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Summary of Financial Statements for the Fiscal Year Ended March 31, 2022 [IFRS] (Consolidated)

May 10, 2022

Company name: JMDC Inc.
Listing: Tokyo Stock Exchange
Stock code: 4483
URL: https://www.jmdc.co.jp/en/index
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Scheduled date to hold an Ordinary General Meeting of Shareholders: June 21, 2022
Scheduled date to commence dividend payments: June 7, 2022
Scheduled date to file a Securities Report: June 22, 2022
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	21,814	30.1	4,800	29.9	4,785	31.6	3,253	31.4
March 31, 2021	16,771	37.9	3,695	66.8	3,636	66.9	2,476	62.0

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2022	3,258	31.6	3,259	31.7	57.94	54.35
March 31, 2021	2,476	62.0	2,474	61.7	46.54	43.48

	Equity attributable to owners of parent Profit ratio	Total assets Ratio of profit (loss) before tax	Revenue Operating profit ratio
Fiscal year ended	%	%	%
March 31, 2022	11.0	8.0	22.0
March 31, 2021	17.5	12.5	22.0

Reference: Equity method profit (loss) Fiscal year ended March 31, 2022 ¥- million-
Fiscal year ended March 31, 2021 ¥- million
EBITDA Fiscal year ended March 31, 2022 ¥6,411 million [31.7%]
Fiscal year ended March 31, 2021 ¥4,867 million [50.0%]

Notes: 1. The Company conducted a 2-for-1 share split of its ordinary shares on October 1, 2020. Basic earnings per share and diluted earnings per share have been calculated assuming that the share split was conducted at the beginning of the previous fiscal year.
2. 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	Owners' equity per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2022	62,064	31,176	31,181	50.2	551.37
March 31, 2021	58,264	28,250	28,250	48.5	504.59

Note: During the fiscal year ended March 31, 2022, the Company finalized the provisional accounting treatment for business combinations. As a result, figures for the fiscal year ended March 31, 2021 reflect the finalization of the provisional accounting treatment.

(3) Consolidated cash flows

	Cash flows from (used in) operating activities	Cash flows from (used in) investing activities	Cash flows from (used in) financing activities	Cash and cash equivalents balance at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	3,808	(8,101)	(2,414)	13,192
March 31, 2021	3,176	(9,078)	18,107	19,898

2. Cash dividends

	Annual dividends					Total dividend (Total)	Payout ratio (Consolidated)	Ratio of owners' equity to gross assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2021	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ended March 31, 2022	–	0.00	–	10.00	10.00	565	17.3	1.9
Fiscal year ending March 31, 2023 (Forecast)	–	–	–	–	–		–	

Note: The company has revised the year-end dividend per share for the fiscal year ended March 31, 2022 from ¥0 to ¥10. For more details, please refer "Notice Concerning Dividends of Surplus (First Dividend)" released on May 10, 2022.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	27,500	26.1	6,000	25.0	6,000	25.4	4,000	23.0	4,000	22.7	69.73

Reference: EBITDA Fiscal year ending March 31, 2023 ¥8,000 million [24.8%]

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Added companies: - (company name), Excluded companies: - (company name)

(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 March 31, 2022	56,514,208 shares
As of March 31, 2021	55,935,808 shares

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

As of March 31, 2022	497 shares
As of March 31, 2021	366 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2022	56,244,379 shares
Fiscal year ended March 31, 2021	53,202,450 shares

Note: The Company conducted a 2-for-1 share split of its ordinary shares on October 1, 2020. The "average number of shares outstanding during the period" has been calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(Reference) Outline of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

	Revenue		Operating profit		Ordinary profit (loss)		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	8,026	27.0	1,621	47.6	1,700	64.2	1,211	65.0
March 31, 2021	6,318	32.9	1,098	24.9	1,035	24.7	734	37.5

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2022	21.54	20.20
March 31, 2021	13.80	12.89

