
M3, Inc.

Presentation Material

July 2021



The following presentation contains forecasts, future plans, management targets and other forward-looking projections relating to M3, Inc. and/or its group. These statements are drawn from assumptions of future events based on data currently available to us, and there exist possibilities that such assumptions are objectively incorrect and/or may produce differing actual results from those mentioned in the statements.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not warrant its accuracy or dependency.

M3, Inc.

FY2021 Q1 Consolidated Results

| (mn yen) | FY2020 Q1 | FY2021 Q1 | YoY |
|------------------|-----------|-----------|-------|
| Sales | 35,478 | 46,403 | +31% |
| Operating Profit | 11,253 | 24,651 | +119% |
| Pre-tax Profit | 11,222 | 24,763 | +121% |
| Net Profit | 7,650 | 16,919 | +121% |

+38%
excluding
Medlive
IPO
impact

 **Steady start to the year**

FY2021 Q1 Consolidated Results by Segment

(mn yen)

| | | FY2020 Q1 | FY2021 Q1 | YOY | |
|----------|---------------------|-----------|-----------|--------|-------|
| Domestic | Medical Platform | Sales | 13,612 | 18,932 | +39% |
| | | Profit | 6,200 | 8,179 | +32% |
| | Evidence Solution | Sales | 4,725 | 4,833 | +2% |
| | | Profit | 803 | 858 | +7% |
| | Career Solution | Sales | 5,369 | 4,883 | -9% |
| | | Profit | 2,364 | 2,466 | +4% |
| | Site Solution | Sales | 3,668 | 5,329 | +45% |
| | | Profit | 140 | 520 | +272% |
| | Emerging Businesses | Sales | 656 | 711 | +8% |
| | | Profit | 37 | -180 | — |
| Overseas | Sales | 8,242 | 12,662 | +54% | |
| | Profit | 1,960 | 12,952 | +561% | |

- Marketing support sales over +50%
- Temporary margin compression from staff reinforcement

- Recovery from COVID related demand decrease

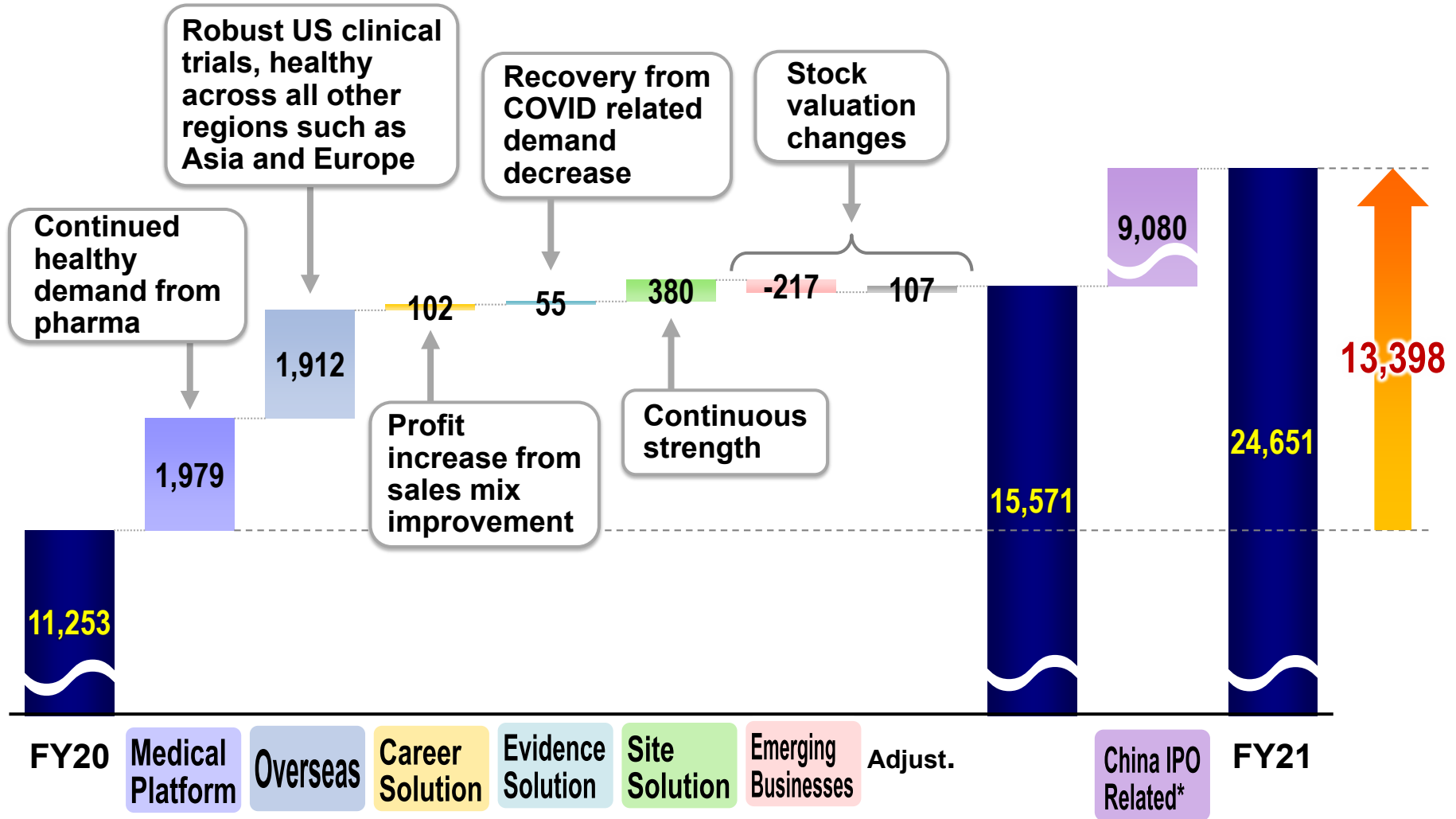
- Pharmacist placement remains weak
- Profit increase from sales mix improvement

