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**JMDC**



## Summary of Financial Statements for the Nine Months Ended December 31, 2023 [IFRS] (Consolidated)



February 2, 2024

Company name: JMDC Inc.  
Listing: Tokyo Stock Exchange  
Stock code: 4483  
URL: <https://www.jmdc.co.jp/en/>  
Representative: Ryo Noguchi, President and CEO  
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Scheduled date to file quarterly securities report: February 13, 2024  
Scheduled date to commence dividend payments: —  
Preparation of supplementary material on quarterly financial results: Yes  
Holding of quarterly financial results presentation meeting: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the first nine months of the fiscal year ending March 31, 2024 (from April 1, 2023 to December 31, 2023)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2023	22,281	14.0	5,667	40.7	5,572	39.1	3,991	50.3
December 31, 2022	19,542	24.6	4,028	18.3	4,007	18.0	2,655	16.9

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended						
December 31, 2023	3,977	49.8	3,993	50.2	62.31	60.44
December 31, 2022	2,654	16.8	2,659	17.0	44.98	42.66

Reference: EBITDA    Nine months ended December 31, 2023                     ¥6,188 million [16.1%]  
                               Nine months ended December 31, 2022                     ¥5,332 million [16.4%]

Note: EBITDA: Operating profit + Depreciation and amortization ± Other income and/or expenses

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
As of				
December 31, 2023	103,611	70,044	69,954	67.5
March 31, 2023	98,567	64,524	64,539	65.5

## 2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	0.00	–	12.00	12.00
Fiscal year ending March 31, 2024	–	0.00	–		
Fiscal year ending March 31, 2024 (Forecast)				–	–

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	33,000	18.7	8,800	48.5	8,750	48.9	6,500	52.1	6,500	52.3	103.32

Note: Revisions to the earnings forecasts most recently announced: None

Reference: EBITDA Fiscal year ending March 31, 2024 (Forecast) ¥9,750 million [26.3%]

**\* Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at end of the period (including treasury shares)

As of December 31, 2023	65,316,808 shares
As of March 31, 2023	62,910,608 shares

(ii) Number of treasury shares at end of the period

As of December 31, 2023	647 shares
As of March 31, 2023	574 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

For the nine months ended December 31, 2023	63,834,905 shares
For the nine months ended December 31, 2022	59,016,779 shares

**\* Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.**

**\* Proper use of earnings forecasts, and other special items**

Notes on forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual business and other results may differ substantially due to various factors. For details regarding matters related to earnings forecasts, please refer to page 5 of the attached materials.

How to obtain supplementary documents on financial results

Supplementary documents on financial results are released via TDnet on the same day.

## Attached Material Index

1. Qualitative information regarding financial results for the nine months ended December 31, 2023 .....	2
(1) Explanation of operating results .....	2
(2) Explanation of financial position.....	4
(3) Explanation of consolidated earnings forecasts and other forward-looking statements.....	5
2. Condensed quarterly consolidated financial statements and significant notes thereto .....	6
(1) Condensed quarterly consolidated statement of financial position .....	6
(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income .....	7
(3) Condensed quarterly consolidated statement of changes in equity .....	9
(4) Condensed quarterly consolidated statement of cash flows .....	11
(5) Notes to condensed quarterly consolidated financial statements.....	12
Notes on going concern assumption.....	12
Segment information .....	12
Significant subsequent events.....	13

## 1. Qualitative information regarding financial results for the nine months ended December 31, 2023

### (1) Explanation of operating results

JMDC Inc. (the “Company”) is promoting the health of citizens, and delivering increased value of medical service providers and helping optimize their operations through gathering diverse data on the Japanese healthcare industry and thus benefiting society, with the aim of realizing a sustainable healthcare system by leveraging data and ICT.

In the Healthcare-Big Data segment, to promote the health services of health insurance associations, we provide analysis services for data held by payers as well as personal health record (PHR) services developed by the Company. We also provide services such as medical data analysis and medical factoring to medical institutions as well as medicine databases. Furthermore, we have created a database of anonymously processed information in the course of pursuing this business and are promoting scientific and industrial applications of this data.

In the Tele-medicine segment, we provide a matching service that connects medical institutions lacking a sufficient number of radiologists with contracted radiologists using a remote image interpretation system, as well as an ASP service that connects medical institutions with radiologists via the cloud to enable remote diagnostic imaging.

