

The 18th R&D Meeting

March 5, 2021 Sysmex Corporation

- The information contained in these materials is based on current judgements and assumptions of the Sysmex Group in light of the information currently available to it. Uncertainties inherent in such judgments and assumptions, the future course of our business operations and changes in operating environments in Japan and overseas may cause plans to change.
- These materials contain information about products, service and support (including those under development). This information is not intended for advertising or promotional purposes.



1 Opening Presentation

2 R&D Initiatives Amid COVID-19

Hisashi letsugu

Chairman and CEO

Kaoru Asano

Member of the Managing Board and Senior Executive Officer Senior Managing Director COO LS Business Unit and CTO

Hiroshi Kanda

Member of the Managing Board and Senior Executive Officer Managing Director

3 Technology Innovation in the IVD Business

(1) XQ-Series

Index

(2) New Hematology Products

(3) Application of Astrego's Nanofluidic Technology

4 Initiatives in the LS Business

Mamoru Kubota

Senior Executive Officer

(1) COVID-19 PCR Testing (PCR Reagents and Instruments, CoviLab)

(2) COVID-19 HISCL[™] Tests (Antigen, Influenza, Antibody, Cytokine)

- (3) Cancer Genome Tests (OncoGuide[™] NCC Oncopanel System)
- (4) Cancer Liquid Biopsy Tests (OncoBEAM[™], PSS)

5 Initiatives for the Realization of Personalized Medicine

(1) Testing for Alzheimer's Disease(2) HDL Testing

Appendix Glossary, etc.

Tomokazu Yoshida

Senior Executive Officer



Opening Presentation

1

Hisashi letsugu, Chairman and CEO

Sysmex's Long-Term Management Goals





Long-Term Vision

Mission

Shaping the advancement of healthcare.

Value

We continue to create unique and innovative values, while building trust and confidence.

Mind

With passion and flexibility, we demonstrate our individual competence and unsurpassed teamwork.

Unique & Advanced Healthcare Testing Company

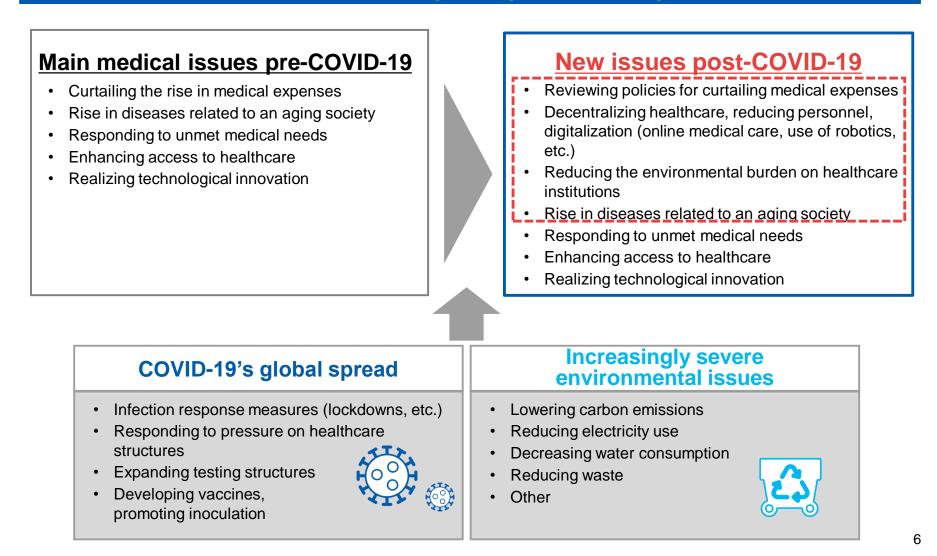
Positioning

- · Creating innovative diagnostic value as a global top-five company in IVD
- · A leading company in personalized diagnostics for optimizing medical treatment
- · A solution provider contributing to the advancement of primary care diagnostics
- An attractive company providing value and instilling confidence
- · One Sysmex carrying out high-speed management

Changes in the IVD Business Environment



New medical issues are arising, due to the COVID-19 pandemic and increasingly severe environmental issues stemming from global warming.





We are developing and moving toward practical realization of COVID-19 tests.



Status of global infection (cumulative)*1

Infections Approx. 110 million people

Deaths Approx. 2.5 million people

Economic loss due to decelerating growth (Next six years)

Approx. **3,000** trillion yen²

*1 Source: Google, statistical data on COVID 19 (as of March 1st, 2021)

*2 Source: International Monetary Fund (IMF) World Economic Outlook (WEO), revised October 13, 2020



In addition to the stable provision of products and services, developing and working toward the realization of new tests and services

New tests and services								
Checking for infection and monitoring treatment	 PCR tests Antigen tests COVID-19 testing labs Robotic PCR systems 							
Prediction of increasing severity, monitoring treatment	 IFN-λ3 reagent Cytokine tests 							
Measuring vaccine	 Antibody tests 							

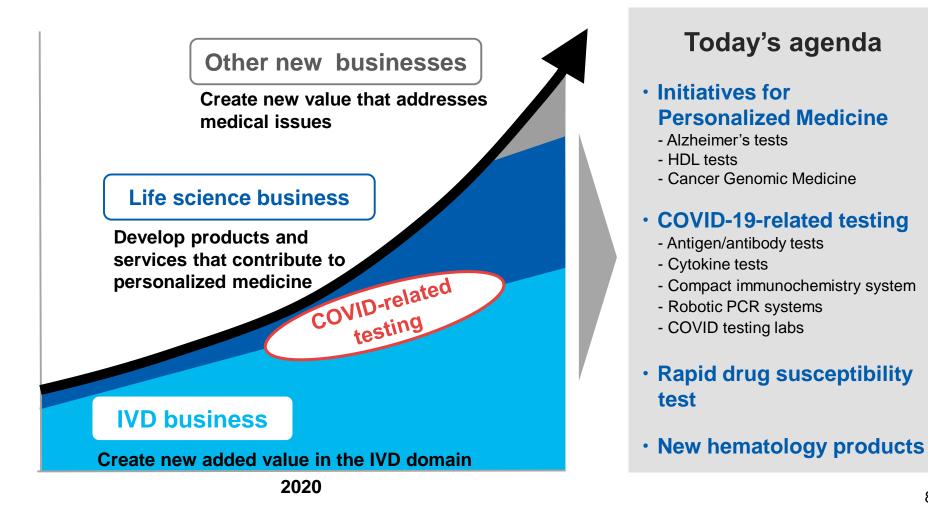
ELISPOT tests

effectiveness, etc.

Sysmex's Growth Strategy



By promoting new technological developments, we aim to help resolve medical issues and realize sustainable growth.





2

R&D Initiatives Amid COVID-19

Kaoru Asano

Member of the Managing Board and Senior Executive Officer Senior Managing Director COO LS Business Unit and CTO



IVD business

Hematology

Development of a high-end multiparameter automated hematology analyzer model Development of the XQ Series multiparameter automated hematology analyzer for emerging markets, conclusion of domestic notification

Hemostasis

Launch of CN-6500/CN-3500 automated blood coagulation analyzers

Immunochemistry

Launch in China of three reagent parameters (NT-ProBNP, C-Peptide, Insulin)

• Urinalysis

Development with Astrego of rapid drug sensitivity test for urinary tract infections

• FCM testing

Launch in North America of our first FCM product, the XF-1600 flow cytometer



LS business

Cancer genome tests

Approval for a partial change to the OncoGuide NCC Oncopanel System (Genes: $114 \rightarrow 124$, the addition of an MSI evaluation function)

Launch of OncoGuide NET

High-sensitivity digital PCR

Insurance reimbursement (7500 points) for OncoBEAM RAS CRC kit for CDx as molecularly targeted therapy for colon cancer

(First ctDNA test in Japan using high-sensitivity digital PCR technology)

High-sensitivity NGS (Plasma SafeSEQ)

Launch in Europe of RUO Kit for measuring gene mutations in colon cancer, lung cancer, thyroid cancer and myeloma

• Lymph node metastasis diagnose technology (the OSNA[™] method) Launch in China of RD-100*i* Gene Amplification Detector and LYNOAMP[™] BC



New initiatives in personalized medicine

Alzheimer's disease

Discussions with authorities and obtainment of data with a view toward regulatory application (expect to apply in first half of FY2021 in Japan)

• HDL function

Start of clinical research with KOL (United States)

• CTC

Obtain data indicating potential for CTC detection of early-stage colon cancer in joint research

Open innovation

• RIKEN

Signing of collaborative agreement with RIKEN Innovation Co., Ltd. to return RIKEN's research results to society and commercialize them

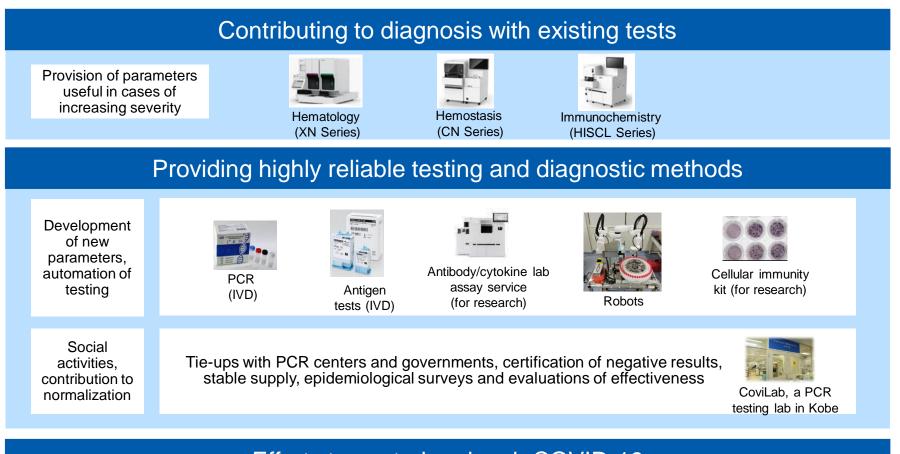
• Kobe City Eye Hospital

Signing of comprehensive collaboration agreement related to the clinical implementation of genomic medicine for inherited retinal disease

12

Major R&D Initiatives and Successes in FY2020 (4) COVID-19 Initiatives: Overview of Value Provided and Contributions by Sysmex





Efforts to control and curb COVID-19

Vaccines, effectiveness evaluation, monitoring

Ensuring the safety and peace of mind of medical professionals



Markers of increasing severity (IVD)



Q

Quality

control

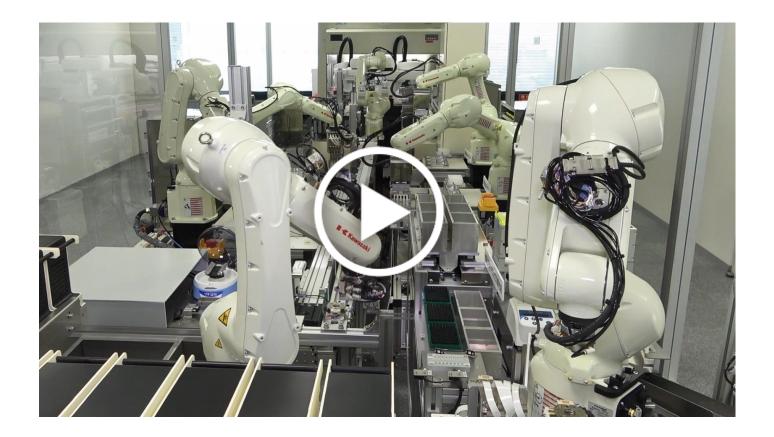
surveys





Influenza

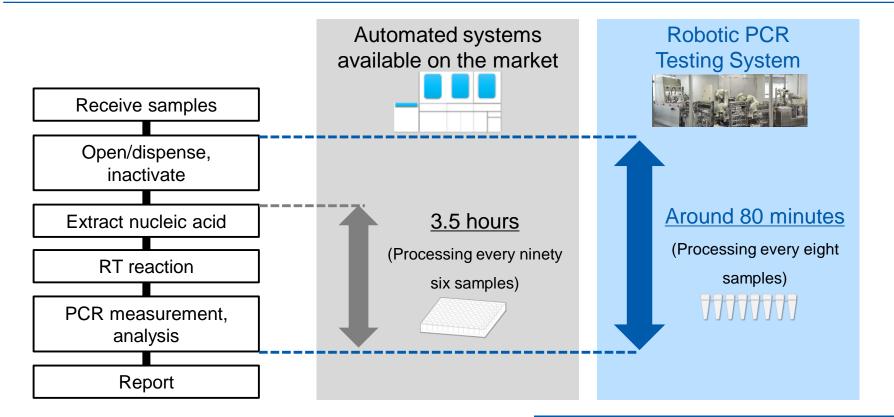




Provided by Kawasaki Heavy Industries, Ltd.

