



Consolidated Financial Results  
for the Six Months Ended September 30, 2021 [IFRS]  
(Abridged)



October 27, 2021

Listed Company: M3, Inc. Listed Stock Exchange: Tokyo  
 Securities Code: 2413 URL: <https://corporate.m3.com/en/>  
 Representative: (Title) CEO (Name) Itaru Tanimura TEL: 03-6229-8900  
 Contact: (Title) Director (Name) Eiji Tsuchiya Dividend payment commencement date: —  
 Submission of quarterly report: November 5, 2021  
 Preparation of explanatory materials for quarterly financial result: Yes  
 Assembly for briefing of quarterly financial results: Yes (for analysts)

(amounts rounded to the nearest million yen)

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2021

(From April 1, 2021 to September 30, 2021)

(1) Consolidated Operating Results (Cumulative) (% figures show year-on-year change)

	Net sales		Operating profit		Pre-tax profit		Net profit	
	Million Yen	%	Million yen	%	Million Yen	%	Million Yen	%
Six months ended Sep 30, 2021	97,647	30.2	61,941	158.8	62,232	159.9	42,747	157.7
Six months ended Sep 30, 2020	75,022	21.9	23,931	44.6	23,943	44.3	16,587	46.6

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million Yen	%	Million Yen	%	Yen	Yen
Six months ended Sep 30, 2021	40,788	177.3	42,959	158.7	60.09	60.04
Six months ended Sep 30, 2020	14,710	49.7	16,606	69.6	21.68	21.66

### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	Million Yen	Million Yen	Million Yen	%	Yen
As of Sep 30, 2021	308,397	237,651	231,404	75.0	340.01
As of March 31, 2021	273,123	207,260	199,813	73.2	293.64

## 2. Dividends

	Annual Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	0.00	—	12.00	12.00
Fiscal year ending March 31, 2022	—	0.00	—	—	—
Fiscal year ending March 31, 2022 (Forecast)	—	—	—	—	—

(Note) 1 Amendments to forecasts of dividends recently announced: None

2 Dividend forecast for the fiscal year ending March 31, 2022 is currently undetermined. It is to be determined after consideration of capital needs and condition of cash flow hereafter.

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022

(From April 1, 2021 to March 31, 2022)

Consolidated financial results forecast for the fiscal year ending March 31, 2022 is undisclosed due to the inability to reasonably gauge the COVID-19 global pandemic impact on M3 group's business environment. Forecasts will be provided promptly once the environment allows for proper estimates.

#### ※ Notes

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries accompanying changes in scope of consolidation): None

(2) Changes in accounting policies and accounting estimates:

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies other than item (i) above: None

(iii) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

(i) Number of shares outstanding at the end of the period (including treasury shares)		
As of September 30, 2021	678,815,600	shares
As of March 31, 2021	678,785,600	shares
(ii) Number of treasury stock at the end of the period		
As of September 30, 2021	45,067	shares
As of March 31, 2021	45,067	shares
(iii) Average number of shares during the period (cumulative)		
As of September 30, 2021	678,750,113	shares
As of September 30, 2020	678,624,694	shares

※ This quarterly financial report is outside the scope of the review procedures for quarterly financial statements.

※ Explanation of proper use of financial results forecasts, and other special matters

(1) Caution regarding statements concerning the future

The forward-looking statements herein are based on information available to the Company and on certain assumptions deemed to be reasonable at the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly due to various factors.

(2) Explanatory materials for quarterly financial result

Explanatory materials for quarterly financial results will be posted on our website on Wednesday, October 27, 2021.

## 4. Qualitative Information on Quarterly Results

### (1) Explanation of consolidated operating results

In Japan, various services are provided for the 300,000+ physician members via the “m3.com” website designed for medical professionals.

Medical Platform includes services which allow member physicians to proactively receive continuous and frequent information via the “m3.com” platform such as the “MR-kun” family services, marketing research capabilities paneling the physician members, and “QOL-kun” which provides marketing support for non-healthcare related corporates desiring to advertise daily life services to doctors, offering a wide menu of services catering towards various agendas and purposes of our clients. Additionally, provision of next generation sales reps, or “Medical Marketers,” and healthcare advertisement agency services are also being expanded via group companies.

Evidence Solution includes clinical trial related services centered around “Mr. Finder” which excavates institutions and patient participants for clinical studies, large-scale clinical study services, assistance with clinical trial operations by CROs, and administrative and operations support across the entire clinical trial process by SMOs, all provided through various group companies.

Career Solution provides job search and placement services for physicians and pharmacists through M3 Career, Inc.

Site Solution provides services supporting medical institution operations.

Furthermore, consumer facing services such as the “AskDoctors” (<https://www.AskDoctors.jp/>) website which connects public users with “m3.com” member physicians for answers to daily health questions, medical professional education such as national examination preparatory services provided by M3 Education, Inc., and equity method affiliate LINE Healthcare Corporation established with LINE Corporation to operate an online healthcare business, are all being expanded.

