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EMMA

# Results of Operations for December 2022, 1st Half

 **EM SYSTEMS CO., LTD.**  
(TSE Prime Section: 4820)

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Supporting Date Shared Information System Foundation

Reference Pharmacy DX achieved through MAPs for PHARMACY DX  
The features of MAPs for NURSING CARE

## Company Initiatives regarding the Novel Coronavirus

We would like to express our heartfelt sympathies to all of you who are dealing first-hand with novel coronavirus infections (Covid-19). We pray that the pandemic comes to an end as soon as possible and we pray for your health.

Our company, which continues to support the healthcare (clinics and pharmacies) and long-term care/welfare industries through our systems, is implementing the following initiatives throughout the entire EM Systems Group in order to minimize the effects on the health and safety of our customers and employees, as well as on our business, and to continuously provide the stable system access and service.

### ➤ Working Environments

Utilization of staggered working hours, telecommuting, online meetings and mobile working, as well as creation of office environments that avoid the three Cs.

Installation of sneeze guards at all seats, mask wearing, and thorough disinfection practices, etc.

Implementation of work style reforms that enable employees to work without coming to the office.

### ➤ Sale Activities

Sales activities via the Internet and telephones.

## Clinics



- Revision of medical fees in April 2022 (Medical fee scoring of refill prescriptions, of online eligibility verification etc.)
- Responses to the Post-Covid-19 Status (Promotion of online medical care, medical consultations by appointment, transition toward cashless systems, etc.)
- Hybridization of exhibitions by academia and private companies, and transition toward holding such exhibitions online
- Individual Number Cards are used as insurance certificates, Construction of information viewing environments at medical institutions, Transition toward electronic prescriptions, Standardization of electronic medical record information (Individual unitization of insurance information, and improvement of patient convenience)

## Initiatives



- Transition toward cloud-based systems, and provision of cashless services through our subsidiary ChoQi Co., Ltd.
- Application of online demonstrations and online business negotiation tools, and non-face-to-face sales, Exhibition at hybrid expo (Enhancement of online seminars)
- Participation in the government-promoted electronic medical record standardization verification project
- Provision of online eligibility verification system
- Dedicated medical sales force, Strengthen sales proposals for EHR(Electronic Health Record)

## Pharmacies



- Revision of medical fees in April 2022 (Medical fee scoring of refill prescriptions, of online eligibility verification etc.)
- Responses to the Post-Covid-19 Status (Optimization of operations within pharmacies, promotion of online medication guidance, delivery of medications, etc.)
- Reorganization, M&A and DX strategy development, Reform of pharmacist work style
- Increase in the number of drugstores with dispensing facilities in the drugstore industry
- Hybridization of exhibitions and transition toward holding such exhibitions online
- Individual Number Cards are used as insurance certificates, Construction of information viewing environments at medical institutions ,Transition toward electronic prescriptions (Individual unitization of insurance information, and improvement of patient convenience)

## Initiatives



- Transition toward cloud-based systems, automation of systems, and Cooperation with other companies' dedicated software  
Proposal for cashless promotion, Proposals for utilization of IT introduction subsidies
- Sales promotion of "MAPs Optional Prescription Reader"
- Collaboration with Good Cycle System Co., Ltd and enhanced electronic medical history proposal capabilities
- Management support via EM Analysis Support (free) and MAPs Option | BunseQI (paid)
- Enhancement of chain store sales proposals, promotion of TOP coverage, Enhancement of EHR proposal capabilities
- 「MAPs for PHARMACY DX」 → Release by the end of the year

## Long-term care/welfare



- Increase in the number of new facilities accompanying the aging of society, and increase in the number of large-scale chain long-term care facilities, Revision of Nursing Care Compensation
- Responses to the Post-Covid-19 Status  
(Provision of non-contact services, limitations on facility usage, strengthening infection countermeasures, etc.)
- Promotion of scientific long-term care by LIFE (Long-term care Information system For Evidence)
- Movement toward mandatory BCP measures for long-term care facilities in 2024

## Initiatives



- Development of MAPs for NURSING CARE → 8/1 Release and sales Promotion
- Strengthening of chain store sales proposal capabilities , Promotion of TOP coverage
- Application of online demonstrations and online business negotiation tools and online exhibitions, non-face-to-face sales  
(Enhancement of online seminars)
- Proposals to promote systemization, and examination of medical and long-term care information sharing
- Efficient support and data output for LIFE by Sukoyaka-san

## Marketing Activities ,Sale Activities

| Clinic | Pharmacy | Long-term care | contents  |
|--------|----------|----------------|---|
| ○      | ○        | ○              | Strengthening Web Marketing : Implementation of SEO and SEM measures, Application of YouTube channel, Raise awareness, Enhancement of online seminars   |
| ○      | ○        | ○              | Improving business partner and customer loyalty through the comprehensive portal site EM-AVALON   |
| ○      | ○        |                | Application of electronic contracts, and estimates and configuration examinations conducted personally by customers through "MAPs DIRECT," an e-commerce site                                 |
| ○      | ○        |                | Promotion of inside sales, mainly to existing customers   |
| ○      |          |                | Promotion of sales of "MAPs for CLINIC with ORCA" through collaboration with associates of ORCA, Japan Medical Association standard receipt software  |
|        | ○        |                | Sales promotion of "MAPs Optional Prescription Reader"  |
|        | ○        |                | Business partnership with Good Cycle System Co., Ltd, Marketing, Online seminars, Linkage with medication history   |
|        | ○        |                | Linkage of a tool for online medication guidance and follow-ups during periods of administration  |
|        | ○        |                | Launch of "EM Analysis Support (free)" ,Release of "MAPs Option   BunseQI (paid)"   |
|        | ○        |                | Sales promotion of MAPs for PHARMACY by YUYAMA Co., Ltd.  |
|        | ○        |                | MAPs for PHARMACY DX" to be released by the end of the year   |
|        |          | ○              | MAPs for NURSING CARE" release and sales promotion  |
| ○      | ○        | ○              | Medical and long-term care information sharing ,Ensure collaboration among hospitals, clinics, and pharmacies, and Long-term care/welfare facilities ,EHR (Electronic Health Record)promotion |
| ○      | ○        | ○              | Application of M&A  |

## Development activities



### **EM Technology Laboratory Co., Ltd** (Common name: EMTLab.)

- System development subsidiary funded entirely by EM Systems; Established in July 2020
- Consolidates state-of-the-art technologies and environments where cutting-edge innovations are made
- Creates globally-adaptable development professionals
- Secures promising human resources by being a company that is attractive to developers
- Clarifies and optimizes profitability as a development organization
  - Strengthening product competitiveness through expanding the functions of the already-released MAPs for CLINIC and MAPs for PHARMACY
  - Development of MAPs for NURSING CARE, a long-term care/welfare system → 8/1 Release
  - Contribution to standardizing the industry and reducing costs through the OEM provision of a shared engine: Expansion to other companies in the same field



## Social contribution activities

- Sponsor participation in the KIMIKO DATE x YONEX PROJECT



- Ai Love All Tennis Academy
  - Participation as a professional tennis player sponsor
  - EM Tennis Clinic Held
  - Event participation in doubles tournament sponsored by Osaka Doctors Tennis Association



Tennis Clinic in Fukuoka  
To be held in July 2022

## Social contribution activities

### <Company-led support activities>

- Donations to course for the development of health care AI (Course head: Specially-appointed Assistant Professor Yoshimasa Kawazoe M.D., Ph.D.)

We agree with the purpose of the Artificial Intelligence in Healthcare course at the University of Tokyo, aimed at developing a base for new medical services focused on AI and ICT, and we have been supporting the course's activities through continuous donations since 2017.

