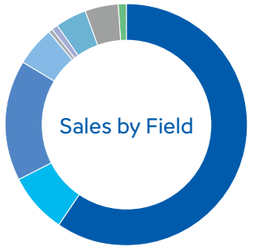
As-Is: Our Past and Present

Sysmex entered the *in vitro* diagnostics (IVD) hematology field in 1963 through its successful launch of the first made-in-Japan automated hematology analyzer. Since then, to meet growing and diversifying healthcare needs, we have continued to drive innovation in the diagnostics business and now operate in more than 190 countries and regions.

Fiscal 2024 Highlights

Net Sales	Operating Margin	ROE
¥508.6 billion	17.2%	12.0%
+10.2%	+0.2 points	- 0.1 point
year on year	year on year	year on year



Hematology	59.6%
Urinalysis	8.0%
Hemostasis	16.2%
Immunochemistry	5.1%
Clinical chemistry	0.7%
FCM	0.7%
Life science	4.2%
Others	4.4%
Medical robotics	1.1%

Americas	25.8%
EMEA	27.6%
China	23.2%
AP	10.1%
Japan	13.3%

■ Key Topics

Management

- Achieved record-high net sales, operating profit, and profit attributable to owners of the parent
- Strengthened efforts to enhance capital efficiency
- Announced discontinuation of rolling format for Mid-Term Management Plan (November) >>P44

Existing Businesses (Diagnostics)

- Growth led by hematology, hemostasis, and immunochemistry fields; sales increased across all regions
- Launched direct sales and service operations for hemostasis field in the United States and EU countries (April) >>P52
- Rapid antimicrobial susceptibility testing system won the UK's largest science prize, the "Longitude Prize on AMR" (June) >>P110
- Largest manufacturing base in the Sysmex Group completed in India (August) >>P55

New Businesses

- Launched quality control assay kits for regenerative and cellular medicine (June) >>P56
- Deployed and used clinically our robotic-assisted surgery system in Singapore, the first installation overseas (November) >>P56

Sustainability

- Received approval from the Science Based Targets initiative (July) >>P63
- Began sales of reagents using the industry's first plastic containers designed for horizontal recycling (January) >>P64