- Continued strength from previous year, large profit gains despite new investments

- Healthy across all regions
- 9.1 bn yen profit from Medlive IPO

FY2021 Q1 Consolidated Operating Profit Contribution

(mn yen)



* China IPO Related: Gains from deconsolidation minus IPO fees

FY2021 Q1 Overview

COVID-19 Impact

Medical Platform

- Accelerated digital transformation in pharma marketing
- Structural fortification to accommodate rapid demand expansion; temporary margin compression from upfront investment on significant staff reinforcement

+ +

Evidence Solution

- Recovery seen from COVID related demand decrease
- Orders backlog increased to 29.3 bn yen from 27.3 bn yen in Q4

+

Career Solution

- Dampened activity for pharmacists placements due to COVID
- Physician related businesses recovering; vaccine administration related demand for physicians from municipalities and corporates

-/+

Site Solution

- Continued business strength from last year
- Expansion of vaccine administration support business for municipalities and corporates

+

Overseas

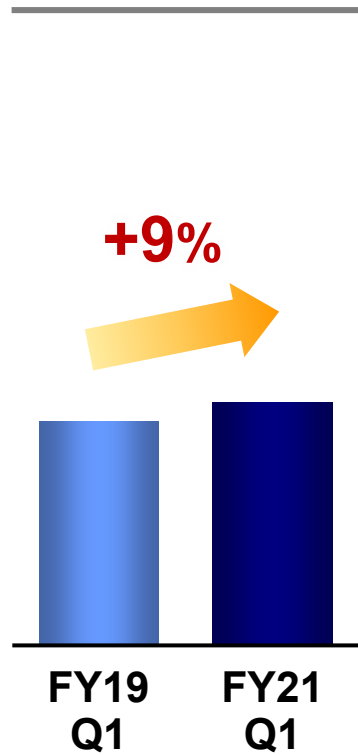
- Healthy across all regions
- Significant profit contribution from Medlive IPO