- Participation in examination of next-generation electronic medical record base (Representative: Professor Kazuhiko Ohe, M.D., Ph.D. at the University of Tokyo)

We participate in NeXEHRs Consortium, established with the goal of constructing a next-generation electronic medical record sharing platform.

- Support for polypharmacy measures (Representative: Professor Hirohisa Imai Ph.D. at the University of Tokyo)

We agree with the purpose of the polypharmacy measures promoted by the Society for the Promotion of Proper Drug Usage, and we support its activities as a special member.

- Participation in PHR proliferation activities (Representative: Professor Taku Iwami Ph.D. at Kyoto University)

We participate in the activities of the PHR Council, which aims to promote the appropriate proliferation of Personal Health Records (PHR) and contribute to further improving health and safety, and we support the proliferation of a framework ensuring that data relating to medical care, long-term care, health, etc. is used at the discretion of the individual concerned.

## Social contribution activities

- Participation in on-site verification of electronic prescriptions (Social Insurance Medical Fee Payment Fund)  
Participation in on-site verification in Nagasaki Prefecture in preparation for the launch of electronic prescription services in response to a request for cooperation from the Social Insurance Medical Fee Payment Fund
- Cooperation in the electronic prescription model project (Ministry of Health, Labour and Welfare)  
Cooperation in the e-prescription model project aimed at launching e-prescription services in specified regions in advance, in response to a request for cooperation from the Ministry of Health, Labour and Welfare

### <Support activities based on co-creation of value with customers>

- Commencement of acceptance of donations of EM Online Shop points (Japanese Red Cross Society and WFP)  
Addition of a donation item to the conversion destination of points granted to customers based on the purchase amounts of supplies and consumables  
10% of the donation amount added to the total by the Company following compilation of data

- We announced our long-term goals (KPIs) in February 2022, and moved our sustainability system from the development stage to implementation.
- We are promoting sustainability management under the slogan “Another Step Toward a Better Tomorrow.”

**2020**

## Policy/system formulation

- Strategic incorporation of the SDGs into our management
- Formulation of basic sustainability policy
- Establish internal promotion system

**2021**



## Materiality (key issues) formulation

- Formulation of our own materiality (key issues) from the perspective of the key issues facing both our business and our stakeholders

**2022**

## Formulation of long-term goals (KPI)

- Formulation of KPIs to solve social issues and promote sustainability management (~2030)
- Launch each activity to achieve KPIs

| category            | topics  |
|---------------------|---|
| Environment         | <ul style="list-style-type: none"> <li>• Endorsement of recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) in December 2021</li> <li>• Commencement of analyses of multiple climate change scenarios, and consideration of updating disclosed information</li> <li>• Visual representation of the reduction in greenhouse gas emissions achieved through digital transformation of our system group</li> </ul>  |
| Social              | <ul style="list-style-type: none"> <li>• Review of human resource investments (skill improvement measures for each employee, internal personnel system, etc.)</li> <li>• In-house awareness raising by our SDGs Promotion Committee, comprised of in-house organizations</li> <li>• Promotion of health management</li> </ul>   |
| Governance          | <ul style="list-style-type: none"> <li>• Disclosure of information in compliance with the Corporate Governance Code, which was revised in June 2021</li> <li>• Establishment of a Sustainability Committee, comprised of executives (Committee Chairman: President &amp; CEO)</li> <li>• Enhancement of internal controls and compliance</li> <li>• Four independent outside directors out of a total of ten directors (including two female directors)</li> <li>• Disclosure of our Skill Matrix</li> </ul>                        |
| External Evaluation | <ul style="list-style-type: none"> <li>• Recognized as an Excellent Corporation for Health &amp; Productivity Management 2022 (large enterprise category)</li> <li>• S&amp;P/JPX Carbon Efficient Index: First selection</li> <li>• FTSE Blossom Japan Sector Relative Index: First selection</li> </ul>   |

## consolidated results of December 31 2022, 1<sup>st</sup> Half

|                   | December 31 2021 1 <sup>st</sup> Half | ※December 31 2022 1 <sup>st</sup> Half<br>(estimated results) | December 31 2022 1 <sup>st</sup> Half<br>(results) | Compared to<br>previous year | Compared to<br>estimated results |
|-------------------|---------------------------------------|---|--|------------------------------|----------------------------------|
| Sales             | 6,672 millions of yen                 | 7,493 millions of yen   | <b>8,164</b> millions of yen                       | 22.4%                        | 9.0%                             |
| Operating Profits | 582 millions of yen                   | 896 millions of yen   | <b>1,360</b> millions of yen                       | 133.4%                       | 51.8%                            |
| Ordinary Profits  | 1,023 millions of yen                 | 1,172 millions of yen   | <b>1,603</b> millions of yen                       | 56.7%                        | 36.8%                            |
| Net Income        | 687 millions of yen                   | 797 millions of yen   | <b>1,089</b> millions of yen                       | 58.4%                        | 36.7%                            |

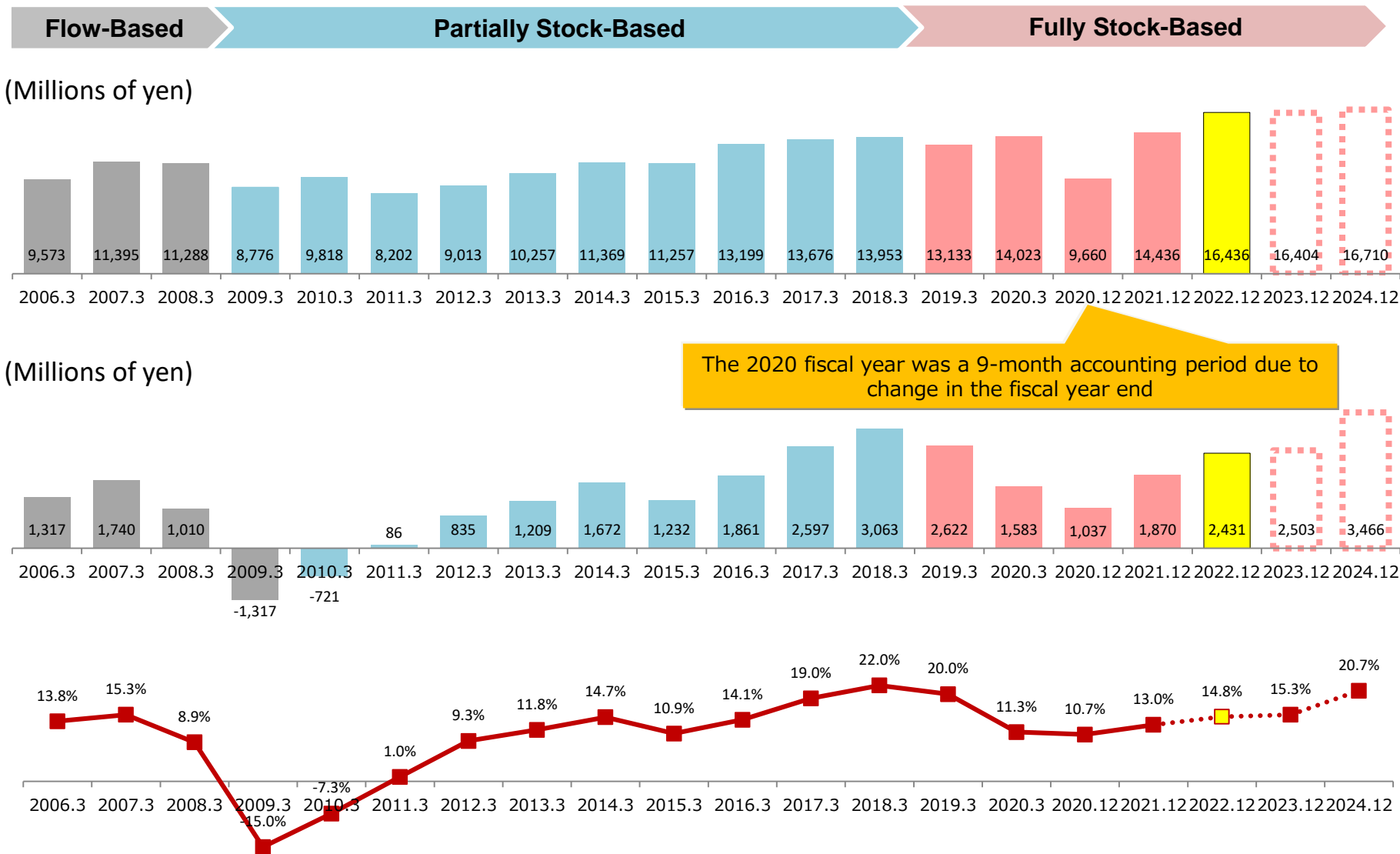
※ These are the amounts which announced in the financial statement on February 9 2022.

