



November 12, 2020

To whom it may concern,

Company: Japan Lifeline Co., Ltd.
Representative: Keisuke Suzuki, President and CEO
(Code: 7575 TSE 1st Section)
Contact person: Kenji Yamada, Senior Vice President,
Corporate Administration Headquarters
(TEL. +81-3-6711-5200)

Japan Lifeline Announces Medium-Term Strategy

Japan Lifeline Co., Ltd. (“the Company”) is pleased to announce that it has established a five-year medium-term strategy beginning in the fiscal year ending March 31, 2021 and ending in the fiscal year ending March 2025. For more details, please refer to the attached materials.

1. Covered Period

From the fiscal year ending March 31, 2021 to the fiscal year ending March 31, 2025

2. Propositions for the medium-term strategy

The Company has adopted a rolling method of updating the five-year medium-term management plan each year without fixing the ending point in order to respond swiftly to the changing business environment. However, in order to achieve a steady growth based on the long-term strategy, the Company has judged it best to change the planning method to a period-fixed method.

3. Challenges to be addressed in the medium-term strategy

In the period from March 2021 to March 2025, the Company will aim to achieve a stable growth and also address the challenges below (1) to (3) to prepare for the next growth stage.

- (1) Strengthen business platform of the current specialty to realize a stable growth
- (2) Execute cost control and remodel workflows to improve profitability
- (3) Extend to Gastrointestinal area and take steps for the next stage of growth

4. Performance objectives

For the period from March 2021 to March 2025

- (1) Net sales CAGR* 10%
- (2) Operating profit CAGR 15%
- (3) In-house revenue ratio >50% (in the long-term, >60%)

*CAGR: Compound Annual Growth Rate

Medium-Term Strategy

FY3/21 – FY3/25

November 12, 2020

Japan Lifeline Co., Ltd.

Medium-Term Strategy

FY3/21 – FY3/25

President and CEO

Keisuke Suzuki

- 1. Our management philosophy, business domains, and track records**
- 2. Our strengths in business**
- 3. Propositions for the medium-term strategy, past results**
- 4. Primary measures and challenges to be addressed for 5 years ahead**
- 5. Performance objectives**
- 6. Initiatives and goals by business category**
- 7. Cash allocation, shareholders return, and ESG initiatives**

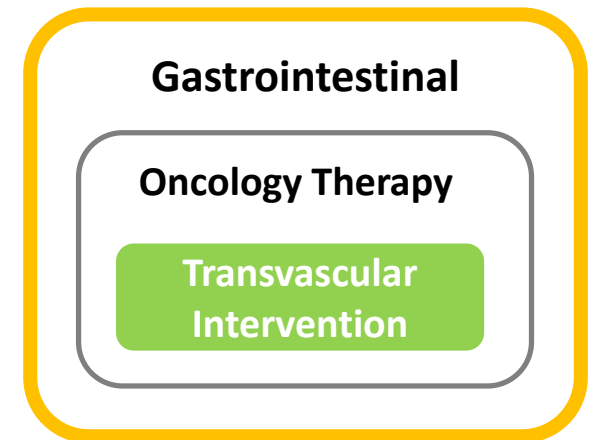
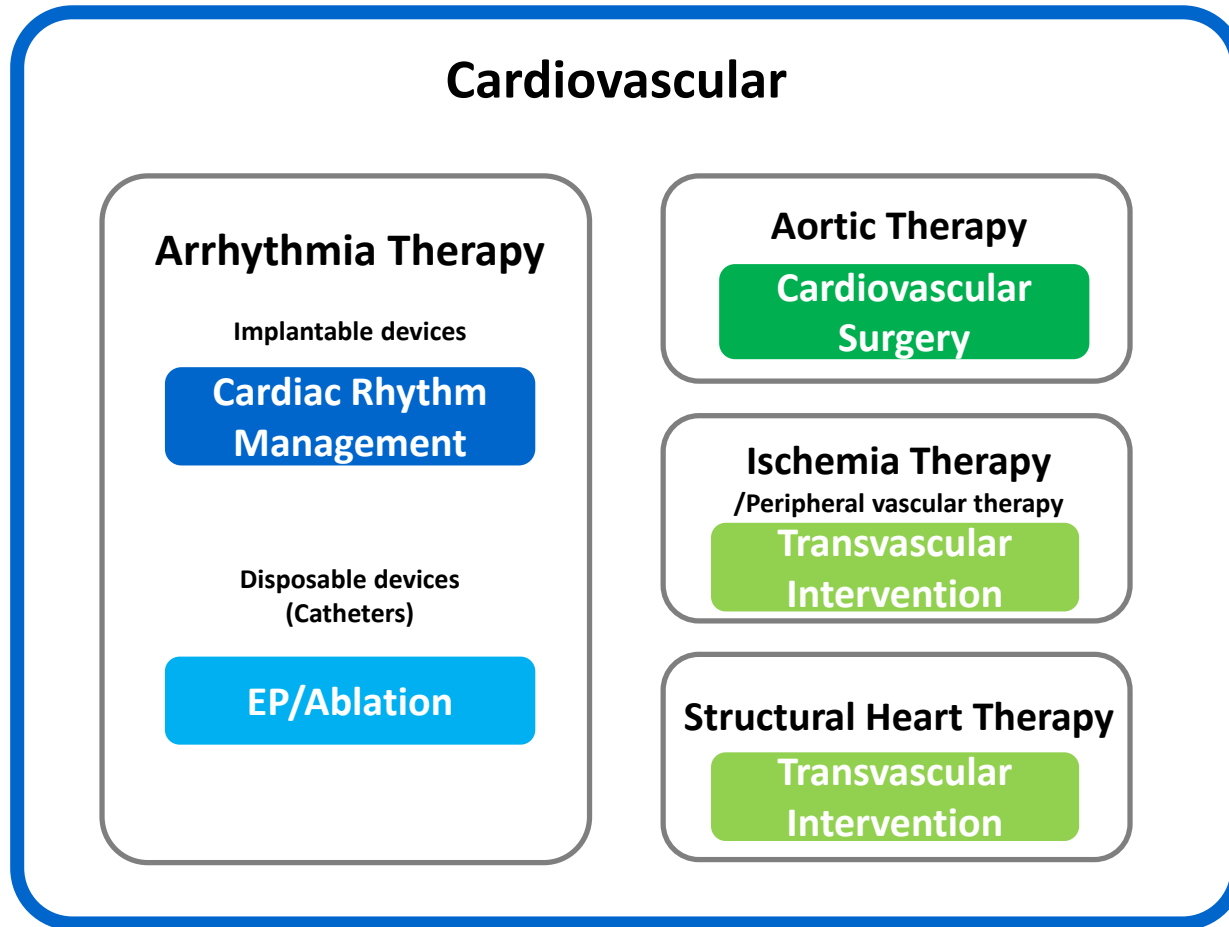
Our strengths in business

Feb. 2021

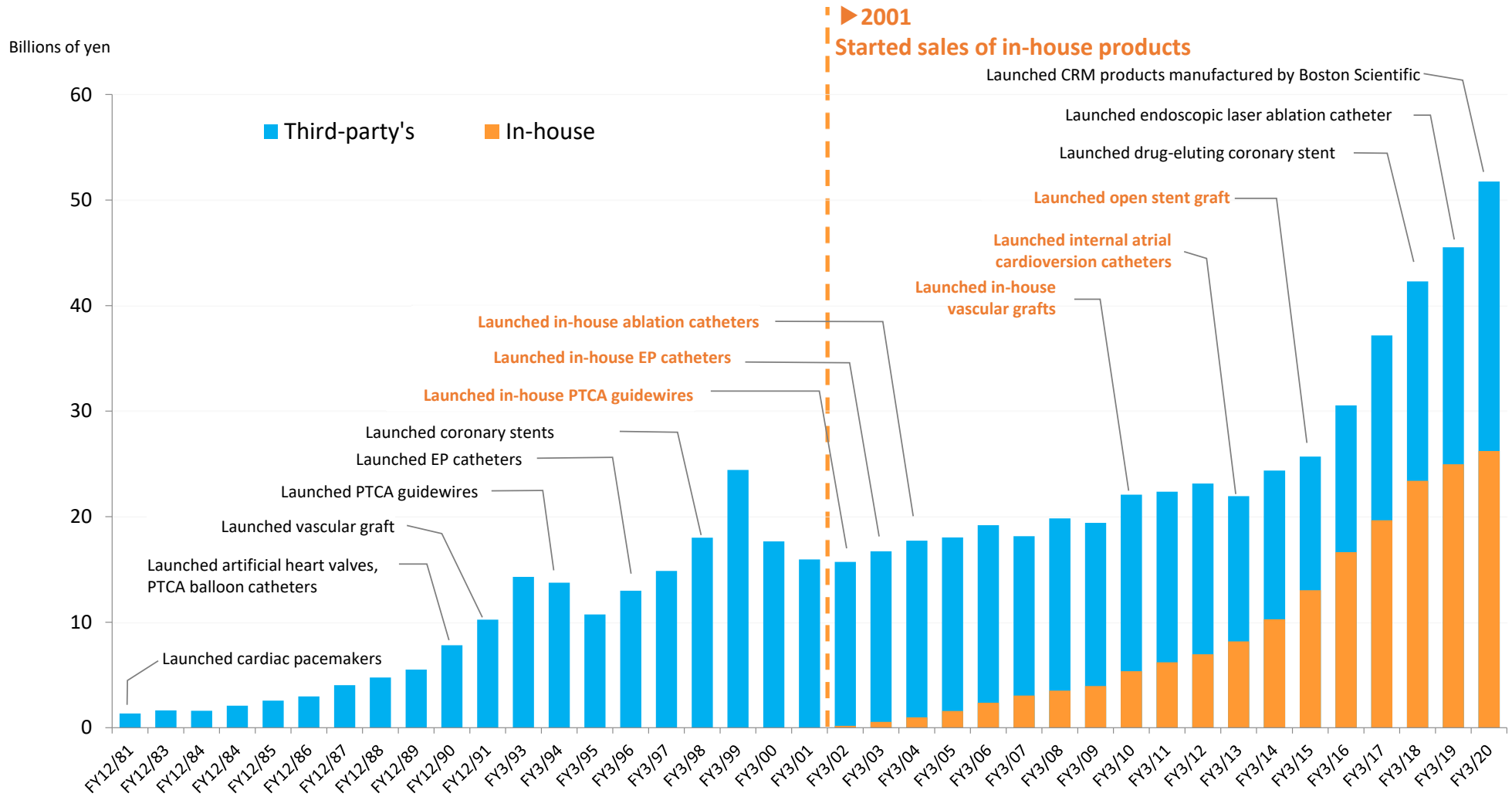
Upon the 40th anniversary since foundation