+

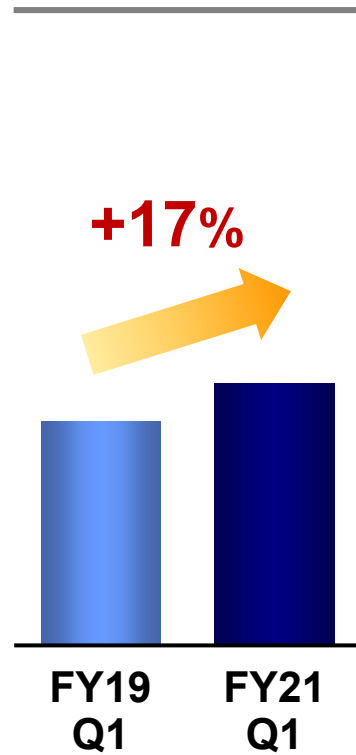
m3.com Platform Strength

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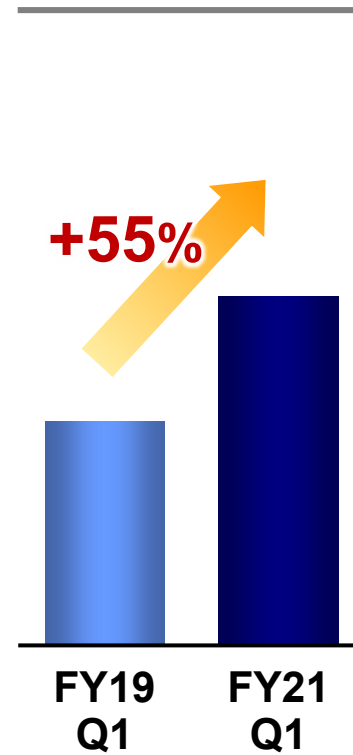
Physician Membership
(as of Q1 end)



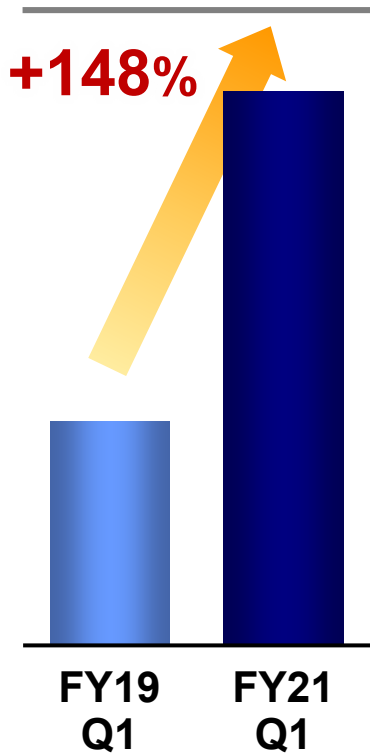
Total Number of Physician Logins (Days)