In the Dispensing Pharmacy Support segment, we develop and sell systems such as receipt computers and electronic medication history systems to health insurance pharmacies.

Operating results for the nine months ended December 31, 2023 are as follows.

(Operating results)

(Millions of yen)

Category	10th fiscal year Nine months ended December 31, 2022	11th fiscal year Nine months ended December 31, 2023	YoY change	
Revenue	19,542	22,281	2,738	14.0%
Operating profit	4,028	5,667	1,638	40.7%
EBITDA [margin]	5,332 [27.3%]	6,188 [27.8%]	856	16.1%

(Segment results)

(Millions of yen)

Category		10th fiscal year Nine months ended December 31, 2022	11th fiscal year Nine months ended December 31, 2023	YoY change	
Healthcare-Big Data	Segment revenue	13,144	16,648	3,504	26.7%
	Segment profit [ratio]	4,022 [30.6%]	4,957 [29.8%]	935	23.3%
Tele-medicine	Segment revenue	3,799	4,171	372	9.8%
	Segment profit [ratio]	1,416 [37.3%]	1,571 [37.7%]	154	10.9%
Dispensing Pharmacy Support	Segment revenue	2,788	1,563	(1,225)	(43.9)%
	Segment profit [ratio]	310 [11.1%]	175 [11.2%]	(135)	(43.7)%
Adjustment	Segment revenue	(189)	(102)	87	–
	Segment profit	(417)	(515)	(98)	–
Total	Revenue	19,542	22,281	2,738	14.0%
	EBITDA [margin]	5,332 [27.3%]	6,188 [27.8%]	856	16.1%

(Note) EBITDA is an objective indicator for judging the achievement of the JMDC Group’s (the “Group’s”) management policies and strategies or management objectives. The Group uses EBITDA to measure the performance of each segment and believes that it is a useful and necessary measure to assess the Group’s performance more effectively. The formulas for calculating EBITDA and EBITDA margin are as follows.

- EBITDA: Operating profit + Depreciation and amortization ± Other income and/or expenses
- EBITDA margin: EBITDA / Revenue x 100

Results by each segment are as follows.

#### Healthcare-Big Data

The Group possesses the largest scale of healthcare big data in Japan that is available for public through data anonymization of receipts (admitted patients, day patients, prescriptions), medical examinations and member records received from health insurance associations. During the nine months ended December 31, 2023, the number of contracted health insurance associations and the annual transaction value per customer at pharmaceutical and insurance companies which the Company uses and utilizes, each continued to increase on a year-on-year basis, and the business is continuing to expand.

Moreover, the Pep Up health information platform developed by the Company is used to generate individualized advice and display risk of diseases for every individual user based on the above healthcare-big data. The number of IDs issued for Pep Up continued to expand during the fiscal year ending March 31, 2024.

In addition to the above-mentioned business expansion, the Company gathered 148 companies and organizations that will work to implement health management that exceeds industry organizations, and commenced full-scale operations for the “Health & Productivity Management Alliance” in June 2023, expanding to 319 companies and organizations as of December 31, 2023 and achieving the objective of 300 companies and organizations for the first year. The mission of this alliance is to revitalize Japanese companies through the health of employees and enable the sustainability of the health insurance system, and it is currently promoting three initiatives to hold study sessions and seminars, create health management assessments based on surveys and data analysis, and build information platforms for health management solutions. Going forward, the Company will accelerate the creation of results, by further expanding the activities and implementing health management, and the creation of business.

As a result, segment revenue for the nine months ended December 31, 2023 was ¥16,648 million and segment profit (segment EBITDA) was ¥4,957 million.

#### Tele-medicine

The Group has the biggest platform for radiologists in Japan. In the nine months ended December 31, 2023, revenue increased on a year-on-year basis as a result of the continued increase in the number of medical institutions utilizing remote image interpretation services.

We continue to take measures to expand our business, including adding functions to “AI-RAD,” an artificial intelligence engine platform that assists in diagnostic imaging, and preparations for full-scale business development in Asia.

As a result, segment revenue for the nine months ended December 31, 2023 was ¥4,171 million and segment profit (segment EBITDA) was ¥1,571 million.