Automated blood coagulation analyzer and reagents


Production base in India

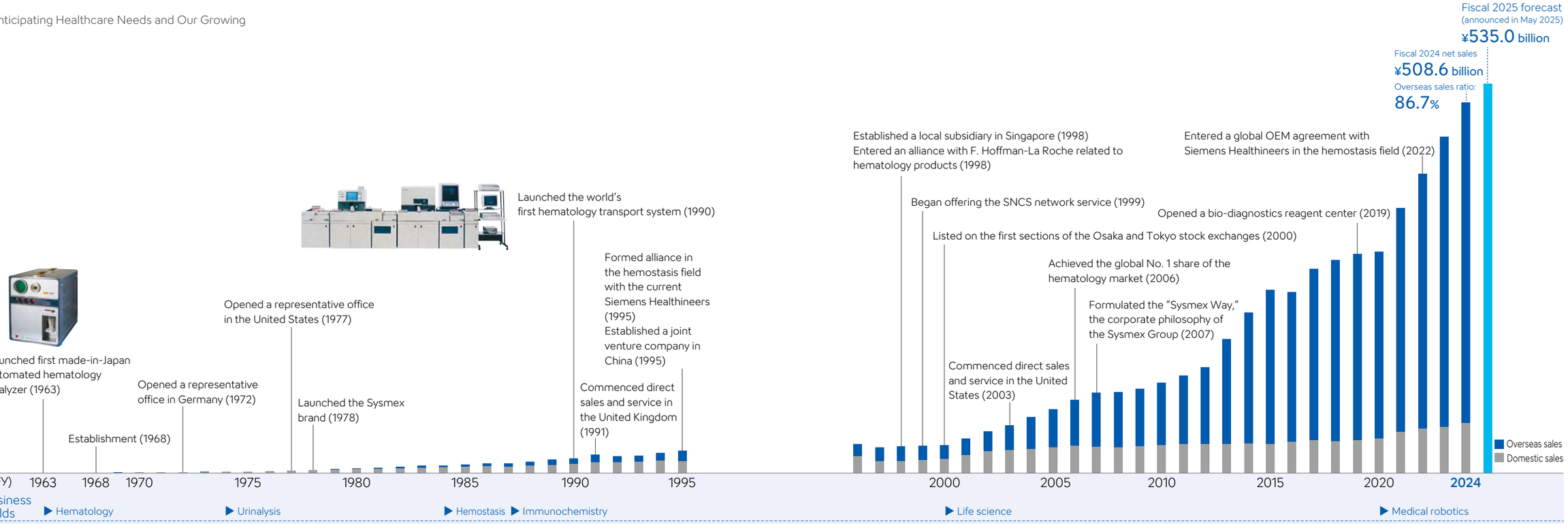

Robotic-assisted surgery system


Plastic container for horizontal recycling

Driver of Growth to Date ❶ Anticipating Healthcare Needs

By anticipating changes in the healthcare environment, expanding into new fields, and accelerating our global rollout, we have continued to grow—achieving a roughly sixfold increase in net sales over the past 20 years, and approximately double over the past 10 years.

■ Anticipating Healthcare Needs and Our Growing



	1963—1980'	1980'—1990'	1990'—2010'	2010'—
Changes in the Operating Environment	Enrollment in National Health Insurance (Japan) Growth in Healthcare Demand	Increasingly Diverse Healthcare Needs Efforts to Optimize Medical Expenses	Promotion of Globalization Advent of the IT Revolution	Medical Application of Innovative Technologies Increasingly Diverse Healthcare and More Diverse Needs
Value Provided by Sysmex	**Automation of Blood Cell Testing (Hematology)** • Launched first made-in-Japan automated hematology analyzer • Developed reagents as well as instruments, realizing increases in testing quality and performance	**Increasing Value Provided to Laboratories in Addition to Testing** • Developed the world's first hematology transport system, making the testing process more efficient and safer • Expanded into the fields of urinalysis, hemostasis and immunochemistry	**Expanding the Sales and Service Area Beginning to Provide Services Utilizing IT** • Expanded our direct sales and service structure, and expanded offerings to more than 190 countries and regions • Began using IT to provide proprietary services and support	**Taking on Challenges in Personalized Medicine and Other Areas to Further Expand Our Business Domain** • Developed and commercialized a gene testing system in the cancer domain • Expanded into testing for Alzheimer's disease and others • Launched a medical robotics business
Changes in Sales by Field	FY1980 Hematology (including some sales from other fields) 100%	FY1990 Hematology 90.8% Non-hematology (urinalysis, hemostasis, immunochemistry, and others) 9.2%	FY2010 Hematology 62.8% Urinalysis/fecal occult blood 7.1% Hemostasis 12.6% Immunochemistry 3.4% Clinical chemistry 2.9% Life science 0.8% Others 10.4%	FY2024 Hematology 59.6% Urinalysis 8.0% Hemostasis 16.2% Immunochemistry 5.1% Clinical chemistry 0.7% FCM 0.7% Life science 4.2% Others 4.4% Medical robotics 1.1%

Management Resources Cultivated Since Our Founding

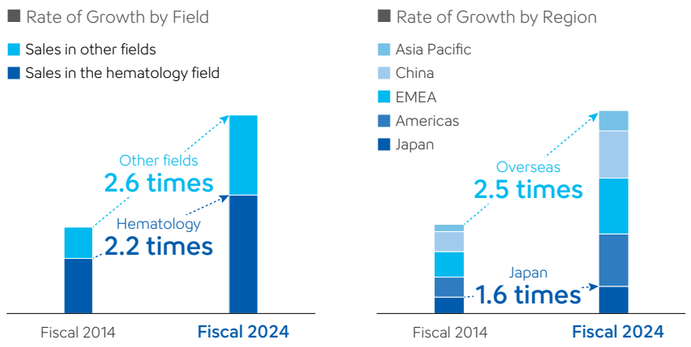
- R&D Capabilities Intellectual Property
- Production Structure
- Global Sales and Service Structure
- Environmental Resources
- Diverse Human Resources
- Stable Financial Foundation
- Brand Strength

Driver of Growth to Date ❷

Establishing a Cycle of Evolution

By reinforcing a cycle of evolution across R&D, production, sales, and service, we are building a robust foundation for growth—delivering reliability and peace of mind to our customers.