Stay Duration per Login



Revenue Contribution per Physician Member

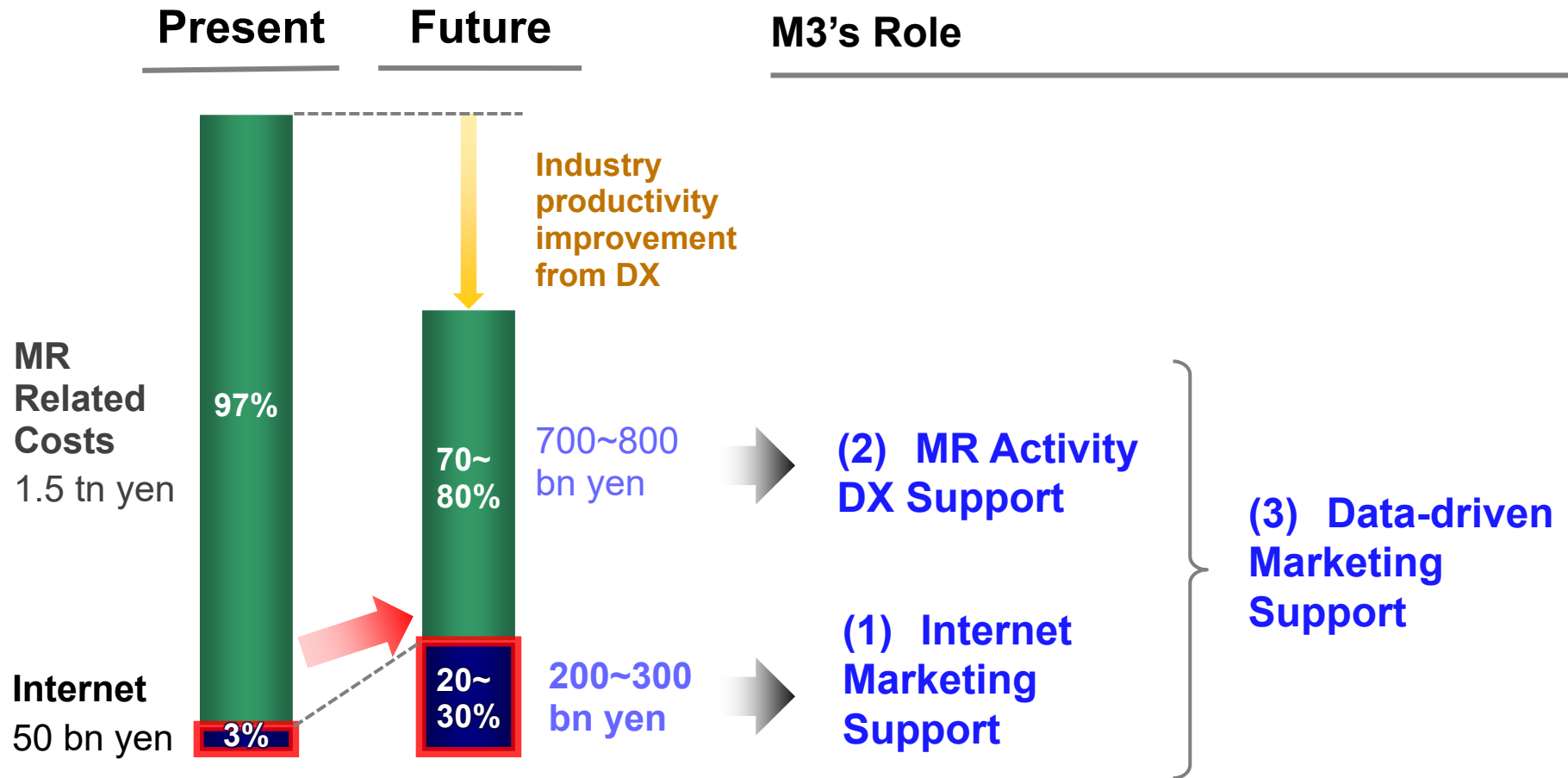


 **m3.com platform continues to strengthen. DX of physician activity also in progress.**

* vs FY2019 Q1

Pharmaceutical Sales & Marketing DX

Pharma Marketing Cost and TAM for M3



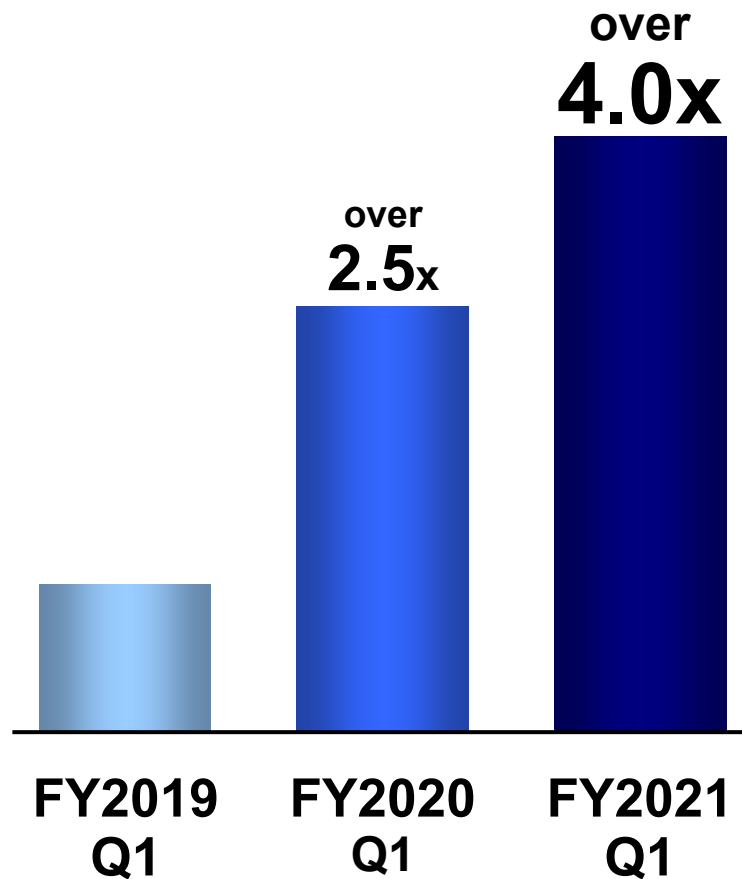
👉 M3 involvement to go beyond the bounds on the internet to improve productivity across the entire industry