Characteristics of the Robotic PCR Testing System





- Fully automated, from unsealing to measurement
- TAT* of approximately 80 minutes
- Handles up to 2,500 samples/day (if operational for 16 hours)
- Instruments can be transported in containers

*TAT: Turn Around Time

Key devices, reagents (Sysmex in charge)



Sequential PCR



Proprietary reagents under development

Container system, sales scheme



Easy to install by transporting with a trailer Sales scheme Robotic PCR Testing System Kawasaki Heavy Sysmex Industries Approx. 12m (40 feet container) Alonot. Kawasaki Heavy Industries Medicaroid Sysmex Testing service Sales to Medical institution



3

Technology Innovation in the IVD Business

Hiroshi Kanda

Member of the Managing Board and Senior Executive Officer Managing Director

(1) XQ-Series

- (2) New Hematology Products
- (3) Application of Astrego's Nanofluidic Technology



3

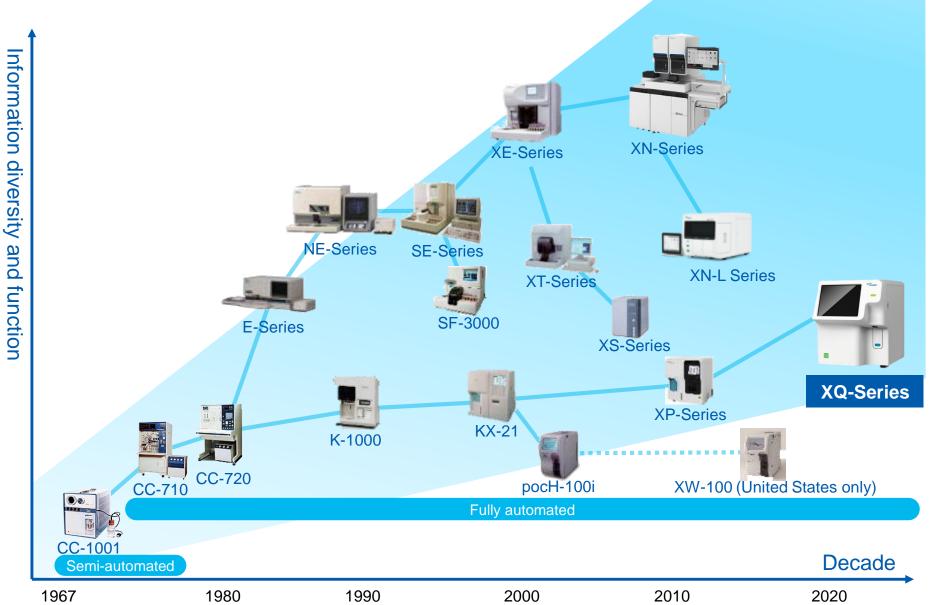
Technology Innovation in the IVD Business

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History of Hematology Instruments





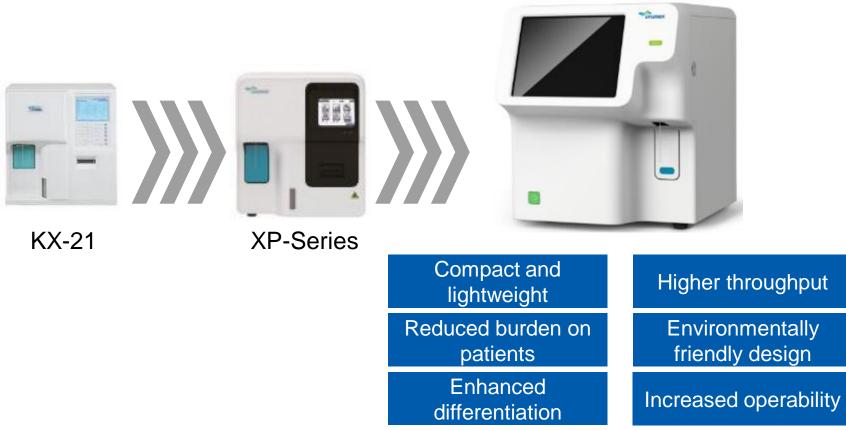
About the XQ-Series



- A product focused on low-end hematology markets in emerging countries (The 3PD market size is approximately 40,000 units/year)
- ·Carries forward the XP Series functionality

XQ-Series concept

Excellence in Quality and Usability



Characteristics of the XQ-Series



KX/XP-Series	Designed to	meet SDGs	Compact and lightweight				
	SUSTAINABLE DEVELOPMENT GOALS		Footprint* 9% smaller Weight 30% lighter * Protruding portion(s) are not included.				
		Higher throughput					
	KX/XP-Series	XQ-Series	70				
Size, in mm (D x W x H)	355 x 420 x 480	450 x 365 x 440	60 samples/h \Rightarrow 70 samples/h				
Weight (kg)	30	22	Reduced burden on patients				
Throughput (tests/hour)	60	70	50µl ⇒ <mark>16µl</mark>				
Aspirated volume (whole blood, µL)	50	16	Environmentally friendly design				
Display size (inches)	5.7	10.4	Power consumption				
Power consumption (VA)	<200	<160	down by 25% Reagent consumption				
Reagent consumption / test (mL)	35	27	down by up to 30%				

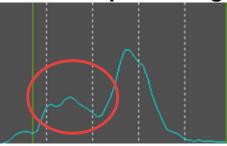
XQ-Series Features Enhanced White Blood Cell Differentiation



Enhanced differentiation

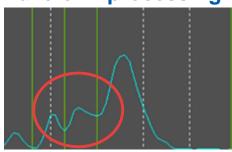
Employs the leading-edge digital waveform processing circuits used on the XN-Series to improve differentiation

Analog waveform processing



Differentiation was difficult

Digital waveform processing



White blood cells are well separated

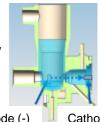
Increased operability

Enhanced safety

Developed and included an emissions monitoring function in the detection chamber

that utilizes changes in voltage

- Prevents output of mistaken data
- Prevents water leakage due to overflow



Anode (-) Cathode (+)

Automatic wakeup function

Measure immediately without wait time



Supports regulations and ISO compliance

Includes QC lockout function ⇒Possible to prevent measurement unless quality control performed





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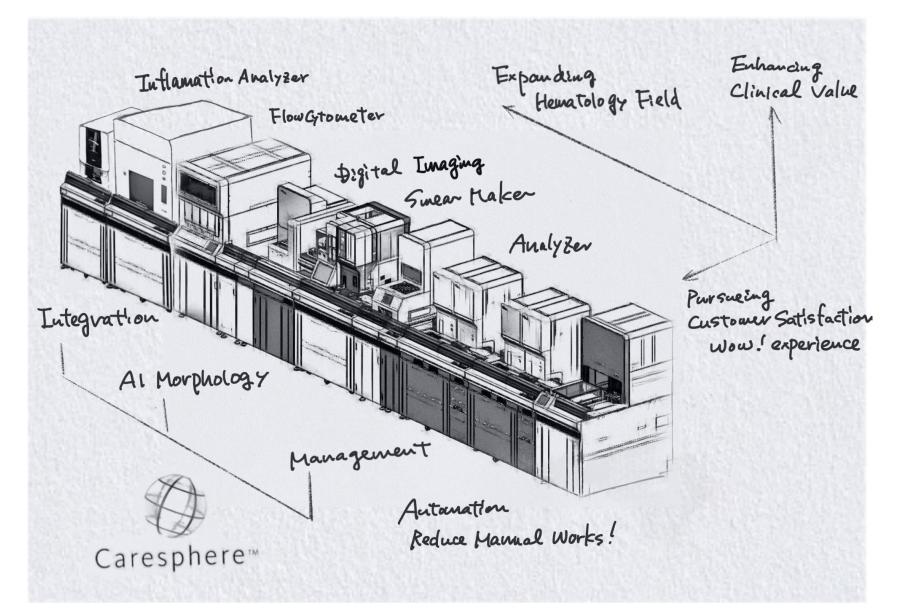
Technology Innovation in the IVD Business

(1) XQ-Series

- (2) New Hematology Products
- (3) Application of Astrego's Nanofluidic Technology

The Concept of New Hematology Products





Sysmex's Value Proposition



"Providing more valuable test results and realize laboratory environment where customer can focus on specialized work utilizing those results"

OPERATIONAL VALUE

Bringing surprise and pleasure to customer by reducing workloads (Wow! Experience)

Reduce manual operations thoroughly by shifting to automation, reduction and integration, and realize environment where customer can focus on specialized work.

CLINICAL VALUE

Lighting the shortest route to diagnosis by utilizing test results

Provide test results which are valuable for patients and clinicians by both defense and offense approach.

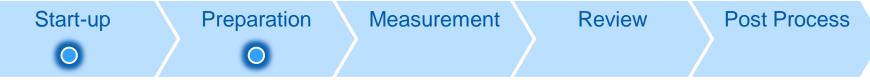
MANAGERIAL VALUE

Delivering best quality assurance to improve role and reliability of laboratory

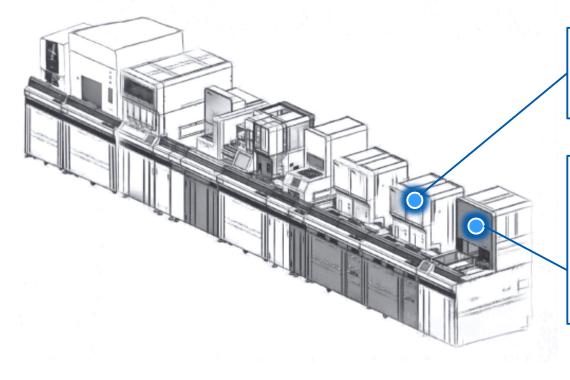
Support smooth acquisition and operation of ISO by improving efficiency in document maintenance before and after acquiring ISO, as well as contribute to hospital management by improving laboratory operation efficiency

New Value from New Hematology Products: Operational Value





- ✓ Automatically start up instruments at the preset time, so testing can start quickly
- Automatically perform the quality control management required for quality assurance on clinical tests



New hematology analyzer Automatically start up according to a preset schedule

New transport module

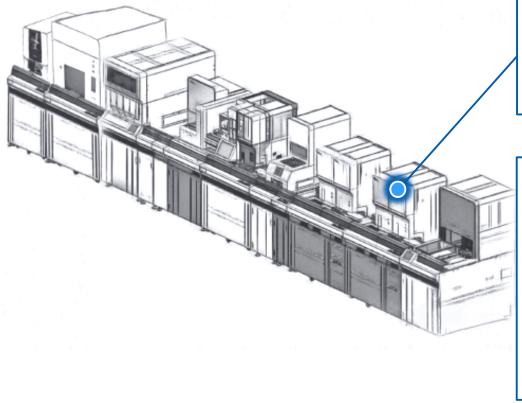
Prepare and transport quality control materials to the designated analyzers so quality control measurement can be performed at the scheduled time

New Value from New Hematology Products: Operational Value





- ✓ Automatically start up instruments at the preset time, so testing can start quickly
- ✓ Automatically perform the quality control management required for quality assurance on clinical tests



New hematology analyzer Automatically measure the quality control materials, and display quality control results

Caresphere™

Use network service to judge quality control results

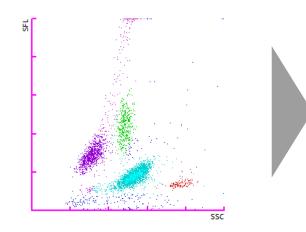
BEYONDCARE" QUALITY MO	INITOR	Sysmex			
Resolve QC Issue		xN-10 - 11003			
Issue Identified: A QC Issue has been identified	with this analyzor				
Recommended Action: Please perform "Cleaning" is th	e maintenance section of the	analyzer IPU.			
- Nard Vile		Control			
Manager SQL Pallor	F you do not	with to Toutherhoot, this the step			
	0	A			
	Annual Actions Action to test intermediate Actions to test intermediate Actions and actions ac	Received Contract Received Contract Account of the methyle Received Contract on Received Contract			

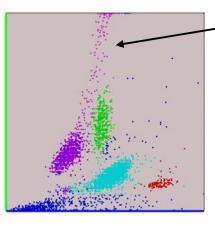
New Value from New Hematology Products: Clinical Value



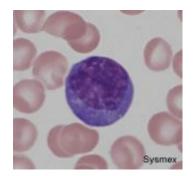


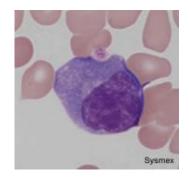
Example: Virus infection





- When lymphocytes are stimulated by virus infection, cells containing particularly high amounts of nucleic acid appear in this area
- ⇒ Possibility to suggest virus infection





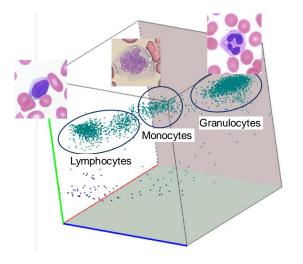
Activated plasmacytoid atypical lymphocytes that synthesize antibodies were confirmed.

