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May 22, 2023

To whom it may concern

Company name: JMDC Inc.
Representative: Yosuke Matsushima,
President and CEO
(TSE Prime Market, Stock Code: 4483)
Contact: Yuta Yamamoto,
Vice President and CFO
(E-mail: ir@jmdc.co.jp)

Notice of Reorganization of Real World Data, a Wholly Owned Subsidiary
(Company Split and Absorption-Type Merger)

JMDC Inc. (the “Company”) announces that at the meeting of its Board of Directors held on May 22, 2023, the Company resolved to transfer the real-time data business (RWD2.0 Business) conducted by Real World Data, Co., Ltd., a wholly owned subsidiary of the Company (currently Real World Data) to the newly incorporated K.K. Real World Data (new Real World Data) through a company split effective July 3, 2023 and to absorb currently Real World Data, which conducts the anonymous processing database business (RWD1.0 Business) after the company split.

Since this reorganization is a company split in the wholly owned subsidiary of the Company and an absorption-type merger with the wholly owned subsidiary of the Company, some disclosure items and details are omitted from this report.

I. Purpose of the company split and absorption-type merger

On July 29, 2022, the Company made currently Real World Data a subsidiary. Currently Real World Data is engaged in RWD1.0 business, which includes database research and understanding of unmet medical needs through anonymous processing databases derived from electronic medical record, and RWD2.0 business, which aggregates medical data in hospitals, including electronic medical records, to support to search cases at medical institutions through the real-time extraction of targeted diagnostic information. Of these, the RWD2.0 business has the potential to be widely used by pharmaceutical companies and others as evidence of epidemiological approaches. For example, it can be used to reduce the cost and duration of clinical trial-related activities, including the analysis of medical data, the creation of papers, and validation at medical institutions, PMS (post-marketing surveillance), patient recruitment, etc. In order to promptly materialize these latent needs, the Company will transfer the RWD 2.0 business (real-time data business) to new Real World Data and establish a system specializing in the business.

On the other hand, as for the RWD1.0 business (anonymous processing database business), the Company expects to further strengthen its business by integrating the Company's know-how in

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anonymous processing data management, such as data security and privacy protection, data cleansing and standardization, and its ability to propose data utilization such as analysis and data science. Therefore, the Company has decided to conduct an absorption-type merger.

II. Company split

1. Summary of a split of currently Real World Data

(1) Schedule of the split

Resolution at the meeting of the Board of Directors (JMDC Inc., currently Real World Data)	May 22, 2023
Resolution at the General Meeting of Shareholders (currently Real World Data)	June 28, 2023 (scheduled)
Effective date of the company split	July 3, 2023 (scheduled)

(2) Split method

This will be an incorporation-type company split, with currently Real World Data as the splitting company and new Real World Data, a newly incorporated company, as the succeeding company.

(3) Treatment of stock acquisition rights and bonds with stock acquisition rights of the splitting company

Not applicable.

(4) Increase or decrease in capital stock, etc. as a result of the company split

There will be no change in capital stock, etc. as a result of this company split.

(5) Rights and obligations to be succeeded by the newly incorporated company

The newly incorporated company will assume assets, liabilities, employment contracts, and other rights and obligations held in connection with the RWD2.0 business.

(6) Prospects for fulfillment of obligations

The Company has concluded that obligations to be incurred by the splitting company and the newly incorporated company as a result of the company split are expected to be fulfilled.

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2. Overview of the companies involved in the company split

	Splitting company currently Real World Data	Newly incorporated company new Real World Data
(1) Name	Real World Data Co., Ltd.	K.K. Real World Data
(2) Location	480, Kitafudondocho, Kizuyabashi-sagaru, Aburanokoji-dori, Shimogyo-ku, Kyoto-shi, Kyoto	480, Kitafudondocho, Kizuyabashi-sagaru, Aburanokoji-dori, Shimogyo-ku, Kyoto-shi, Kyoto
(3) Name and position of the representative	Yosuke Matsushima, President and CEO	Takeshi Kimura, President
(4) Business lines	Anonymous processing database business and real-time data business	Real-time data business
(5) Capital	90 million yen	90 million yen
(6) Establishment	July 21, 2015	July 3, 2023
(7) Number of issued shares	1,679 shares	100 shares
(8) Fiscal year end	March	March
(9) Major shareholders and the ratio of their shareholdings	JMDC Inc. 100%	JMDC Inc. 100%
(10) Financial position and operating results for the most recent fiscal year		
Fiscal year	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2023
Net assets	835 million yen	90 million yen
Total assets	907 million yen	139 million yen

* The overview of the splitting company is as of the end of March 2023. The overview of the newly incorporated company is as of July 3, 2023 (estimated).