Ref: M3 survey and estimate; numbers are approximate

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Pharmaceutical Marketing Service Orders Growth

Pharma Marketing Support Orders Growth (vs FY2019Q1)



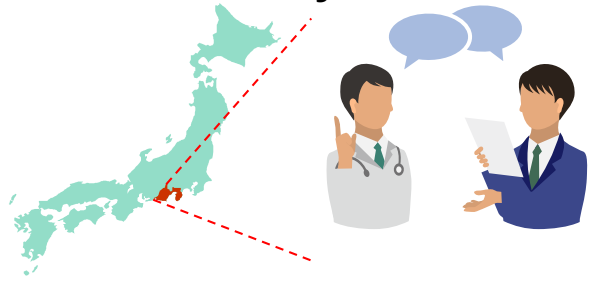
- Continued demand from pharma since FY20
- Staff fortification and project size increase (utilization of both internal and external resources)

 Pace of orders remain high. DX of pharma marketing in full swing with orders at 4x pre-COVID levels.

eCSO: Medical Marketers

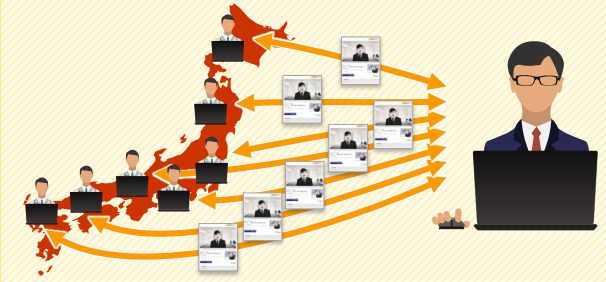
Typical CSO

Localized Physical Visits



Medical Marketer

Nationwide eDetails



Coverage

80~150 physicians

500~1,000 physicians

of Details

150~200 per month

2,000~4,000 per month

Interaction

net 1~2 hrs/day

net 5~10 hrs/day

Method

mainly physical visits

eDetails allow physician profiling data accumulation applicable for customization

 Medical Marketers relay information via full utilization of digital tools, curtailing time loss of travel and waiting, and visitation restrictions

COVID-19 Related Projects

M3's COVID-19 Efforts

Vaccine & Treatment Development

- Involved in mostly all COVID-19 related vaccine and treatment trials in the US

NOVAVAX

moderna

Pfizer

altimmune

AstraZeneca

REGENERON

medicago

Vaccine Dissemination Support

- Vaccine dissemination support across municipalities utilizing M3's physician network
- Collaboration with Change Inc., capitalizing on their strong network across municipalities
















Vaccine Information for Medical Sites

- Vaccine related information provision and support towards medical sites (sponsored by pharma companies)



👉 Contribution to COVID-19 solutions via vaccine dissemination support following efforts in clinical trials

Vaccine Administration Support

| | Corporate  | Municipality  | Medical Site  |
|---|--|---|---|
| Physician Dispatch  |  |  |  |
| Team Dispatch  |  |  | N/A |
| Venue Management  |  |  | N/A |

 Vaccine administration services expected to support 2.7 million patients.

