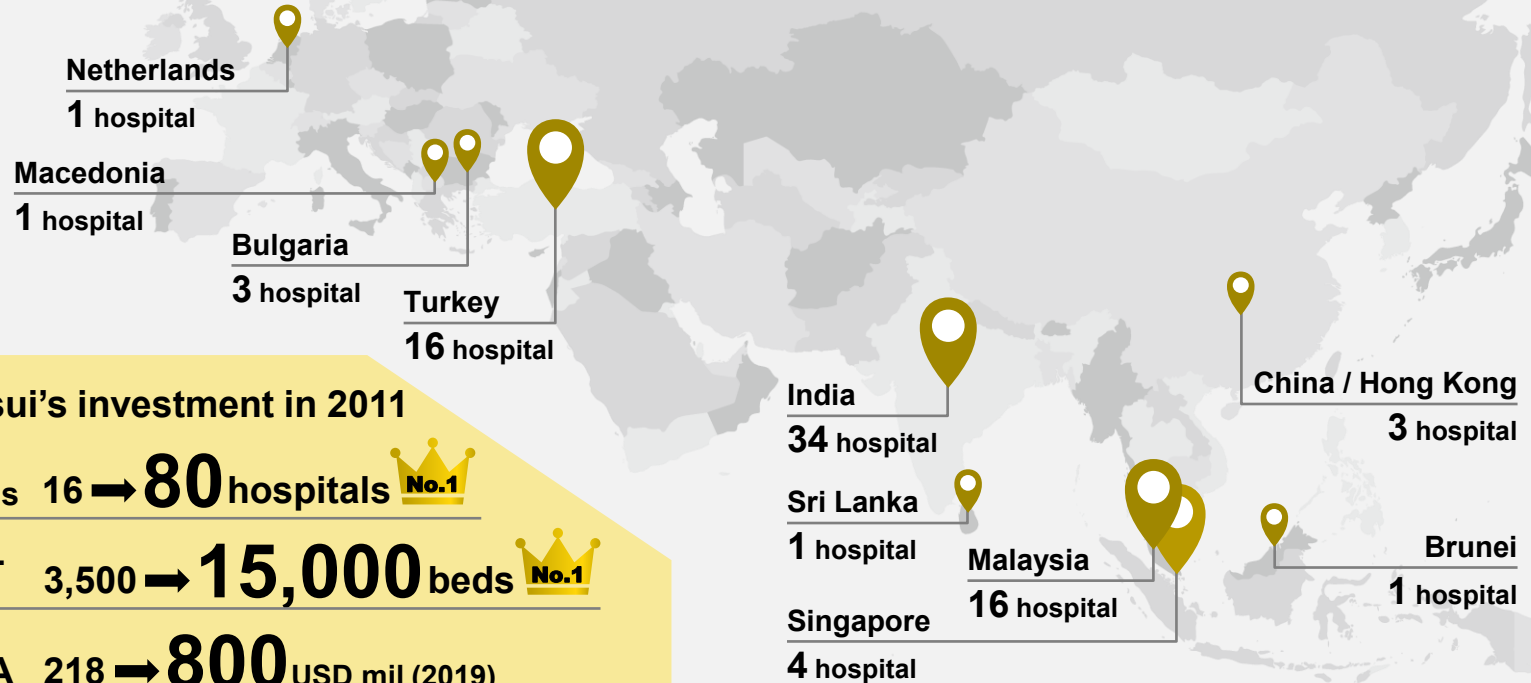
- ◆ Prevention and Disease Management
- ◆ Early risk detection of serious illnesses

A paradigm shift in healthcare initiated by Mitsui & Co.

- ◆ From "treatment-centered, volume-focused" healthcare to "prevention-centered, outcome-focused" wellness.
- ◆ From "hospital-centered" to "individual-centered" value-based healthcare



Core assets: IHH



Since Mitsui's investment in 2011

No. of Hospitals 16 → **80** hospitals **No.1**

Total no. of beds 3,500 → **15,000** beds **No.1**

EBITDA 218 → **800** USD mil (2019)

*Comparison among listed private hospitals in Asia (based on Mitsui's research)

IHH: COVID-19 Impact, measures, and current situation

- ◆ Active social contribution in cooperation with governments to curb COVID-19 pandemic
- ◆ Singapore, a core revenue base, on a recovery trend; now taking COVID-19 as an opportunity to capture a diverse range of customers

Changes since Spring 2020

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

Implementation of measures

30,000¹
cumulative COVID-19
patients treated
(Singapore, India, Turkey)