■ Our Cycle of Evolution in the Field of *in Vitro* Diagnostics



Sysmex has continuously grown in the field of *in vitro* diagnostics by acquiring and strengthening various management resources. This growth is driven by a cycle of sharing customer feedback throughout the entire Group and leveraging it to enhance product development and service improvements.

First, we have established a sales, service and support structure that aligns with local business customs, in addition to conducting direct sales and service/support on a global scale. This enables us to understand medical challenges and the needs of our customers, primarily laboratories, in various regions. To leverage this understanding for future value creation, we are working on the R&D of our products and services through the integration of our proprietary instruments, reagents, and IT technologies, as well as the utilization of open innovation. In terms of production, we manufacture our instruments in Japan, nearby our core research and development facilities, in order to produce a wide range of high-quality products (with some also produced overseas in response to local needs). Our reagents, meanwhile, are produced in 10 countries worldwide to ensure a robust and stable supply system that enables us to deliver reagents to customers promptly and ensure that essential medical testing continues uninterrupted.

In addition to the hematology field, this cycle has created value in new areas such as hemostasis, immunochemistry, and the life science field, allowing us to achieve sustainable growth.

R&D Capabilities, Intellectual Property

Value Creation through Synergies among Instruments, Reagents and IT

Through our proprietary technology platforms and open innovation, we continue to generate industry-leading innovations that provide accurate test data and products and services to improve productivity in testing laboratories. We also drive innovation through the development of new testing and diagnostic technologies.

Production Structure

Earning High Marks with Customers through a Stable Supply of High-Quality Instruments and Reagents

To deliver small quantities of a wide variety of high-quality instruments to our customers, we have established an efficient production system, centered in Japan, utilizing IT. For reagents, which support daily testing, we have set up global production bases to ensure a stable supply while reducing transportation costs. In recent years, we have strengthened our production capacity for bio-diagnostic reagents.

Global Sales and Service Structure

Sales, Service and Support Structure Tailored to Local Needs

In addition to selling through distributors familiar with local business customs, we have expanded direct sales, service and support in various regions, which has greatly contributed to our growth. We have established a strong brand presence through service and support systems tailored to the needs of each region, and now operate in more than 190 countries and regions.

Innovations Driving the Industry

1963	Launched first made-in-Japan automated hematology analyzer
1988	World's first reticulocyte analyzer[1]
1990	World's first hematology transport system[1]
1999	Began offering network services
2011	Industry's first concentrated reagent (hematology field)[1]
2022	Blood-based test for Alzheimer's disease[1]
2023	Rapid antimicrobial susceptibility testing system[1]

1 Year launched
Blue: Enhancements in laboratory productivity
Green: New testing and diagnostic technologies

Instrument Manufacturing Sites

9 locations
Centered in Japan
Local production: China, India

Reagent Production Sites

Chemical: 8 locations Biological: 6 locations

2002	International Reagents Co., Ltd. becomes subsidiary (Japan)
2009	Establishment of the Wuxi Diagnostic Reagent Development Center (China)
2010	HYPHEN BioMed, SAS becomes subsidiary (France)
2019	Establishment of bio-diagnostic reagent center (Japan)
2024	Establishment of instrument and reagent production base (India)