3. Overview of the business division to be split

(1) Description of the business of the division to be split

Real-time data business

(2) Operating results of the division to be split

Net sales for the fiscal year ended March 31, 2023 313 million yen

(3) Items and amounts of assets and liabilities to be split

Assets 139 million yen, Liabilities 49 million yen

(Note) Since the calculation is based on the balance sheet as of March 31, 2023, the actual amount to be succeeded will be the amount adjusted for any increase or decrease up to the effective date of the split.

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III. Absorption-type merger

1. Overview of the merger

(1) Merger schedule

Resolution at the meeting of the Board of Directors (JMDC Inc., currently Real World Data)	May 22, 2023
Merger agreement conclusion date	May 22, 2023
Effective date of the merger	July 3, 2023 (scheduled)

(Note) Since the merger is a simple merger under the provisions of Article 796, Paragraph 2 of the Companies Act for the Company and a short-form merger under the provisions of Article 784, Paragraph 1 of the Companies Act for the currently Real World Data, the merger will be conducted without obtaining approval at the respective General Meeting of Shareholders.

(2) Method of the merger

An absorption-type merger in which the Company will be the surviving company and currently Real World Data will be dissolved.

(3) Details of allocation of shares pertaining to the merger

Since the merger is a merger with the wholly owned subsidiary of the Company, there will be no allocation of shares or other money, etc. pertaining to the merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the company to be dissolved pertaining to this merger

Not applicable.

2. Overview of the parties involved in the merger

	Company surviving absorption-type merger	Company to be dissolved in absorption-type merger currently Real World Data
(1) Name	JMDC Inc.	Real World Data, Co., Ltd.
(2) Location	2-5-5 Shiba Daimon, Minato-ku, Tokyo	480, Kitafudondocho, Kizuyabashi-sagaru, Aburanokoji-dori, Shimogyo-ku, Kyoto-shi, Kyoto
(3) Name and position of the representative	Yosuke Matsushima, President and CEO	Yosuke Matsushima, President and CEO
(4) Business lines	Health big data business	Anonymous processing database business and real-time data business
(5) Capital	23,980 million yen (March 31, 2023)	90 million yen (March 31, 2023)

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(6) Establishment	January 31, 2002	July 21, 2015												
(7) Number of issued shares	62,836,208 shares (March 31, 2023)	1,679 shares												
(8) Fiscal year end	March	March												
(9) Major shareholders and the ratio of their shareholdings (as of March 31, 2023)	<table border="0"> <tr> <td>OMRON Corporation</td> <td>32.52%</td> </tr> <tr> <td>Noritsu Koki Co., Ltd.</td> <td>14.08%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust account)</td> <td>11.16%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust account)</td> <td>4.05%</td> </tr> <tr> <td>Yosuke Matsushima</td> <td>2.68%</td> </tr> </table>	OMRON Corporation	32.52%	Noritsu Koki Co., Ltd.	14.08%	The Master Trust Bank of Japan, Ltd. (Trust account)	11.16%	Custody Bank of Japan, Ltd. (Trust account)	4.05%	Yosuke Matsushima	2.68%	<table border="0"> <tr> <td>JMDC Inc.</td> <td>100%</td> </tr> </table>	JMDC Inc.	100%
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Yosuke Matsushima	2.68%													
JMDC Inc.	100%													
(10) Financial position and operating results for the most recent fiscal year														
Fiscal year	Fiscal year ended March 31, 2023 (Consolidated)	Fiscal year ended March 31, 2023 (Non-consolidated)												
Equity attributable to owners of the parent/Net assets	64,539 million yen	835 million yen												
Total assets	98,567 million yen	907 million yen												
Equity attributable to owners of the parent per share/Net assets per share	1025.89 yen	497,554.76 yen												
Revenue/Net sales	27,809 million yen	553 million yen												
Operating profit	5,926 million yen	-166 million yen												
Profit attributable to owners of parent/Profit	4,267 million yen	19 million yen												
Basic earnings per share/Earnings per share	71.17 yen	11,650.49 yen												

(Note 1) The absorption-type merger will be executed after the company split described in [II] above.

(Note 2) The Company made currently Real World Data a consolidated subsidiary as of July 29, 2022, and the above operating results of currently Real World Data are incorporated into the Company's consolidated accounting treatment from August 2022 onward.

3. Situation after the merger

There will be no change in the name, location, name and position of the representative, business lines, capital and fiscal year end of the Company as a result of the merger.

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IV.Future outlook

Since this reorganization is a split of the wholly owned subsidiary and a simple absorption-type merger between the Company and the wholly owned subsidiary, the impact on the Company's consolidated financial results will be minimal.