Several hundreds²
cumulative
non-COVID-19
patients accepted from
public hospitals
(Singapore, Hong Kong)

10 locations, 1,800
people³
Operational support of care
facilities and border checks
(Singapore)

10,000/day,
1.5 mil cumulative
PCR tests

8 countries
and regions
Telemedicine launch

-30%
Revision of
non-urgent CAPEX

Future

- ◆ **Medical tourism gradually recovering**
(In Turkey, 18% of current revenue)
- ◆ **Increasing need from Asian countries for IHH to build hospitals**
(Increase in opportunities for new entry)

¹ No. of in-patients in IHH group hospitals

² No. of advanced medical surgeries conducted in IHH group hospitals

³ No. of border checks (temperature management, etc.)

IHH: Growth strategy after Mitsui's additional investment

Strengthen group management base

Strengthen management structure
and realize cross-business synergies

Strengthen/expand business portfolio

Cluster strategy



New growth strategy

DX/creation of data platform

Geographical /
New business expansion

Ancillary business spin-out

IHH: Growth strategy after Mitsui's additional investment

Strengthen group management base

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Cluster strategy

- ◆ Significantly reduce costs by group purchasing
- ◆ Cooperation in laboratory business and IT systems

- ◆ India: Implement turnaround measures at acquired hospitals including Fortis
- ◆ Turkey: Significantly reduce foreign-currency-denominated debt and increase foreign-currency revenue
- ◆ Malaysia: Acquired Prince Court Medical Center

- ◆ Implemented "Hub & Spoke model" in home market
- ◆ Raise productivity, profitability, and reduce costs by strengthening cooperation and the allocation of roles/functions by each hospital

IHH: Growth strategy after Mitsui's additional investment

- ◆ Leverage healthcare data to create value-based healthcare

- ◆ Continue geographic expansion strategy into neighboring countries including China
- ◆ Collaborate with insurance and wellness businesses

- ◆ Implement integrated operations and growth strategy for laboratory businesses in all countries
- ◆ Establish Asia's largest clinical examination laboratory business