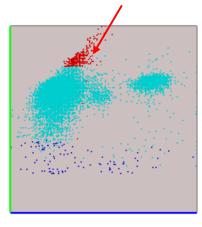
New Value from New Hematology Products: Clinical Value

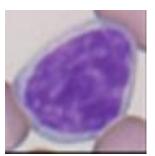


Normal case

Malignant lymphoma (chronic lymphocytic leukemia) Extends directly upward from lymphocyte cluster Suggests possibility of malignant lymphoma



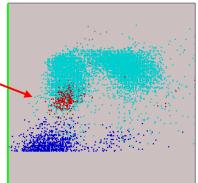


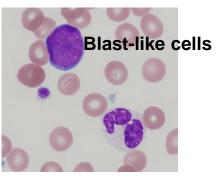


Malignant lymphoma cell (difficult to differentiate by microscopy)

Myelodysplastic syndrome with blast increase (pre-leukemia)

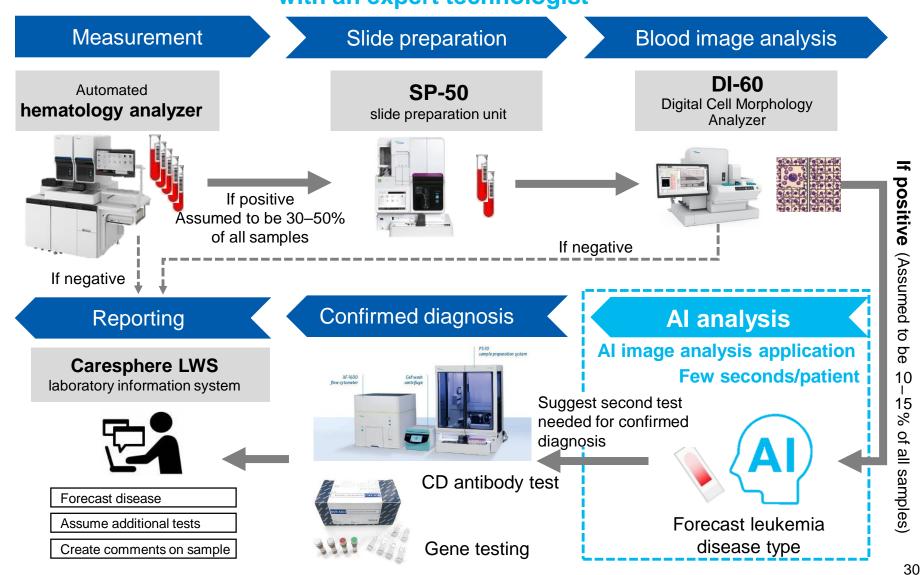
A cluster appears below monocytes In case of acute leukemia, the cluster often appears





The Future of Hematology Testing Sysmex Envisions **Sysmex**

Create an automated system that performs at least on a par with an expert technologist

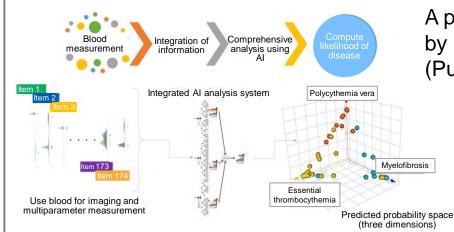


Working Toward Early-Stage AI Screening and Diagnostic Support Technology



Enable highly precise automated distinction of Philadelphia chromosome-negative myeloproliferative neoplasms

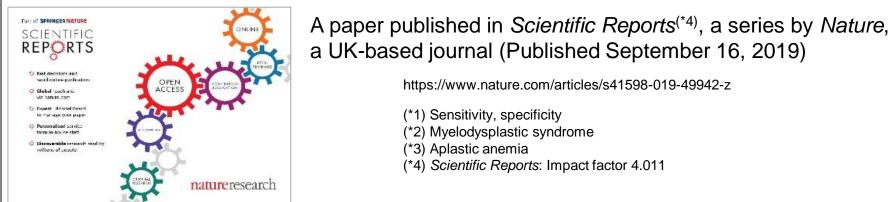
Success in using an AI automated system for the highly precise distinction of hematologic cancer (From a Juntendo University news release dated February 10, 2021)



A paper published in *Scientific Reports*^(*4), a series by *Nature*, a UK-based journal (Published February 9, 2021)

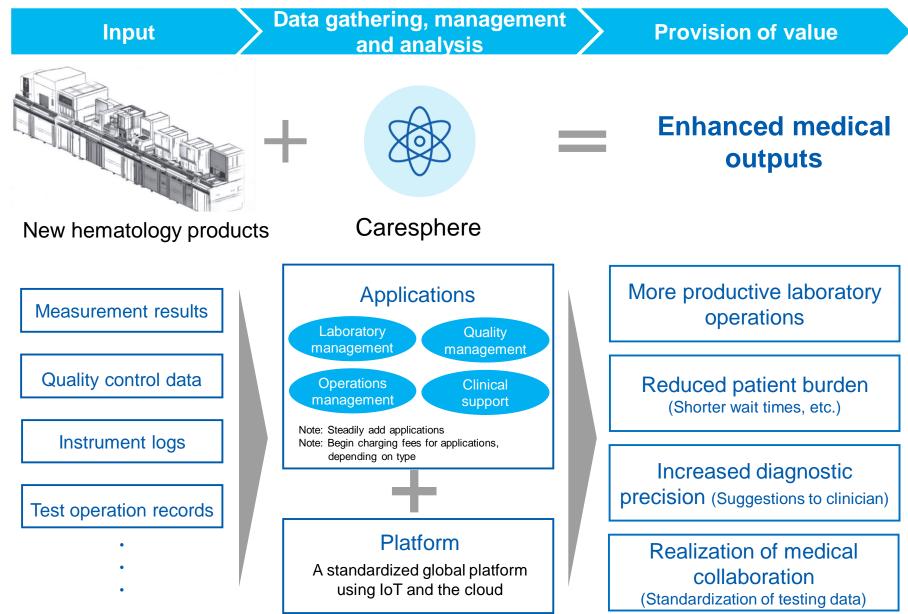
- Configure integrated AI analysis system capable of differentiating hematologic diseases
- Enable highly precise automated distinction of Philadelphia chromosome-negative myeloproliferative neoplasms, a type of hematologic cancer
- Advance toward the realization of simple and rapid screening and diagnosis support using peripheral blood via AI automated analysis

In cases of hematopoietic stem cell abnormalities, ability to distinguish^(*1) between $MDS^{(*2)}$ and $AA^{(*3)} \rightarrow$ reaching 90%



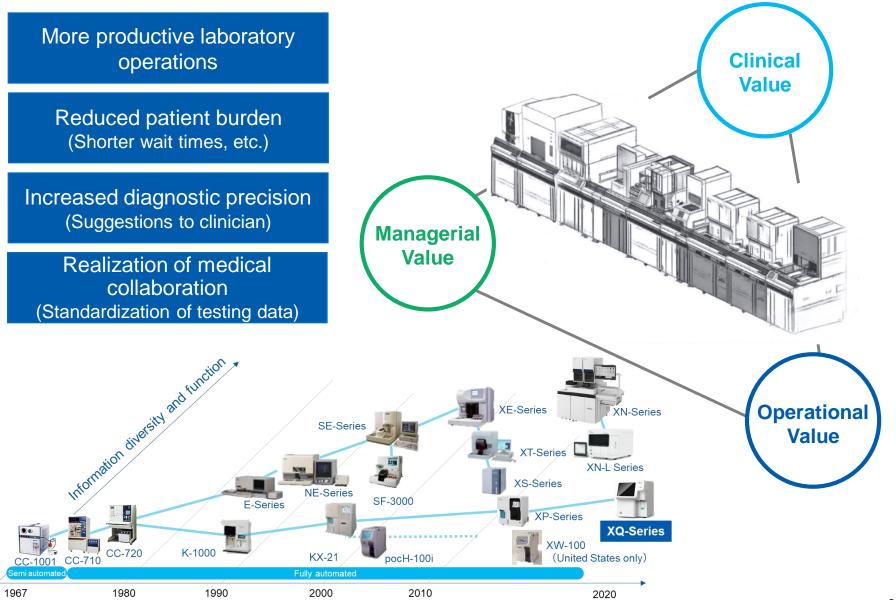
New Value from New Hematology Products: Managerial Value





Toward Future Advances in Hematology







3

Technology Innovation in the IVD Business

(1) XQ Series

- (2) New Hematology Products
- (3) Application of Astrego's Nanofluidic Technology

The Issue of Antimicrobial Resistance (AMR)



- By 2050, it is estimated that more people will die as the result of AMR than cancer. Owing to a decrease in the development and launch of antimicrobial, it is possible that supplies of these drugs will become depleted. Against this backdrop, measures to counter AMR are an important issue from the public health perspective.
- In Japan, instances categorized as AMR are rising in cases of respiratory infections and urinary tract infections, which have a high number of patients, indicating a high resistance to certain broad-spectrum antimicrobial recommended by the guidelines. (See figure below.)

I he figure on the left in figure on the right indic	ndicates ge cates tolera	eneral anti ance rates	for ESBL	drugs used produced	to treat u E. coli ba	irinary tract infections, t cteria	tolerance	rates for r	1=220 E. (coli bacteria	a. Of these,	the
Ampicillin						Ampicillin						
Clavulanic acid-amoxicillin						Clavulanic acid-amoxicillin	1					
Cefaclor						Cefaclor						
Cefpodoxime						Cefpodoxime	-					
Cefdinir						Cefdinir	-					
Cefditoren						Cefditoren						
Cefcapene						Cefcapene)
Faropenem						Faropenem				1		□ Susceptible
Gentamicin						Gentamicin	1					
Amikacin						Amikacin	1					□ Intermediate
Ciprofloxacin						Ciprofloxacin						Resistant
Levofloxacin						Levofloxacin	1					
Tosufloxacin						Tosufloxacin	1					
Sitafloxacin						Sitafloxacin	1	-	-	-		
Fosfomycin						Fosfomycin	1					
Nitrofurantoin						Nitrofurantoin	1					
- Sulfamethoxazole/trimethoprim						Sulfamethoxazole/trimethoprim	1					
0	, , % 20%	6 409	6 609	6 80%	100%		0%	20%	40%	60% 8		%
·					2007							

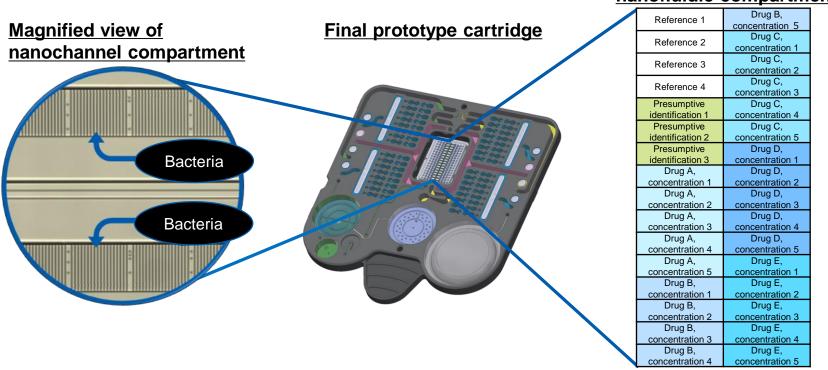
Source: 2019 Journal of Infection and Chemotherapy (joint surveillance results by three Japanese societies)

Each year, resistance to antimicrobial that cause relatively common urinary tract infections is rising, pointing to the need for measures to address the emergence of routine AMR.

Use of Nanofluidic Technology to Realize Rapid Antimicrobial Susceptibility Tests



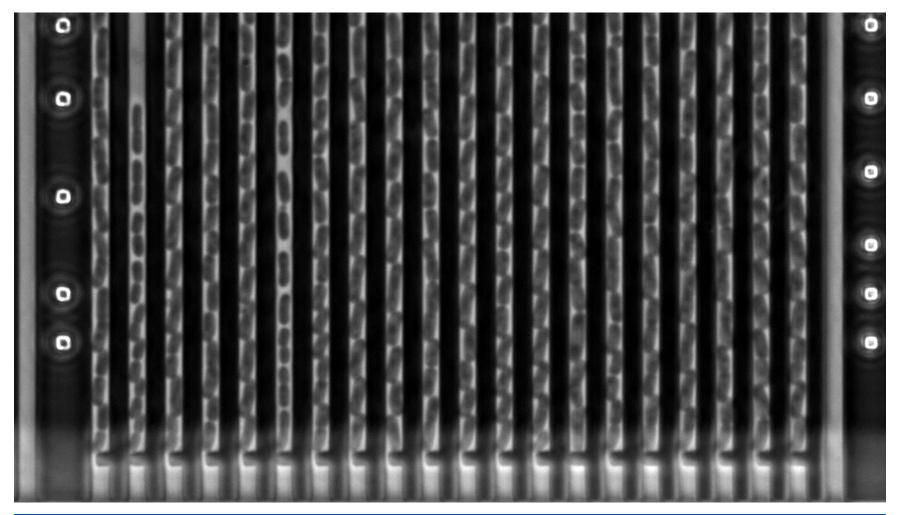
- In the conventional method of bacteria culturing, bacteria are placed on a culture medium in agar plates, where they grow in all directions. Typically, more than 10 hours is required for bacteria to form colonies. Astrego's technology uses nanochannels that allow bacteria to grow only in one direction. This arrangement, plus the ability to see minute changes, enables rapid, 30-minute tests. This is expected to facilitate appropriate diagnosis and treatment even in first visit for a patient.
- In the measurement part of the reagent cartridge, nanochannels are divided into 32 compartments. Each of these compartments is tested for, calculation of reference value for the bacteria growth rate, presumptive identification of bacteria as pathogens, and susceptibility tests with different antimicrobial drugs and concentrations are conducted.



