FY2024 Q3
Financial Briefing Material

February 5, 2025

JMDC Inc.

Section 1

FY2024 Q3 Performance Report

FY2024 Q3: Performance Highlights

The core Healthcare-Big Data business is driving growth, and business results are progressing steadily.

Consolidated Revenue
(Million JPY)

30,605

Y-o-Y

[Excluding impact of transfer of subsidiaries, etc.]

+37% **+41%**

Consolidated EBITDA
(Million JPY)

7,832

Y-o-Y

[Excluding impact of transfer of subsidiaries, etc.]

+27% **+33%**

Healthcare-Big Data Revenue

Y-o-Y

+50%

Tele-medicine Revenue

Y-o-Y

+11%

Transaction volume by data utilization area

For Industry LTM

+18%

For Payers and Individuals **+160%**

For Medical Service Providers **+49%**

* For Industry LTM is a comparison of December 2023 LTM and December 2024 LTM.
For Payers and Individuals, and For Medical Service Providers are compared year-on-year.

Pep Up related sales

Y-o-Y

+44%

Number of Pep Up IDs

6.98 million people

Note: IFRS-based
EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses

FY2024 Q3: Management Viewpoints

In order to further deepen the understanding of shareholders, investors and other stakeholders, we will provide management viewpoints.

	Management Viewpoints
Results for FY2024 Q3 (1) Business for Industry seems to be a little slow. How do you evaluate it?	• Although overall revenue showed steady growth, with a 34% increase, growth in business for Industry was below expectations. • In business for Industry, the pharmaceutical marketing domain continued to grow steadily, but the medical domain fell short of expectations, and overall growth was somewhat lacking. • However, at the moment, the lead is also recovering in the medical domain, and growth will continue in the future due to the expansion and deepening of the areas of business within pharmaceutical companies, including the R&D domain, and the world of “data utilization in all domains is already commonplace” for pharmaceutical companies is steadily being formed. • Furthermore, the collection of new data such as medical institution data and local government data is progressing smoothly, and we are getting closer to becoming the one and only provider of all Real World Data.
Results for FY2024 Q3 (2) Profit margins appear to be declining. What is the factor?	• Although the EBITDA margin was a little low at 28% in single Q3, the reasons for this are clear and it is not a long-term trend. • One of the factors was the impact of the timing difference in the results of Cancerscan, which joined the Group last year. Some projects that were scheduled to deliver and record sales in Q3 were delayed to Q4, and the Cancerscan business recorded an EBITDA loss of around JPY100 million in Q3. This had the effect of pushing down the profit margin by 3%. The full-year results for Cancerscan are expected to be in line with expectations, with performance steady. • The other factor is the impact of upfront investment in new data collection and new businesses. We are actively recruiting human resources to take advantage of the opportunity to increase our recruiting power within the health tech industry. This upfront investment has pushed down our profit margin by around 2%. • With regard to the second factor in particular, we will make improvements in the future so that we can manage costs more flexibly. On the other hand, we believe that none of these factors are long-term trends, and we do not have any major concerns about future profit growth.
What is the outlook for achieving the full-year guidance?	• We are working to achieve our full-year guidance by accumulating projects. As for the business for Industry, the progress is expected to exceed the Q3 figures. • However, in terms of profits, the hurdle for achieving the target is considered to be higher than for revenue due to the impact of the increase in fixed costs caused by the above-mentioned proactive recruitment of human resources.
What are your prospects for medium- to long-term growth from next fiscal year onwards?	• The areas in which we made upfront investments this fiscal year will become growth drivers for the next fiscal year and beyond, and because the proactive investments we made this fiscal year will also be implemented ahead of schedule in the next fiscal year, it will be easier to make a profit in the next fiscal year compared to this fiscal year. • It has been five years since we were listed. For the next fiscal year, we aim to create a system that promotes growth with a lean structure.
Is the warning issued by the Personal Information Protection Commission in December last year regarding claims data affecting the JMDC business?	• We have received confirmation from the Personal Information Protection Commission that the business operators pointed out in the “Notice regarding the utilization of retained personal information such as medical claim data (for local public organizations)” and “Notice regarding the utilization of retained personal information such as medical claim data (for entities handling personal information)” issued on December 25, 2024 do not refer to JMDC, and we have had our legality confirmed once again. For us, this kind of warning is something we welcome, as it helps to prevent the situation where “bad money drives out good money” in the use of data, and promotes the development of a healthy industry.