Evolution of Sales, Service & Support Capabilities

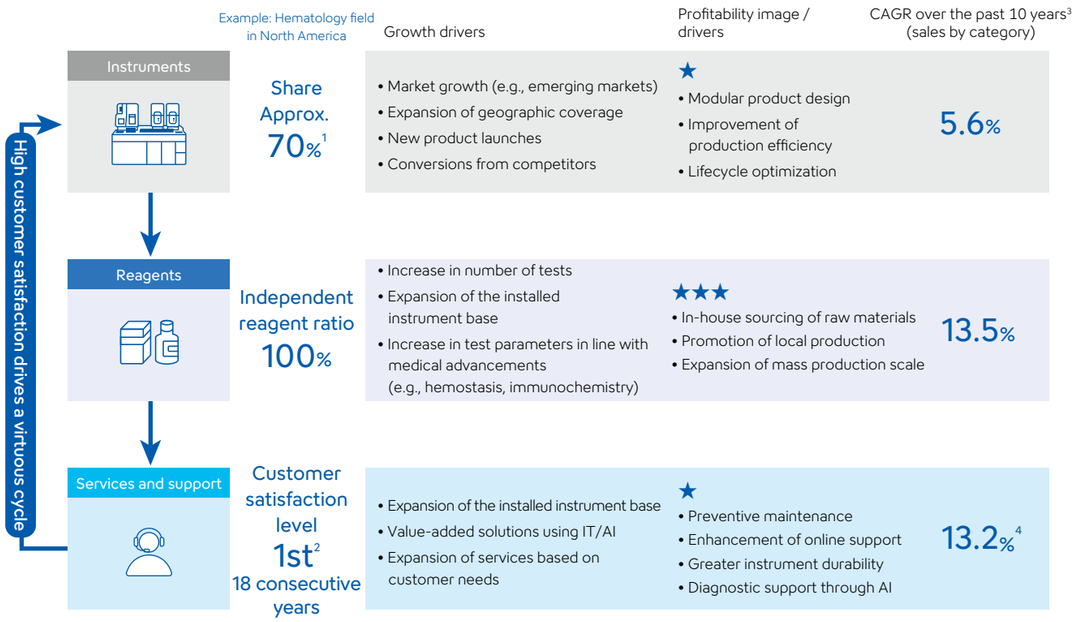
1991	Commenced direct sales in the United Kingdom and promoted direct sales in Europe
1995/98	Entered into tie-ups with major global players, accelerated sales
1999	Established a local subsidiary to oversee business in China
2003	Started direct sales in North America, the largest market
2010s	Transitioned to direct sales in Asia
2019	Moved to direct sales in India
2022	Shifted to direct sales in Saudi Arabia

Blue: Expansion of direct sales
Green: Strengthening of indirect sales

A Stable Profit Model

We are building a stable, highly profitable business model by continuing to provide reagents, services and support following instrument installation.

■ Sources of Revenue in the Diagnostics Business (Figure 1)



1 Market share in North America includes instruments, reagents, and services and support
2 As of March 2025, based on IMV ServiceTrak™ research in the United States.
3 CAGR from fiscal 2015 to 2024
4 Service and support CAGR calculated over nine years, from fiscal 2016 to 2024

Sysmex's Profit Model

Sysmex's profit model has been a key driver of its sustained growth. A defining feature of this model is its ability to generate stable, recurring income from reagents and services following the installation of instruments—allowing the Company to continuously reinvest thanks to its high profitability. Notably, Sysmex is one of the few global companies that handles R&D, production, and sales of instruments, reagents, and support services entirely in-house—this integrated model directly contributes to its profit model. The synergy between instruments and reagents enables high-value, reliable testing, while the Company's highly rated service and support offerings further encourage the adoption of new products—creating a virtuous cycle that underpins Sysmex's profitability and stability.