Application of nanofluidic compartment

Antimicrobial Susceptibility Tests Using Nanofluidic Technology

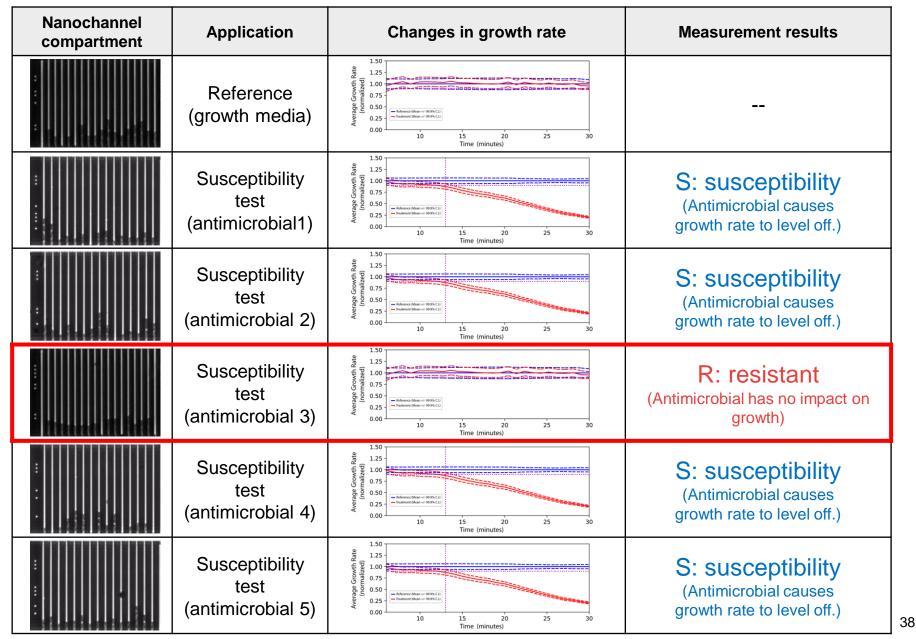




Each bacterium can grow in only one direction within the nanochannel. Minute changes can therefore be detected, facilitating rapid bacterial culturing and antimicrobial susceptibility testing.

Antimicrobial Susceptibility Tests Using Nanofluidic Technology

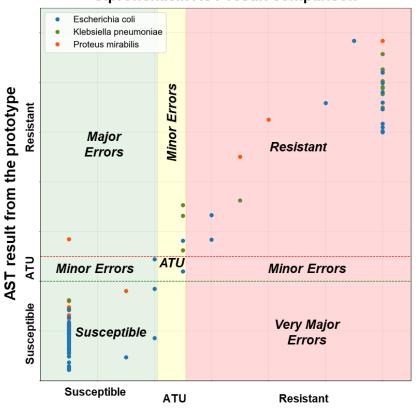




Internal verification with final prototype



- Performance data from reagent calibration process on the cartridge
 - Adjusting concentration of antimicrobial on the cartridge by comparing correlation with reference method in order to finalize the productization.
 - Internal verification using spike samples (307 samples). Clinical validation is planned.



Categorical agreement	Result	ISO standard
Categorical agreement with reference method	91.2%	≧90%
Minor Errors (Fales ATU* or Resistant)	7.2%	≦10%
Major Errors (Fales Resistant)	1.5%	≦3%
Very Major Errors (Fales Susceptible)	0.1%	≦1.5%

(*) Area of Technical Uncertainty which is an area between susceptible and resistant with interpretative difficulties defined by EUCAST.

AST result based on reference method



4

Initiatives in the LS Business Mamoru Kubota

Senior Executive Officer

- (1) COVID-19 PCR Testing (PCR Reagents and Instruments, CoviLab)
- (2) COVID-19 HISCL Tests (Antigen, Influenza, Antibody, Cytokine)
- (3) Cancer Genome Tests (OncoGuide NCC Oncopanel System)
- (4) Cancer Liquid Biopsy Tests (OncoBEAM, PSS)



4

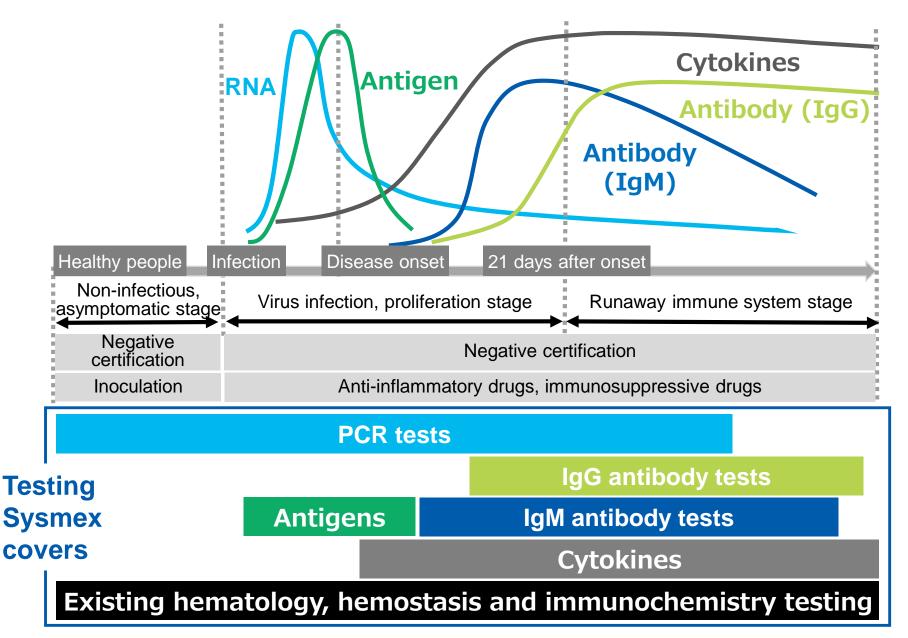
Initiatives in the LS Business

(1) COVID-19 PCR Testing (PCR Reagents and Instruments, CoviLab)(2) COVID-19 HISCL Tests (Antigen, Influenza, Antibody, Cytokine)

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Overview of COVID-19-Related Tests Provided by Sysmex







PCR test reagent : First in Japan to obtain regulatory approval (March 27, 2020)



Lab assay: 1,800 points Non-lab assay: 1,350 points

Product name: 2019-nCoV Fluorescence Detection Real-Time RT-PCR Kit (in vitro diagnostic medical device registration number: 30200EZX00017000)

Concept behind the new PCR test reagent



- Use raw materials from Japanese manufacturers to ensure high quality, stable supply
- Provide same sensitivity as conventional methods, conduct quality control using in-house standard parameters
- Respond to increase in infections and rising number of tests with shorter turnaround time.

Shorter detection time

Reaction time for existing PCR reagent

	0				
Steps	Cycles				
50°C, 20 min.	1 cycle				
95°C, 10 min.	1 cycle				
95°C, 15 sec.					
64°C, 30 sec.	40 cycles				
Total: Approx, 70 min.					

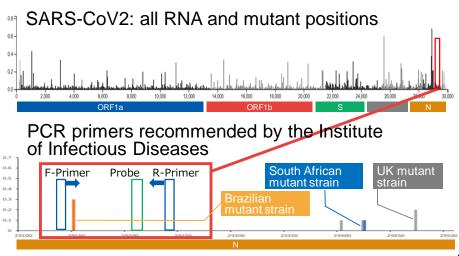
Reaction time for new PCR reagent

Steps	Cycles			
60°C, 10 min.	1 cycle			
95°C, 1 sec.				
64°C, 16 sec.	45 cycles			
Total: Approx. 40 min.				

By using highly reactive enzymes, shorten detection time by approximately 30 minutes

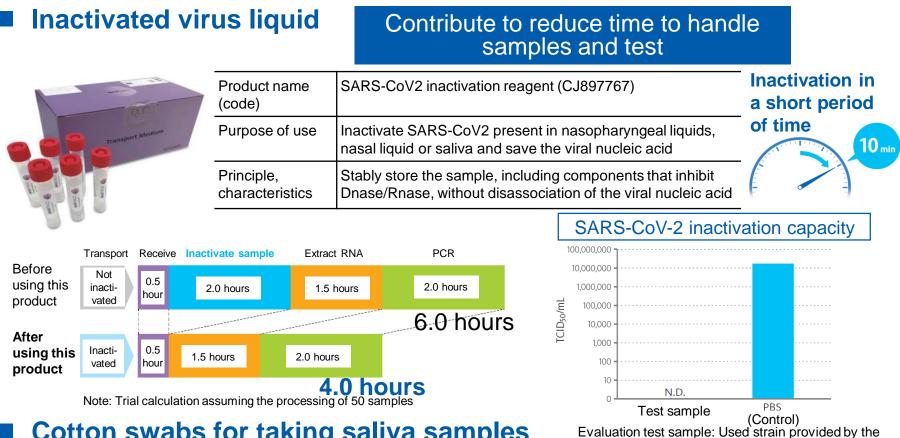
Ability to detect mutant strains of the virus

Design of primers that enable detection of mutant strains



Inactivated Novel Coronavirus Liquid, Cotton Swabs for Taking Saliva Samples





Cotton swabs for taking saliva samples

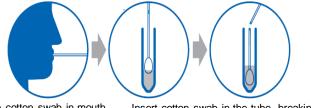
14	100		
	1000		
		-	

Help increase test operability

Product name (code)	Sterilized cotton swab, 1mL absorption capacity (BT305237)
	Use of cotton swab specifically for saliva sampling

General medical device marketing notification number: 21B2X10012000044

Kanagawa Prefectural Institute of Public Health TCID₅₀: tissue culture infectious dose



Leave cotton swab in mouth for approximately 1 minute to ensure saturation with saliva

Insert cotton swab in the tube, breaking off the swab at the colored location



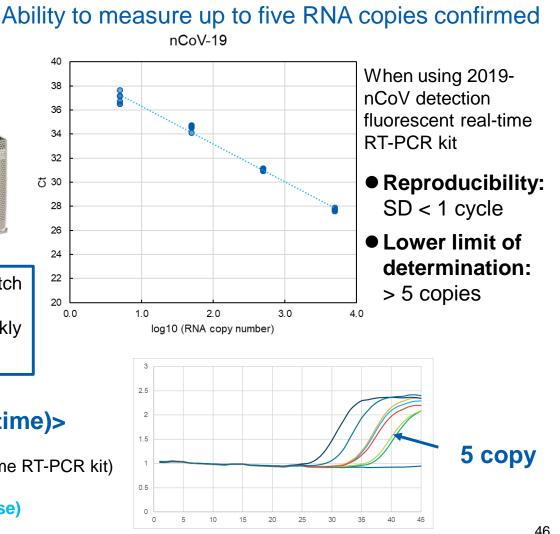
A compact PCR instrument linked with a robotic system that sequentially measures every eight samples



- Sequentially processes each small batch (8 samples), uses robotics for full automation, providing test results quickly
- Compact system, 15cm wide

<Reduction in TAT time (PCR time)>

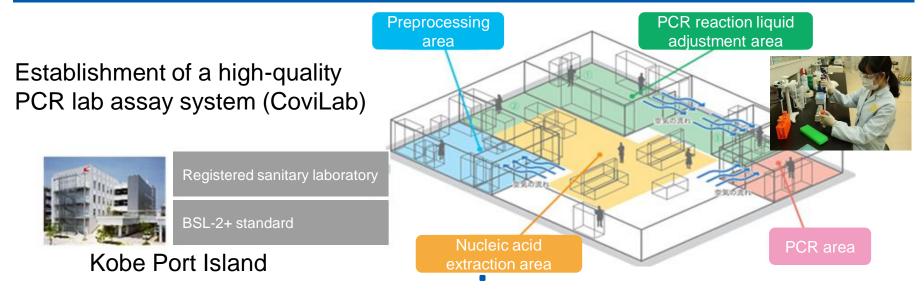
- ✓ 80–90 minutes
 (2019-nCoV detection fluorescent real-time RT-PCR kit)
- Approx. 40 minutes
 (when using reagent produced in-house)