We have revised our management philosophy

**“Contributing to the realization of a healthy society
through the latest optimal medical device technologies”**



Our Track Records (Revenue)



1981
Foundation

1980s – 1990s
Expand product lineup
and sales force

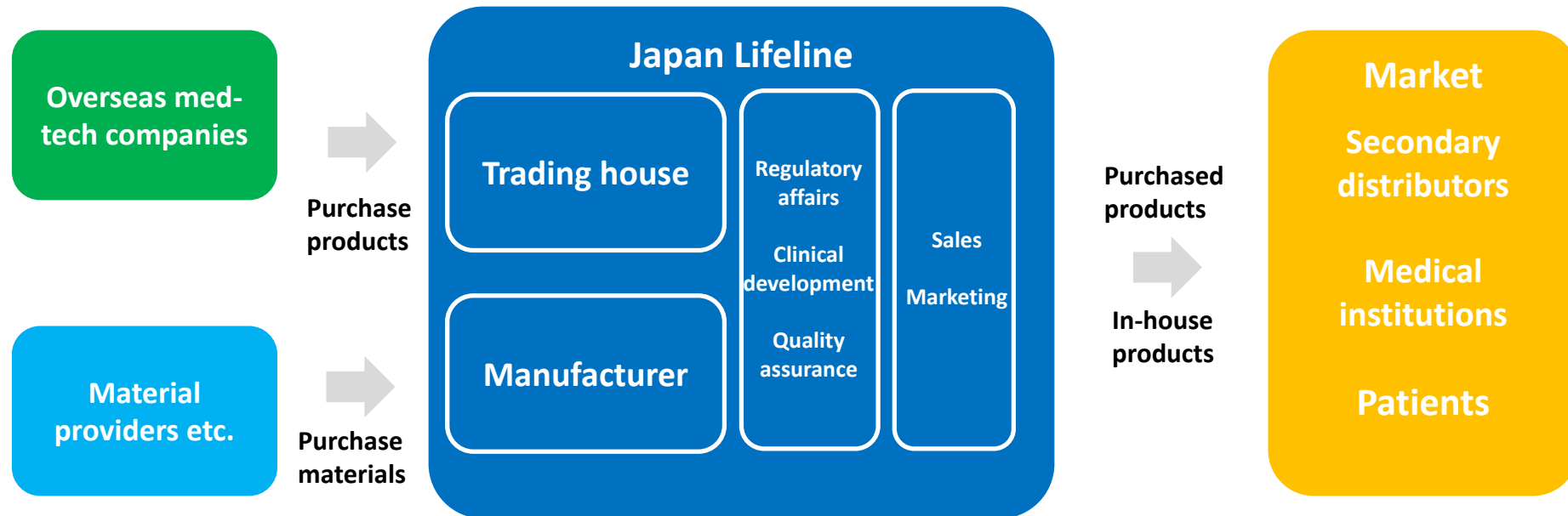
2000s
Develop and manufacture
in-house products

2010s
Rapid growth of in-house
products as well as third-
party's products

2021
40th Anniversary

- Started as a pacemaker importer
- Increased product lineup in cardiovascular space, established sales offices nationwide
- Established R&D center, established its own factory
- Started developing and manufacturing in-house products
- Launched one-of-a-kind products including internal atrial cardioversion catheter and open stent graft, internalized vascular grafts
- In-house sales ratio exceeded 50%, further strengthening business platform as a manufacturer
- Changed business partner in CRM to secure a long-term pipeline in arrhythmia business
- Feb. 2021 40th anniversary since foundation

Unique business model with a dual functions of manufacturer & trading house



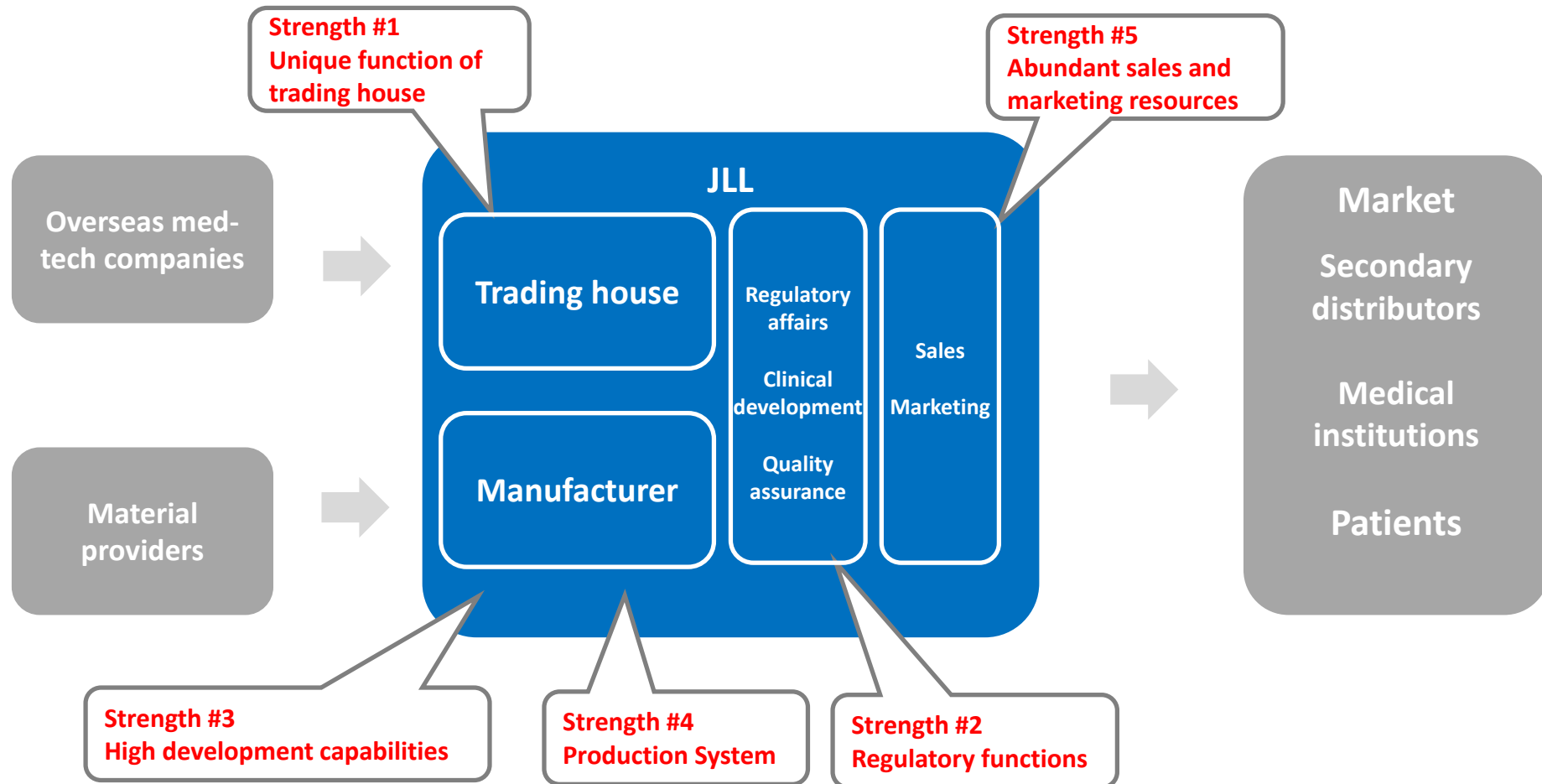
Primary procured products

Cardiac pacemaker, ICD/CRT-D, atrial transeptal radio-frequency needle, endoscopic laser ablation catheter, abdominal stent graft, drug-eluting coronary stent, penetration catheter, atrial septum defect closing device etc.