M3 Growth Strategy

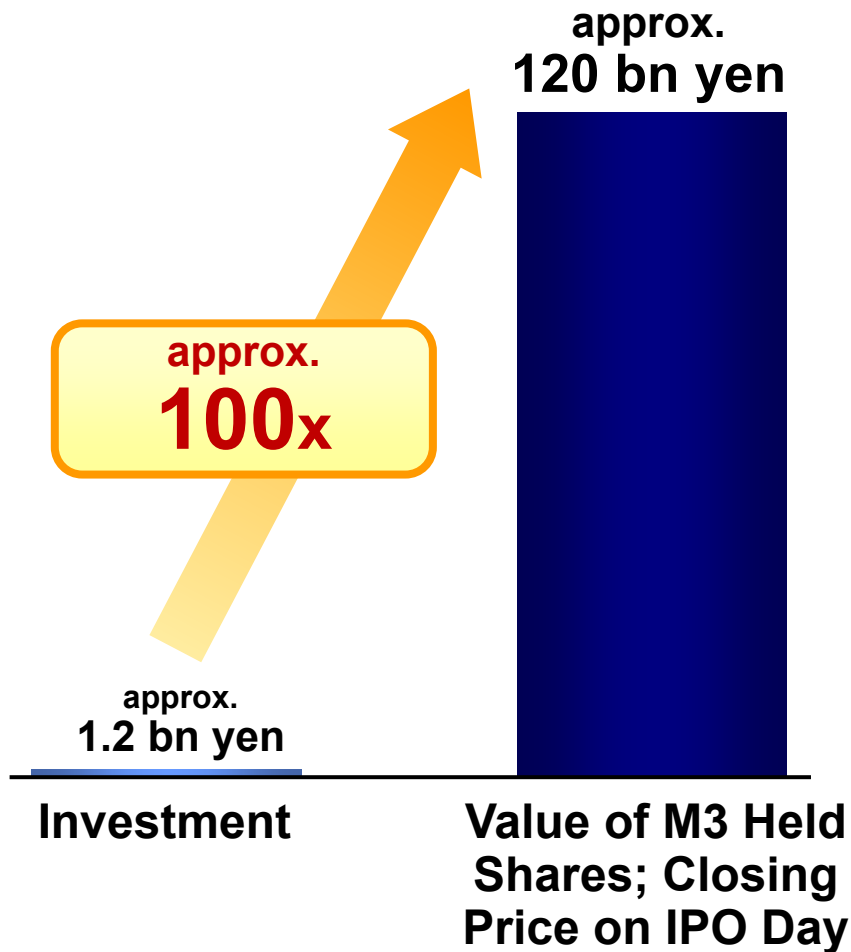
Business Scope Expansion and Growth Potential

| | 2010 | 2014 | 2018 | 2022 |
|------------------------------------|------|-------------|-----------|------|
| Country | 3 | 5 (1.5x) | 10 (3x) | → |
| Business Types | 6 | 10 (1.5x) | 26 (4x) | → |
| Business Units (Type x Country) | 10 | 18 (2x) | 41 (4x) | → |
| Sales (bn) | 14.0 | 37.0 (2.5x) | 94.5 (7x) | → |