Note: The Company conducted a 2-for-1 share split of its ordinary shares on October 1, 2020. Basic earnings per share and diluted earnings per share have been calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	41,388	29,273	70.7	517.60
March 31, 2021	42,475	27,835	65.5	497.17

Reference: Equity As of March 31, 2022 ¥29,251 million
As of March 31, 2021 ¥27,809 million

*** Financial results reports are exempt from audits 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.

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1. Outline of business performance

(1) Outline of business performance for the fiscal year under review

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 for payers, centered on 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, and also conduct tests of our own systems as we operate our own dispensing pharmacies.

The Company's financial results for the fiscal year ended March 31, 2022, were as follows. Furthermore, the impact of COVID-19 during the fiscal year under review was limited as in the previous fiscal year.

(Operating results)

(Millions of yen)

Category	8th fiscal year (From April 1, 2020 to March 31, 2021)		9th fiscal year (From April 1, 2021 to March 31, 2022)		YoY change	
Revenue	16,771		21,814		5,042	30.1%
Operating profit	3,695		4,800		1,105	29.9%
EBITDA [Margin]	4,867	[29.0%]	6,411	[29.4%]	1,543	31.7%

(Segment results)

(Millions of yen)

Category		8th fiscal year (From April 1, 2020 to March 31, 2021)		9th fiscal year (From April 1, 2021 to March 31, 2022)		YoY change	
Healthcare-Big Data	Segment revenue	10,193		14,019		3,826	37.5%
	Segment profit [ratio]	3,647	[35.8%]	4,859	[34.7%]	1,212	33.2%
Tele-medicine	Segment revenue	4,046		4,441		394	9.8%
	Segment profit [ratio]	1,224	[30.3%]	1,515	[34.1%]	290	23.7%
Dispensing Pharmacy Support	Segment revenue	2,692		3,582		889	33.0%
	Segment profit [ratio]	371	[13.8%]	432	[12.1%]	60	16.3%
Adjustment	Segment revenue	(160)		(228)		(67)	42.2%
	Segment profit	(376)		(395)		(19)	5.1%
Total	Revenue	16,771		21,814		5,042	30.1%
	EBITDA [margin]	4,867	[29.0%]	6,411	[29.4%]	1,543	31.7%

Note: EBITDA is an objective indicator for judging the achievement of the JMDC Group's management policies and strategies or management objectives. The JMDC 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

In the fiscal year under review, OMRON Corporation acquired 33.0% of the total outstanding shares of the Company as of February 14, 2022, and became the Company's largest shareholder (among other subsidiaries and associates). Furthermore, the Company concluded a capital and business partnership agreement with OMRON Corporation with the aim of enhancing the health data platform, developing preventative solutions, accelerating the JMDC Group's overseas business expansion and cross-selling devices and services.

Results by each segment are as follows.

Healthcare-Big Data

During the fiscal year ended March 31, 2022, there were various negative factors such as the curtailment of face-to-face sales due to the spread of the novel coronavirus disease (COVID-19) as in the previous fiscal year. However, the business continued to expand.

The number of contracted health insurance associations, the number of IDs issued for the PepUp health information platform developed by the Company, and the annual transaction value per customer at pharmaceutical and insurance companies all increased on a year-over-year basis. With regard to PepUp, the Company promotes initiatives for the research and commercialization of large-scale databases possessed by the Company, such as by announcing essays related to an algorithm that uses wearable data to detect signs of mental disorders.

At the same time, to prepare for future growth due to increases in the volume and variety of data, we continue to make proactive up-front investments focused on personnel.

As a result, segment revenue for the fiscal year ended March 31, 2022 was ¥14,019 million and segment profit (segment EBITDA) was ¥4,859 million.