Primary in-house products

EP catheter, ablation catheter, vascular graft, open stent graft, guidewire, balloon catheter, colonic stent, radio-frequency ablation system for liver cancer etc.

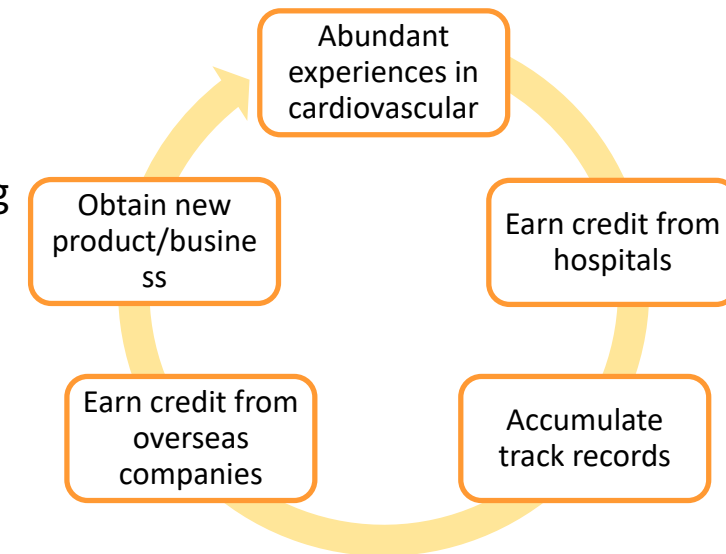
Business Model - Our Strengths at Each Function



Strength #1 Unique function of trading house

Japan Lifeline's trading function provides high added-values

- **Plays a role of manufacturer in Japan with exclusive distribution agreements with overseas med-tech companies**
 - Absorb knowledge/know-hows by taking responsibilities as a marketing authorization holder
 - Accumulated domestic experiences allow for sophisticated marketing strategy
 - Capable of offering support for joint research programs between overseas doctors and domestic doctors
 - Great amount of track records will drive next business opportunities



How we increase our strengths

What we do as a trading house covers a broad spectrum of manufactures

- **We have abundant experiences of introducing medical devices into Japan**
 - A great track record of obtaining regulatory approvals for overseas products as well as in-house products
 - Play a role of designated marketing authorization holder instead of overseas company
- **We can quickly introduce novel medical devices into Japan market**
 - Capable of introducing novel medical devices for which clinical trials or PMS are required because we have a dedicated team for clinical development
 - Design regulatory strategies for new medical devices (quick introduction and obtainment of a reimbursement price) and execute them
- **We secure high level of quality assurance required for medical devices**
 - Have dedicated teams for quality assurance and safety management that cooperate with each other to secure a high level of quality

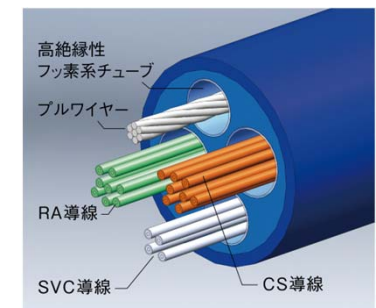
Strength #3 High development capabilities

- **Trading house + manufacturer creates an edge**
 - Always aware of the latest overseas therapeutic trends as well as domestic
 - Have access to joint-R&D programs by collaborating with universities and domestic/overseas companies
- **Solid R&D system**
 - Capable of acquiring various human resources not only from medical device industry but also from other industries
 - Abundant equipment such as laser processors and 3D printers
- **Accumulate unique in-house technologies in cardiovascular space**
 - Utilize exclusive technologies to develop new medical devices
 - Catheter shaft technology (multi-lumen, seamless graduation of hardness etc.)
 - Vascular graft and open stent graft technologies



Research & Development Department

Toda city, Saitama



Muti-lumen shaft structure of
BeeAT

Strength #4 Production system

- **Solid production system that promises quality and stable supply**
 - Domestic mother factory as a foundation
 - Transfer operation to overseas factories to increase production volume
 - Utilize outsourcing to secure stable supply



Toda Factory
Toda City, Saitama



Ichihara Factory
Ichihara City, Chiba



Oyama Factory
Oyama City, Tochigi



Shenzhen Factory
Shenzhen, China



Malaysia Factory
Penang, Malaysia

- **Nationwide sales network appeals for doctors**

- 48 domestic sales offices to cover all over Japan
- Sales reps with a high level of expertise
- Cross-sectoral sales organization

- **Direct access to medical professionals**

- Business flow goes through secondary distributors but our sales reps do direct communications with medical professionals
- Earn credit from doctors to collect unmet needs in clinical settings



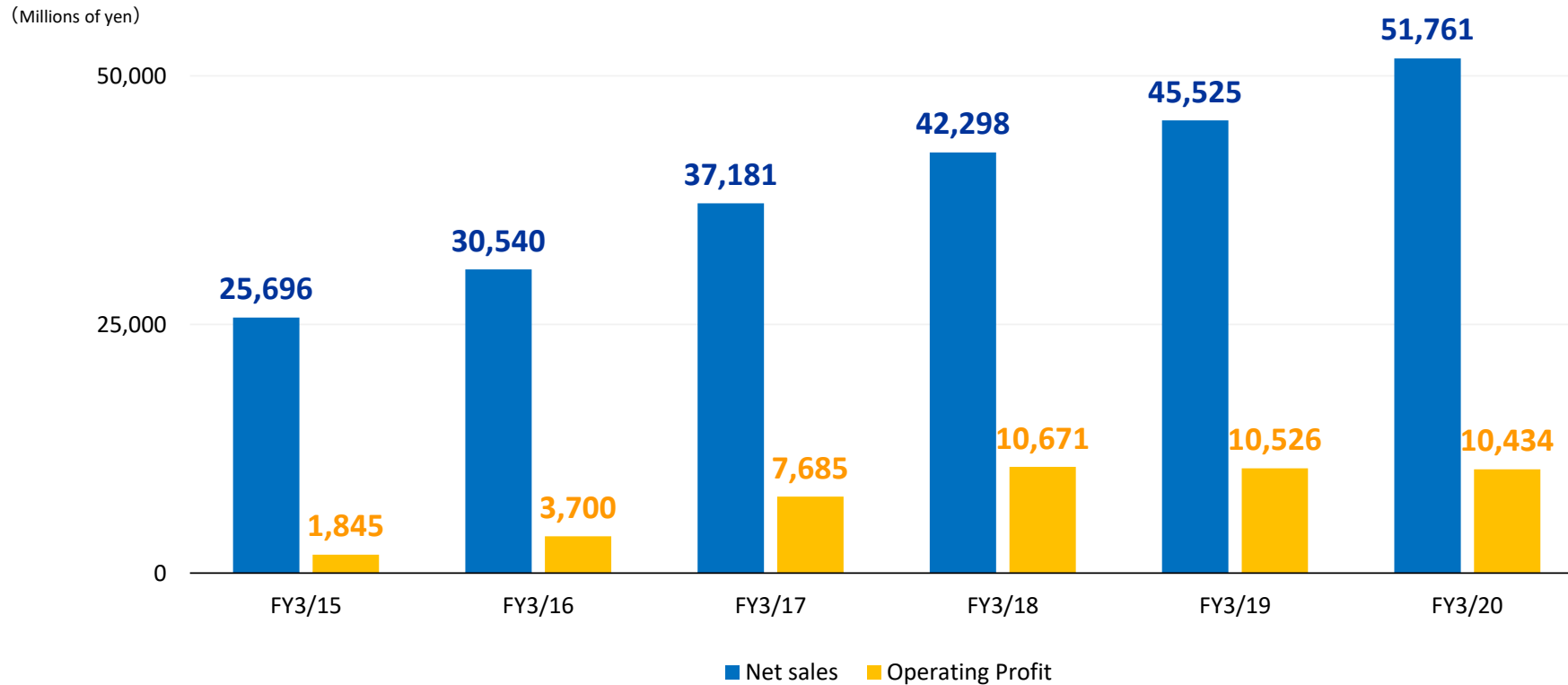
Abundant sales force and sales network enable us to create mutual trust with medical professionals

Performance Objectives

- **Changed from rolling method to fixed period method**
 - Execute initiatives based on long-term strategy
 - Intend to show our to-be model, which cannot be expressed only by building up existing businesses that have a clear perspective
- **Changed objectives from fixed specific numbers to target growth rate**
 - Fixed goals have certain merits, but they could vary each year if the rolling method applied
 - Considered various factors that could have impact on fixed goals by the rolling method.