Establishment of CoviLab (Lab offering COVID-19 PCR Clinical Testing Service)



Commenced lab assay in June 2020



The City of Kobe, Sysmex and SRL Agree to Configure a PCR Testing System within the Kobe Biomedical Innovation Cluster

New PCR Testing Facility the First in Japan Established through Public–Private Participation

(Extraordinary press conference by the Mayor of Kobe, May 18, 2020)



Lab assay results: Total of more than 15,000 samples (As of February 16, 2021)







Proactive testing at care facilities and facilities for the disabled

Lab assay from medical facilities

Lab assays from companies (for research)

Visited: More than 10 times (As of January 31, 2021)



Mayor of Kobe

Deputy Mayor of Kobe

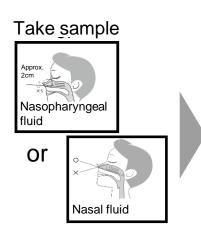
People in charge of health centers

Companies in Hyogo Prefecture

HISCL PF SARS-CoV-2 Ag (Antigen) Tests



Obtained domestic manufacturing and marketing approval and health insurance coverage (600 points)(November 10, 2020)



Extract antigen from sample liquid and inactivate virus



Filter



Product name: HISCL[™] SARS-CoV-2 Ag Reagent (In vitro diagnostic medical device registration number: 30200EZX00078000)

Results of clinical evaluation test

(Concordance rates with Institute of Infectious Diseases, RT-PCR method)

	Sample group	Nasopharyngeal swab	Nasal swab
	Test groups of 1,600 copies/test or more	100%(15/15)	-
Positive	Test groups of 400 copies/test or more	100%(19/19)	-
concordance rate	Test groups of 100 copies/test or more	95.5% (21/22)	100%(19/19)
	Test groups of 50 copies/test or more	87.5%(21/24)	100% (20/20)
Negative concordance rate	Negative sample	100% (69/69)	100%(35/35)

Expanding application is expected to expand the target of testing to asymptomatic cases.

Compact Immunoassay System



Highly sensitive and rapid measurement (within 30 minutes) using reagent for HISCL fully automated immunoassay system

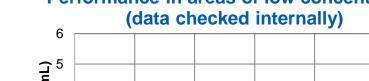


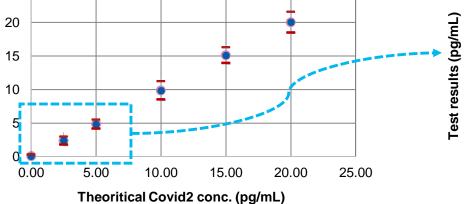
- Compact instrument, so can also be used in clinics
- Simple operation, using smartphone or other IT device
- Includes wireless network functionality
- All reaction reagents enclosed in CD disk-shaped cartridge
- Disk only disposed of after measurement

Product developed jointly with JVCKENWOOD Corporation

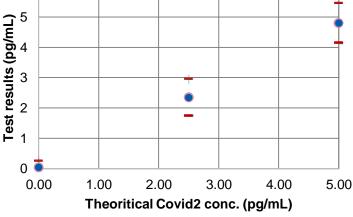








Performance in areas of low concentration



25

Test results (pg/mL)

HISCL: Reagent for Detection Alongside Influenza

LUCOL FLLLA, CA time an



 Reagent makes it possible to simultaneously test for the SARS-CoV-2antigen and the A- and B-type influenza antigens using the same sample

 Obtained manufacturing and marketing approval
 Product name: HISCL™ Influenza Assay Kit (in vitro diagnostic medical device registration number: 30300EZX00018000)

and insurance coverage (February 18, 2021) **HISCL** measurement Annrox (fully automated, from measurement to test results) HISCL 600 SARS-CoV-2 antigen Nasopharyngeal points swab A-type influenza antigen 139 Fully automated Extract sample Common Set in HISCL points measurement swab liquid (Random access B-type influenza antigen possible) Nasal swab TAT: Within 20 minutes

1) Detection sensitivity HISCL FLU-A: 32 times

2) Concordance rate

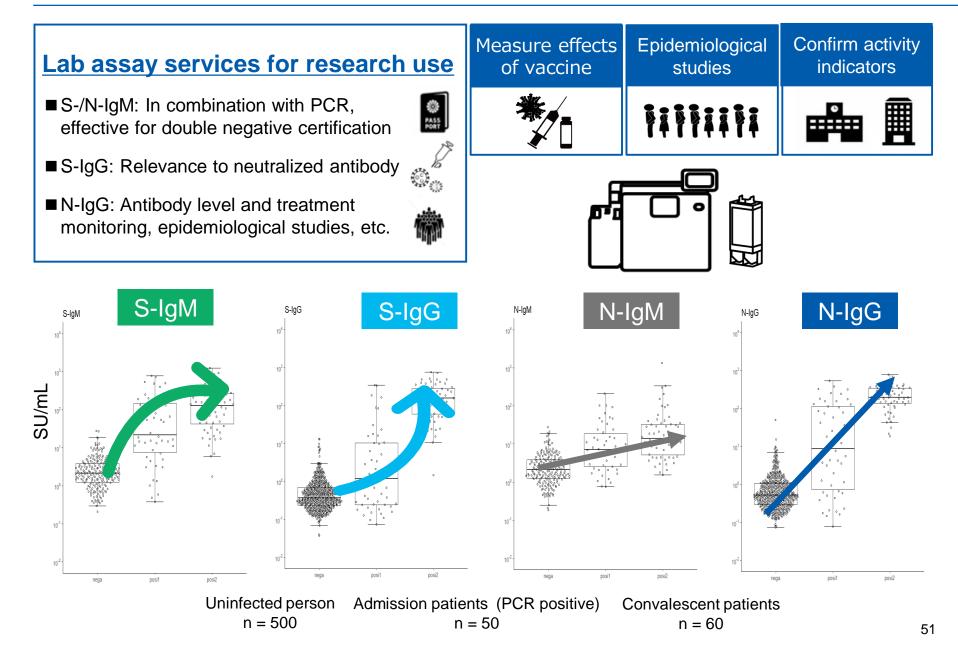
 HISC	L FLU-A: C	32 times	HISCI	L FLU-A: 6	54 times	NOU
Dilution factor	HISCL FLU A-type	Immuno- chromatography method (visual judgment)	Dilution factor	HISCL FLU B-type	Immuno- chromatography method (visual judgment)	СС
3.2x10 ⁴	+	+	1.0x10 ³	+	+	
6.4x10 ⁴	+	+	2.0x10 ³	+	-	С
1.3x10⁵	+	-	4.0x10 ³	+	-	
2.6x10⁵	+	-	8.0x10 ³	+	-	
5.1x10⁵	+	-	1.6x10 ⁴	+	-	
1.0x10 ⁶	+	_	3.2x10 ⁴	+	-	cc
2.0x10⁵	+	NT	6.4x10 ⁴	+	-	
4.1x10⁵	_	NT	1.3x10⁵	_	NT	СС
NC	_	_	NC	_		

Note: Results when virus added to samples

FLU-A	Nasopharyngeal	Nasal
Positive concordance rate	92.5%	92.1%
Negative concordance rate	100%	98.9%
FLU-B	Nasopharyngeal	Nasal
Positive concordance rate	Nasopharyngeal	98.5%
Positive		

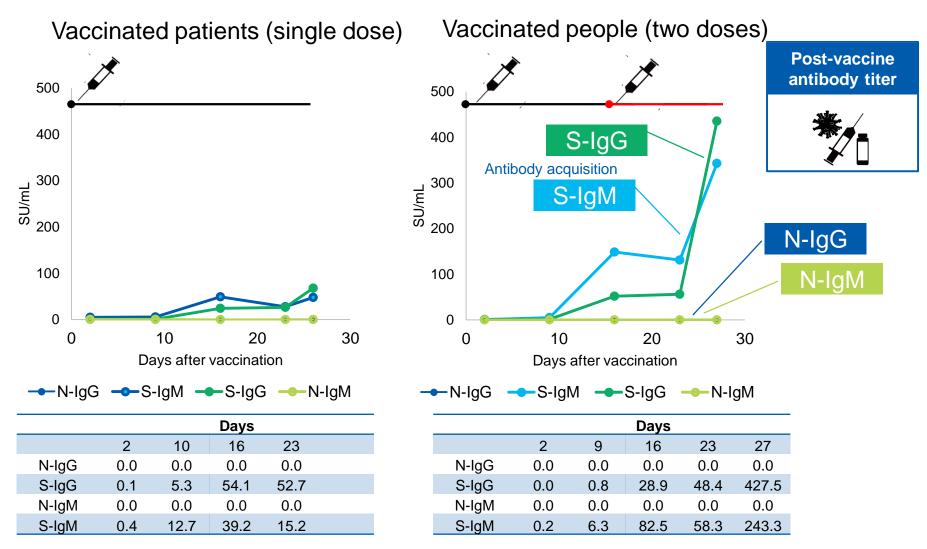
HISCL SARS-CoV-2 Ab (Antibody) Tests







Ability to quantitatively track antibody titers after vaccination



#This data does not indicate the efficacy or neutralizing activity of the vaccine.

HISCL PF Cytokine IFN-λ3 Tests



Purpose of use: Auxiliary diagnosis of risk of severity increasing

Predicting the risk of severity increasing could help in determining treatment methods and in early treatment, preventing severity from increasing.

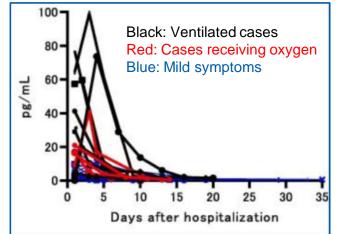
HISCL[™] IFN-λ3 reagent: Regulatory approval on December 22, 2020, insurance coverage on February 3, 2021 (340 points)

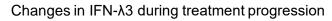
IFN-λ3: One type of cytokine related to protection from viral infection (marker for predicting increased severity)

Report on effective markers in predicting the increasing severity of COVID-19 cases by Sugiyama M, et al.*, of the National Center for Global Health and Medicine (joint research with Sysmex) *Sugiyama M, et al., Gene. 2021 Jan 15;766:145145.

<Characteristics>

- Measured values increased one-three days before exhibiting moderate symptoms II
- •Testing for which increased severity could be predicted on cases exhibiting moderate symptoms II, requiring oxygenation





		Treatment	progression
Cases not oxyge initial measurem		Severity increasing (oxygenation)	Severity not increasing (no oxygenation)
λ3 f:	Positive	8	2
3.6 pg/mL	Negative	1	11

Response to Inoculation and Virus Mutation



Responding to global needs after vaccination

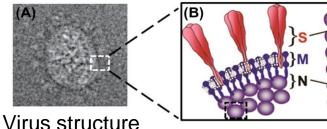


https://www.nikkei.com/article/



S antigen section (proteins, mRNA) on the virus surface used in vaccines

Measure quantity of S-IgG antibody including neutralized antibody after vaccination



Antiviral Res. 2014 Mar;103:39-50

Furin cleavage D614 G614

Response to viral mutation

Mutation causes structural changes in the virus. (European, South African, Brazilian, Canadian and other mutations)

Once mutation is confirmed,

work to improve PCR test reagents as necessary

"up" RDB D614 G614



4

Initiatives in the LS Business

(1) COVID-19 PCR Testing (PCR Reagents and Instruments, CoviLab)

- (2) COVID-19 HISCL Tests (Antigen, Influenza, Antibody, Cytokine)
- (3) Cancer Genome Tests (OncoGuide NCC Oncopanel System)
- (4) Cancer Liquid Biopsy Tests (OncoBEAM, PSS)

Cancer Genome Tests (OncoGuide NCC Oncopanel System)



December 25, 2018: Japan's first cancer genome profiling to receive regulatory approval June 1, 2019: Insurance coverage (56,000 points)

- Testing of approximately 3000 cases in japan, C-CAT registration, drug arrival rate of approximately 13%
- Promotion of advanced medical care as pre-administration testing for anti-cancer drugs (NCC, from June 15, 2020) Progress rate of approximately 35% of 200 target cases

Obtained approval of partial change (February 1, 2021)

- · Addition of NTRK3 as a gene to be analyzed (114⇒124 genes)
- Addition of the MSI-H score detection function
- Enhanced functionality for detecting gene abnormalities and extension of panel kit's period of validity (from 6 months to 12 months)

Gene	Mutation type	Significance			
Tumor-suppressor gene					
MSH6	Mutation/amplification	Diagnosis of colon cancer, endometrial cancer, ovarian cancer and			
PMS2	Mutation/amplification	Lynch syndrome; related to Pembrolizumab sensitivity and MSI			
MEN1	Mutation/amplification	Diagnosis of multiple endocrine neoplasia type 1, etc.			
	Re	lated to drug sensitivity			
B2M	Mutation/amplification	Results of treatment with immune checkpoint inhibitors			
MTAP	Mutation/amplification	Related to PRMT inhibitor sensitivity			
TSC2	Mutation/amplification	Related to MTOR inhibitor sensitivity			
NF2	Mutation/amplification	Related to MTOR inhibitor side effects			
CCNE1	Mutation/amplification	Related to PARP inhibitor sensitivity, prognosis			
CDK6	Mutation/amplification	Related to CDK4/6 inhibitor sensitivity			
CDK12	Mutation/amplification	Immune checkpoint sensitive gene			
	Related to drug sensitivity (fusion)				
NTRK3	Mutation/amplification/ fusion	Related to TRK inhibitor treatment results Note: Also for fusion detection			
ETV6	Fusion	Added for NTRK3 fusion partner side gene			

NTRK3 gene:

This gene produces proteins related to the differentiation and maintenance of nerve cells. It is thought that when the NTRK gene fuses with numerous other genes and NTRK fusion genes create abnormal proteins, unnecessary cells can proliferate, increasing the likelihood that cancer will develop.