Tele-medicine

During the fiscal year ended March 31, 2022, although the impact of a decrease in diagnostic imaging requests per medical institution due to the voluntary refraining from visiting hospitals as a result of the spread of COVID-19 continued, there was a gradual recovery year on year. The Company began providing the AI engine for detecting pneumonia via chest X-rays (COVID-19), for which the Company acquired the first pharmaceutical approval in Japan in December 2021, through "AI-RAD," an artificial intelligence engine platform.

Furthermore, in addition to continuing development on a variety of engines other than those stated above, the Company is continuing to promote measures to expand business, such as preparations to pursue business in China in earnest.

As a result, segment revenue for the fiscal year ended March 31, 2022 was ¥4,441 million and segment profit (segment EBITDA) was ¥1,515 million.

Dispensing Pharmacy Support

During the fiscal year ended March 31, 2022, we worked to cultivate new customers while securing replacement demand from existing customers. Although the Group continued to be affected by a decline in sales at its own dispensing pharmacies and investment constraints at client dispensing pharmacies due to people refraining from visiting medical agencies, which will in turn reduce the number of times they visit dispensing pharmacies as a result of the impact of the spread of COVID-19, the scale of its operations expanded as a result of the launch of the next-generation "P-CUBEn" integrated electronic medication history receipt computer system, and the addition of a former competitor to the Group. As a result, segment revenue for the fiscal year ended March 31, 2022 was ¥3,582 million and segment profit (segment EBITDA) was ¥432 million.

As a result of the above, for the fiscal year ended March 31, 2022, revenue increased to ¥21,814 million, operating profit to ¥4,800 million, and EBITDA to ¥6,411 million. Adjustments to reconcile EBITDA to operating profit are as follows.

(Reconciliation of EBITDA to operating profit)

(Millions of yen)

	8th fiscal year (From April 1, 2020 to March 31, 2021)	9th fiscal year (From April 1, 2021 to March 31, 2022)
EBITDA	4,867	6,411
Depreciation and amortization	(1,168)	(1,669)
Other income	20	135
Other expenses	(23)	(76)
Operating profit	3,695	4,800

(2) Outline of financial position for the fiscal year under review

Assets

Assets at the end of the fiscal year under review were ¥62,064 million, an increase of ¥3,800 million compared with the end of the fiscal year ended March 31, 2021. Major changes included an increase of ¥4,901 million in goodwill as a result of the acquisition of new consolidated subsidiaries, etc., an increase of ¥1,530 million in trade and other receivables as a result of business expansion, and an increase of ¥2,409 million in other financial assets. On the other hand, there was a decrease of ¥6,705 million in cash and cash equivalents as a result of repayments of borrowings and investments.

Liabilities

Liabilities at the end of the fiscal year under review were ¥30,887 million, an increase of ¥873 million compared with the end of the fiscal year ended March 31, 2021. Major changes included a decrease of ¥2,511 million in borrowings under current liabilities as a result of repayments of borrowings and new borrowings, an increase of ¥795 million in borrowings under non-current liabilities, and an increase of ¥482 million in contract liabilities under current liabilities and an increase of ¥985 million in contract liabilities under non-current liabilities as a result of the addition of a former competitor to the Group and other factors in the Dispensing Pharmacy Support segment. Although contract liabilities had been included in other current liabilities up to the end of the fiscal year ended March 31, 2021, after a review due to the increased materiality, they are presented separately from the fiscal year ended March 31, 2022, and the consolidated financial statements for the previous fiscal year have been reclassified to reflect this change in presentation.

Equity

Equity at the end of the fiscal year under review was ¥31,176 million, an increase of ¥2,926 million compared with the end of the fiscal year ended March 31, 2021. Major changes included the recording of ¥3,253 million in profit and increase (decrease) by business combination of negative ¥559 million.

(3) Outline of cash flows for the fiscal year under review

Cash and cash equivalents (“cash”) at the end of the fiscal year under review was ¥13,192 million, a decrease of ¥6,705 million compared with the end of the fiscal year ended March 31, 2021.