Track Records for the Past 5 Years

- Revenue grew **double** and operating profit **five-fold**
- Operating profit levelled off for the past 3 years



While executing each initiative to achieve solid growth for 5 years to 2025, we will address challenges below to get on the next stage for further growth

Challenges

- 1. Strengthen business platform of the current specialty to realize a stable growth**
- 2. Execute cost control and remodel workflows to improve profitability**
- 3. Extend to GI area and take steps for the next stage of growth**

- **Enhance arrhythmia business platform**
 - Strengthen arrhythmia sales to be able to provide an integrated value (CRM + EP)
- **Promote further internalization**
 - Utilize our unique technologies to create a new in-house product with novelty
- **Search for new business seeds for the next decade**
 - Carefully watch possible new trends in treatment in existing business areas to secure a new pipeline product

- **Strengthen profit management by business category**

- Organize a new sales teams to deal with environmental changes brought about by COVID-19
- Execute cost control and pursue efficiency

- **Remodel workflows to improve productivity/profitability**

- Renew core systems and promote digital transformation
- Promote tele-working and paper-less measures to improve work efficiency
- Establish unified inventory management system to improve turnover rate
- Concentrate and converge scattered jobs to improve productivity

- **Promote sales of existing GI products, strengthen sales teams**
 - Expand market share of colonic stent and RF ablation system for liver cancer
 - Prepare to launch a product of the next generation that meets the market needs
 - Establish an efficient sales team that utilizes experts and existing human resources
- **Leverage our strengths to develop new products with competitive edge**
 - Enter market with a novel product with added value, not with a copied product
 - Apply in-house technologies cultivated in cardiovascular space to other therapeutic areas
 - Collaborate actively with other manufacturers to accelerate development

Net Sales CAGR

10%

- Strengthen business platform of arrhythmia
- Search for new business seeds for the next decade

Operating Profit CAGR

15%

- Strengthen profit management by business category
- Remodel workflows to improve efficiency and productivity

In-house Ratio

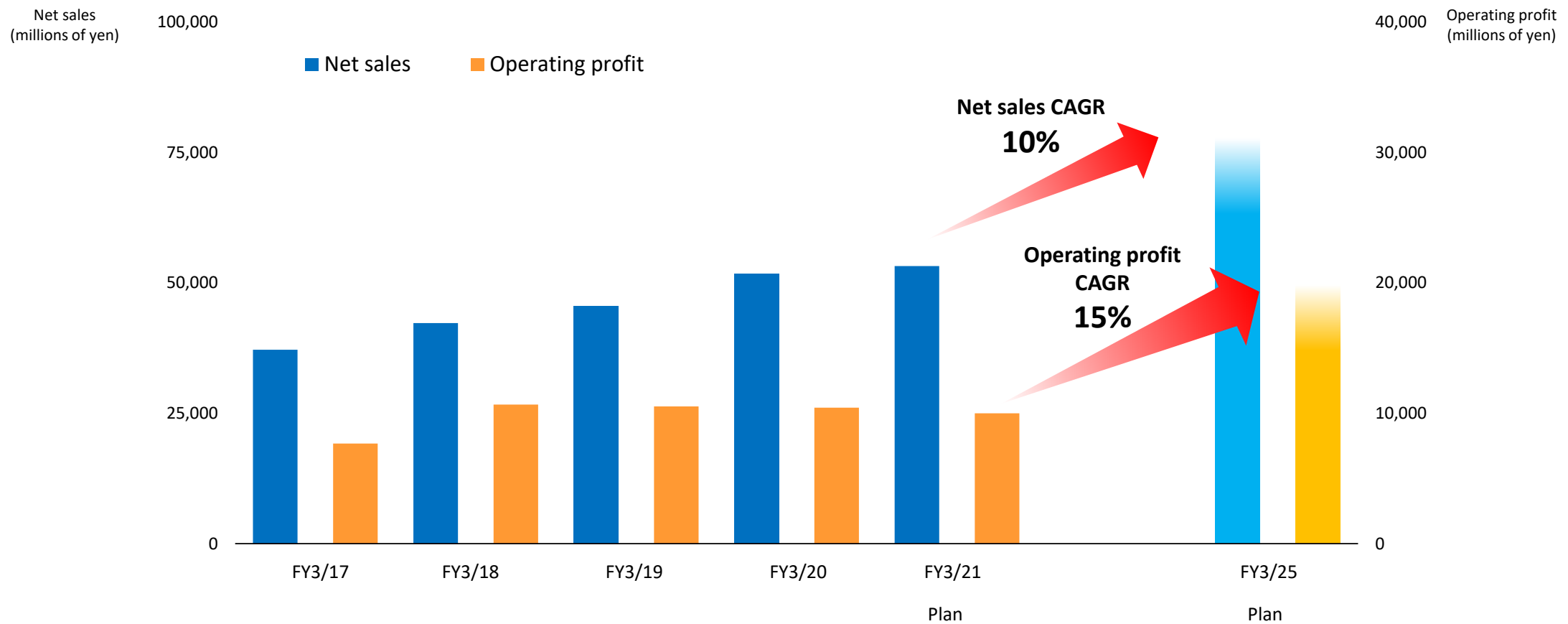
>50%

>60% in long-term

- Promote internalization
- Expand to GI area

While achieving a stable revenue growth, we will be preparing for the next growing phase with high profitability and efficiency

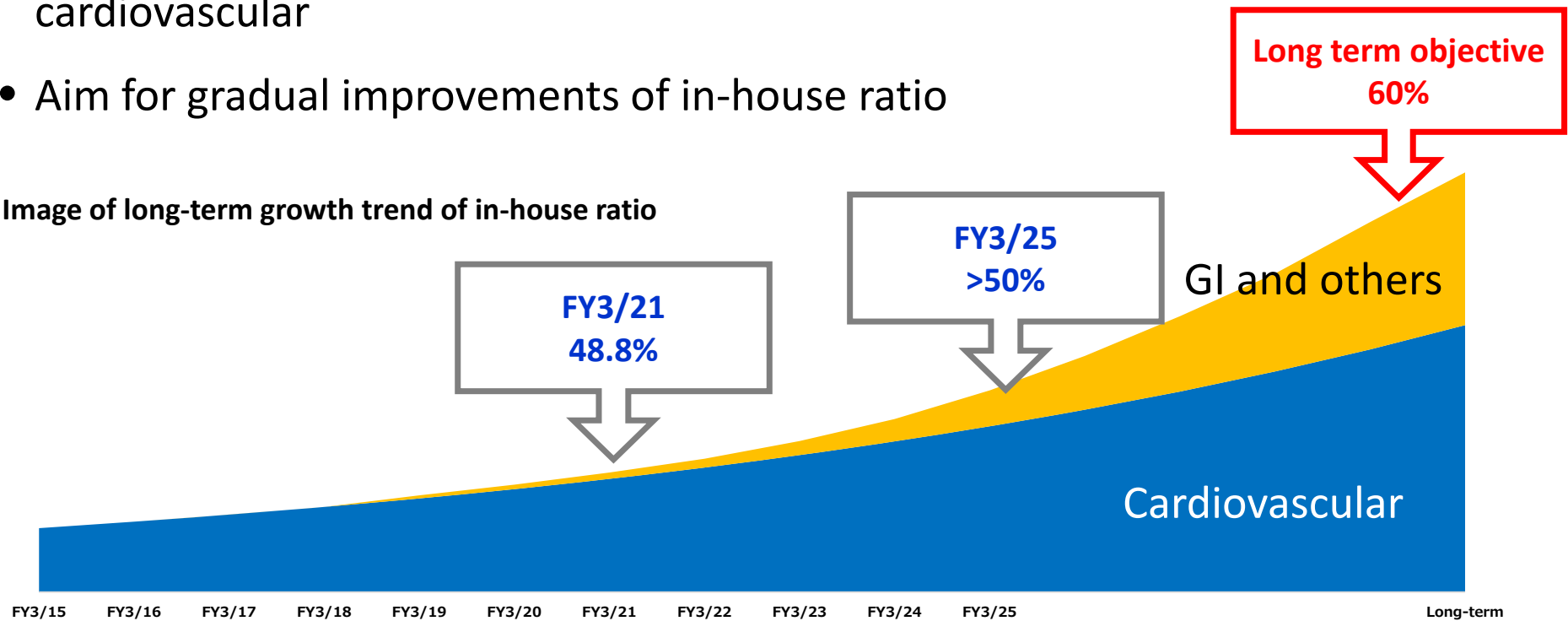
Aim for a profit growth that outperforms that of revenue



- **Aim for an in-house ratio >60% in the long term**

- Expand to new therapeutic areas including GI as well as cardiovascular
- Aim for gradual improvements of in-house ratio

Image of long-term growth trend of in-house ratio



Initiatives and Goals

By Business Category

Increase market share in tachy area by changing the supplier to BSC*

- Competitive product portfolio in tachy as well as brady including exclusive S-ICD
- Earn market share in tachy area at an early stage by cooperating with sales reps of BSJ
- Already solidified No.2 position in ICD market (include S-ICD)