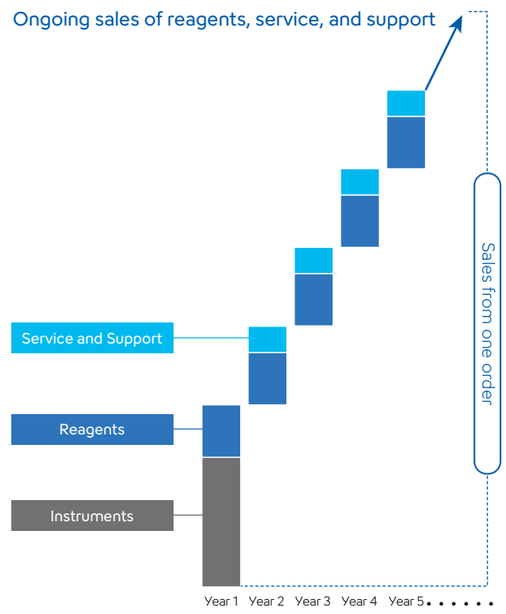
Each of the three pillars—instruments, reagents, and services and support—has also evolved to serve as an independent revenue stream in response to changes in the market (see Figure 1). Instrument sales have grown due to market expansion, geographic rollout, new product launches, and competitive conversions. Profitability is being enhanced by modular product design and improved operational efficiency through digital transformation (DX).

Used every time a test is run, reagent sales grow in line with the number of installed instruments and test volumes—making them a key growth engine. Reagents are more profitable than instruments, and test parameter expansion in areas like hemostasis and immunochemistry increases reagent usage. Localized production and in-house sourcing of raw materials are further boosting quality and profitability.

Services and support generate recurring revenues that scale with the number of instruments installed. Beyond routine maintenance, Sysmex offers value-added services including 24/7/365 support[5] (separate contract required), training programs, and academic support—accelerating growth. While this domain requires significant labor, the Company is reducing fixed costs through online support and AI adoption.

5 Separate contract required

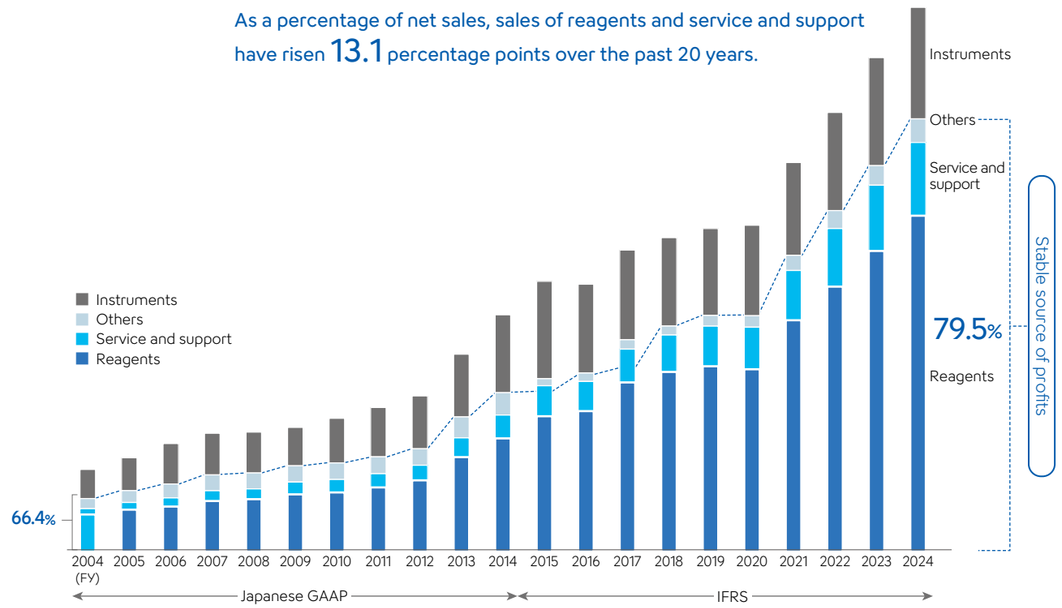
■ Sales Structure (Figure 2)



Growth Trends from the Perspective of Composition of Sales

Sysmex's net sales are composed not only of instruments, but also of the cumulative sales of reagents and services and support, which are essential for testing (Figure 2). In recent years, the Company has increased the proportion of reagent sales by expanding its share among large-scale facilities with high reagent usage and by expanding its lineup of test parameters with strong clinical relevance. The proportion of services and support sales has also risen accordingly. As a result, reagents and services and support have shown high sales growth rates (Figure 1), and their share as stable sources of sales (Figure 3) has continued to rise year by year. In fiscal 2024, the percentage of sales from stable sources reached 79.5%, marking a 13.1-point increase over the past 20 years.