Cash flows and factors affecting them for the fiscal year under review were as follows.

Cash flows from operating activities

Cash flows from operating activities amounted to ¥3,808 million, an increase of ¥631 million compared with the fiscal year ended March 31, 2021. This was primarily due to the recording of an increase of ¥1,336 million in trade and other receivables as a result of business expansion, and ¥1,387 million in income taxes paid despite recording ¥4,785 million in profit before tax, and ¥1,669 million in depreciation and amortization.

Cash flows from investing activities

Net cash used in investing activities amounted to ¥8,101 million, a decrease of ¥977 million compared with the fiscal year ended March 31, 2021. This was primarily due to purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥4,327 million and payments for loans receivable of ¥2,310 million.

Cash flows from financing activities

Net cash used in financing activities was ¥2,414 million (¥18,107 million provided in the previous fiscal year). This was primarily due to the recording of ¥2,622 million in repayments of short-term borrowings.

(4) Future outlook

The Group will likely post increased revenue and profit for the fiscal year ending March 31, 2023.

(i) Healthcare-Big Data

The Company expects the expansion of business performance as a result of expanding the breadth of data utilization services and increasing the added value that can be provided for the various players associated with healthcare. On the other hand, the Company will continue to make proactive up-front investments for future growth in order to establish a data environment in the major areas of healthcare in Japan.

(ii) Tele-medicine

The business performance will likely continue to expand by recovering from the effects of COVID-19 and capturing the remote image needs at medical institutions.

(iii) Dispensing Pharmacy Support

The Company expects the expansion of business performance as a result of the utilization of synergy within the Group and enhancement of sales.

We presume that the novel coronavirus will affect the Group's business performance because the sales activities for the Healthcare-Big Data segment will slow down as people refrain from visiting health insurance unions and medical agencies, and demand for ad hoc sales by the segment (a service of extracting and analyzing the necessary data in response to individual requests) will be reined in temporarily. The Group's business performance will likely be affected in the Tele-medicine segment with non-novel coronavirus patients refraining from visiting hospitals and requests for diagnostic imaging services decreasing due to people's reluctance to do a medical checkup. In the Dispensing Pharmacy Support segment, the business performance of dispensing pharmacies that are directly operated by the Group is predicted to be affected as people will refrain from visiting medical agencies, which will in turn reduce the number of times they visit dispensing pharmacies. The above business performance outlook is calculated on the basis that these developments will have an effect on the business performance.

As for the Group's consolidated financial results, we forecast ¥27,500 million in revenue (an increase of ¥5,685 million year on year), ¥6,000 million in operating profit (an increase of ¥1,199 million year on year), ¥6,000 million in profit before tax (an increase of ¥1,214 million year on year) and ¥ 4,000 million in profit attributable to owners of parent (an increase of ¥741 million year on year). EBITDA, which the Company deems to be an important business indicator, is forecast at ¥8,000 million (an increase of ¥1,588 million year on year).

The above-mentioned outlook is based on judgments and assumptions derived from information that is currently available to the Company, and the actual business performance in the future may differ significantly due to changes in the situation and impacts of the spread of the novel coronavirus.

2. Basic approach to the selection of accounting principles

Starting from the fiscal year ended March 31, 2019, the Group began to voluntarily adopt the International Financial Reporting Standards (IFRS) instead of Japanese GAAP in order to make its financial statements more comparable internationally in capital markets and unify the Group's accounting practices.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated statement of financial position