#### Dispensing Pharmacy Support

During the nine months ended December 31, 2023, we worked to cultivate new customers while securing replacement demand from existing customers. In the environment surrounding dispensing pharmacies, the intensity of competition has increased as digitalization has advanced.

Amid the above-mentioned situation, the Company transferred all shares of Unike Software Research Co., Ltd., a component of the Company’s Dispensing Pharmacy Support segment, and its management purpose company to the Company’s business partner EM Systems Co., Ltd. in June 2023. Due to this transfer, the Company will provide even higher quality services by further acceleration initiatives taken thus far by both companies, and make a splash in the pharmacy market, which will increase the Company’s market share.

As a result, segment revenue for the nine months ended December 31, 2023 was ¥1,563 million and segment profit (segment EBITDA) was ¥175 million.

As a result of the above, for the nine months ended December 31, 2023, revenue increased to ¥22,281 million, operating profit to ¥5,667 million, and EBITDA to ¥6,188 million. Adjustments to reconcile EBITDA to operating profit are as follows.

(Reconciliation of EBITDA to operating profit)

	(Millions of yen)	
	10th fiscal year Nine months ended December 31, 2022	11th fiscal year Nine months ended December 31, 2023
EBITDA	5,332	6,188
Depreciation and amortization	(1,487)	(1,631)
Other income	203	1,512
Other expenses	(18)	(402)
Operating profit	4,028	5,667

## (2) Explanation of financial position

### (i) Assets, liabilities and equity

#### Assets

Assets at the end of the third quarter under review were ¥103,611 million, an increase of ¥5,044 million compared with the end of the fiscal year ended March 31, 2023. Major changes included an increase of ¥5,097 million in goodwill as a result of the acquisition of new consolidated subsidiaries, etc.

#### Liabilities

Liabilities at the end of the third quarter under review were ¥33,567 million, a decrease of ¥475 million compared with the end of the fiscal year ended March 31, 2023. This was mainly due to decreases of ¥1,687 million in borrowings in non-current liabilities and ¥441 million in income taxes payable, despite an increase of ¥2,156 million in borrowings in current liabilities.

#### Equity

Equity at the end of the third quarter under review was ¥70,044 million, an increase of ¥5,519 million compared with the end of the fiscal year ended March 31, 2023. This was mainly due to an increase of ¥1,102 million in both share capital and capital surplus, as a result of the exercise of share acquisition rights, as well as the recording of ¥3,991 million in profit, despite the recording of ¥754 million in dividends.

### (ii) Cash flows

Cash and cash equivalents (“cash”) at the end of the third quarter under review was ¥16,983 million, a decrease of ¥5,799 million compared with the end of the fiscal year ended March 31, 2023.

The respective cash flow positions for the nine months ended December 31, 2023, and the factors thereof are as follows.

#### Cash flows from operating activities

During the nine months ended December 31, 2023, profit before tax was ¥5,572 million, an increase of ¥1,565 million on a year-on-year basis. While depreciation and amortization of ¥1,631 million was recorded, other income of ¥1,512 million, an increase in trade and other receivables of ¥1,653 million, income taxes paid of ¥2,290 million, and other items were recorded, resulting in net cash provided by operating activities of ¥1,232 million. Although other income had been included in other up to the end of the fiscal year ended March 31, 2023, after a review due to the increased materiality, they are presented separately from the first quarter of the fiscal year ending March 31, 2024. The condensed quarterly consolidated financial statements for the nine months ended December 31, 2022 have been reclassified to reflect this change in presentation.

**Cash flows from investing activities**

Net cash used in investing activities was ¥9,427 million. This was primarily due to purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥5,268 million, purchase of investments of ¥2,558 million and purchase of intangible assets of ¥934 million.

**Cash flows from financing activities**

Net cash provided by financing activities was ¥2,395 million. This was primarily due to the recording of ¥1,701 million in proceeds from short-term borrowings, ¥2,528 million in proceeds from long-term borrowings and ¥2,197 million in proceeds from exercise of share acquisition rights, despite recording of ¥754 million in dividends paid and ¥2,327 million in repayments of long-term borrowings.

**(3) Explanation of consolidated earnings forecasts and other forward-looking statements**

The consolidated earnings forecasts are unchanged from the forecasts announced on August 9, 2023.