■ Sales Trends by Source (Figure 3)

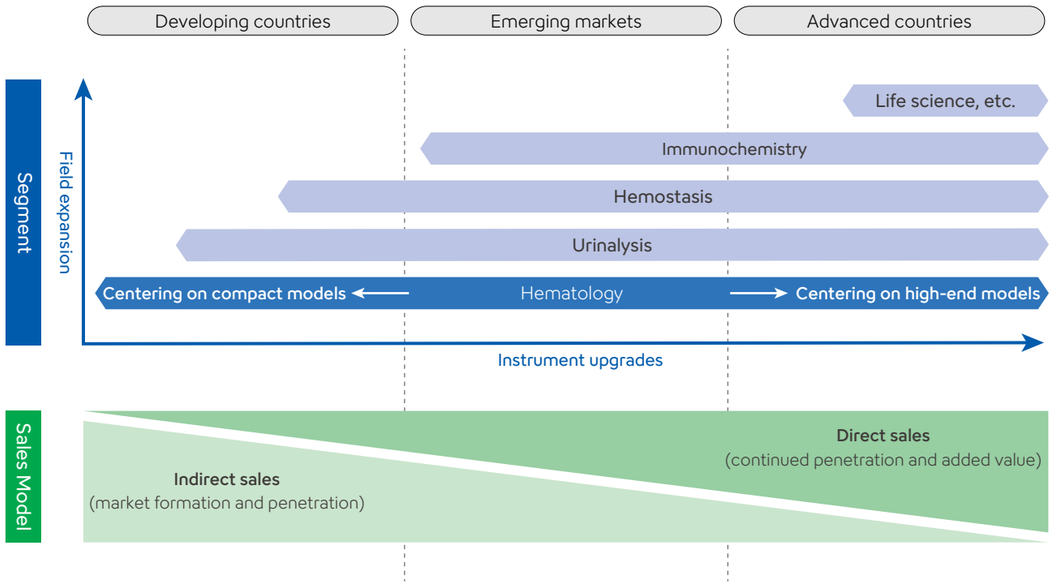


Note: In the past, charges to customers based on the number of tests were included in "Others." From fiscal 2015, amounts have been divided and presented as "Instruments," "Reagents," and "Service and Support."
"Others" includes consumables.

Market Growth and Segment Expansion

Starting from the hematology field—an essential and foundational test area —Sysmex has steadily expanded into new segments and continued to outperform market growth.

■ Illustration of Our Main Fields and Sales Models by Market Type



Leveraging Our Brand Strength in Hematology to Expand into Other Segments

Sysmex's core business, the hematology field, is a foundational area of testing essential for both diagnosis and treatment. Because of this, it is typically one of the first to be adopted in regions where healthcare infrastructure is still developing—such as developing countries and emerging markets. In addition to providing instruments, Sysmex contributes to raising medical standards through training in accurate testing practices and the sharing of the latest medical information. These efforts have helped earn market trust, strengthen the brand, and increase market share. As markets grow, there is a rising demand for upgrades to high-end models, as well as for more specialized tests like hemostasis and immunochemistry. Sysmex is steadily expanding into these fields by leveraging the brand recognition and sales networks it has built in hematology.

In advanced countries, Sysmex already holds an overwhelmingly high market share in hematology. Yet, amid rising social expectations for optimized healthcare spending, demand is growing for solutions that can enhance laboratory productivity—an area where Sysmex excels. Moreover, the Company continues to improve its market presence by offering added value through automation and the development of unique test parameters in fields such as hemostasis and immunochemistry.

In regions where the market is still in its formation stage, Sysmex primarily adopts an indirect sales model using local distributor networks to enter the market efficiently. Once the business environment becomes more predictable and growth potential becomes evident, the Company shifts to a direct sales model—ahead of competitors—to better understand customer needs and provide higher-quality products and services.