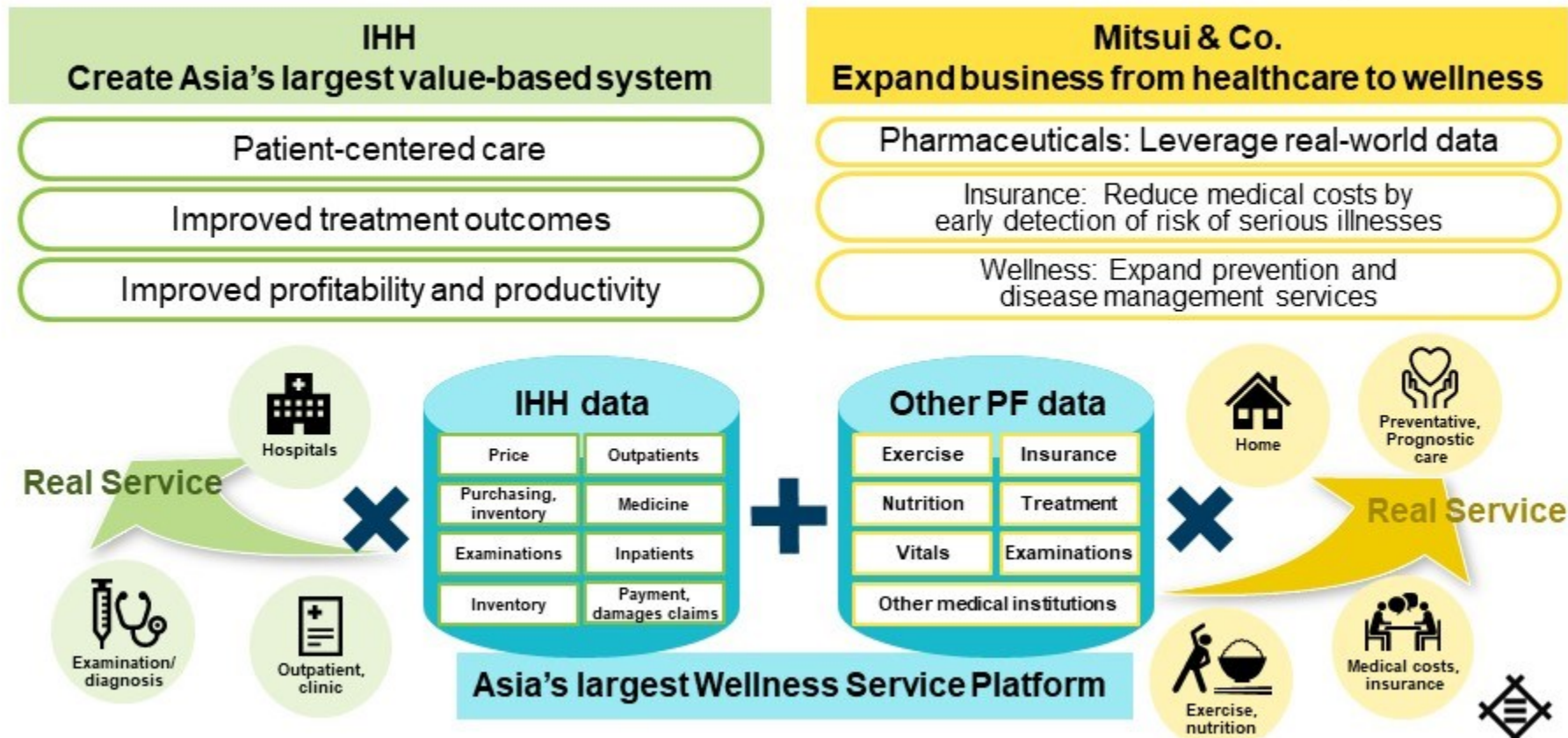
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Geographical /
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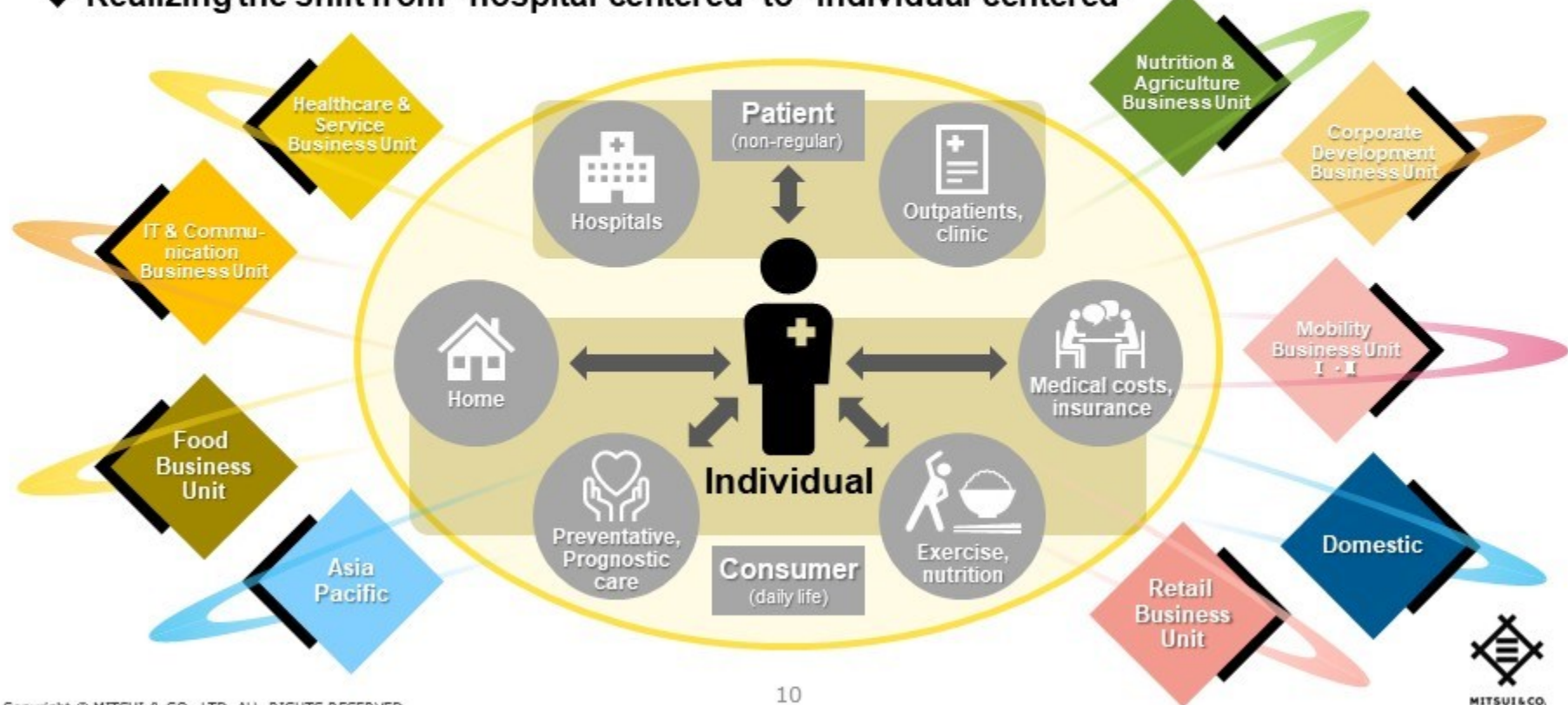
Ancillary business spin-out