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	19,898	13,192
Trade and other receivables	7,753	9,283
Other financial assets	152	2,561
Inventories	220	248
Other current assets	336	693
Total current assets	28,360	25,979
Non-current assets		
Property, plant and equipment	8,186	8,420
Goodwill	14,508	19,409
Intangible assets	4,904	5,176
Other financial assets	1,132	1,298
Deferred tax assets	975	1,637
Other non-current assets	196	141
Total non-current assets	29,903	36,084
Total assets	58,264	62,064
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	3,288	777
Trade and other payables	5,842	6,182
Lease liabilities	621	689
Income taxes payable	768	999
Provisions	8	―
Contract liabilities	1,360	1,843
Other current liabilities	743	1,140
Total current liabilities	12,634	11,633
Non-current liabilities		
Borrowings	10,133	10,928
Lease liabilities	5,411	5,401
Retirement benefit liability	250	319
Provisions	190	276
Deferred tax liabilities	818	769
Contract liabilities	574	1,560
Total non-current liabilities	17,379	19,254
Total liabilities	30,013	30,887
Equity		
Share capital	8,971	9,091
Capital surplus	12,932	12,483
Treasury shares	(1)	(2)
Other components of equity	23	17
Retained earnings	6,323	9,591
Total equity attributable to owners of parent	28,250	31,181
Non-controlling interests	―	(5)
Total equity	28,250	31,176
Total liabilities and equity	58,264	62,064

(2) Consolidated statement of profit or loss

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Revenue	16,771	21,814
Cost of sales	7,152	9,225
Gross profit	9,619	12,589
Selling, general and administrative expenses	5,920	7,847
Other income	20	135
Other expenses	23	76
Operating profit	3,695	4,800
Finance income	34	46
Finance costs	93	62
Profit before tax	3,636	4,785
Income tax expense	1,160	1,532
Profit	2,476	3,253
Profit attributable to		
Owners of parent	2,476	3,258
Non-controlling interests	—	(5)
Profit	2,476	3,253
Earnings per share		
Basic earnings per share (Yen)	46.54	57.94
Diluted earnings per share (Yen)	43.48	54.35

(3) Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	2,476	3,253
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1	3
Remeasurements of defined benefit plans	(1)	5
Total of items that will not be reclassified to profit or loss	(0)	8
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1)	(2)
Total of items that may be reclassified to profit or loss	(1)	(2)
Other comprehensive income, net of tax	(2)	6
Comprehensive income	2,474	3,259
Comprehensive income attributable to		
Owners of parent	2,474	3,265
Non-controlling interests	—	(5)
Comprehensive income	2,474	3,259

(4) Consolidated statement of changes in equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Millions of yen)

	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2020	3,412	5,842	(0)	(0)	—	—
Profit	—	—	—	—	—	—
Other comprehensive income	—	—	—	(1)	1	(1)
Total comprehensive income	—	—	—	(1)	1	(1)
Issuance of share acquisition rights	—	—	—	—	—	—
Share-based remuneration transactions	—	—	—	—	—	—
Exercise of share acquisition rights	202	211	—	—	—	—
Forfeiture of share acquisition rights	—	0	—	—	—	—
Issuance of new shares	5,357	5,324	—	—	—	—
Purchase of treasury shares	—	—	(1)	—	—	—
Increase (decrease) by business combination	—	5,147	—	—	—	—
Effect of business combinations under common control	—	(3,593)	—	—	—	—
Transfer to retained earnings	—	—	—	—	(1)	1
Total transactions with owners	5,559	7,090	(1)	—	(1)	1
Balance as of March 31, 2021	8,971	12,932	(1)	(2)	—	—

	Equity attributable to owners of parent				Total
	Other components of equity		Retained earnings	Total	
	Share acquisition rights	Total			
Balance as of April 1, 2020	20	20	3,847	13,123	13,123
Profit	—	—	2,476	2,476	2,476
Other comprehensive income	—	(2)	—	(2)	(2)
Total comprehensive income	—	(2)	2,476	2,474	2,474
Issuance of share acquisition rights	8	8	—	8	8
Share-based remuneration transactions	8	8	—	8	8
Exercise of share acquisition rights	(11)	(11)	—	401	401
Forfeiture of share acquisition rights	(0)	(0)	—	—	—
Issuance of new shares	—	—	—	10,682	10,682
Purchase of treasury shares	—	—	—	(1)	(1)
Increase (decrease) by business combination	—	—	—	5,147	5,147
Effect of business combinations under common control	—	—	—	(3,593)	(3,593)
Transfer to retained earnings	—	0	(0)	—	—
Total transactions with owners	5	5	(0)	12,653	12,653
Balance as of March 31, 2021	25	23	6,323	28,250	28,250