FY2024 Q3: Summary of Consolidated Performance

Excluding the impact of special factors such as the transfer of subsidiaries in the previous fiscal year, both revenue and profit have grown steadily in 3Q YTD.

(Unit: Million JPY)	FY2023 Q3 YTD	FY2024 Q3 YTD	Y-o-Y	[Reference] Excluding impact of transfer of subsidiaries, etc.
Revenue	22,281	30,605	+37%	**+41%**
Operating profit (Rate)	5,667 (25%)	5,814 (19%)	+3%	**+32%**
Profit before taxes (Rate)	5,572 (25%)	5,682 (19%)	+2%	**+32%**
Profit attributable to owners of parent (Rate)	3,977 (18%)	3,862 (13%)	-3%	**+39%**
EBITDA (Margin)	6,188 (28%)	7,832 (26%)	+27%	**+33%**

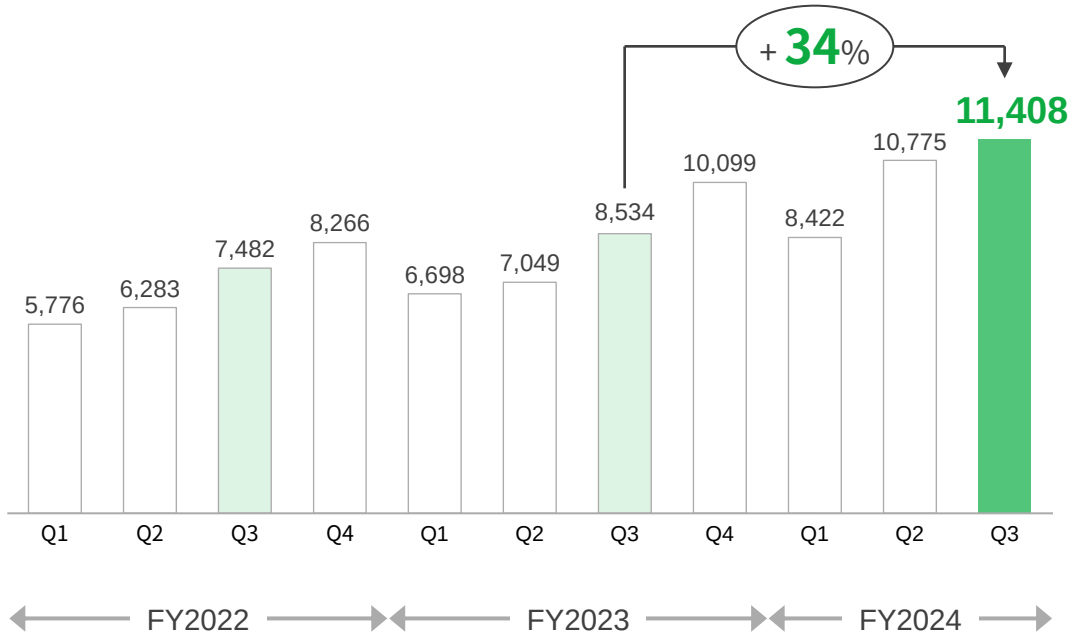
Note: IFRS-based
EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses, EBITDA margin: EBITDA/Revenue

FY2024 Q3: Quarterly Consolidated Revenue/EBITDA

The expansion of the business domain of the Healthcare-Big Data business is driving growth, and the scale of the business is steadily expanding. In addition, if it were not for the impact of Cancerscan (refer to the next page), the EBITDA margin for existing business domains would be 31%, and while we are making aggressive investments, we are still performing well.