S-ICD
EMBLEM MRI

In terms of CRM in total, aim for No.2 share in 5 years

- Accelerate sales by increasing sales force for both brady & tachy
- Expecting a complete integration of sales organization in 2022 to further improve sales efficiency

* BSC: Boston Scientific Corporation

Proprietary technology of long battery life obtained a new reimbursement category

- *RESONATE CRT-D*
- A new reimbursement category “Long-term placement type” since Sep. 2020
- Battery life doubled as that of conventional CRT-D confirmed with actual clinical data
- Alleviate burden on patients and contribute to medical economics

Released BSC’s exclusive monitoring function in Oct. 2020

- *HeartLogic*, equipped with *RESONATE CRT-D*
- Monitors indexes that are recognized to have relations with heart failure
- Expect to contribute to remote diagnosis/treatment by monitoring patients



CRT-D
RESONATE X4

AF cases increased despite COVID-19

- In 2Q alone, # AF cases grew YoY
- Actual demands have been coming back after hitting a peak with COVID-19
- In 2H for FY3/21 alone, expect an **approx. 11%** growth YoY

Expect a stable growth in medium-term

- For # AF cases, expect an **approx. 10%** growth annually

Launch next generation of *HeartLight*

- Endoscopic laser ablation catheter
- *HeartLight X3*
- Aiming to launch it in 2Q of FY3/22
 - Realizes seamless ablation controlled by motors
 - Improved balloon can fit more various anatomies of pulmonary veins

Dramatically shorten the procedure time and achieve superior treatment results

- Shorten procedure time dramatically
 - Current product: Ave. 206 mins. X3: Ave. 73.7 mins.
- High successful rate of laser ablation with an excellent sinus rhythm maintenance
 - 1 Yr: 82.3% 2 Yr: 75.9% 3 Yr: 75.9% 4 Yr: 75.0% *

 HeartLight X3



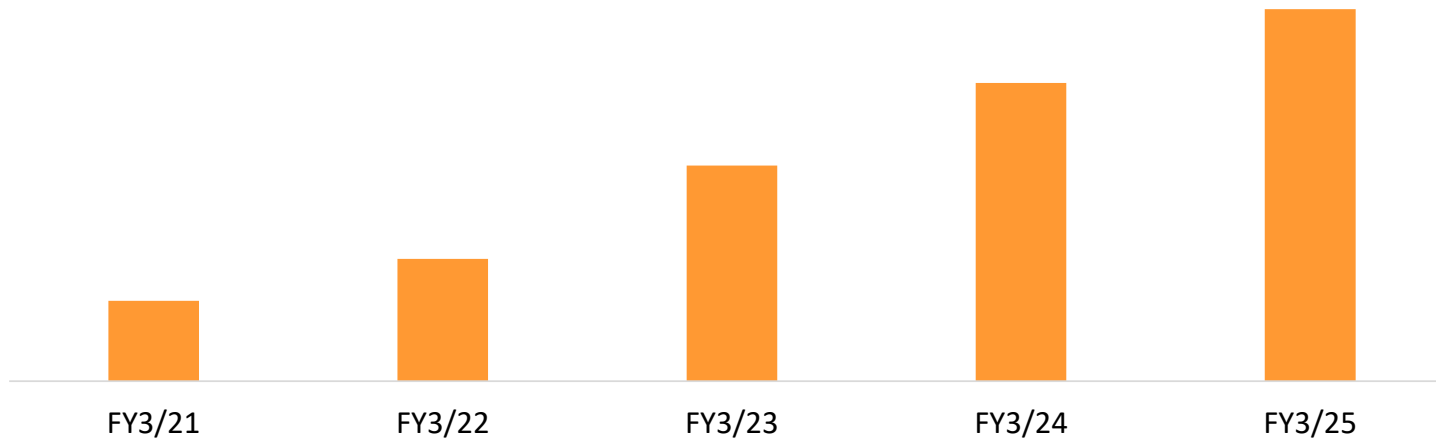
Endoscopic Laser Ablation Catheter
HeartLight
Left: Catheter Right: Console

* Sinus rhythm maintenance rate is for the first generation of *HeartLight*

Reinforce treatment product category

- Treatment product category: ABL catheter, endoscopic laser ablation catheter
- Expect a growth that significantly outperforms that of # AF cases
- Treatment product revenue ratio (over EP/ABL total) ⇒ Currently approx. 5% Improve this rate to 20% in 5 years

Treatment product (ablation catheters) revenue



Raise competitiveness by increasing lineup

- Expand sales by continuously introducing improved products
 - *BeeAT* for IVC* approach
 - A new generator for internal atrial cardioversion system
 - Steerable sheath *Leftee*

Initiated sales in Europe followed by North America

- Baylis Medical (Canada) as a distributor
- EP catheter with 6Fr lumen, 2Fr EP catheter

The next technology of ablation

- Looking to the next trend of ablation such as PFA (Pulse Field Ablation)



BeeAT for IVC approach



Generator for internal atrial cardioversion system
SHOCK AT α



EP Catheter with 6Fr lumen

* IVC: inferior vena cava

Increase competitive edge in abdominal stent graft by introducing a new product

- *Ovation Alto*
- Aim to launch it in 1H of FY3/22
- First polymer-sealing stent graft in Japan
- Equipped with 15 Fr (outer diameter) profile delivery system, the thinnest in the market
- Fit thin blood vessels or winding vessels though which current products cannot easily pass

Another product for the next generation planned

- *Nellix*
- Finished clinical trials in May 2020, currently executing follow-ups
- Schedule an application for domestic approval based on US clinical data



Abdominal stent graft
Ovation Alto

Aiming for 25% market share in abdominal area

Open stent graft to grow stably

- JLL's exclusive product *FROZENIX*
- Low invasiveness and efficiency of procedure have been highly evaluated
- # cases exceeded 10K

Further strengthen exclusive product lineup

- 4 branched open stent graft
- Expect to obtain regulatory approval within 2020 and aim to launch it in 1H of FY3/22

Planning to expand product lineup in mid-term



Open stent graft
FROZENIX

Re-enter thoracic stent graft business

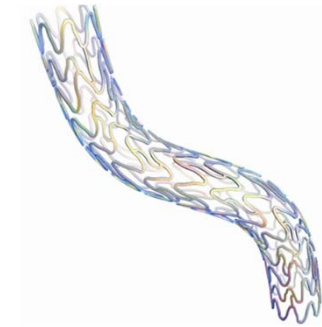
- Aim to launch in FY3/25
- Branched thoracic stent graft *NEXUS* manufactured by Endospan
- Expect to simplify procedure and lower the risk of complications
- Acquired CE mark in Feb. 2019
- A clinical trial to start in US within 2020



Branched thoracic stent graft
NEXUS

Drug-eluting coronary stent

- 3rd generation of DES with bioabsorbable polymer *Orsiro*
- Expand sales by appealing its efficacy



Drug-eluting coronary stent
Orsiro

Prepare for a fast launch of peripheral DCB

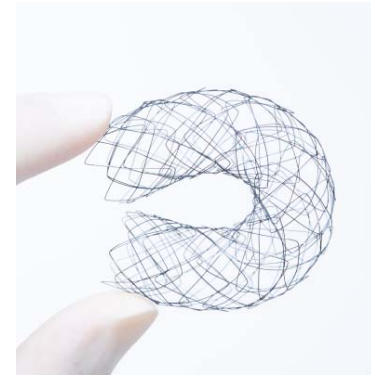
- BTK (below-the-knee) drug-coated balloon catheter
LEGFLOW manufactured by CARDIONOVUM
- Aim to launch it in 1H of FY3/23



BTK (below-the-knee) drug-coated
balloon catheter
LEGFLOW

Launch an improved version of colonic stent

- Colonic stent *JENTLLY NEO*
- Meet the unmet needs in clinical settings
- Planning to launch a gastroduodenal stent too



Colonic stent *JENTLLY NEO*

RF ablation system for liver cancer *arfa*

- Only made-in-Japan product in the market
- Treat liver cancer by percutaneous ablation
- Sales growing steadily since its launch in Dec. 2019



RF ablation system for liver cancer
arfa

Planning to launch multiple in-house products in GI area

- Utilize in-house technologies to produce multiple in-house products for biliopancreatic therapeutic area
 - In biliopancreatic therapeutic area, it is hard to find diseases and today's treatment methods often involve medical devices
 - With Japan Lifeline's unique technologies, it is possible to design and provide innovative products that differentiate products of rival companies
- Accelerating product development, aiming to launch them in FY3/23
- Solidify the position as a key player in GI area with a high market share

Put significant amount of energy into GI area to establish the second primary business domain followed by cardiovascular

Cash Allocation / Shareholders Return

ESG Initiatives

Increase operating cashflow

- Operating cashflow in FY3/21 to be approx. ¥10 billion
- Operating cashflow in mid-term to grow even further with improved profitability