## Topics for December 31 2022, 1<sup>st</sup> Half

- Acceleration of system installations against the backdrop of full-scale operation of online eligibility verification and the April revision to dispensing fees; Achievement of more installations than planned, contributing to higher sales.
- Billing sales also made steady progress due to an increase in the number of MAPs series customers.
- Increase in non-operating expenses due to amortization of goodwill of affiliated companies via application of the equity method.



# II . ii . Changes in consolidate results by fiscal year



## II . iii . Balance Sheet Summary (Units: Millions of yen)

|  | December 31<br>2021 | December 31<br>2022,<br>1 <sup>st</sup> Half | YoY change | YoY % change |
|--|---------------------|--|------------|--------------|
| Assets                                   | 24,809              | 24,787                                       | (21)       | (0.1%)       |
| Current assets                           | 12,574              | 12,362                                       | (212)      | (1.7%)       |
| Fixed assets                             | 12,234              | 12,425                                       | 190        | 1.6%         |
| Tangible fixed assets                    | 1,333               | 1,408  | 75         | 5.7%         |
| Intangible fixed assets                  | 2,521               | 2,393  | (128)      | (5.1%)       |
| Investments and other assets             | 8,380               | 8,623  | 243        | 2.9%         |
| Liabilities                              | 5,983               | 5,699  | (283)      | (4.7%)       |
| Current liabilities                      | 4,167               | 3,788  | (378)      | (9.1%)       |
| Fixed liabilities                        | 1,815               | 1,910  | 94         | 5.2%         |
| Net assets                               | 18,826              | 19,088                                       | 262        | 1.4%         |
| Shareholder's equity                     | 18,708              | 18,926                                       | 217        | 1.2%         |
| Cumulative amount of other comprehensive | 19                  | 72   | 53         | 272.7%       |
| Stock acquisition rights                 | 55                  | 55   | 0          | 0.0%         |
| Non-controlling interests                | 42                  | 33   | (8)        | (20.8%)      |

### Major YoY Changes

|                               |       |                 |
|-------------------------------|-------|-----------------|
| Software in progress          | 128   | millions of yen |
| Goodwill                      | (48)  | millions of yen |
| Software                      | (202) | millions of yen |
| Investment account securities | 366   | millions of yen |
| Accounts payable              | (108) | millions of yen |
| Bonus provision               | (111) | millions of yen |
| retained earnings             | 562   | millions of yen |
| Treasury stock                | (344) | millions of yen |



## II . iv . By Segment Sales/Operating Profits

(Millions of yen)

|                                       | Financial year ended<br>December 31 2021, 1 <sup>st</sup> Half |                   | December 31 2022, 1 <sup>st</sup> Half |                                  |                                |                   |                                  |                                |
|---------------------------------------|--|-------------------|--|----------------------------------|--------------------------------|-------------------|----------------------------------|--------------------------------|
|                                       | Sales  | Operating Profits | Sales                                  |                                  |                                | Operating Profits |                                  |                                |
|                                       |  |                   | Results                                | Increase/<br>decrease<br>amounts | Increase/<br>decrease<br>rates | Results           | Increase/<br>decrease<br>amounts | Increase/<br>decrease<br>rates |
| IT Systems for Pharmacy               | 5,098  | 591               | 6,500                                  | 1,401                            | 27.5%                          | 1,496             | 905                              | 153.2%                         |
| IT Systems for Clinic                 | 920  | (16)              | 1,072                                  | 152                              | 16.6%                          | (184)             | (167)                            | -                              |
| IT Systems for long-term care/welfare | 303  | 4                 | 268                                    | (34)                             | (11.4%)                        | 55                | 51                               | 1099.7%                        |
| Other Business                        | 356  | (11)              | 347                                    | (8)                              | (2.4%)                         | (22)              | (11)                             | -                              |

※Segmented sales and operating profits and losses are the amounts before elimination of internal transactions between segments.

- ✓IT Systems for Pharmacies・・・Expanded installation of online eligibility verification systems contributed to an increase in sales.  
Billing sales increased due to an increase in the number of customers.
- ✓IT Systems for Clinics・・・・・・Both initial sales and billing sales increased due to both full-scale installation of online eligibility verification systems and an increase in the volume of system sales.  
There was an increase in selling and administration expenses incurred in expanding market share in the field of clinics as well as manufacturing costs in response to revisions.
- ✓IT Systems for long-term care/welfare・・・・Decrease in initial sales due to the initialization of a large project in the same period of the previous year  
Increase in manufacturing costs due to investments in new system development personnel in response to revisions to the Long-Term Care Act in excess of those expected in the same period of the previous year
- ✓Other Business・・・・・・Both sales and operating profits decreased in our pharmacy business due to the impact of the spread of COVID-19.