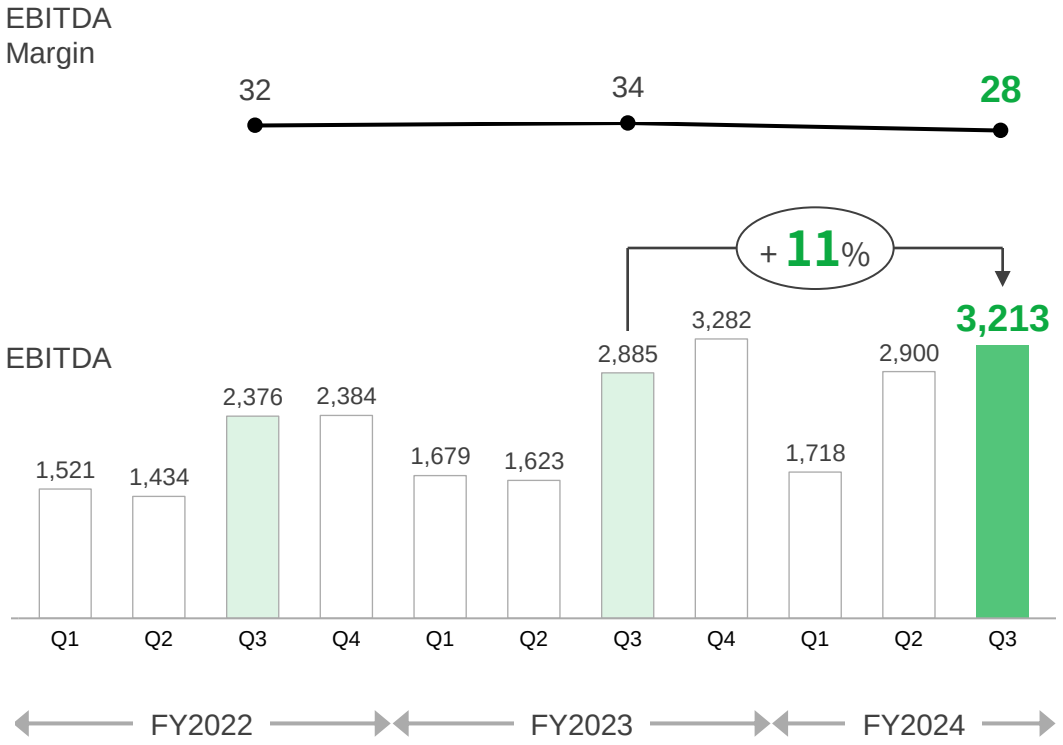
Quarterly Trends of Consolidated Revenue

(Unit: Million JPY)



Quarterly Trends of Consolidated EBITDA/margin

(Unit: Million JPY and %)



Full-year EBITDA margin
28%

Full-year EBITDA margin
29%

Full-year EBITDA margin
28%
(plan)

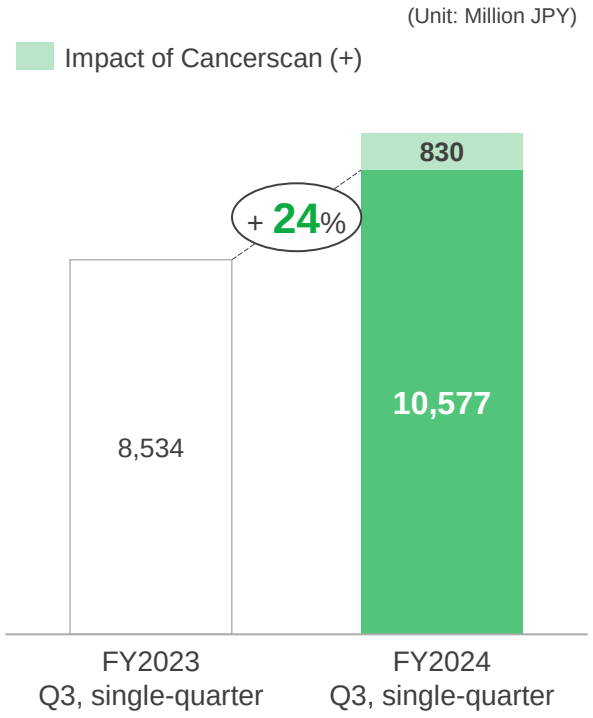
Note: IFRS-based
EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses, EBITDA margin: EBITDA/Revenue