Mitsui's & Co.'s business vision: Based on DX at IHH and creation of wellness platform



Mitsui & Co.'s vision for the future

◆ Realizing the shift from "hospital-centered" to "individual-centered"

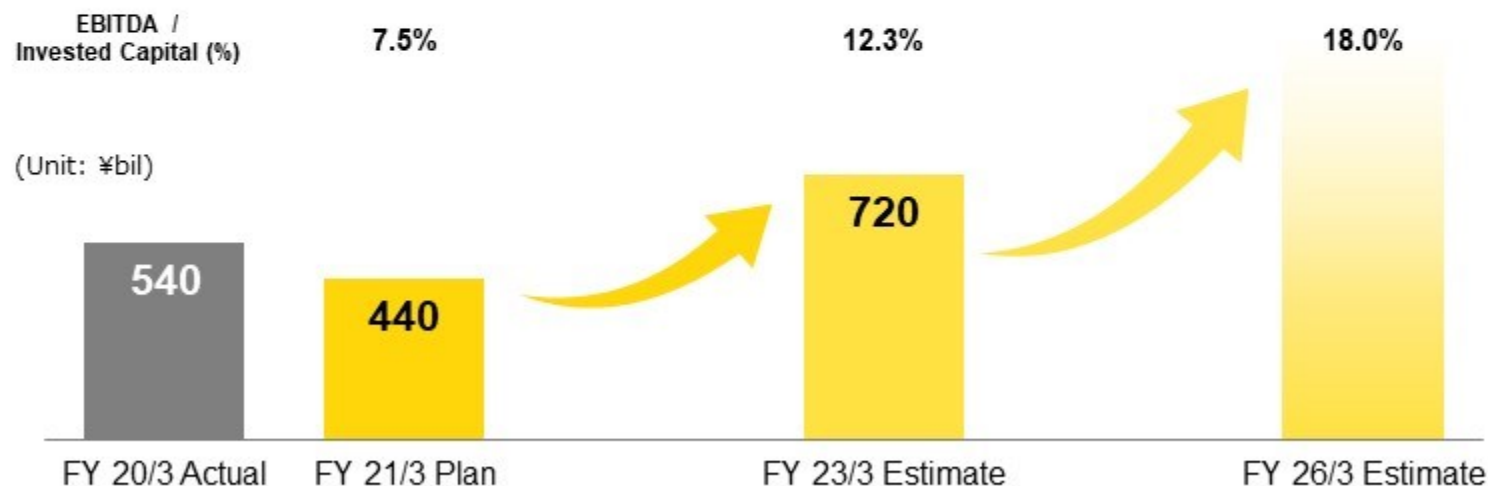


Quantitative targets

- ◆ Expand equity proportional EBITDA of healthcare and nutrition to approx. ¥ 100 billion by FY 26/3

Changes in Mitsui's equity proportional EBITDA of healthcare and nutrition assets

(assumption to hold existing businesses, not including new investments)



Appendix: COVID-19 response

Insufficient hospital infrastructure

- ◆ IHH-government cooperation to receive COVID-19 patients
- ◆ Introduce telemedicine in response to need for contactless interactions

Insufficient medical resources

- ◆ IHH providing physical/human resources to public and private hospitals
- ◆ Relief supplies to hospitals under China Resources
- ◆ Food support for Japanese medical institutions

Increased importance of diagnoses

- ◆ LSIM under PHCHD and IHH labs entrusted to conduct PCR tests
- ◆ NOBORI in collaboration with Alibaba group offering to provide medical institutions with AI diagnosis support systems free of charge

Initiatives for Prevention and presymptomatic illness

- ◆ Support for sale/development of medical treatments through R-Pharm in Russia
- ◆ Establishment of point of contact for COVID-19 through HOKENDOJINSHA Inc.