Similar pace of growth expected over the next 4 years

 **Aggressive M&A to ensue in reaching growth potentials exceeding 10~20x current levels...**

Medlive: Incubation Track Record

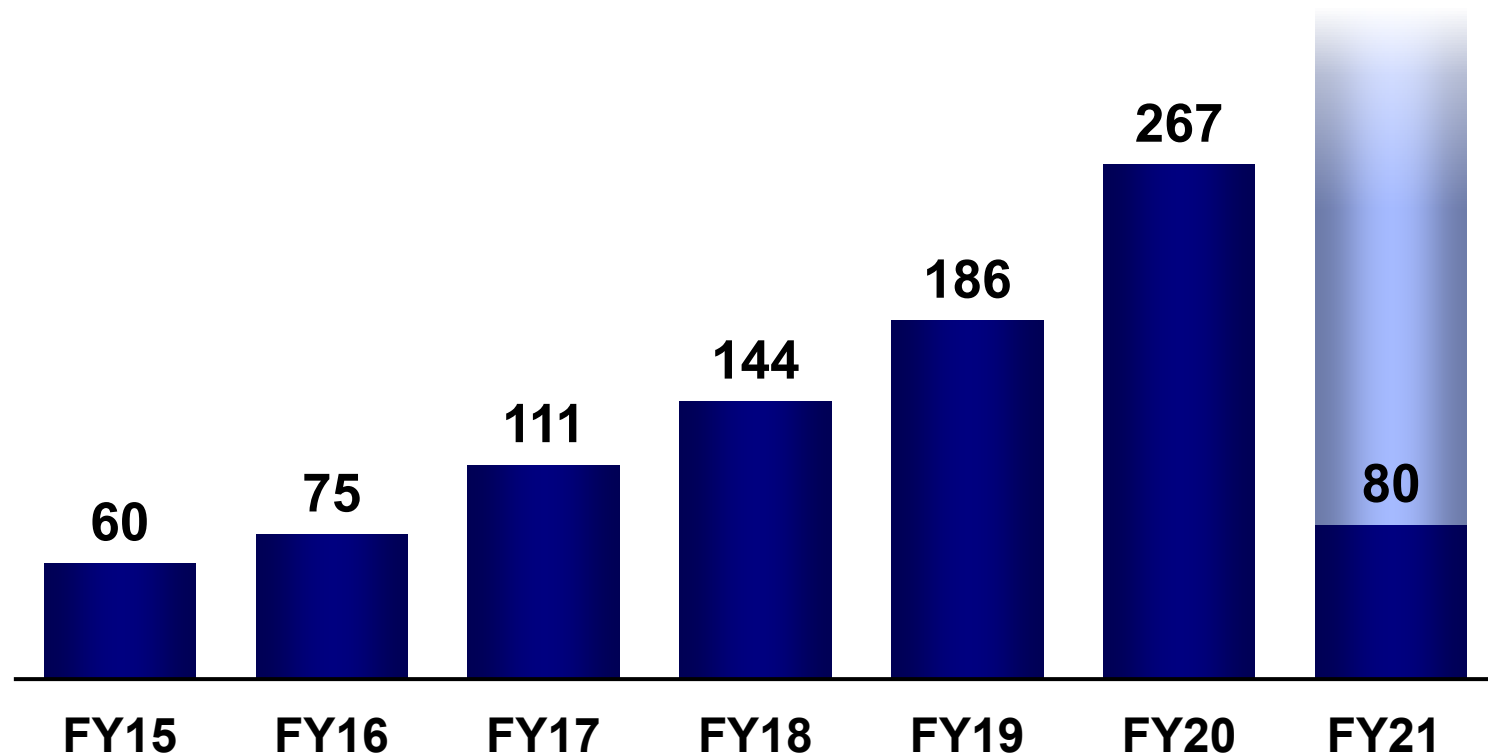


- Investment initiated in 2013, returning over 100x in 8 years
- Continued provision of M3 expertise across services such as MR-kun via licensing contracts

👉 **Medlive growth acceleration expected from increased autonomy and flexibility from IPO. Expected operating profit appropriation of 9.1 bn yen in Q1 and 22 bn yen in Q2.**