## 2. Condensed quarterly consolidated financial statements and significant notes thereto

### (1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	22,782	16,983
Trade and other receivables	11,241	12,967
Other financial assets	3,340	3,630
Inventories	275	261
Other current assets	601	947
Total current assets	38,240	34,790
Non-current assets		
Property, plant and equipment	10,772	11,838
Goodwill	39,824	44,921
Intangible assets	5,922	5,545
Other financial assets	1,597	4,460
Deferred tax assets	2,057	1,709
Other non-current assets	152	345
Total non-current assets	60,326	68,821
Total assets	98,567	103,611
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Borrowings	994	3,151
Trade and other payables	5,790	5,523
Lease liabilities	846	871
Income taxes payable	1,201	760
Contract liabilities	2,066	1,918
Other current liabilities	1,317	1,181
Total current liabilities	12,216	13,406
Non-current liabilities		
Borrowings	11,935	10,248
Lease liabilities	6,623	7,071
Retirement benefit liability	322	204
Provisions	692	434
Deferred tax liabilities	730	765
Contract liabilities	1,520	1,435
Total non-current liabilities	21,825	20,160
Total liabilities	34,042	33,567
Equity		
Share capital	23,994	25,096
Capital surplus	27,211	28,300
Treasury shares	(2)	(3)
Other components of equity	28	25
Retained earnings	13,308	16,534
Total equity attributable to owners of parent	64,539	69,954
Non-controlling interests	(14)	90
Total equity	64,524	70,044
Total liabilities and equity	98,567	103,611

**(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income**

Condensed quarterly consolidated statement of profit or loss

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Revenue	19,542	22,281
Cost of sales	8,520	9,417
Gross profit	11,021	12,864
Selling, general and administrative expenses	7,177	8,307
Other income	203	1,512
Other expenses	18	402
Operating profit	4,028	5,667
Finance income	47	1
Finance costs	69	96
Profit before tax	4,007	5,572
Income tax expense	1,351	1,581
Profit	2,655	3,991
Profit attributable to		
Owners of parent	2,654	3,977
Non-controlling interests	0	13
Profit	2,655	3,991
Earnings per share		
Basic earnings per share (Yen)	44.98	62.31
Diluted earnings per share (Yen)	42.66	60.44

## Condensed quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	2,655	3,991
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	3	3
Total of items that will not be reclassified to profit or loss	3	3
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	0	(0)
Total of items that may be reclassified to profit or loss	0	(0)
Other comprehensive income, net of tax	3	2
Comprehensive income	2,659	3,993
Comprehensive income attributable to		
Owners of parent	2,658	3,979
Non-controlling interests	0	13
Comprehensive income	2,659	3,993

**(3) Condensed quarterly consolidated statement of changes in equity**

Nine months ended December 31, 2022 (from April 1 to December 31, 2022)

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Share acquisition rights
Balance as of April 1, 2022	9,091	12,483	(2)	(4)	–	21
Profit	–	–	–	–	–	–
Other comprehensive income	–	–	–	0	3	–
Total comprehensive income	–	–	–	0	3	–
Issuance of share acquisition rights	–	–	–	–	–	13
Exercise of share acquisition rights	155	155	–	–	–	(1)
Forfeiture of share acquisition rights	–	0	–	–	–	(0)
Issuance of new shares	14,732	14,558	–	–	–	–
Purchase of treasury shares	–	–	(0)	–	–	–
Dividends	–	–	–	–	–	–
Increase (decrease) by business combination	–	–	–	–	–	–
Transfer to retained earnings	–	–	–	–	(3)	–
Total transactions with owners	14,888	14,714	(0)	–	(3)	11
Balance as of December 31, 2022	23,980	27,197	(2)	(4)	–	33

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total
	Total				
Balance as of April 1, 2022	17	9,580	31,170	(5)	31,165
Profit	–	2,654	2,654	0	2,655
Other comprehensive income	3	–	3	–	3
Total comprehensive income	3	2,654	2,658	0	2,659
Issuance of share acquisition rights	13	–	13	–	13
Exercise of share acquisition rights	(1)	–	309	–	309
Forfeiture of share acquisition rights	(0)	–	–	–	–
Issuance of new shares	–	–	29,290	–	29,290
Purchase of treasury shares	–	–	(0)	–	(0)
Dividends	–	(565)	(565)	–	(565)
Increase (decrease) by business combination	–	–	–	(15)	(15)
Transfer to retained earnings	(3)	3	–	–	–
Total transactions with owners	8	(562)	29,048	(15)	29,032
Balance as of December 31, 2022	29	11,672	62,877	(19)	62,857