Microsatellite instability (MSI):

In this condition, a "satellite" in a genome's DNA (a short reiterated sequence of one to several bases in a base sequence) can reduce the ability to repair mistaken base sequences when duplicating DNA, causing differences in the number of iterations between tumor tissue and non-tumor (normal) tissue.

Cancer Liquid Biopsy Tests (OncoBEAM, PSS)



OncoBEAM CRC RAS Kit (regulatory approval on July 19, 2019)

World's first insurance coverage (on August 1, 2020) of ctDNA/CDx using high-sensitivity digital PCR technology

Decision category	Main purpose of use	Measured parameter	Measurement method	Samples used	Detection sensitivity	Insurance points	Points of note (excerpted)	
E3 (new parameter)	To detect RAS (KRAS and NRAS) gene mutations in genome DNA extracted from plasma (assist in determining suitability of Cetuximab and Panitumumab for use in patients with colon and rectal cancer)	mutation (plasma)	High-sensitivity digital PCR and flow cytometry methods (Approved as new methods)		(Highest level of	(Maximum number for a single genetic test)	Calculated as being limited to once per person for diagnosis or determining treatment methods. However, calculation can take into account selection of repeated treatment methods. =>Multiple calculations per patient are possible.	

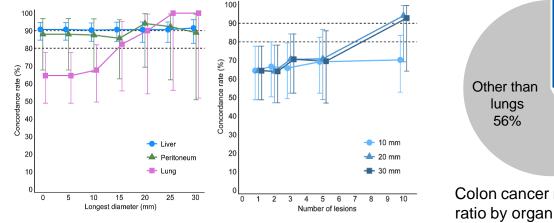
Joint marketing by Merck BioPharma and Takeda Pharmaceutical (approx. 250 facilities) + lab assay by SRL (approx. 1000 samples)

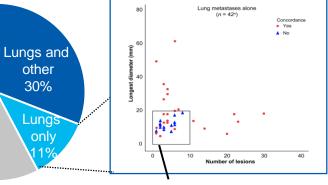
Paper presented: Combined Analysis of Concordance between Liquid and Tumor Tissue Biopsies for RAS Mutations in Colorectal Cancer with a Single Metastasis Site: The METABEAM Study | Clinical Cancer Research (aacriournals.org) Y. Kagawa et al. Feb. 18, 2021 Results of meta analysis with a total of 221 cases (110 from Japan + 111 from Spain)

Important precaution: For patients with metastasis to the lungs only, conduct tests on tumor tissue when possible

Quoted from the package insert of OncoBEAM RAS CRC Kit

Suggest narrowing to fewer than 10 lung metastases and metastatic tumor major diameter of less than 20mm





Colon cancer metastasis,

other

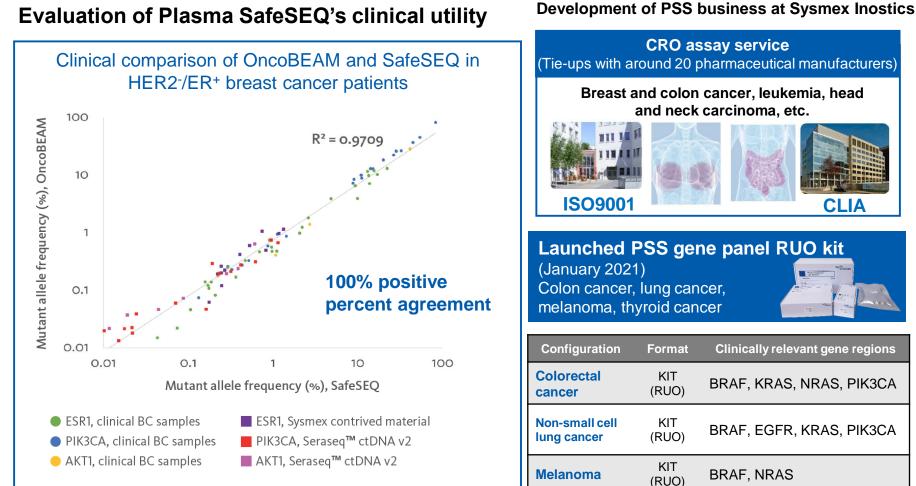
30%

only

Below cutoff: Approximately 60% of pulmonary mono-metastasis

Cancer Liquid Biopsy Tests (OncoBEAM, PSS)





Hope Rugo *et al.* Presented at AACR 2019. Data generated from 35 clinical samples and replicate testing (3x/method) of contrived material using SafeSEQ ER⁺/HER2⁻ Breast Cancer Panel and OncoBEAM BCP

In future, pursue IVD/CDx development

Thyroid

cancer

KIT

(RUO)

BRAF, NRAS



5

Initiatives for the Realization of Personalized Medicine

Tomokazu Yoshida Senior Executive Officer

- (1) Testing for Alzheimer's Disease
- (2) HDL Testing



5

Initiatives for the Realization of Personalized Medicine

(1) Testing for Alzheimer's Disease

(2) HDL Testing

Liquid Biopsy (Alzheimer's Disease)



Development of the rapeutic drugs targeting amyloid β (monomer, aggregate) is moving forward in the aim of curtailing symptoms at an early stage.

Aducanumab Applications for approval US Food and Drug Administration (FDA) PDUFA action data: 6/7/2021

European Medicines Agency (EMEA) Pharmaceuticals and Medical Devices Agency (PMDA)

- Lecanemab (BAN2401) (FDA Ph3)
- Gantenerumab (FDA Ph3)
- Solanezumab (FDA Ph3)
- Donanemab (FDA Ph2)
 Positive results (1/14/2021)

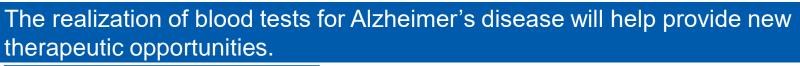
	Monomers	Oligomers	Protofibrils	Fibrils
	••••	28		
Aducanumab				
Lecanemab				
Gantenerumab				
Solanezumab				
Donanemab				

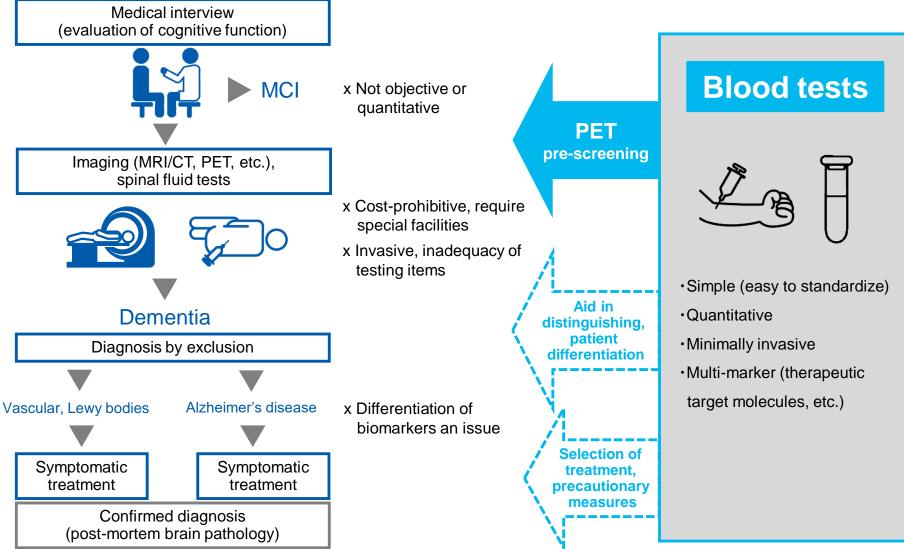
https://alzheon.com/pipeline/

Prepared with reference to Tolar et al. Alzheimer's Research & Therapy 12, 95 (2020)

New Blood Tests







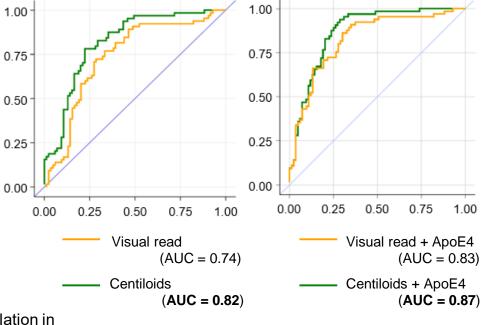
Performance Verification with a View to PET Prescreening



A high degree of concordance has been determined with amyloid PET (status of amyloid β accumulation in the brain) (same level as mass spectrometry)

Results of positive PET predictions in clinical subjects (n= approx. 150 cases) in amyloid PET diagnosis (Additional verification based on of PET judgment using the Centiloid method and verification of effects of ApoE4 gene information)

Background of subjects (n=149)	
Average age (SD)	73.3 years (6.08)
Race: Caucasian / other	93.3% / 6.7%
Gender: Male / female	50.3% / 49.7%
APOE4: - / +	59.7% / 39.6%
MCI due to Alzheimer's disease	82.6%
Early stage of mild Alzheimer's disease	11.4%



Amyloid positivity in patients with clinical cognitive dysfunction in clinical trials

Negative: Cognitive dysfunction without amyloid $\boldsymbol{\beta}$ accumulation in the brain

Positive: MCI, mild AD with amyloid β accumulation in the brain

Prediction performance of amyloid β accumulation in the brain by IP-MS (Comparison with PET using flutemetamol)
 Sensitivity: 78.7%/specificity: 82.4%
 (From Nature. 2018 Feb 8; 554(7691): 249-254.)

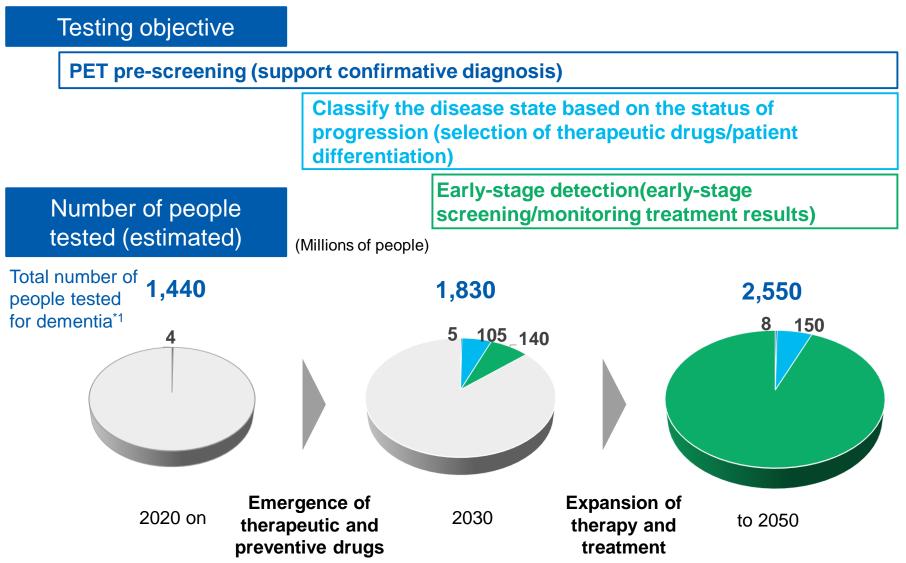
Sensitivity/specificity 73%/71% Aβ (Visual read) 78%/78% Aβ (Centiloids) 94%/71% Aβ (Centiloids) + ApoE4

Note: Used cutoffs based on Youden Index

From a poster at the 39th Annual Meeting of Japan's Society for Dementia Research

Impact of Blood-Based Tests for Dementia: Estimated Market Size





*1 Number of people tested (world) = Estimated populations in individual age groupings multiplied by the following coefficients (10% for 40s, 60% for 50s, 80% for 60s, 100% for 70s or older)

Sysmex's estimates based on information from UN (Population Statistics): World Population Prospects - Population Division - United Nations, number of people with dementia: Dementia (who.int), the Japan Institute of Life Insurance website

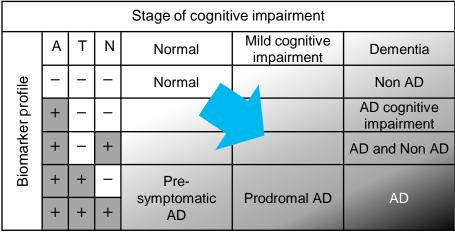
R&D Status of Other Blood Markers



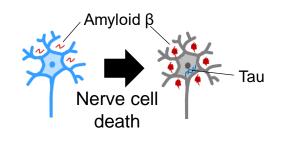
Creation of an HISCL measurement system for parameters other than amyloid β (total tau, phosphorylated tau, NfL)

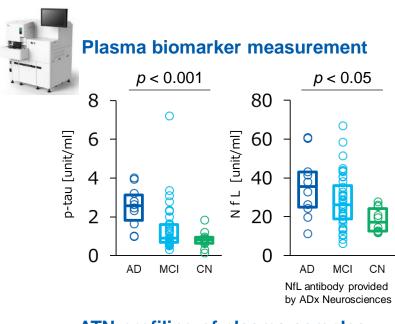
Around the world, work is being conducted to classify the stages of cognitive impairment by using ATN.