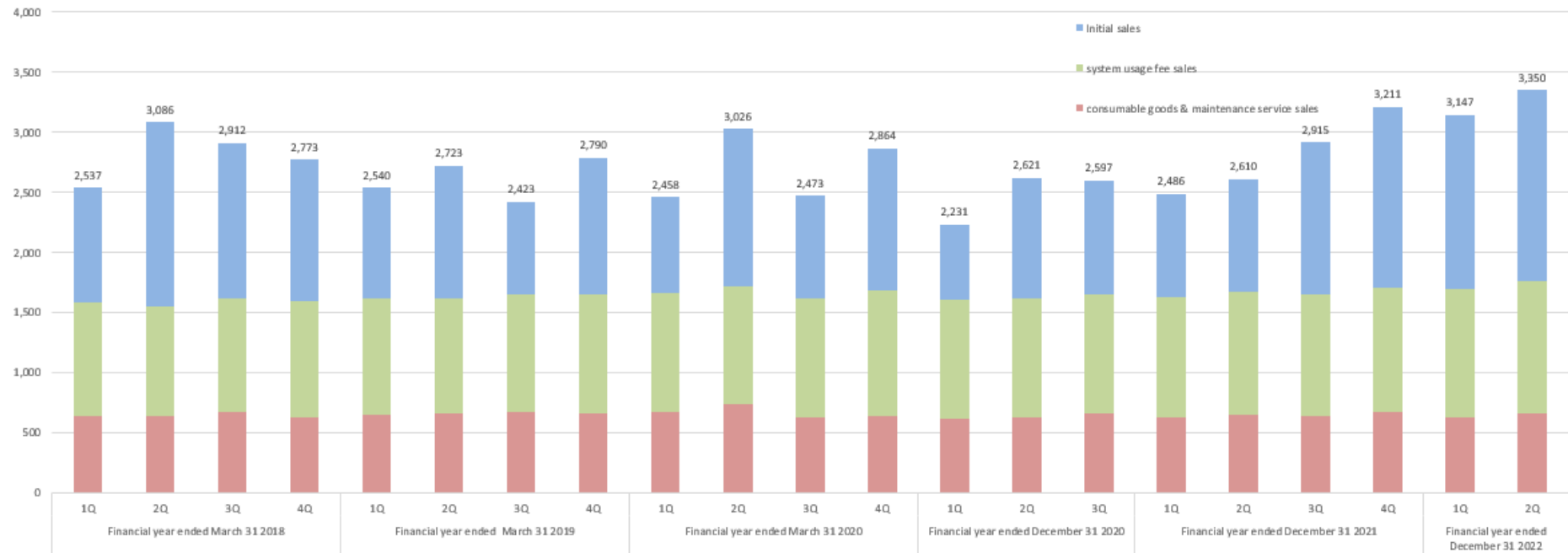
## Ⅱ . v . By Segment Sales Breakdown

(Millions of yen)

|  | Financial year ended December 31 2021,1 <sup>st</sup> Half | December 31 2022 1 <sup>st</sup> Half | YoY change   | YoY % change   |
|--|--|---------------------------------------|--------------|----------------|
| <b>Net sales</b>                             | <b>6,672</b>   | <b>8,164</b>                          | <b>1,492</b> | <b>22.4%</b>   |
| <b>IT Systems for Pharmacies</b>             | <b>5,098</b>   | <b>6,500</b>                          | <b>1,401</b> | <b>27.5%</b>   |
| (initial sales)                              | 1,798  | 3,044                                 | 1,246        | 69.3%          |
| (system usage fee sales)                     | 2,027  | 2,168                                 | 141          | 7.0%           |
| (consumable goods sales)                     | 889  | 897                                   | 7            | 0.9%           |
| (maintenance service sales)                  | 383  | 389                                   | 6            | 1.7%           |
| <b>IT Systems for Clinics</b>                | <b>920</b>   | <b>1,072</b>                          | <b>152</b>   | <b>16.6%</b>   |
| (initial sales)                              | 406  | 541                                   | 134          | 33.0%          |
| (system usage fee sales)                     | 350  | 389                                   | 38           | 11.1%          |
| (consumable goods sales)                     | 31   | 30                                    | 0            | (2.0%)         |
| (maintenance service sales)                  | 131  | 111                                   | (19)         | (15.1%)        |
| <b>IT Systems for long-term care/welfare</b> | <b>303</b>   | <b>268</b>                            | <b>(34)</b>  | <b>(11.4%)</b> |
| (initial sales)                              | 65   | 21                                    | (44)         | (67.2%)        |
| (system usage fee sales)                     | 82   | 95                                    | 13           | 16.1%          |
| (consumable goods sales)                     | 0  | 0                                     | 0            | —              |
| (maintenance service sales)                  | 155  | 151                                   | (3)          | (2.4%)         |
| <b>Other Businesses</b>                      | <b>356</b>   | <b>347</b>                            | <b>(8)</b>   | <b>(2.4%)</b>  |
| <b>Adjustments</b>                           | <b>(6)</b>   | <b>(24)</b>                           | <b>(18)</b>  | <b>-</b>       |

※Net sales by segment are the amounts before elimination of inter-segment transactions.

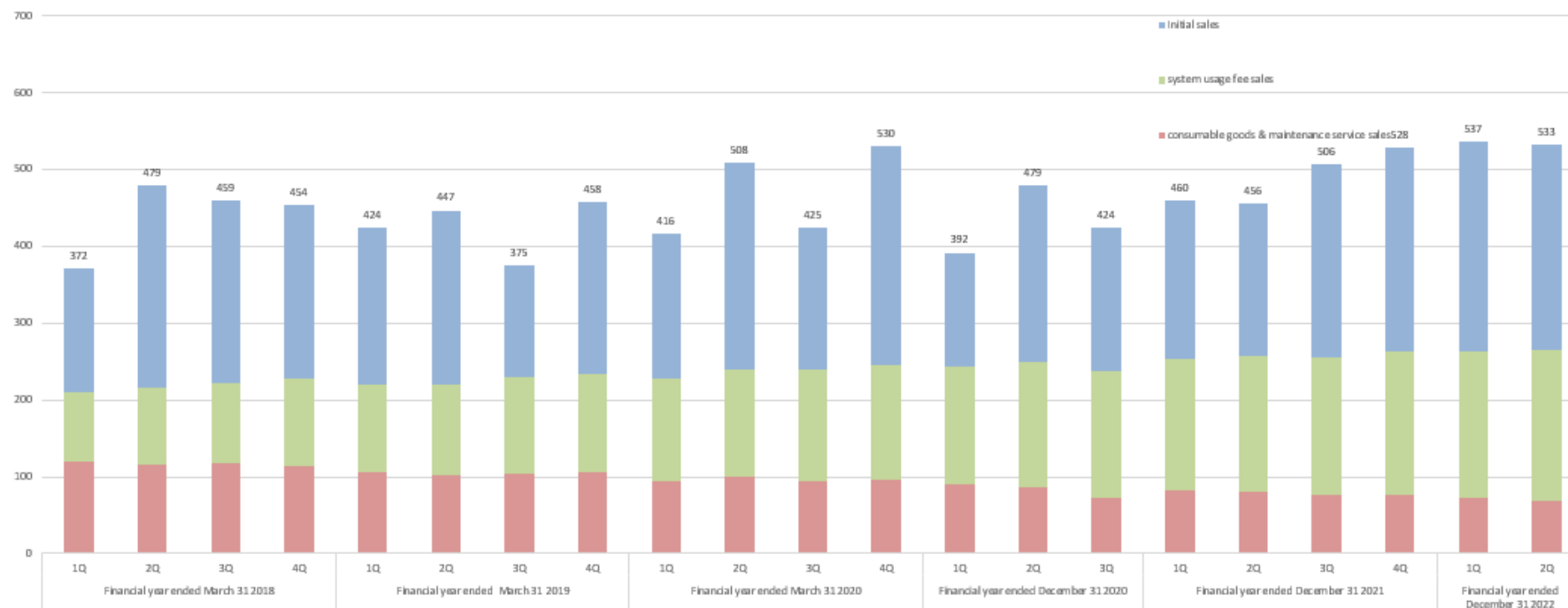
## Quarterly Sales (Units: Millions of yen)