## Nine months ended December 31, 2023 (from April 1 to December 31, 2023)

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Treasury shares	Other components of equity		
				Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Share acquisition rights
Balance as of April 1, 2023	23,994	27,211	(2)	(4)	–	32
Profit	–	–	–	–	–	–
Other comprehensive income	–	–	–	(0)	3	–
Total comprehensive income	–	–	–	(0)	3	–
Issuance of share acquisition rights	–	–	–	–	–	6
Exercise of share acquisition rights	1,102	1,102	–	–	–	(8)
Forfeiture of share acquisition rights	–	0	–	–	–	(0)
Purchase of treasury shares	–	–	(0)	–	–	–
Dividends	–	–	–	–	–	–
Increase (decrease) by business combination	–	(13)	–	–	–	–
Transfer to retained earnings	–	–	–	–	(3)	–
Total transactions with owners	1,102	1,089	(0)	–	(3)	(1)
Balance as of December 31, 2023	25,096	28,300	(3)	(5)	–	31

	Equity attributable to owners of parent				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total
	Total				
Balance as of April 1, 2023	28	13,308	64,539	(14)	64,524
Profit	–	3,977	3,977	13	3,991
Other comprehensive income	2	–	2	–	2
Total comprehensive income	2	3,977	3,979	13	3,993
Issuance of share acquisition rights	6	–	6	–	6
Exercise of share acquisition rights	(8)	–	2,197	–	2,197
Forfeiture of share acquisition rights	(0)	–	–	–	–
Purchase of treasury shares	–	–	(0)	–	(0)
Dividends	–	(754)	(754)	–	(754)
Increase (decrease) by business combination	–	–	(13)	91	77
Transfer to retained earnings	(3)	3	–	–	–
Total transactions with owners	(4)	(751)	1,435	91	1,526
Balance as of December 31, 2023	25	16,534	69,954	90	70,044

**(4) Condensed quarterly consolidated statement of cash flows**

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Cash flows from operating activities		
Profit before tax	4,007	5,572
Depreciation and amortization	1,487	1,631
Other income	(203)	(1,512)
Decrease (increase) in trade and other receivables	(588)	(1,653)
Decrease (increase) in inventories	(58)	(54)
Increase (decrease) in trade and other payables	(424)	(99)
Other	157	(307)
Subtotal	4,378	3,576
Interest and dividends received	0	0
Interest paid	(68)	(53)
Income taxes paid	(1,818)	(2,290)
Net cash provided by (used in) operating activities	2,490	1,232
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,192)	(819)
Purchase of intangible assets	(802)	(934)
Payments for loans receivable	(760)	(263)
Collection of loans receivable	110	0
Purchase of investments	(166)	(2,558)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	25	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(19,213)	(5,268)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	273
Other	195	142
Net cash provided by (used in) investing activities	(21,803)	(9,427)
Cash flows from financing activities		
Proceeds from short-term borrowings	19,330	1,701
Repayments of short-term borrowings	(19,543)	(264)
Proceeds from long-term borrowings	961	2,528
Repayments of long-term borrowings	(1,187)	(2,327)
Repayments of lease liabilities	(656)	(690)
Proceeds from issuance of shares	29,212	-
Proceeds from exercise of share acquisition rights	309	2,197
Dividends paid	(564)	(754)
Other	12	5
Net cash provided by (used in) financing activities	27,874	2,395
Net increase (decrease) in cash and cash equivalents	8,562	(5,799)
Cash and cash equivalents at beginning of period	13,192	22,782
Effect of exchange rate changes on cash and cash equivalents	(0)	0
Cash and cash equivalents at end of period	21,754	16,983

**(5) Notes to condensed quarterly consolidated financial statements****Notes on going concern assumption**

Not applicable.

**Segment information****(1) Overview of reportable segments**

The Group's reportable segments are components of the Group for which discrete financial information is available, and whose operating results are regularly reviewed by the Board of Directors to make decisions about managerial resources to be allocated to the segments and assess their performances. The Group considers similarities in the nature of the services it provides and has three reportable segments: "Healthcare-Big Data," "Tele-medicine," and "Dispensing Pharmacy Support."