Increase in M&A

Number of Deals That Were Evaluated

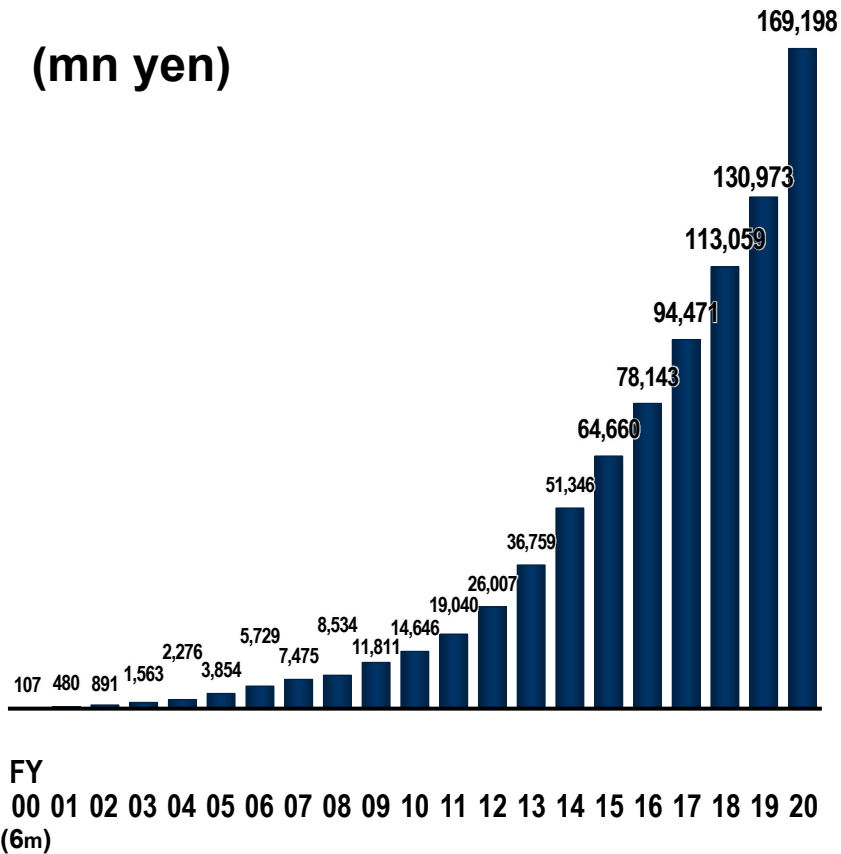


👉 M&A activity and pipeline continue rapid acceleration in line with business expansion. Number of executions and size are also increasing.

Annual Results

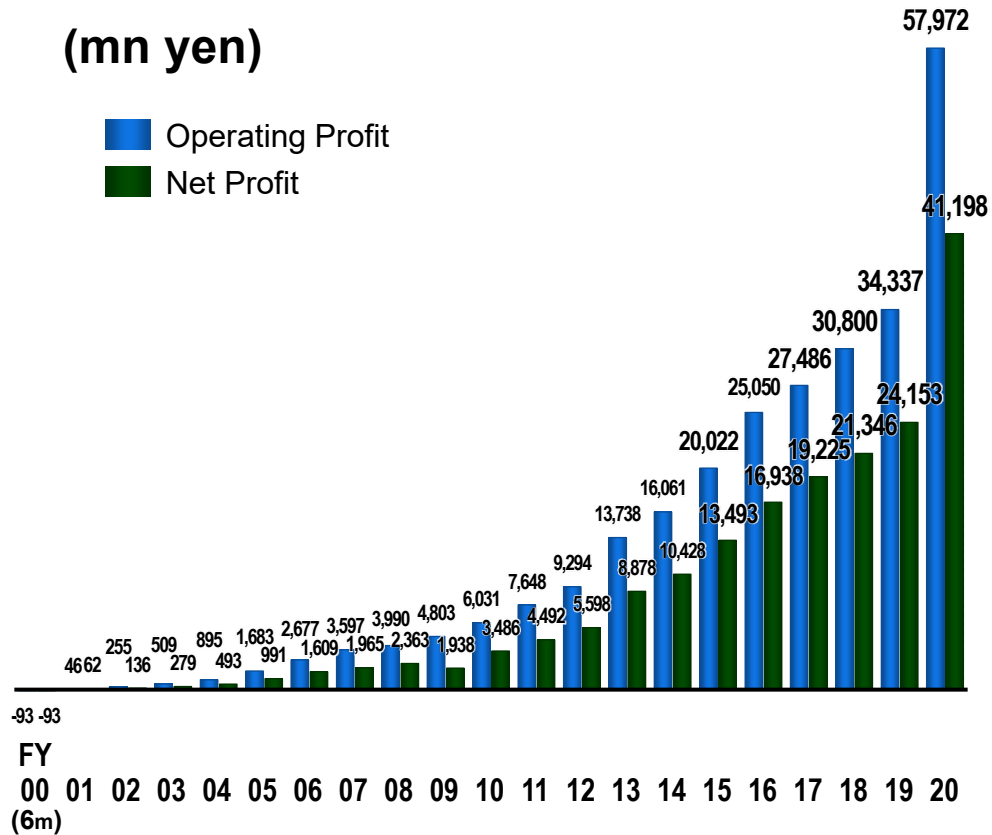
Sales

(mn yen)



Operating Profit & Net Profit

(mn yen)



 **Forecasts were not given due to unpredictable variables, basic outlook is for continued growth.**