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Millions of yen)

	Equity attributable to owners of parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury shares	Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of April 1, 2021	8,971	12,932	(1)	(2)	—	—
Profit	—	—	—	—	—	—
Other comprehensive income	—	—	—	(2)	3	5
Total comprehensive income	—	—	—	(2)	3	5
Issuance of share acquisition rights	—	—	—	—	—	—
Share-based remuneration transactions	—	—	—	—	—	—
Exercise of share acquisition rights	120	111	—	—	—	—
Forfeiture of share acquisition rights	—	—	—	—	—	—
Purchase of treasury shares	—	—	(0)	—	—	—
Increase (decrease) by business combination	—	(560)	—	—	—	—
Transfer to retained earnings	—	—	—	—	(3)	(5)
Total transactions with owners	120	(449)	(0)	—	(3)	(5)
Balance as of March 31, 2022	9,091	12,483	(2)	(4)	—	—

	Equity attributable to owners of parent				Non-controlling interests	Total
	Other components of equity					
	Share acquisition rights	Total	Retained earnings	Total		
Balance as of April 1, 2021	25	23	6,323	28,250	—	28,250
Profit	—	—	3,258	3,258	(5)	3,253
Other comprehensive income	—	6	—	6	—	6
Total comprehensive income	—	6	3,258	3,265	(5)	3,259
Issuance of share acquisition rights	1	1	—	1	—	1
Share-based remuneration transactions	0	0	—	0	—	0
Exercise of share acquisition rights	(5)	(5)	—	225	—	225
Forfeiture of share acquisition rights	(0)	(0)	—	(0)	—	(0)
Purchase of treasury shares	—	—	—	(0)	—	(0)
Increase (decrease) by business combination	—	—	—	(560)	0	(559)
Transfer to retained earnings	—	(8)	8	—	—	—
Total transactions with owners	(3)	(12)	8	(333)	0	(333)
Balance as of March 31, 2022	21	17	9,591	31,181	(5)	31,176

(5) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before tax	3,636	4,785
Depreciation and amortization	1,168	1,669
Impairment losses (reversal of impairment losses)	–	40
Decrease (increase) in trade and other receivables	9	(1,336)
Decrease (increase) in inventories	67	6
Increase (decrease) in trade and other payables	(459)	199
Other	18	(124)
Subtotal	4,441	5,240
Interest and dividends received	34	13
Interest paid	(53)	(58)
Income taxes paid	(1,245)	(1,387)
Net cash provided by (used in) operating activities	3,176	3,808
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,384)	(446)
Purchase of intangible assets	(840)	(876)
Payments for loans receivable	(2,874)	(2,310)
Purchase of investments	(231)	(60)
Proceeds from sale and redemption of investments	951	0
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	361	―
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,883)	(4,327)
Payments of leasehold and guarantee deposits	(194)	―
Other	16	(79)
Net cash provided by (used in) investing activities	(9,078)	(8,101)
Cash flows from financing activities		
Proceeds from short-term borrowings	2,622	―
Repayments of short-term borrowings	(840)	(2,622)
Proceeds from long-term borrowings	6,394	1,470
Repayments of long-term borrowings	(645)	(784)
Repayments of lease liabilities	(514)	(705)
Proceeds from issuance of shares	10,714	―
Proceeds from exercise of share acquisition rights	392	225
Other	(15)	0
Net cash provided by (used in) financing activities	18,107	(2,414)
Net increase (decrease) in cash and cash equivalents	12,206	(6,707)
Cash and cash equivalents at beginning of period	7,692	19,898
Effect of exchange rate changes on cash and cash equivalents	0	1
Cash and cash equivalents at end of period	19,898	13,192

(6) Notes concerning the consolidated financial statements

Notes on going concern assumption

Not applicable.