Sysmex's Position in the IVD Market

The IVD market is relatively resilient to global economic and political trends, and its size—estimated at around $80 billion—continues to grow alongside the advancement of healthcare. While global majors based in the United States and Europe dominate the market, Sysmex is the only Asia-based company ranked among the top 10 globally. In the hematology segment, Sysmex commands over 50% of the global market share, securing the No. 1 position (see top-right diagram).

Sysmex is also actively expanding into other fields beyond hematology to create new growth pillars. In the hemostasis field, the Company began direct sales in Europe and the United States in April 2024, and is already seeing positive results—with significant growth expected. In the immunochemistry segment, which represents the largest market size within IVD, Sysmex has so far focused on the Asian region. However, the Company is now preparing for full-scale global expansion to achieve further growth.

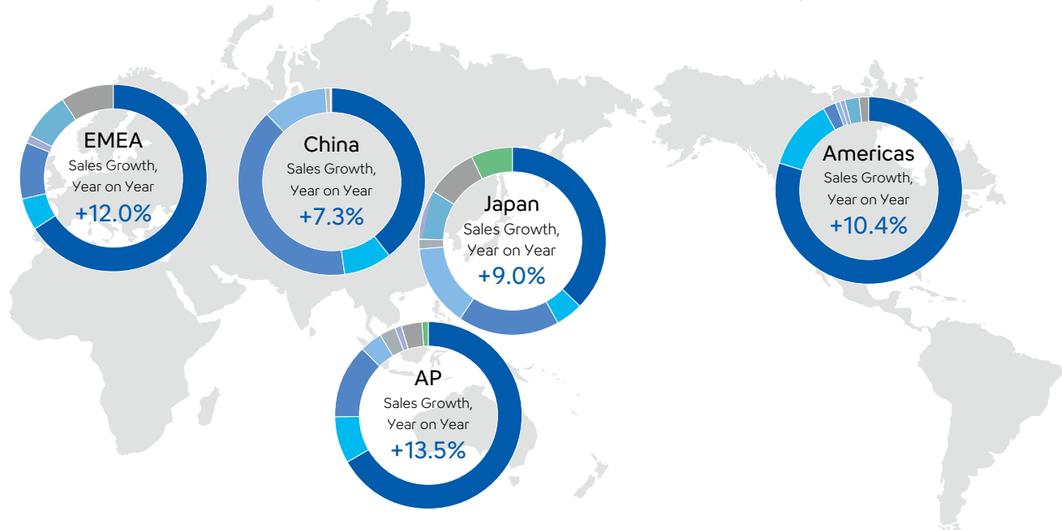
■ IVD Market Scale and Company Positioning

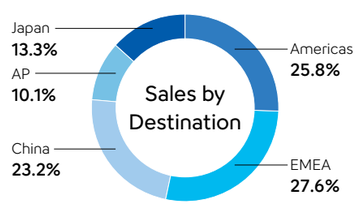
	Market Scale[1] ($ million)	Growth Rate (2025-2028)	Main participating manufacturers[1]	Sysmex's Sales Composition (Fiscal 2024)	Market Share	Main Alliances
Hematology	4,300	3%[2]	Mindray, Danaher, Siemens Healthineers, Abbott	59.6%	**No. 1** 54.6%	Roche, Cellavision
Urinalysis Of which, sediment urinalysis	1,200 (500)	3%[2]	Danaher, Roche, Siemens Healthineers,	8.0%	**No. 1**[3]	EIKEN CHEMICAL, Siemens Healthineers
Hemostasis	3,200	3%[2]	Werfen,Stago	16.2%	**No. 1**[3]	Siemens Healthineers
Immunochemistry	27,000	3%[2]	Roche, Abbott, Siemens Healthineers, Danaher	5.1%	—	Fujirebio Holdings
Clinical chemistry	9,000	4%[2]	Roche, Danaher, Abbott, Siemens Healthineers	0.7%	—	—
IVD market	96,000	3%[2]	1 Roche 2 Danaher 3 Abbott 8 **Sysmex**	—	—	—

1 Our ranking (As of March 31, 2025) and market size and growth rate (as of 2024) for IVD market and each field of testing are our own estimates based on disclosed information. Calculations are based on the exchange rates during the year of the survey, so simple year-on-year comparisons of market size are not possible.
2 Excluding China: Government-led policies to curb medical costs are progressing, and their impact is currently under review.
3 Includes sales through alliances.