|  | Financial year ended March 31 2018 |              |              |              | Financial year ended March 31 2019 |              |              |              | Financial year ended March 31 2020 |              |              |              | Financial year ended December 31 2020 |              |              | Financial year ended December 31 2021 |              |              |              | Financial year ended December 31 2022 |              |
|--|------------------------------------|--------------|--------------|--------------|------------------------------------|--------------|--------------|--------------|------------------------------------|--------------|--------------|--------------|---------------------------------------|--------------|--------------|---------------------------------------|--------------|--------------|--------------|---------------------------------------|--------------|
|  | 1Q                                 | 2Q           | 3Q           | 4Q           | 1Q                                 | 2Q           | 3Q           | 4Q           | 1Q                                 | 2Q           | 3Q           | 4Q           | 1Q                                    | 2Q           | 3Q           | 1Q                                    | 2Q           | 3Q           | 4Q           | 1Q                                    | 2Q           |
| Initial sales                                | 953                                | 1,532        | 1,297        | 1,179        | 919                                | 1,102        | 776          | 1,144        | 801                                | 1,304        | 858          | 1,186        | 629                                   | 1,006        | 942          | 860                                   | 938          | 1,265        | 1,502        | 1,458                                 | 1,586        |
| system usage fee sales                       | 946                                | 920          | 948          | 964          | 969                                | 964          | 972          | 987          | 989                                | 981          | 995          | 1,039        | 988                                   | 994          | 996          | 1,004                                 | 1,022        | 1,019        | 1,042        | 1,068                                 | 1,100        |
| consumable goods & maintenance service sales | 638                                | 634          | 667          | 630          | 652                                | 657          | 675          | 659          | 668                                | 741          | 620          | 639          | 614                                   | 621          | 659          | 622                                   | 650          | 631          | 667          | 621                                   | 664          |
| <b>Total</b>                                 | <b>2,537</b>                       | <b>3,086</b> | <b>2,912</b> | <b>2,773</b> | <b>2,540</b>                       | <b>2,723</b> | <b>2,423</b> | <b>2,790</b> | <b>2,458</b>                       | <b>3,026</b> | <b>2,473</b> | <b>2,864</b> | <b>2,231</b>                          | <b>2,621</b> | <b>2,597</b> | <b>2,486</b>                          | <b>2,610</b> | <b>2,915</b> | <b>3,211</b> | <b>3,147</b>                          | <b>3,350</b> |

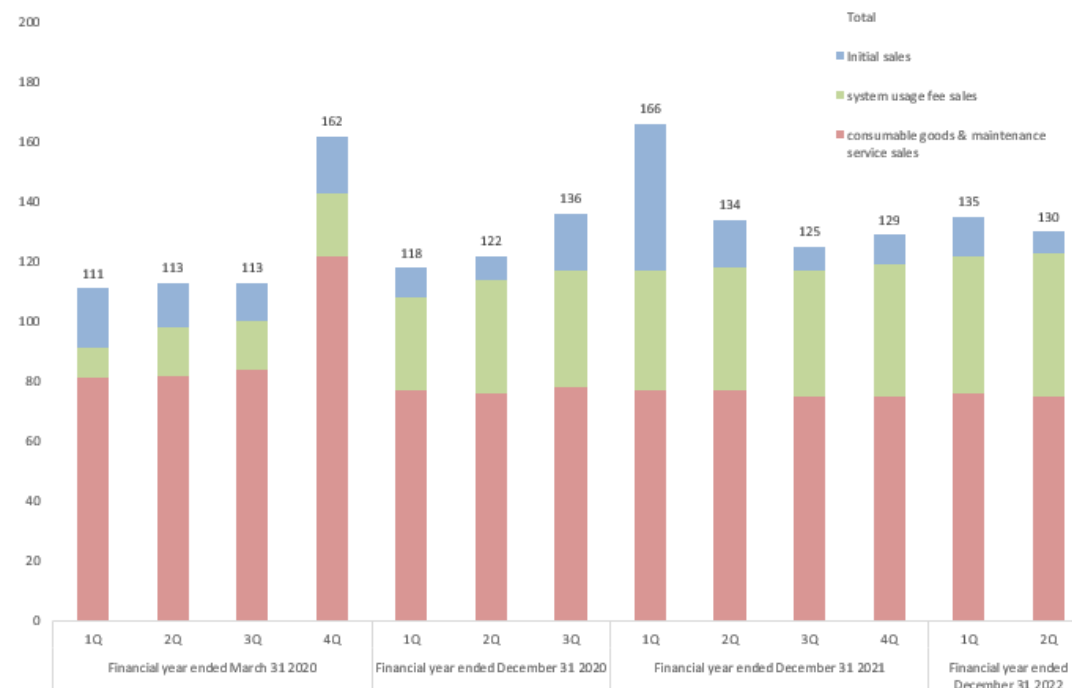
# II . vii . IT Systems for Clinics

## Quarterly Sales (Units: Millions of yen)



|  | Financial year ended March 31 2018 |            |            |            | Financial year ended March 31 2019 |            |            |            | Financial year ended March 31 2020 |            |            |            | Financial year ended December 31 2020 |            |            | Financial year ended December 31 2021 |            |            |            | Financial year ended December 31 2022 |            |
|--|------------------------------------|------------|------------|------------|------------------------------------|------------|------------|------------|------------------------------------|------------|------------|------------|---------------------------------------|------------|------------|---------------------------------------|------------|------------|------------|---------------------------------------|------------|
|  | 1Q                                 | 2Q         | 3Q         | 4Q         | 1Q                                 | 2Q         | 3Q         | 4Q         | 1Q                                 | 2Q         | 3Q         | 4Q         | 1Q                                    | 2Q         | 3Q         | 1Q                                    | 2Q         | 3Q         | 4Q         | 1Q                                    | 2Q         |
| Initial sales                                | 161                                | 262        | 237        | 227        | 203                                | 227        | 145        | 225        | 189                                | 269        | 186        | 285        | 148                                   | 230        | 187        | 206                                   | 199        | 250        | 265        | 274                                   | 267        |
| system usage fee sales                       | 91                                 | 101        | 104        | 113        | 115                                | 118        | 126        | 127        | 132                                | 139        | 145        | 149        | 154                                   | 163        | 165        | 172                                   | 177        | 180        | 187        | 191                                   | 197        |
| consumable goods & maintenance service sales | 120                                | 116        | 118        | 114        | 106                                | 102        | 104        | 106        | 95                                 | 100        | 94         | 96         | 90                                    | 86         | 72         | 82                                    | 80         | 76         | 76         | 72                                    | 69         |
| <b>Total</b>                                 | <b>372</b>                         | <b>479</b> | <b>459</b> | <b>454</b> | <b>424</b>                         | <b>447</b> | <b>375</b> | <b>458</b> | <b>416</b>                         | <b>508</b> | <b>425</b> | <b>530</b> | <b>392</b>                            | <b>479</b> | <b>424</b> | <b>460</b>                            | <b>456</b> | <b>506</b> | <b>528</b> | <b>537</b>                            | <b>533</b> |

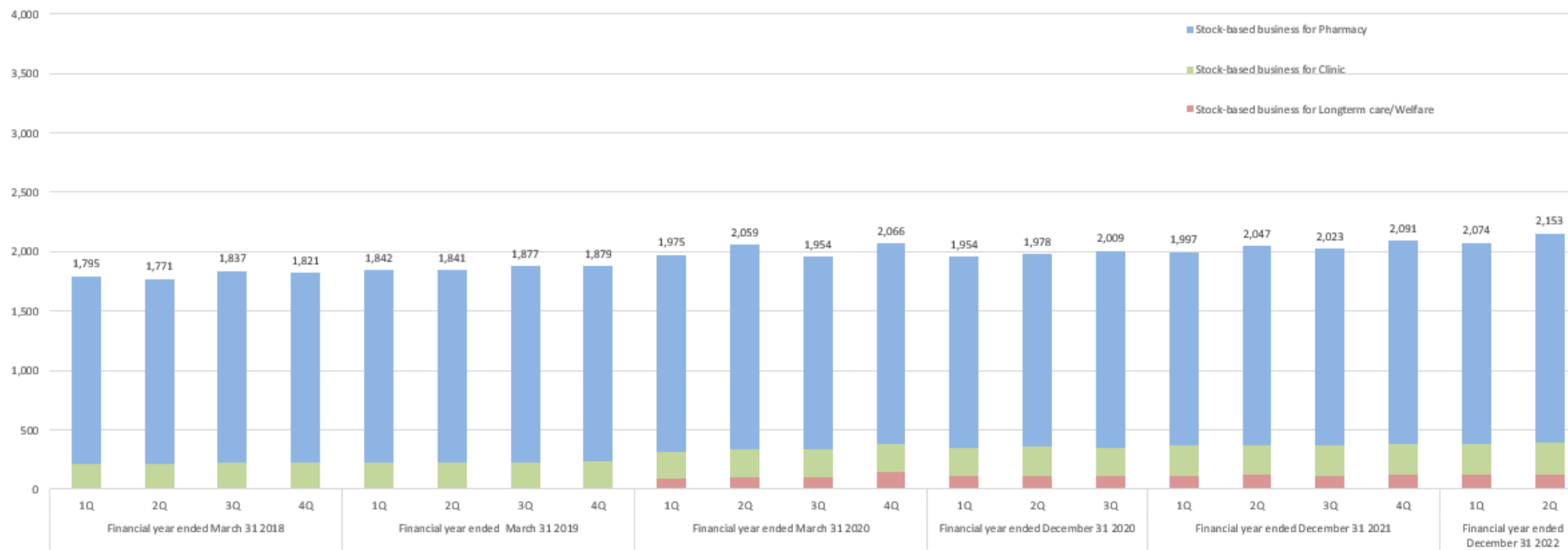
## Quarterly Sales (Units: Millions of yen)