Aggressively execute investments for future growth

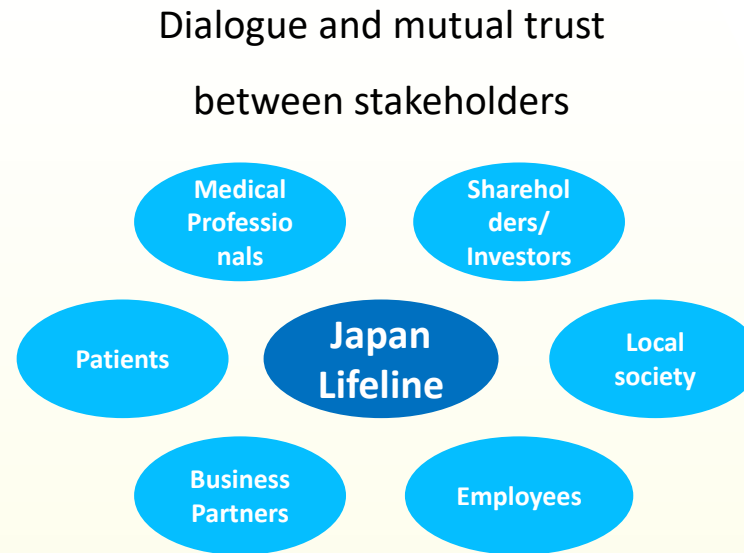
- Finished with the first round of large-scale capex such as new factories
- Increase production by implementing uncompleted areas of factories
- Aggressively search for a chance of large-scale new deals such as distribution agreements and/or M&A

Execute shareholder returns in line with profit growth

- Dividend payout ratio >30%
- Increase dividend along with profit growth

Practice Business Philosophy

- ✓ Make latest optimal medical devices available
- ✓ Realize a healthy society



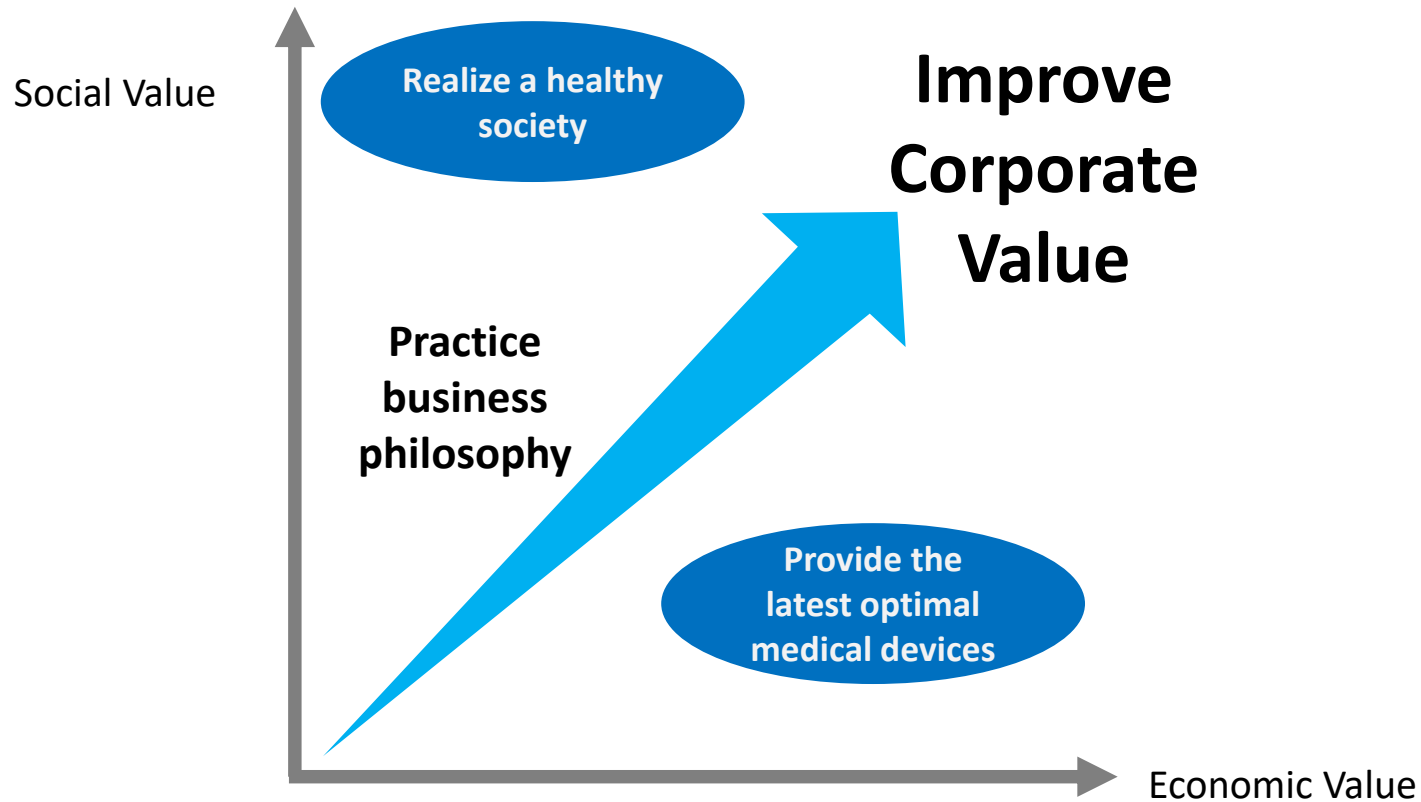
Activities to strengthen ESG

- ✓ ESG Promotion Roadmap
- ✓ ESG Management (identifying materialities, setting objectives, monitoring progress etc.)
- ✓ Disclose ESG-related information

Upon 40th anniversary, we will strengthen our ESG measures to make our growth more sustainable

Business Philosophy

**Contributing to the realization of a healthy society
through the latest optimal medical device technologies**





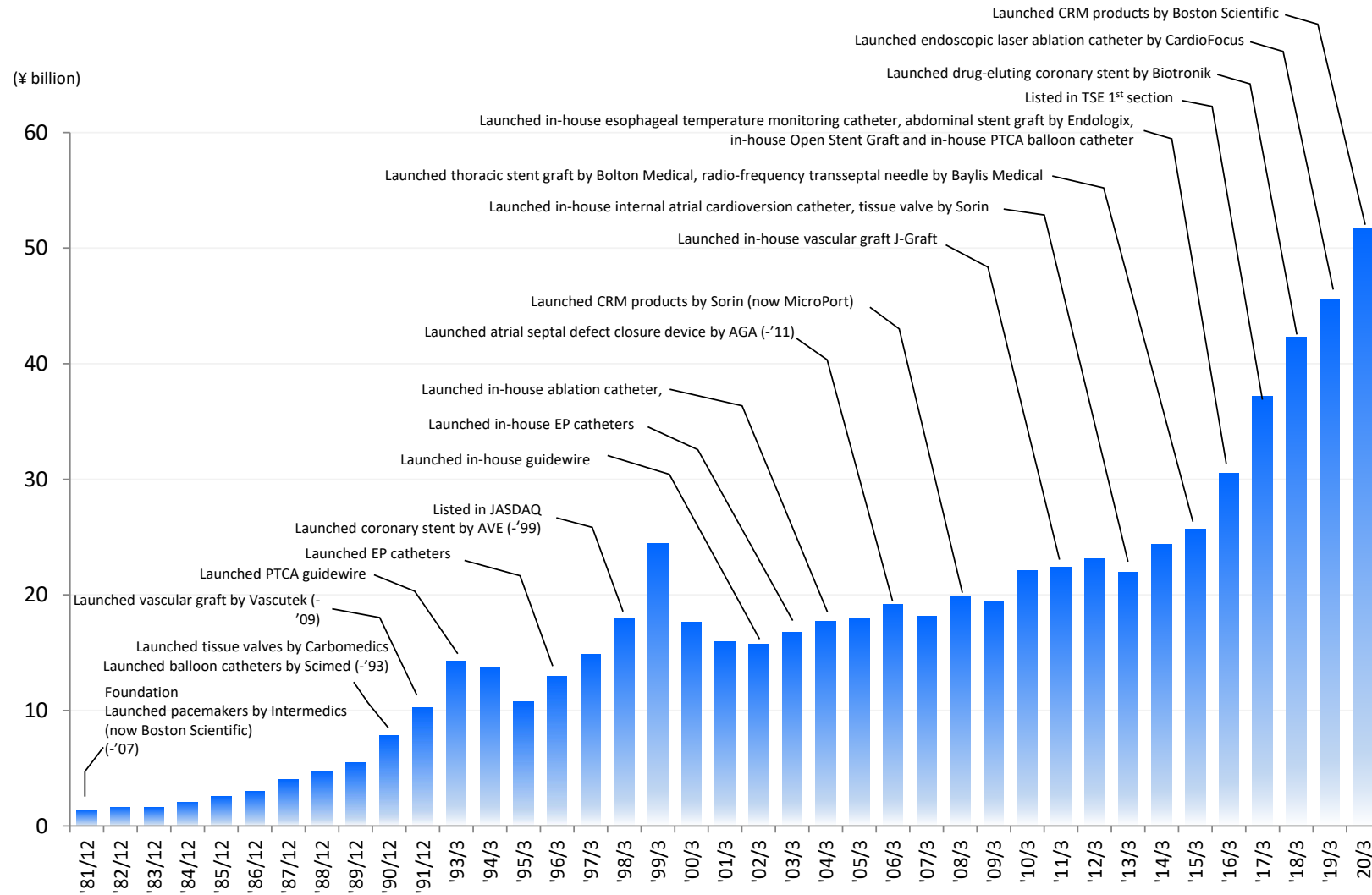
for patient comfort...