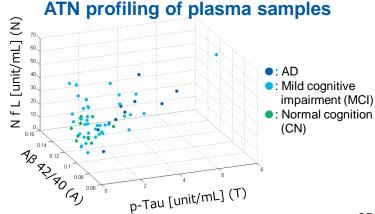
(Research framework from the National Institute on Aging and the Alzheimer's Association)



A: Amyloid β, T: Tau protein, N: Neurodegeneration / nerve damage Adapted from Alzheimer's Dementia. 2018 Apr; 14(4): 535-562









5

Initiatives for the Realization of Personalized Medicine

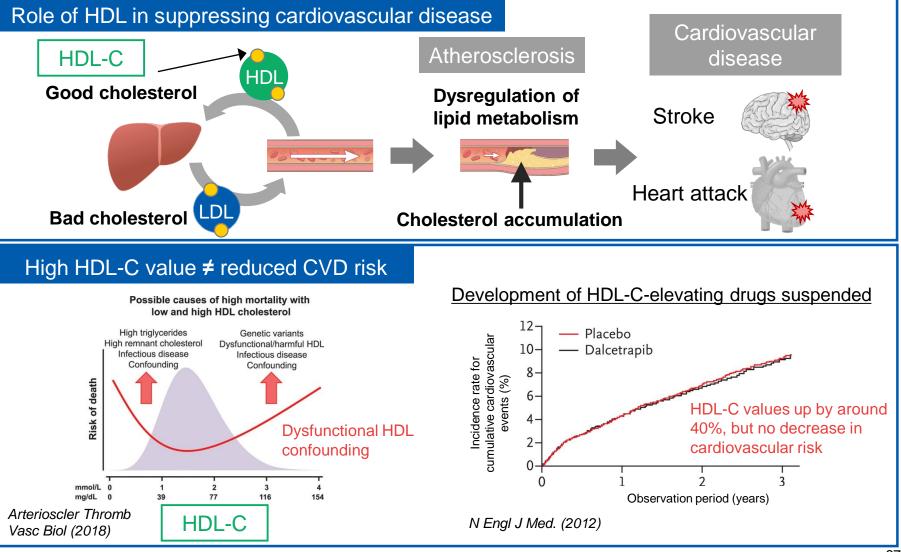
(1) Testing for Alzheimer's Disease

(2) HDL Testing

Role of HDL and Issues with HDL-C Testing



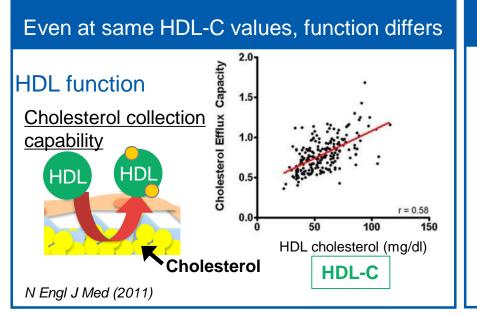
The conventional view that "HDL is good" is being revised. New diagnostic indicators are needed.



Development of HDL Function Assay



As HDL function correlates with the incidence risk for cardiovascular disease, developed proprietary measurement technologies



Reduced HDL function a risk of cardiovascular disease incidence HDL function

Observation period (years)

N Engl J Med. (2014)

Conventional method

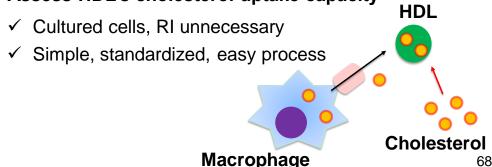
Clinical application, standardization are difficult

Assess cholesterol efflux capacity from cultured cells

- ✓ Use cells, RI
- ✓ Cumbersome process, requiring three days

New concept Measurement can be automated

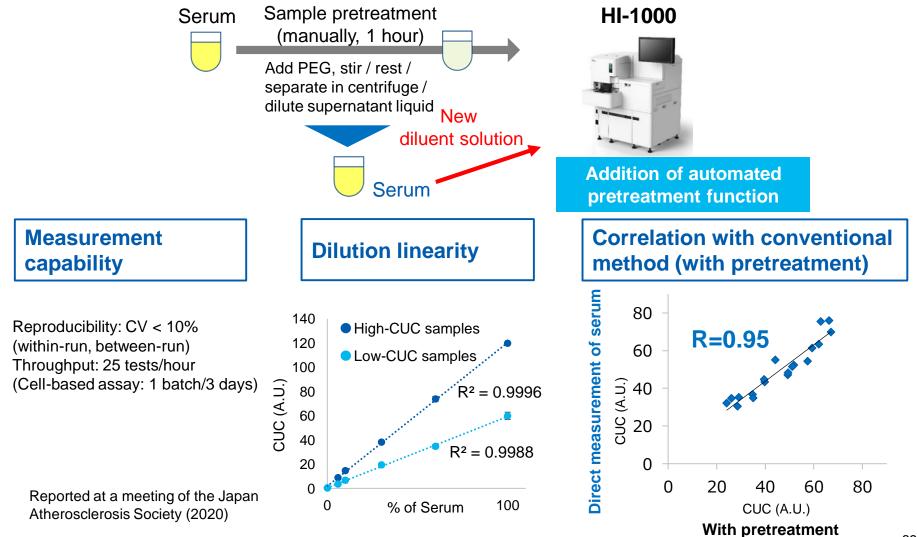
Assess HDL's cholesterol uptake capacity



Full Automation of HDL Function Assay



By optimizing the diluent solution, established a fully automated system that can directly measure serum samples



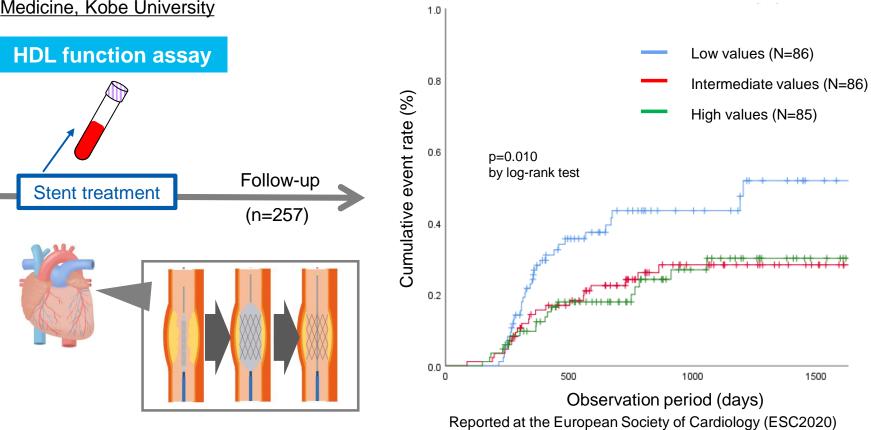
69

Stratification of Cardiovascular Disease Recurrence Risk by Measuring HDL Function



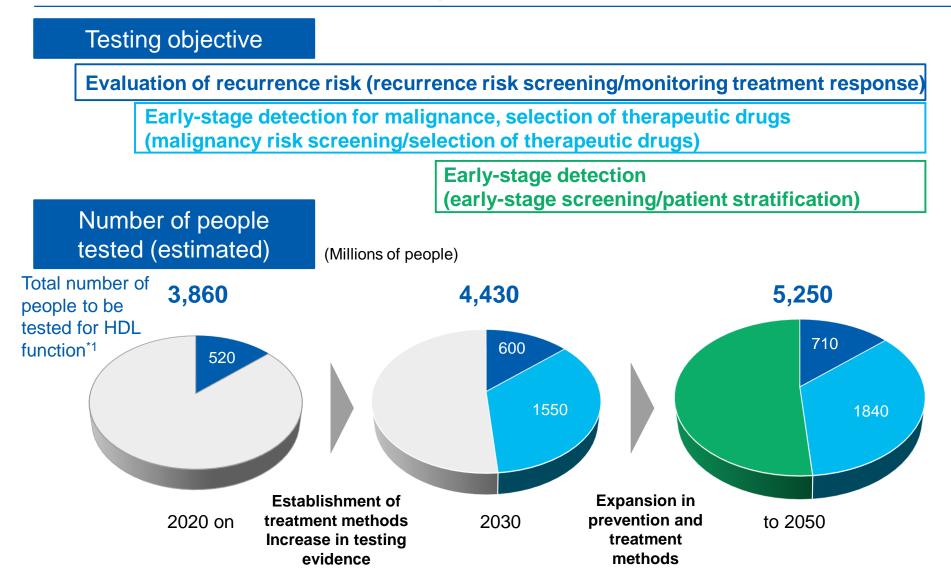
Confirmed that the recurrence rate was significantly higher among the group with low HDL function following stent treatment

Joint research with the Founded Course at Kobe University Graduate School, Department of Internal Medicine, Division of Cardiovascular Medicine, Kobe University



Market Prospects for Testing of HDL Function





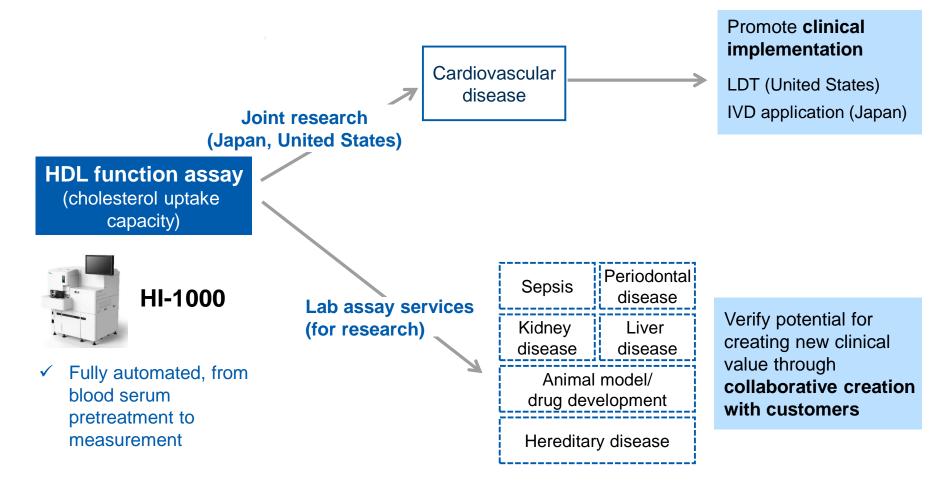
*1 Number of people to tested (world) = Estimated total population aged 30s to 70s

Sysmex's estimates based on UN (Population Statistics): World Population Prospects - Population Division - United Nations and J Am Coll Cardiol (2020)