|  | Financial year ended March 31 2020 |            |            |            | Financial year ended December 31 2020 |            |            | Financial year ended December 31 2021 |            |            |            | Financial year ended December 31 2022 |            |
|--|------------------------------------|------------|------------|------------|---------------------------------------|------------|------------|---------------------------------------|------------|------------|------------|---------------------------------------|------------|
|  | 1Q                                 | 2Q         | 3Q         | 4Q         | 1Q                                    | 2Q         | 3Q         | 1Q                                    | 2Q         | 3Q         | 4Q         | 1Q                                    | 2Q         |
| Initial sales                                | 20                                 | 15         | 13         | 19         | 10                                    | 8          | 19         | 49                                    | 16         | 8          | 10         | 13                                    | 7          |
| system usage fee sales                       | 10                                 | 16         | 16         | 21         | 31                                    | 38         | 39         | 40                                    | 41         | 42         | 44         | 46                                    | 48         |
| consumable goods & maintenance service sales | 81                                 | 82         | 84         | 122        | 77                                    | 76         | 78         | 77                                    | 77         | 75         | 75         | 76                                    | 75         |
| <b>Total</b>                                 | <b>111</b>                         | <b>113</b> | <b>113</b> | <b>162</b> | <b>118</b>                            | <b>122</b> | <b>136</b> | <b>166</b>                            | <b>134</b> | <b>125</b> | <b>129</b> | <b>135</b>                            | <b>130</b> |

# II . ix . By Segment Stock-based Business

## Quarterly Sales (Units: Millions of yen)



|  | Financial year ended March 31 2018 |              |              |              | Financial year ended March 31 2019 |              |              |              | Financial year ended March 31 2020 |              |              |              | Financial year ended December 31 2020 |              |              | Financial year ended December 31 2021 |              |              |              | Financial year ended December 31 2022 |              |
|--|------------------------------------|--------------|--------------|--------------|------------------------------------|--------------|--------------|--------------|------------------------------------|--------------|--------------|--------------|---------------------------------------|--------------|--------------|---------------------------------------|--------------|--------------|--------------|---------------------------------------|--------------|
|  | 1Q                                 | 2Q           | 3Q           | 4Q           | 1Q                                 | 2Q           | 3Q           | 4Q           | 1Q                                 | 2Q           | 3Q           | 4Q           | 1Q                                    | 2Q           | 3Q           | 1Q                                    | 2Q           | 3Q           | 4Q           | 1Q                                    | 2Q           |
| Stock-based business for Pharmacy              | 1,584                              | 1,554        | 1,615        | 1,594        | 1,621                              | 1,621        | 1,647        | 1,646        | 1,657                              | 1,722        | 1,615        | 1,678        | 1,602                                 | 1,615        | 1,655        | 1,626                                 | 1,672        | 1,650        | 1,709        | 1,689                                 | 1,764        |
| Stock-based business for Clinic                | 211                                | 217          | 222          | 227          | 221                                | 220          | 230          | 233          | 227                                | 239          | 239          | 245          | 244                                   | 249          | 237          | 254                                   | 257          | 256          | 263          | 263                                   | 266          |
| Stock-based business for Longterm care/Welfare | 0                                  | 0            | 0            | 0            | 0                                  | 0            | 0            | 0            | 91                                 | 98           | 100          | 143          | 108                                   | 114          | 117          | 117                                   | 118          | 117          | 119          | 122                                   | 123          |
| <b>Total</b>                                   | <b>1,795</b>                       | <b>1,771</b> | <b>1,837</b> | <b>1,821</b> | <b>1,842</b>                       | <b>1,841</b> | <b>1,877</b> | <b>1,879</b> | <b>1,975</b>                       | <b>2,059</b> | <b>1,954</b> | <b>2,066</b> | <b>1,954</b>                          | <b>1,978</b> | <b>2,009</b> | <b>1,997</b>                          | <b>2,047</b> | <b>2,023</b> | <b>2,091</b> | <b>2,074</b>                          | <b>2,153</b> |

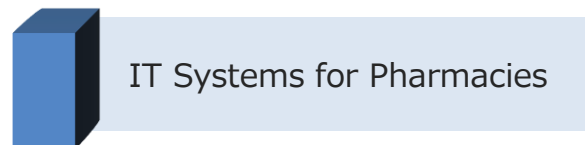
## Ⅱ . X . Forecast for the fiscal year ending December 31 2022

(Millions of yen)

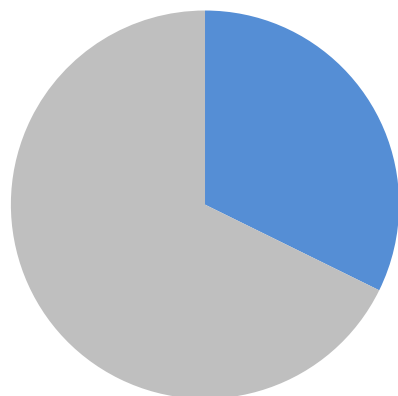
|                                     | Fiscal year ended<br>December 31 2021<br>(actual) | Fiscal year ended<br>December 31 2022<br>(forecast) |
|-------------------------------------|---|---|
| <b>Sales</b>                        | <b>14,436</b>                                     | <b>16,436</b>                                       |
| Business for Pharmacy               | 11,228  | 13,100  |
| Business for Clinic                 | 1,957   | 2,152   |
| Business for long-term care/welfare | 560   | 537   |
| Other Business                      | 720   | 695   |
| Adjustment                          | (30)  | (48)  |
| <b>Operating Profits</b>            | <b>1,870</b>                                      | <b>2,431</b>  |
| Business for Pharmacy               | 1,852   | 2,845   |
| Business for Clinic                 | 22  | (398)   |
| Business for long-term care/welfare | (12)  | 0   |
| Other Business                      | (27)  | (45)  |
| Adjustment                          | 35  | 30  |
| <b>Ordinary Profits</b>             | <b>2,607</b>                                      | <b>2,977</b>  |
| <b>Net Income</b>                   | <b>1,829</b>                                      | <b>2,063</b>  |

※Segmented sales and operating profits and losses are the amounts before elimination of internal transactions between segments.