Company Overview

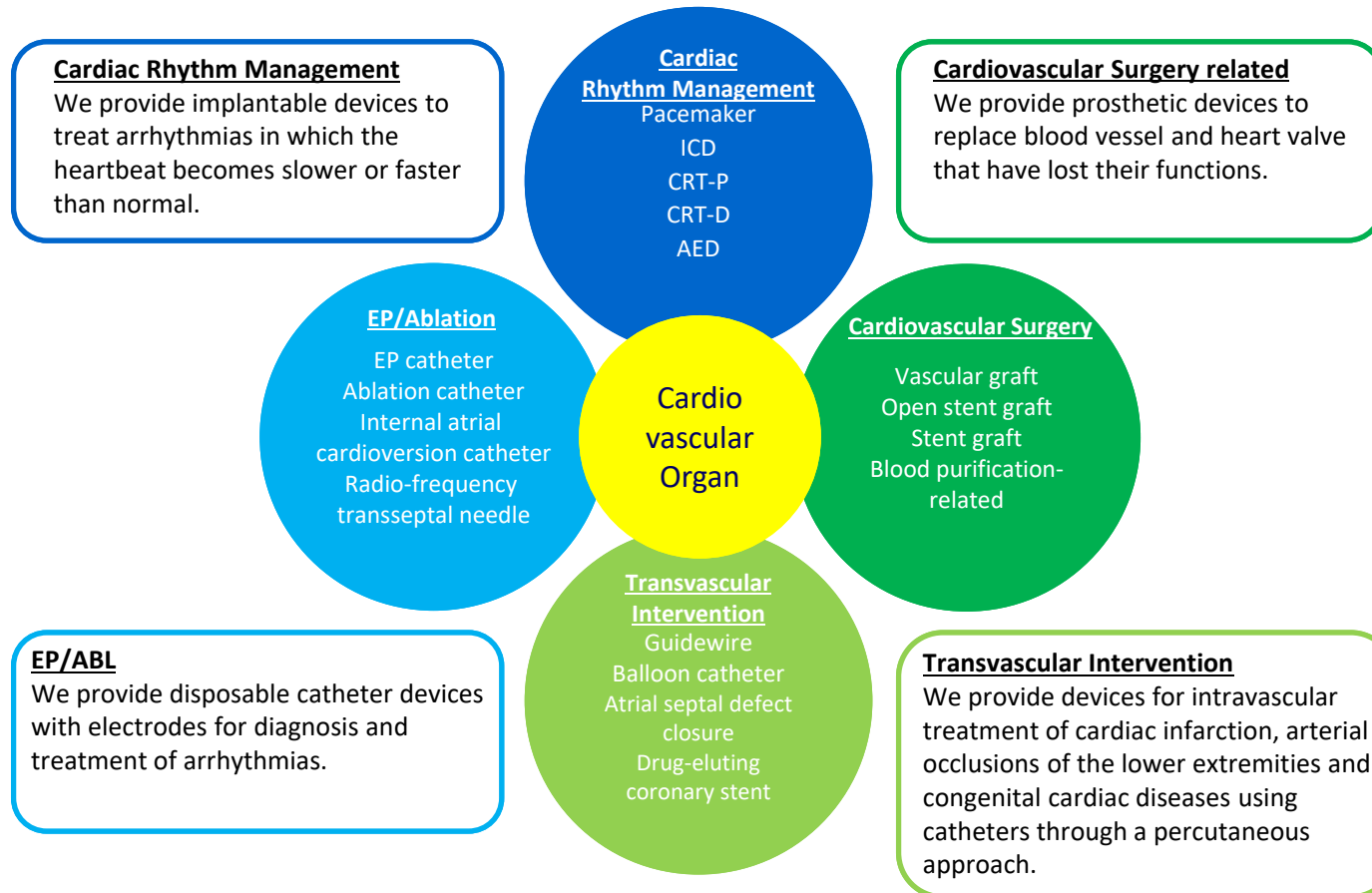
Company Overview

Company Name	Japan Lifeline Co., Ltd.
Chief Representative	President and CEO Keisuke Suzuki
Headquarters	Tennoz Ocean Square, 2-2-20, Higashishinagawa, Shinagawa-ku, Tokyo Japan
Established	February 6, 1981
Exchange	Tokyo Stock Exchange, First Section
Security Code	7575
Business Lines	Manufacture, marketing and export of medical devices; import and distribution of medical devices
Paid-in Capital	¥2,115 million
Accounting Closing Date	March 31
Number of Employees	1,145 (consolidated), 1,006 (non-consolidated) as of Sep. 30, 2020
Locations	48 sales offices, Haneda Logistics Center, Kansai Logistics Center, Research & Developmet Department , Toda Factory, Oyama Factory, Ichihara Factory, Tennoz Accademia (Education Center) as of Sep.30, 2020
Consolidated Subsidiaries	Synexmed (Hong Kong) Limited, Synexmed (Shenzhen) Co., Ltd. JLL Malaysia Sdn.Bhd.

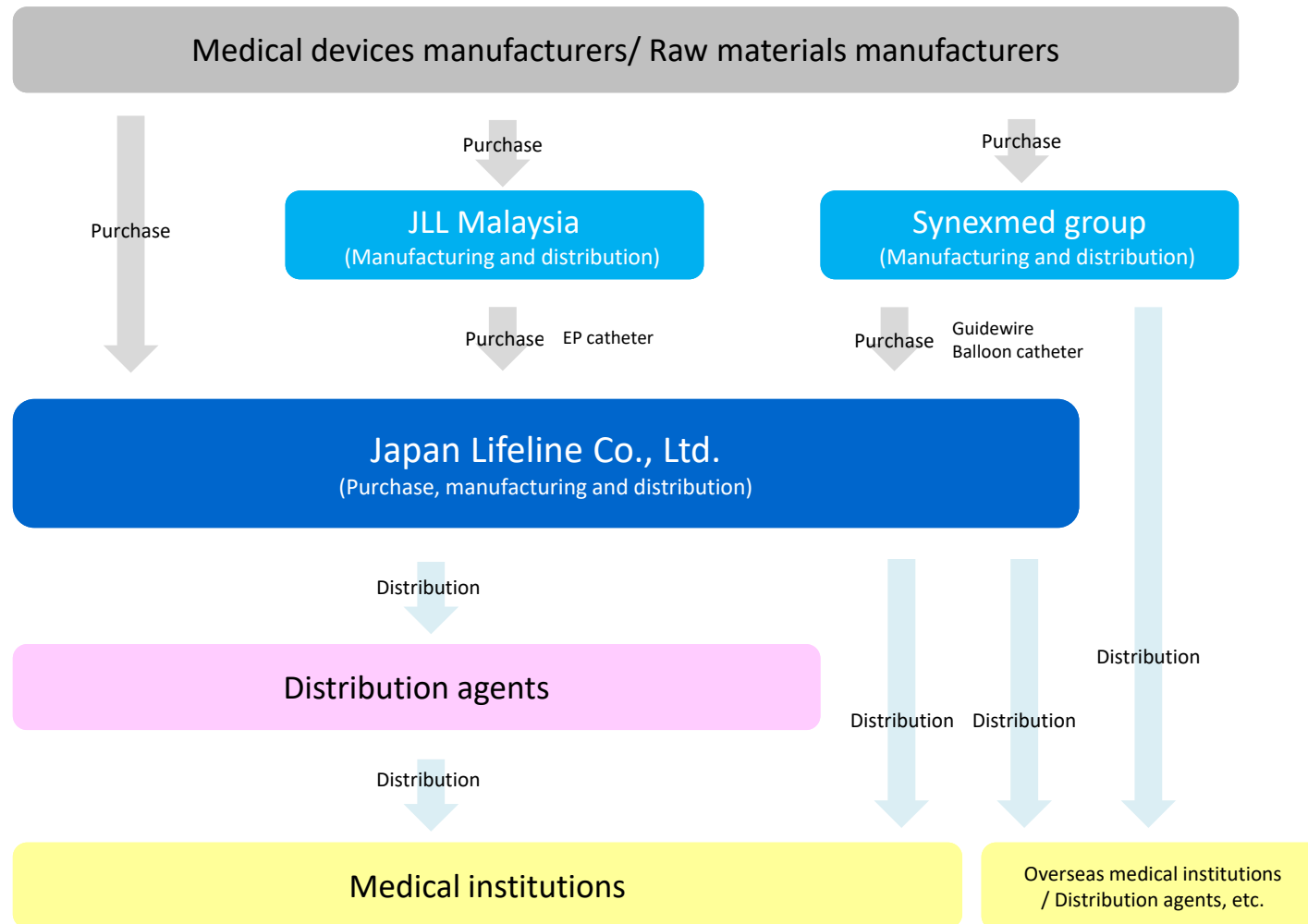
Track Record – Annual Revenue



JLL has been dealing with medical devices to treat heart diseases such as arrhythmias and myocardial infarction since its foundation. JLL's business domains are roughly divided into 4 parts; Cardiac Rhythm Management, EP/ABL, Cardiovascular Surgery and Transvascular Intervention.