Increasing Application to Other Patients



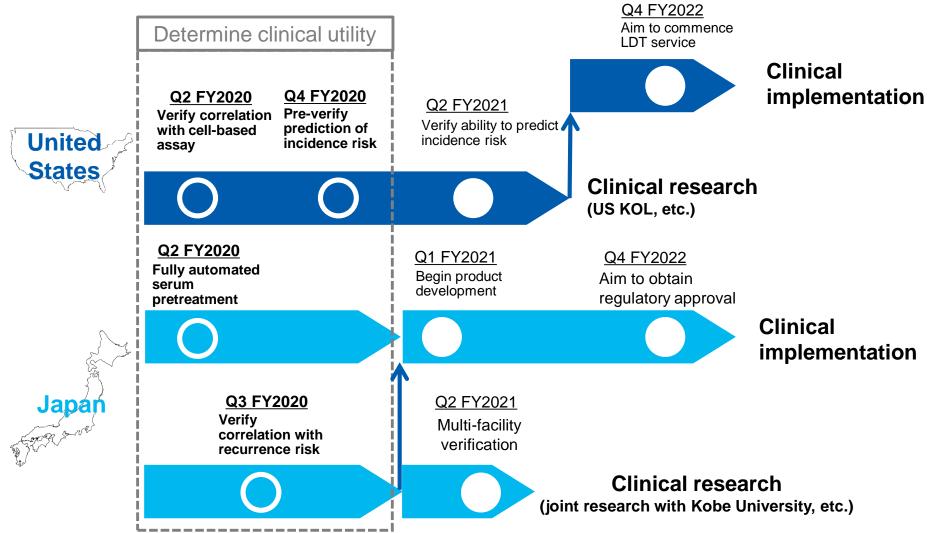
Create new clinical value through collaborative creation with customers and by applying elemental technologies



Acceleration of R&D



Promote parallel activities in Japan and overseas with a view to early-stage clinical implementation



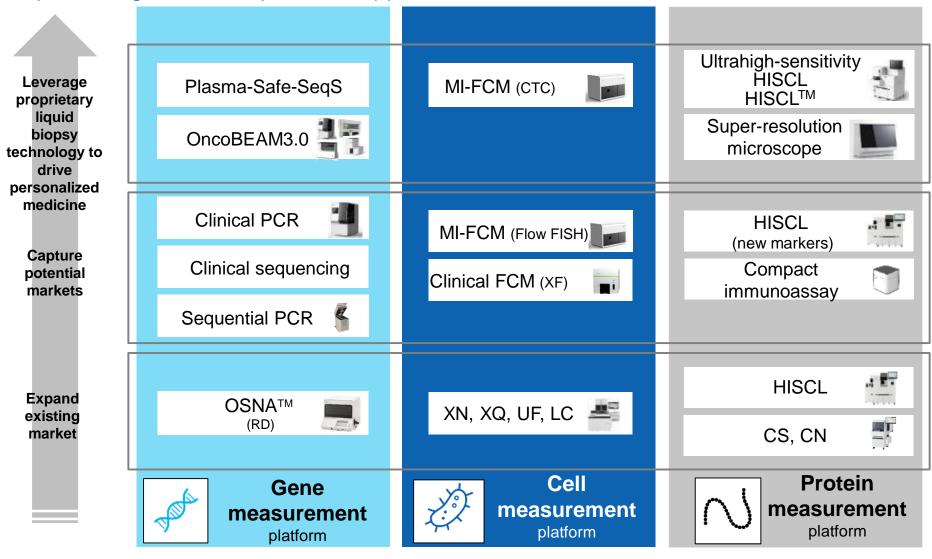


Appendix

Established Technology Platforms



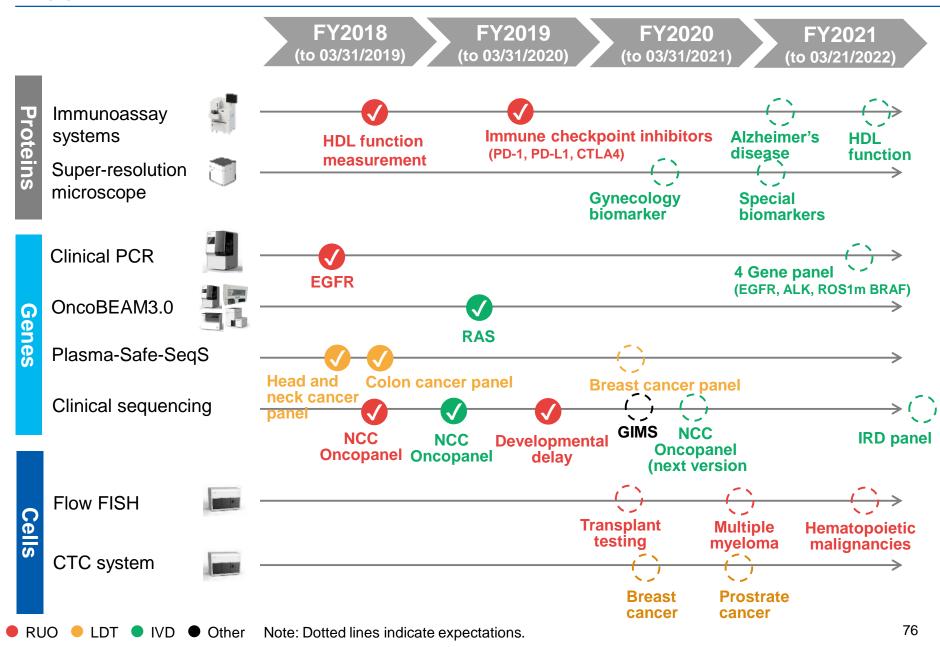
We have completed the establishment of technology platforms and are promoting the development of applications with a view toward commercialization.



Application Launch Plans

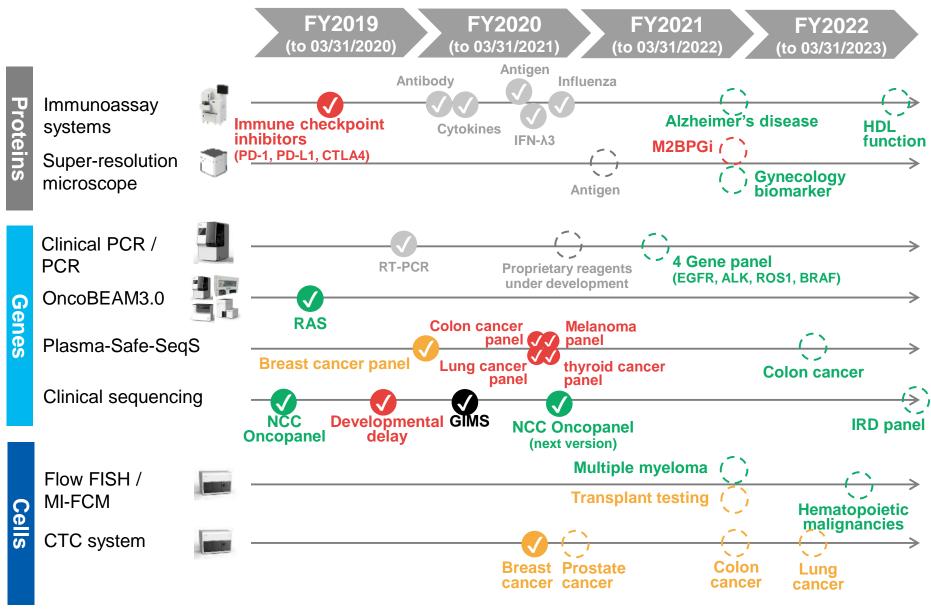
As indicated at the 17th R&D Meeting (Mar. 2020)





Application Launch Plans (March 2021 Update)





Glossary



Amyloid-β	A key constituent of senile plaque, a pathological characteristic of the brain tissue of patients with Alzheimer's disease, composed of around 40 amino acids.
Antimicrobial resistance	This phenomenon occurs when living organisms develop a resistance to a drug, whose efficacy is decreased or neutralized as a result. Bacteria that have developed microbial resistance are known as antimicrobial resistant bacteria.
APOE4	An isoform of apolipoprotein E (ApoE), a protein that contributes to lipid metabolism, APOE4 is the gene product of ApoE ϵ 4. ApoE ϵ 4 is thought to be a risk factor for Alzheimer's disease.
Blasts	The most morphologically immature blood cells.
BSL	Laboratories and other facilities assign "biosafety levels" to bacteria, viruses, and other microorganisms and pathogens.
CAD	An acronym for "coronary artery disease," CAD refers to coarctation and occlusion of the coronary arteries due to such factors as arteriosclerosis, preventing an adequate supply of blood to the myocardium that leads to oxygen deficiency.
Caresphere	Caresphere utilizes IoT and the cloud to establish a platform for the real time linking and analysis of a variety of information managed using testing instruments and clinical laboratory information systems. It is a new network solution that provides support for increasing the operational efficiency of professionals involved in testing and healthcare, enhancing quality and raising patient satisfaction.
C-CAT	A new cancer genomic medicine base established by the National Cancer Center. It was created to collect and store nationwide information regarding genomic medicine and to create mechanisms that enable the discovery of new medical treatments via the appropriate utilization and application of this information.
CLIA	Laboratories with U.S. CLIA (Clinical Laboratory Improvement Amendment) certification are required to undergo periodic inspections to ensure quality maintenance, and having such registration indicates that a lab meets world-class technology standards for quality assurance and sufficient reliability in genetic analysis.
CTC	Acronym for "circulating tumor cell." CTCs refer to cancer cells that have broken away from primary or metastatic cancer sites and are circulating in the blood.
ctDNA	Cancer derived DNA circulating in the blood. A focus of growing attention as a non invasive cancer biomarker for testing using liquid biopsy.
DNase/RNase	Enzymes that degrade DNA and RNA. It is important to suppress DNase/RNase activity, as their presence in a specimen can affect the quality of DNA and RNA.

Glossary



Drug susceptibility test	A test to determine the efficacy of various antimicrobial drugs against pathogenic bacteria detected in a sample.
ELISPOT	Short for "Enzyme-Linked ImmunoSpot," high sensitive immunoassay method that enables detection of T cell immune response at the single cell level.
Flow cytometry (FCM)	Method involving the flow dispersion of minute particles and the use of laser light to optically analyze minute flows.
GIMS	Acronym for "Genome Information Management System."
HDL	An acronym for "high-density lipoprotein," HDL has the role of collecting excess cholesterol in the vessel wall and returning it to the liver.
IFN-λ3 (interferon lambda 3)	This is a biomarker shown to rise suddenly in blood concentration several days before increasingly severe COVID-19 symptoms are detected.
IgG antibody	One of the most prevalent circulating antibodies, which has a strong neutralizing effect.
IgM antibody	One of the first antibodies produced when a foreign substance enters the body, causing its level to increase for a certain period of time.
IRD	Inherited Retinal Disease. Hereditary diseases characterized by abnormalities in the photoreceptor cells or epithelial cells that adhere to the retina.
IVD	Acronym for "in vitro diagnostics." Refers to in vitro diagnostic pharmaceuticals and products that have received regulatory approval.
LDT	Acronym for "laboratory developed test." LDTs, often testing methods that have not received regulatory approval, include highly sophisticated and complex gene testing that can only be performed in specific clinical testing labs.
Liquid biopsy	This is a general name for technology using blood or body fluid samples for diagnosis and the prediction of treatment impacts rather than through the conventional practice of tissue biopsy, in which diagnosis is performed on diseased tissue that has been collected. Liquid biopsy is less invasive than tissue biopsy, but more highly sensitive detection technologies are required.
Macrophage	A type of white blood cell. Macrophages excel in the ability to eat bacteria and other foreign substances that have entered the body, and to consume and sterilize these cells, preventing bacterial infections.
MCI	Acronym for "mild cognitive impairment."

Glossary



A type of skin cancer, also known as "malignant melanoma."
An abbreviation for "minimum inhibition concentration," MIC refers to the minimum concentration of antimicrobial drugs that suppresses the growth of bacteria.
National Cancer Center.
Treatment using percutaneous coronary angioplasty (PCI) technology. This technology involves inserting a long, thin tube called a catheter into coronary arteries (which supply blood to the heart) that have constricted and expanding them and restore blood flow.
This type of medicine goes beyond the conventional practice of providing selected predetermined or uniform treatment for a given disease. Instead, the selection of treatment is optimized for individual patient characteristics, based on gene and other testing data.
A management method used to guarantee the values measured by customers' testing equipment and to confirm that a customer's equipment is functioning correctly.
The initial care provided at clinics or other locations when a patient first falls ill.
Acronym for "Plasma Safe Sequencing." This pretreatment technology is used to discern between gene mutations and read errors by attaching tags to genes to be amplified.
One of the gene that is known to cause cancer when it mutates.
Reaction that converts RNA to cDNA using reverse transcriptase (RT).
"Research use only."
An acronym for "standard deviation," an indicator of variability in a sample.
Short for "turnaround time," TAT is the period starting when a system is asked to begin processing and ending when results are output.
A microtubule associated protein that exists in central neuronal cells. Along with senile plaque, inordinately phosphorylated deposits of tau protein (neurofibrillary tangle) can be observed in the brains of patients with Alzheimer's disease.
The urinary tract runs between the kidneys and the urethral outlet. Inflammations due to the incursion of bacteria into the urinary tract are known as urinary tract infections. Such infections can lead to cystitis and pyelonephritis (inflammation of the kidneys).

Lighting the way with diagnostics