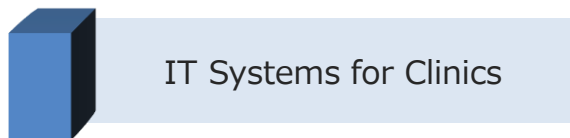
## II . xi. Market Share and Number of Customers



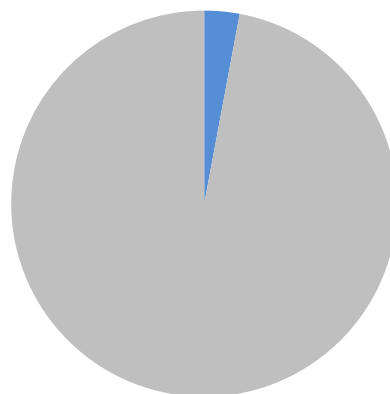
Market share **35.9%**



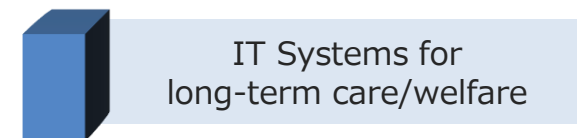
Number of customers : 17,952  
Target population : 50,000  
Mid-term goals : 25,000



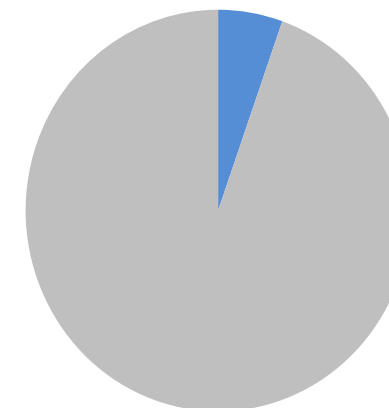
Market share **3.1%**



Number of customers : 2,816  
Target population : 90,000  
Mid-term goals : 7,000



Market share **5.7%**



Number of customers : 14,292  
Target population : 250,000  
Mid-term goals : 25,000

\*1 The number of customers indicates the number of pharmacies and clinics that purchased our system products.

\*2 The above target populations represent the number of pharmacies and clinics that we considered as our potential customers, and differ from the actual number of registered pharmacies and clinics.

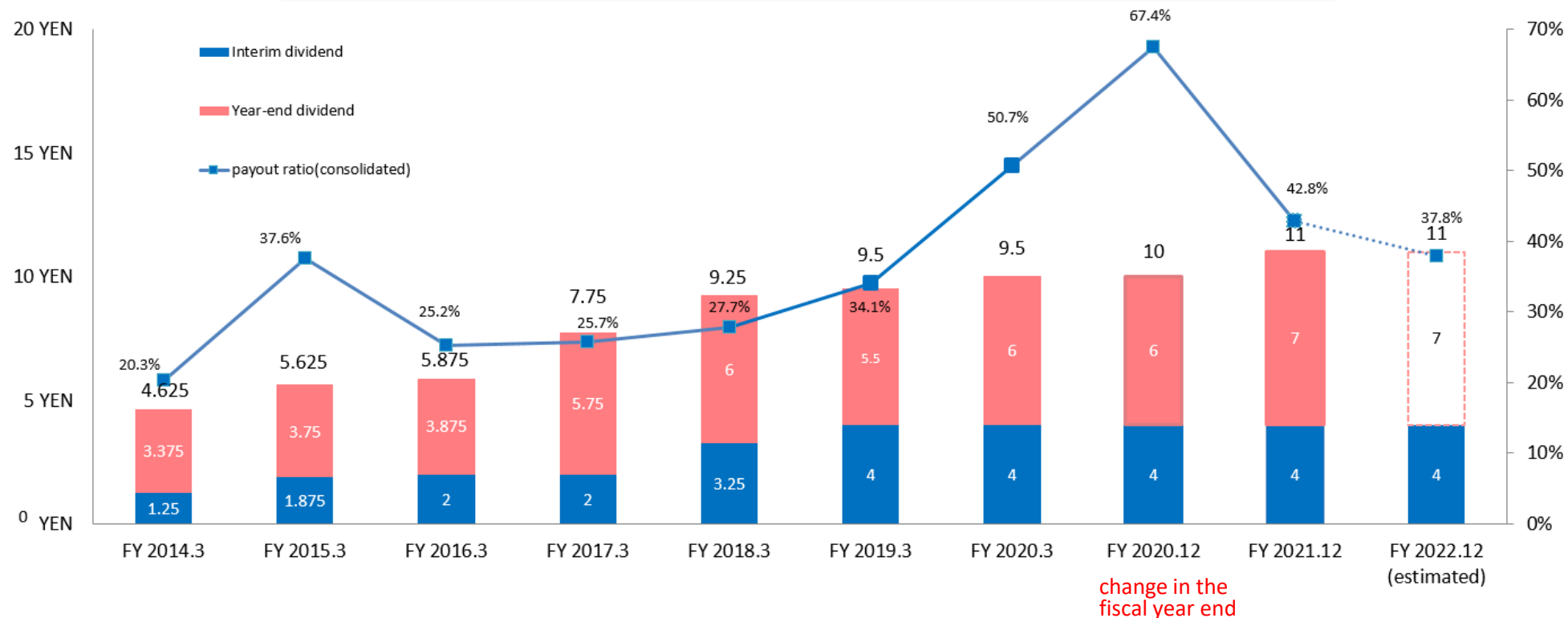
\*3 Mid-term goals are as announced in February 2022.

(as of June 30 , 2022)