In Overseas, the U.S. portal website, “MDLinx,” designed for healthcare professionals, continues to expand its member network-based services catering towards pharmaceutical companies, as well as its career support services for physicians and clinical trial support services. In Europe, the “Doctors.net.uk” U.K. portal website is expanding services for pharmaceutical companies, along with pharmaceutical database services offered by the Vidal Group in France, Germany, and Spain. Business expansion continues in Asia as well. Furthermore, Medlive Technology Co., Ltd., which operates the China business through its subsidiary, Jinye Tiancheng (Beijing) Technology Co., Ltd., has been deconsolidated from M3 as a result of M3’s loss of control, and has become an equity-method affiliate of M3, as stated in the June 18th press release titled “Announcement Regarding the Recognition of Gains Relating to Loss of Control Over Subsidiaries.” Additionally, the company IPOs on the Stock Exchange of Hong Kong in July 2021.

Additionally, membership and panel participation at websites operated by M3 group starting with Japan, U.S., Europe, China, and Korea, now totals roughly 6 million physicians, enabling provision of marketing research services that span across a global scale.

Consolidated quarterly results for the second quarter (cumulative) is as below.

(Unit: Million Yen)

	Six months ended Sep 30, 2020 (April 1, 2020 to Sep 30, 2020, cumulative)	Six months ended Sep 30, 2021 (April 1, 2021 to Sep 30, 2021, cumulative)	Second quarter comparison		(Reference) Previous consolidated fiscal year (April 1, 2020 to March 31, 2021)
Net sales	75,022	97,647	+22,626	+30.2%	169,198
Operating Profit	23,931	61,941	+38,010	+158.8%	57,972
Pre-Tax Profit	23,943	62,232	+38,289	+159.9%	58,264
Net Profit	16,587	42,747	+26,159	+157.7%	41,198

(Segment results)

(Unit: Million Yen)

		Six months ended Sep 30, 2020 (April 1, 2020 to Sep 30, 2020, cumulative)	Six months ended Sep 30, 2021 (April 1, 2021 to Sep 30, 2021, cumulative)	Second quarter comparison	
Medical Platform	Segment Net Sales	30,915	38,401	+7,486	+24.2%
	Segment Profit	13,748	16,725	+2,978	+21.7%
Evidence Solution	Segment Net Sales	9,603	10,132	+529	+5.5%
	Segment Profit	1,631	2,053	+422	+25.9%
Career Solution	Segment Net Sales	8,194	8,180	-15	-0.2%
	Segment Profit	2,824	3,445	+621	+22.0%
Site Solution	Segment Net Sales	7,976	17,480	+9,504	+119.2%
	Segment Profit	829	2,560	+1,731	+208.8%
Overseas	Segment Net Sales	18,314	24,398	+6,084	+33.2%
	Segment Profit	5,083	38,108	+33,025	+649.7%
Other Emerging Businesses	Segment Net Sales	1,430	1,518	+88	+6.2%
	Segment Profit	340	-429	-769	—
Adjustment	Segment Net Sales	-1,411	-2,461	—	—
	Segment Profit	-524	-520	—	—
Total	Net Sales	75,022	97,647	+22,626	+30.2%
	Operating Profit	23,931	61,941	+38,010	+158.8%

#### 1) Medical Platform

Due to a rapid increase in demand from pharmaceutical companies, Medical Platform segment sales reached 38,401 million yen, higher by 24.2% versus previous year. Upfront investments aimed for future growth have raised SG&A mainly around personnel costs, however, Medical Platform segment produced profits of 16,725 million yen, higher by 21.7% versus previous year.

#### 2) Evidence Solution

Recovery from the temporary halt in projects due to the COVID-19 pandemic produced total sales of 10,132 million yen, higher by 5.5% versus previous year. Segment profit was 2,053 million yen, higher by 25.9% versus previous year.

### 3) Career Solution

COVID vaccination support project expansion offset the dampened activity mainly from pharmacists, which resulted in segment sales of 8,180 million yen, lower by 0.2% versus previous year. Sales mix improvement and increased contribution from vaccination support projects produced segment profits of 3,445 million yen, higher by 22.0% versus previous year.

### 4) Site Solution

In addition to an increase in affiliate medical institutions, COVID vaccination support project expansion produced segment sales of 17,480 million yen, higher by 119.2% versus previous year, and profit of 2,560 million yen, higher by 208.8% versus previous year.

### 5) Overseas

All regions performed, resulting in segment sales of 24,398 million yen, higher by 33.2% versus previous year. In addition to the increase in sales, appropriation of gains related to the IPO of Medlive which owns the subsidiary that operates the China business, resulted in segment profit of 38,108 million yen, higher by 649.7% versus previous year. Furthermore, Medlive Technology Co., Ltd., has been deconsolidated from M3 and has become an equity-method affiliate of M3 as of June 18, 2021.

### 6) Other Emerging Businesses

Recovery trend from negative impact of COVID-19 has brought segment sales to 1,518 million yen, higher by 6.2% versus previous year, and losses of 429 million yen (previous year, same period: profit of 340 million yen) due to valuation changes in held assets.

Combining all of the above, results for the entire group for the six months ended September 30, 2021, amounted to sales of 97,647 million yen, higher by 30.2% versus previous year, and operating profit of 61,941 million yen, higher by 158.8% versus previous year. Pre-tax profit was 62,232 million yen, higher by 159.9% versus previous year, and net profit was 42,747 million yen, higher by 157.7% versus previous year.

#### Disclaimer:

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