[Reference] FY2024 Q3: Cancerscan's Impact on Q3 Earnings and Normalized Revenue/EBITDA

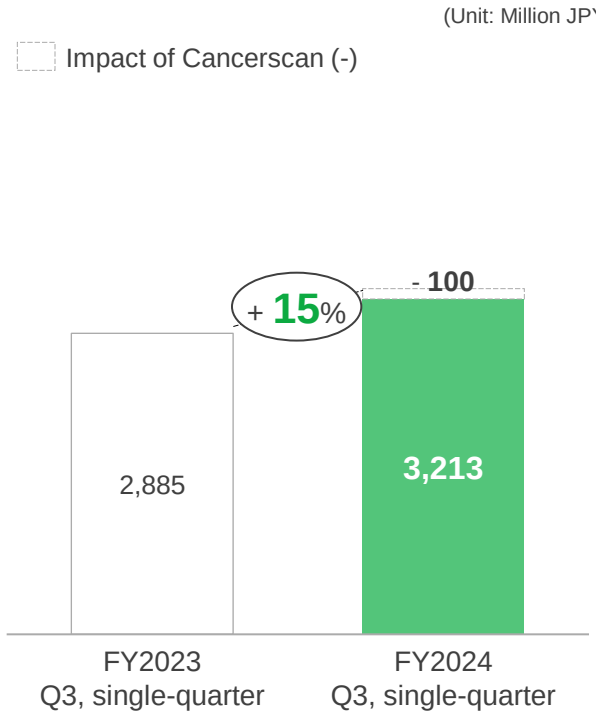
The impact of Cancerscan on Q3 consolidated results was revenue of JPY 830 million and EBITDA of minus JPY 100 million. Due to the sliding of some sales and transaction profits from Q3 to Q4, the EBITDA margin was pushed down. Cancerscan's full-year results are progressing as expected at the beginning of its fiscal year.

Impact of Cancerscan on Consolidated Results

Consolidated Revenue (Q3, single-quarter)



Consolidated EBITDA (Q3, single-quarter)



- Excluding the impact of Cancerscan, the **growth rate** was **revenue +24% EBITDA +15%**, with **solid growth** continuing.
- Part of the projects that were scheduled to deliver and record sales in Q3 were slid to Q4, and the impact was approximately JPY 200-300 million in both revenue and EBITDA.
- Cancerscan is showing the expected progress for the full year.

Note: IFRS-based
EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses, EBITDA margin: EBITDA/Revenue

FY2024 Q3: Performance by Segment

We are achieving sustainable growth thanks to the high growth of the Healthcare-Big Data segment and the stable contribution of profit from the Tele-medicine segment.

(Unit: Million JPY)		FY2023 Q3 YTD	FY2024 Q3 YTD	Y-o-Y
Healthcare-Big Data	Revenue	16,648	25,029	**+50%**
	EBITDA	4,957	6,493	**+31%**
	(Margin)	(30%)	(26%)	
Tele-medicine	Revenue	4,171	4,627	+11%
	EBITDA	1,571	1,735	+10%
	(Margin)	(38%)	**(38%)**	
Dispensing Pharmacy Support	Revenue	1,563	982	-37%
	EBITDA	175	179	+2%
	(Margin)	(11%)	(18%)	
Adjustment	Revenue	-102	-33	-
	EBITDA	-515	-575	-

Note: IFRS-based
EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses, EBITDA margin: EBITDA/Revenue