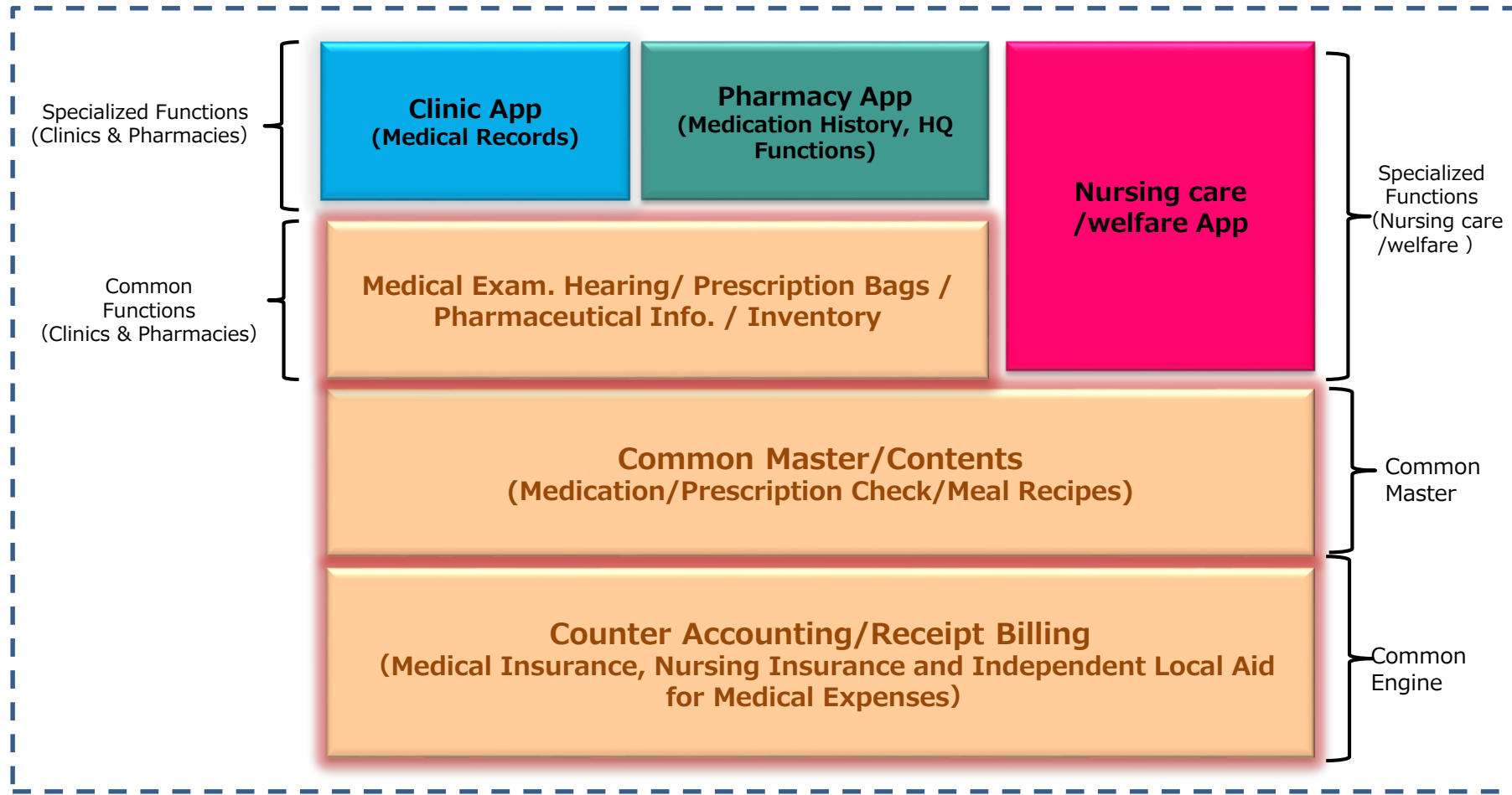


## II . xii. shareholder returns

- Aim at a payout ratio of 30%
- Changing the fiscal year ended from March 31 to December 31 starting from the 2020 fiscal year

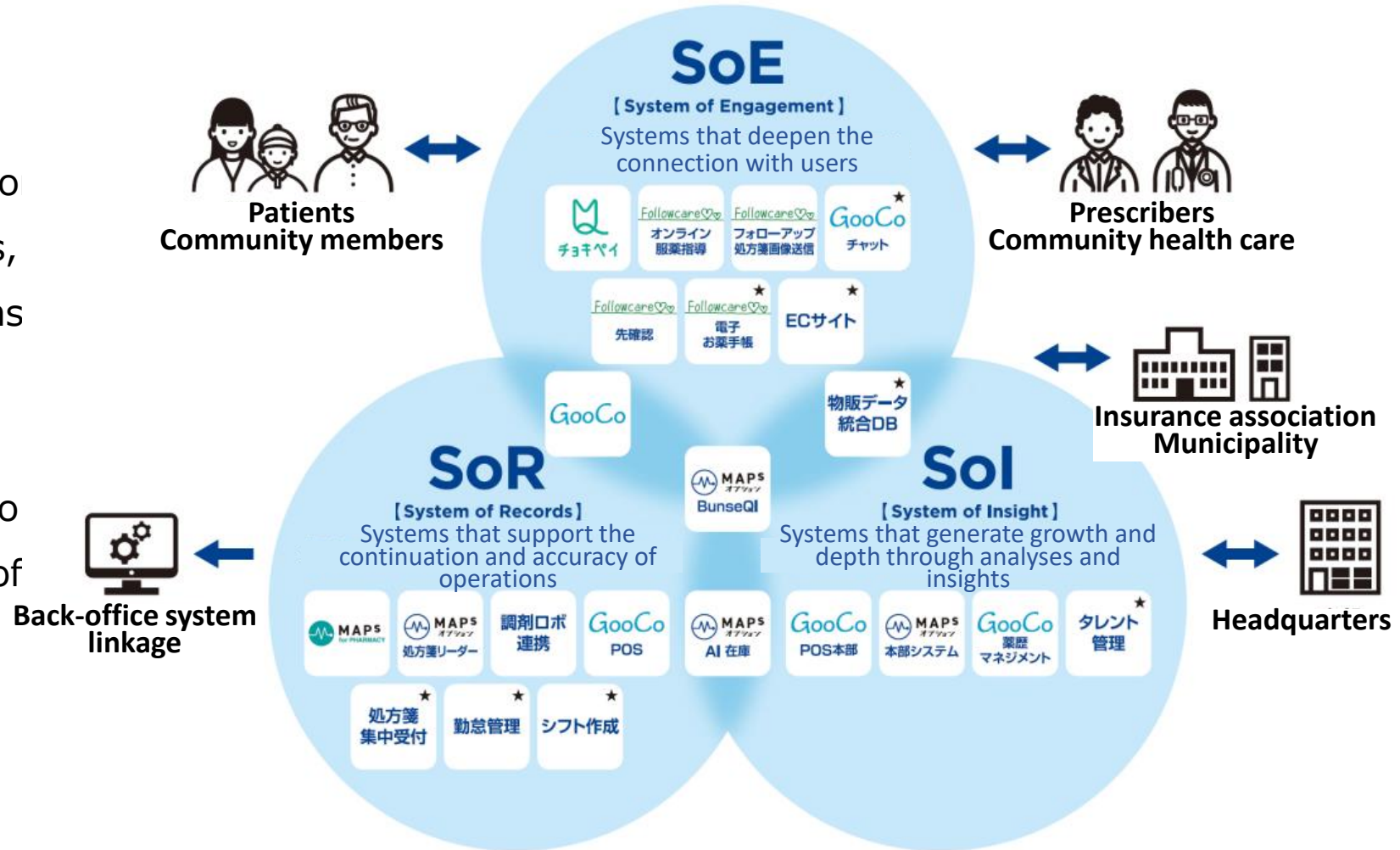


\*We conducted stock splits on April 1st, 2016 and March 1st, 2018 and January 1st, 2020 at a ratio of two shares per one ordinary share. The aforementioned information assumes that each stock split occurred at the beginning of March 2014.



# Reference: Pharmacy DX achieved through MAPs for PHARMACY DX

In addition to receipt computers, electro medical records, and peripheral devices, this enables selections and combinations solutions/systems to be matched with customers in a variety of scenarios. Moving forward, we will also continue to promote linkage with systems outside of our Group.



Solutions planned by EM Systems regarding future development and collaboration

# Reference: The features of MAPs for NURSING CARE

- Provides a cloud-based system, reduces installation work, and streamlines data input operations
- Provides tools capable of reducing the workloads of long-term care/welfare offices
- Achieves information linkage between medical care and long-term care/welfare
- Provides a common engine, master, etc. to other companies via low-priced OEM



## Overall view of MAPs for NURSING CARE



Clinic

Information linkage between medical care and welfare/long-term care via MAPs series



Pharmacy



Long-term care/welfare

| Service designs that are easy to implement                         | Staff-friendly, functional designs                     | Support for various support and benefit plan services          | Standardized systems                                       | Smart long-term care records that enable concentration on care |
|--|--|--|--|--|
| No installer requirements, and easy operation                      | Screen designs that enable intuitive operation         | Support for long-term care insurance services                  | Transmission to the National Health Insurance Organization | Compatibility with tablets and smartphones*                    |
| No server equipment requirements, cloud-based                      | Support for staff schedule management                  | Support for disability welfare services                        | Compatibility with LIFE *                                  | Support for additional specified offices*                      |
| Initial license cost of zero yen                                   | No location restrictions, enabling use in any scenario | Support for community life support (mobility support) services | Compatibility with standard interfaces *                   | Support for voice input*                                       |
| Ability of customers to procure computers and tablets on their own | Support for staff payroll management                   | Benefit claims   | Provision of common engine, master, etc. via OEM           | Linkage with sensors*  |

\*Support in order



医療・介護を「#ありがとう」に変えていく

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As forecasts contained herein are based on assumptions of numerous uncertain factors, actual results may differ significantly from these forecasts for a number of reasons.