Segment information, etc.

(1) Overview of reportable segments

The JMDC 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 JMDC Group consolidates multiple businesses based on the 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 principal 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 healthcare 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) Computation method for the amount of revenue, profit or loss, and other items for each reporting segment

Intersegment revenues are based on negotiated transaction prices, taking into account market prices and production costs.
The profits of reporting segments are in EBITDA and formula for calculating is as follows.
EBITDA: Operating profit + Depreciation and amortization ± Other income and/or expenses

(3) Information on the amount of revenue, profit or loss, and other items for each reporting segment

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segments				Adjustments (Note)	Consolidated
	Healthcare-Big Data	Tele-medicine	Dispensing Pharmacy Support	Total		
Revenue						
Revenue from external customers	10,160	4,046	2,564	16,771	—	16,771
Intersegment revenue	32	—	128	160	(160)	—
Total	10,193	4,046	2,692	16,932	(160)	16,771
Segment profit EBITDA	3,647	1,224	371	5,243	(376)	4,867
Other items						
Depreciation and amortization	825	257	84	1,168	0	1,168

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

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segments				Adjustments (Note)	Consolidated
	Healthcare-Big Data	Tele-medicine	Dispensing Pharmacy Support	Total		
Revenue						
Revenue from external customers	13,949	4,441	3,423	21,814	—	21,814
Intersegment revenue	70	—	158	228	(228)	—
Total	14,019	4,441	3,582	22,042	(228)	21,814
Segment profit EBITDA	4,859	1,515	432	6,806	(395)	6,411
Other items						
Depreciation and amortization	1,161	262	245	1,669	0	1,669
Impairment losses	—	40	—	40	—	40

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

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

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
EBITDA	4,867	6,411
Depreciation and amortization	(1,168)	(1,669)
Other income	20	135
Other expenses	(23)	(76)
Operating profit	3,695	4,800
Finance income	34	46
Finance costs	(93)	(62)
Profit before tax	3,636	4,785

(4) Information about products and services

A listing of the products and service categories was omitted, because they are identical to the reportable segments.

(5) Information by region

Information by region was omitted because over 90% of the Group's total revenue was generated in Japan and its non-current assets are nearly entirely located in the country.

(6) Information about major customers

No revenue from transactions with a single external customer exceeds 10% of the Group's total revenue.

Information per share

(1) Basis for calculating the basic earnings per share

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit attributable to owners of parent (Millions of Yen)	2,476	3,258
Profit not attributable to ordinary shareholders of parent (Millions of Yen)	–	–
Used to calculate the basic earnings per share Profit (Millions of yen)	2,476	3,258
Weighted average of the number of ordinary shares (Thousands of shares)	53,202	56,244
Basic earnings per share (Yen)	46.54	57.94

(2) Basis for calculating the diluted earnings per share

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Used to calculate the basic earnings per share Profit (Millions of yen)	2,476	3,258
Profit adjustment (Millions of Yen)	–	–
Used to calculate the diluted earnings per share Profit (Millions of yen)	2,476	3,258
Weighted average of the number of ordinary shares (Thousands of shares)	53,202	56,244
Increase in the number of ordinary shares		
Share acquisition rights (Thousands of shares)	3,743	3,721
Weighted average of the number of ordinary shares after dilution (Thousands of shares)	56,945	59,965
Diluted earnings per share (Yen)	43.48	54.35

Note: The Company conducted a 2–for–1 share split of its ordinary shares on October 1, 2020. Basic earnings per share and diluted earnings per share have been calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

Significant subsequent events

Not applicable.