The main businesses and main services included in each reportable segment are as follows.

Reportable segments	Main businesses	Main services
Healthcare-Big Data	Business for industry Business for payers and individuals Business for medical service providers	Development and provision of medical databases (receipts, pharmaceuticals, etc.) and analysis of medical big data
Tele-medicine	Tele-medicine business	Remote image interpretation matching service and ASP service for remote image interpretation system
Dispensing Pharmacy Support	Dispensing pharmacy support business	Development and sales of business systems for dispensing pharmacies

**(2) Information about reportable segments**

Revenue and operating results by reportable segments of the Group are as follows.

Intersegment revenues are based on negotiated transaction prices, taking into account market prices and production costs. Segment profits are EBITDA (Operating profit + Depreciation and amortization ± Other income/expenses).

Nine months ended December 31, 2022 (from April 1 to December 31, 2022)

(Millions of yen)

	Reportable segments				Adjustments (Note)	Consolidated
	Healthcare- Big Data	Tele-medicine	Dispensing Pharmacy Support	Total		
Revenue						
Revenue from external customers	13,081	3,799	2,661	19,542	–	19,542
Intersegment revenue	62	–	127	189	(189)	–
Total	13,144	3,799	2,788	19,732	(189)	19,542
Segment profit EBITDA	4,022	1,416	310	5,749	(417)	5,332

Note: Adjustments include elimination of intersegment transactions and corporate expenses.

Nine months ended December 31, 2023 (from April 1 to December 31, 2023)

(Millions of yen)

	Reportable segments				Adjustments (Note)	Consolidated
	Healthcare- Big Data	Tele-medicine	Dispensing Pharmacy Support	Total		
Revenue						
Revenue from external customers	16,597	4,171	1,512	22,281	–	22,281
Intersegment revenue	51	–	50	102	(102)	–
Total	16,648	4,171	1,563	22,384	(102)	22,281
Segment profit EBITDA	4,957	1,571	175	6,704	(515)	6,188

Note: Adjustments include elimination of intersegment transactions and corporate expenses.

A reconciliation of EBITDA to profit before tax is as follows.

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
EBITDA	5,332	6,188
Depreciation and amortization	(1,487)	(1,631)
Other income	203	1,512
Other expenses	(18)	(402)
Operating profit	4,028	5,667
Finance income	47	1
Finance costs	(69)	(96)
Profit before tax	4,007	5,572

### Significant subsequent events

Acquisition of Cancerscan Inc.

At a meeting of its Board of Directors on December 28, 2023, the Company resolved to make Cancerscan Inc. (“Cancerscan”) JMDC’s subsidiary by acquiring its shares, and on January 26, 2024, completed the procedure to acquire all the shares.

#### (1) Outline of business combination

(i) Name of acquired company: Cancerscan Inc.

Business lines: Specific health checkup services for National Health Insurance (notification and recommendation services), etc.

(ii) Date of acquisition

January 26, 2024

(iii) Percentage of acquired equity with voting rights

100%

(iv) Reason for business combination

The Company aims to further accelerate the expansion of the Group’s business in the Payers/Individuals fields by developing services and solutions that the Company has cultivated through transactions with health insurance unions through Cancerscan’s strong client base in local governments, and by providing solutions, such as lifestyle-related disease treatment programs developed by applying Cancerscan’s strength in behavioral modification know-how, to the health insurance unions and companies that are the Company’s clients.



## (v) Method of acquisition of control over the acquired company

Acquisition of shares for cash consideration

## (2) Payment price, and fair values of acquired assets and assumed debts on the date of acquisition

(i) Payment price: ¥14,200 million

(ii) Fair values of acquired assets and assumed debts

These are currently in the process of being calculated.

## Funds borrowing

At a meeting of its Board of Directors on December 28, 2023, the Company resolved to borrow funds, and the loan transaction was carried out on January 26, 2024. The outline is as follows.

- |                             |   |
|-----------------------------|---|
| (i) Use of funds            | Funds to purchase shares of Cancerscan Inc. |
| (ii) Creditor               | Mizuho Bank, Ltd.                           |
| (iii) Balance of borrowings | ¥14,200 million                             |
| (iv) Borrowing rate         | Floating                                    |
| (v) Borrowing date          | January 26, 2024                            |
| (vi) Borrowing period       | 1 year                                      |