Business System Chart



Main Products: Cardiac Rhythm Management

Cardiac Pacemaker

(Boston Scientific)



A pacemaker is used to treat arrhythmia, specifically bradycardia in which heartbeat becomes slower than normal. It gives an electric shock for heart to recover regular heartbeat.

An ICD is used to detect a ventricular fibrillation (VF), a type of lethal arrhythmia classified as tachycardia in which heartbeat becomes faster than normal. It delivers an electric shock to prevent cardiac arrest.

ICD (Implantable Cardioverter Defibrillator)

(Boston Scientific)



CRT-P (Cardiac Resynchronization Therapy Pacemaker)

(Boston Scientific)



A CRT-P is used for patients with severe heart failure to fix dyssynchrony of their heart and thus improve their heart's pumping function by giving electric shocks to both left and right ventricles of the heart.

S-ICD (Subcutaneous Implantable Cardioverter Defibrillator)

(Boston Scientific)



By utilizing S-ICD, all the systems get implanted subcutaneously so that any foreign materials do not remain in vessels nor in the heart, expecting less severe complications. In case of traditional ICDs, the lead is delivered through veins to be left in the heart

CRT-D (Cardiac Resynchronization Therapy Defibrillator)

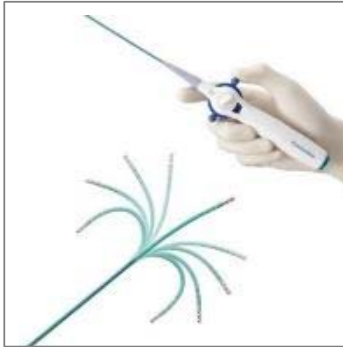
(Boston Scientific)



A CRT-D fixes the dyssynchrony of heart and improves the pumping function by giving electric shocks to both left and right ventricles to treat severe heart failure. In addition, it has a defibrillation function like an ICD.

Ablation Catheter

(In-house product)



An ablation catheter is used to cauterize abnormal electric pathways that can cause tachycardia with radiofrequency current flow from the electrode at the tip of the catheter.

An EP catheter is used to diagnose arrhythmia and judge the indication of possible methods of treatment. The catheter tip is equipped with electrodes, which measure the intracardiac potentials and identify the cause of arrhythmia by inducing it.

Electrophysiological (EP) Catheter

(In-house product)



Internal Atrial Cardioversion Catheter

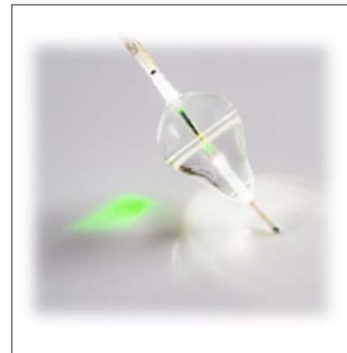
(In-house product)



An internal atrial cardioversion catheter stops atrial fibrillation less invasively by conducting cardioversion within the heart during an ablation treatment. In addition, it has a diagnostic function like a normal EP catheter.

Endoscopic Ablation Catheter

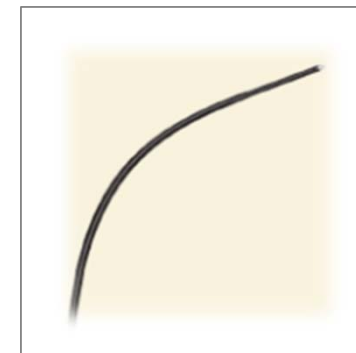
(Cardio Focus)



This device is used to cauterize abnormal electric pathways like ablation catheters. It is also equipped with advanced balloon technology, various types of laser output, and an endoscope, all of which help conduct procedures much safer and faster.

Radio-frequency Transseptal Needle

(BAYLIS MEDICAL)



A radio-frequency transseptal needle penetrates the heart wall (atrial septum), using RF to make a hole and pass an ablation catheter from right atrium to left atrium.

Vascular Graft

(In-house product)



A vascular graft is used to replace an injured blood vessel with aortic aneurysm. This device is used in open chest surgery.

Open Stent Graft

(In-house product)



An open stent graft is often used with vascular grafts to provide treatment for aortic aneurysm. This device is fixed to the blood vessel with expanding force by the equipped stent inside in the aorta. As suturing of distal side of the aorta is not required, the surgery can be performed less invasively.

Stent Graft (abdominal)

(Endologix)



A stent graft is used to treat aortic aneurysm without open chest surgery. Inserted percutaneously via catheter from the groin and placed at the treatment site, the procedure is much less invasive for patients.

Main Products: Transvascular Intervention (1/2)

Balloon Catheter

(In-house product)



A balloon catheter is used to treat myocardial infarction and angina pectoris caused by clogging of the blood vessel (coronary artery) delivering oxygen and nutrients to the cardiac muscle. It expands a balloon mounted inside of it in the clogged blood vessel and secures blood flow again.

A guide wire is used to deliver the balloon catheter to the site of the clogged blood vessel. It is firstly delivered beyond the clogged blood vessel to secure a path so that a balloon catheter can go through along the guidewire.

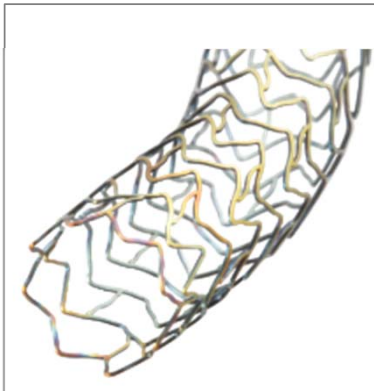
Guidewire

(In-house product)



Drug-Eluting Coronary Stent

(Biotronik)



A drug eluting stent is used to treat ischemic heart disease. Different from conventional bare metal stents, drug-eluting stents are applied with a drug that gradually oozes and helps prevent restenosis of the coronary artery.

This disc-shaped device is used to close a hole opened in the wall separating the right and left atria congenitally (ASD, or Atrial Septal Defect), without conducting open chest surgery.

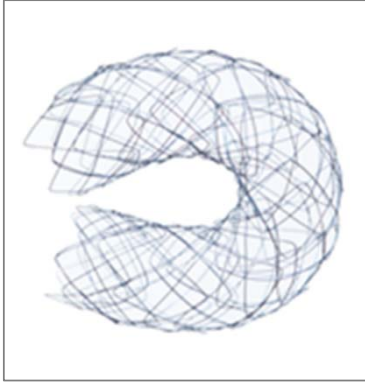
Atrial Septal Defect Closure

(Occlutech Holding)



Colonic Stent

(In-house product)



A colonic stent is used to expand the large intestine that has been narrowed by cancer. Firstly, a thin guidewire is inserted to pass the lesion. Then, a tool to place the stent is delivered along with the guidewire and the stent is deployed. This treatment helps alleviate patients burden greatly and improve their quality of life.

RF Ablation System for Liver Cancer

(In-house product)



While observing internal images with ultrasound (echo) or CT, a needle-like electrode is percutaneously inserted along with the lesion. The electrode gives off radiofrequency around it to generate heat to ablate the lesion.

Blood Purification System

(In-house product)



This device is used for acute blood purification therapy, excluding toxic materials from blood

R&D

Research & Development Department (Toda City, Saitama)



Since Apr. 2018

Core Factory

Toda Factory (Toda City, Saitama)



Since Jan. 2012

Mass Production

Oyama Factory (Oyama City, Tochigi)



Since Oct. 2014

VG*1 / OSG*2

Ichihara Factory (Ichihara City, Chiba)



Since Jan. 2011

Overseas Factory 1

Shenzhen Factory SynexMed (Shenzhen, China)



Since Oct. 2010

Overseas Factory 2

Malaysia Factory JLL Malaysia (Penang Prov. Malaysia)



Since Jun. 2020

*1 Vascular graft *2 Open Stent Graft

Precautions

Among the descriptions in this document, the matters that are not historic fact are the forecast concerning the future of our company and the future prospects based on forecasts. Particularly, the matters concerning clinical trials, regulatory approval and launch timing, which are involved in introduction of products, are our company's prediction obtained from past experiences and available information. Since the actual result may be different from the forecast described in this document, due to the influences of various risks and uncertain factors, please do not depend on these forecasts excessively.

Contact:

Japan Lifeline Co., Ltd.
Corporate Strategy Office
TEL:03-6711-5214
E-Mail:ir@jll.co.jp
URL:<https://www.jll.co.jp>