■ Sales by Destination and Business (Fiscal 2024)

Operating Across More Than 190 Countries and Regions





(Billions of yen)

	Americas	EMEA	China	AP	Japan
Hematology	104.6	92.4	46.8	34.0	25.2
Urinalysis	16.0	7.8	9.6	4.1	3.1
Hemostasis	3.0	13.6	47.1	6.5	11.9
Immunochemistry	1.0	0.06	13.0	2.0	9.6
Clinical chemistry	-	0	1.0	1.4	1.0
FCM	1.0	1.6	0.1	0.6	0.1
Life science	3.4	11.9	0.05	0.06	5.7
Others	1.8	12.6	0.03	1.8	6.0
Medical robotics business	-	-	-	0.5	4.8
Total	131.1	140.3	117.9	51.3	67.7

Snapshot (Sysmex's Management Resources)

Note: Unless otherwise specified, the figures are as of the end of fiscal 2024.

R&D Capabilities and Intellectual Property

Global R&D bases, technologies and knowhow

R&D bases
24 locations

Three-year total R&D investment
¥93.9 billion
(Fiscal 2022–2024)

Average number of development projects per year
Around **65**
(Average over the past five years)

Number of patents
3,337
(Total number of patents, utility model rights and design rights)

Issues
- Acquire and strengthen technologies through open innovation and others

Production and Distribution Structure

Commitment to quality and stable supply

Instrument production bases
9 locations

Number of items produced (reagents)
1,109 items

Reagent production bases
14 locations

Suppliers (Tier 1)
Approximately **250** companies

Issues
- In-house and mass production of materials for bio-diagnostic reagents
- Shift manufacturing overseas (in some regions)

Global Sales and Service Structure

Access to healthcare needs that varies by region and facility

Sales and service bases
63 locations

Customer needs addressed
Approximately **15,000**
(non-consolidated basis)

Countries and regions where business is conducted
More than **190**

Queries to the customer service center
Approximately **80,700**

Issues
- Strengthening the sales and service structure in direct-sales regions and fields
- Expand services through more sophisticated IT

Stable Financial Foundation

Sustainable growth and high profitability

Net sales
¥508.6 billion

Operating margin
17.2%

Market capitalization
¥1.7 trillion

ROE
12.0%

Percentage of recurring sales
79.5%
(Sales of reagents, services and support, others)

Issues
- Further improve profitability and capital efficiency

Diverse Human Resources

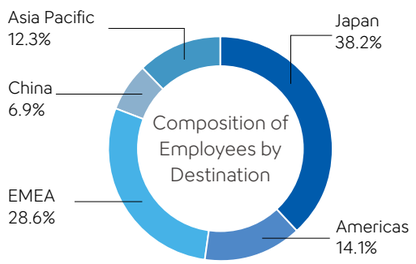
Realizing growth and respecting individuals, and building a human resource portfolio

Engagement score
76%

Number of employees
11,457

Female managers ratio
18.7%

Training time per employee
24.7 hours



Issues
- Increasing engagement
- Acquisition and development of global specialized talent (e.g., in biotechnology and IT)

Environmental Resources

Efficient use of environmental resources

Complete switch to recycled or environmentally conscious materials
62%

Reduction of GHG emissions (Scope 1, 2)
Cut **33%**

Decreased electricity consumption by new products in the hematology field
Approximately **40%**
(Compared with Sysmex's older products)

Issues
- Establish a medium- to long-term roadmap that contributes to the realization of a circular resource society

Brand Strength

Trust from stakeholders

Customer assessment in the United States
Top rating for the past 18 years
(Source: IMV ServiceTrak™ 2024, Hematology)

Rollout of the Sysmex Way translated into
9 languages

Corporate culture survey
Ratio of favorable responses to the Sysmex Way
70%

Issues
- Further enhance brand value