

Q&A Highlights: H.U. Group Technology Day 2022

Date: December 9, 2022

Q-1

- You mentioned LTS in-house system development on slide 9 of R&D pipeline overview, what does it mean?

A-1

- In-house system is used for personalized medicine development and genome analysis. In anticipation of increasingly sophisticated medical care in the future, we are trying to build an in-house system that enables safe exchange (reception and reporting) of large volumes of information with medical institutions.

Q-2

- I believe that personalized medicine and genomic testing will increase in the future. How will the LTS business model change in the next 5-10 years? What kind of impact do you envision for your company, such as the possibility of opportunities to expand market share?

A-2

- Testing industry will become more polarized in the future. Advanced medicine, such as high-price/high-value-added genomic testing, and general testing will be polarized. Our resources will also be distributed among these two poles.
- We try to cover both sides of the equation, since esoteric testing is one of our strengths, we will continue to lead the field of advanced medicine.
- In the future, it will be a matter of how much useful clinical data and interpretation can be provided to medical institutions and patients, rather than simply reporting test results as in the past.

Q-3

- You have already launched RUO blood-based Alzheimer's-related reagents under your brand, but what is the timeline and potential for the expansion of Alzheimer's-related reagents into the CDMO business?

A-3

- We plan to explore global possibilities in clinical studies in collaboration with external parties.
- We will use the findings from each trial and study to expand to CDMO business

in a timely manner.

Q-4

■ Over IVD's three R&D strategies, what do you focus on most?

A-4

- All of the strategies are important, but if we divide them into a timeline of short, medium, and long term, in the short term, we will first aim to enhance the Alzheimer's (Neuro) items.
- Subsequently, we aim to realize an ultra-high sensitivity detection method.
- In parallel, regarding the license agreement with PeptiDream, we will consider what kind of targets would be best to complement the antibodies.

Q-5

■ With regard to Alzheimer's disease testing, where do you see the difficulties in detection of Amiloid β ($A\beta$)?

A-5

- We believe that the key is the development of instruments which have high-sensitivity and testing systems that ensure the stability of the same values in any environment.
- In some cases, there is a wide range of target data, such as PET data and CSF data, and it is essential to determine what is most conducive to monitoring and diagnosing Alzheimer's Disease.
- I think the difficult point is that Alzheimer's Disease takes a long time to onset, and there are multiple things that are not easy: diagnosis, specimen collection, and data across multiple platforms is necessary.

Q-6

■ Do you think Alzheimer's Disease can be diagnosed without $A\beta$, or do you think $A\beta$ is indispensable?

A-6

- According to various reports and conference reports, there is no doubt that Ptau will be the main focus, but we would like to find how much $A\beta$ will be involved in through various clinical trials.