Section 2

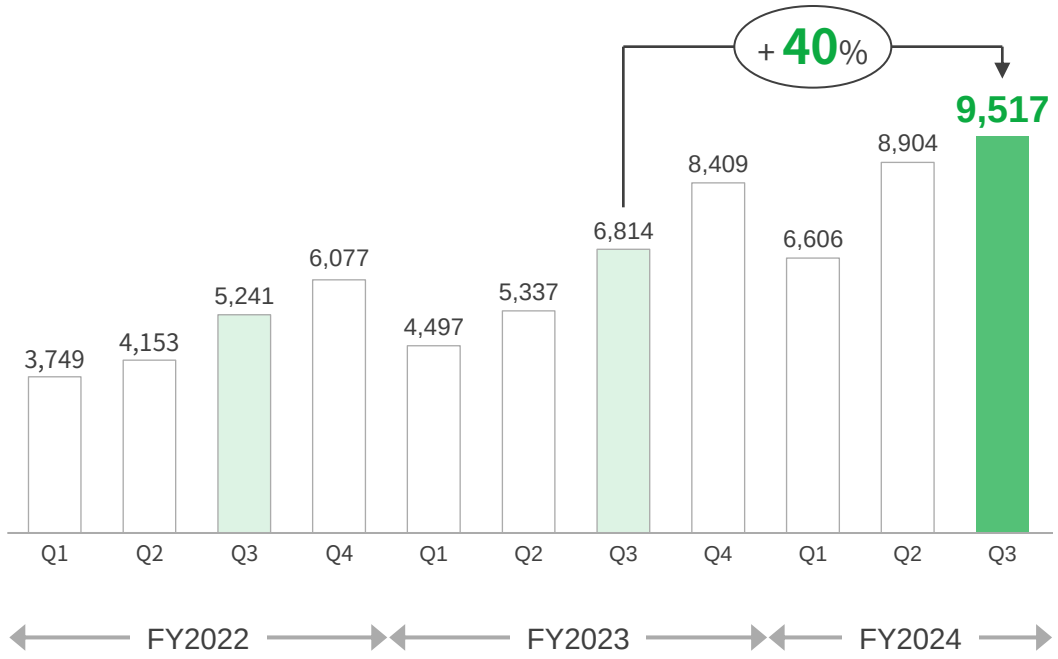
Healthcare-Big Data Business

Healthcare-Big Data Business: Revenue/EBITDA

Revenue continues to grow due to the expansion of our business areas, and we are maintaining high growth. On the other hand, profit growth has been lower than revenue growth due to factors such as the impact of Cancerscan.

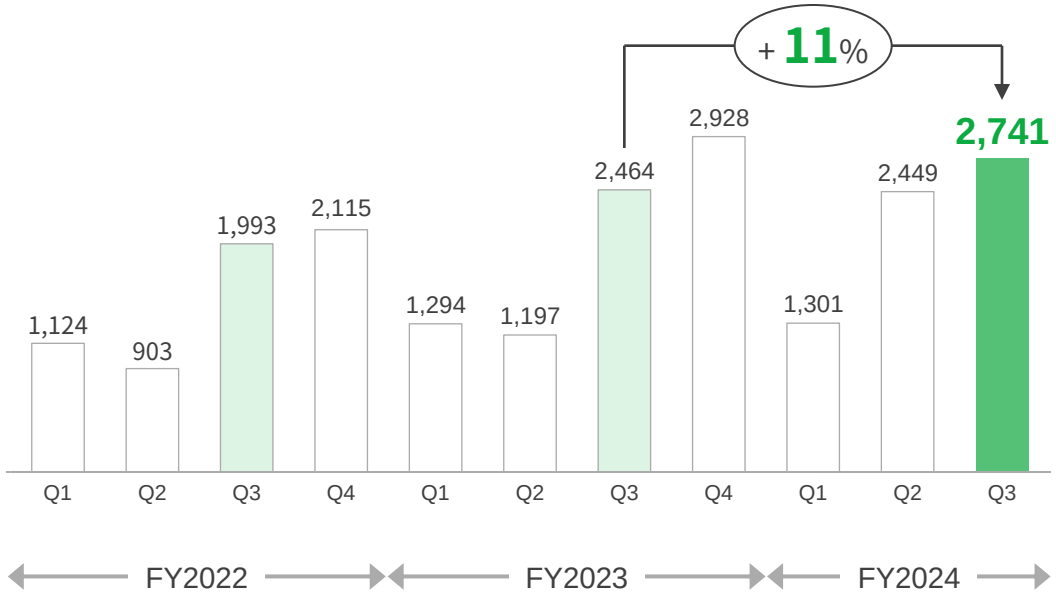
Quarterly Trends of Revenue

(Unit: Million JPY)



Quarterly Trends of EBITDA

(Unit: Million JPY)



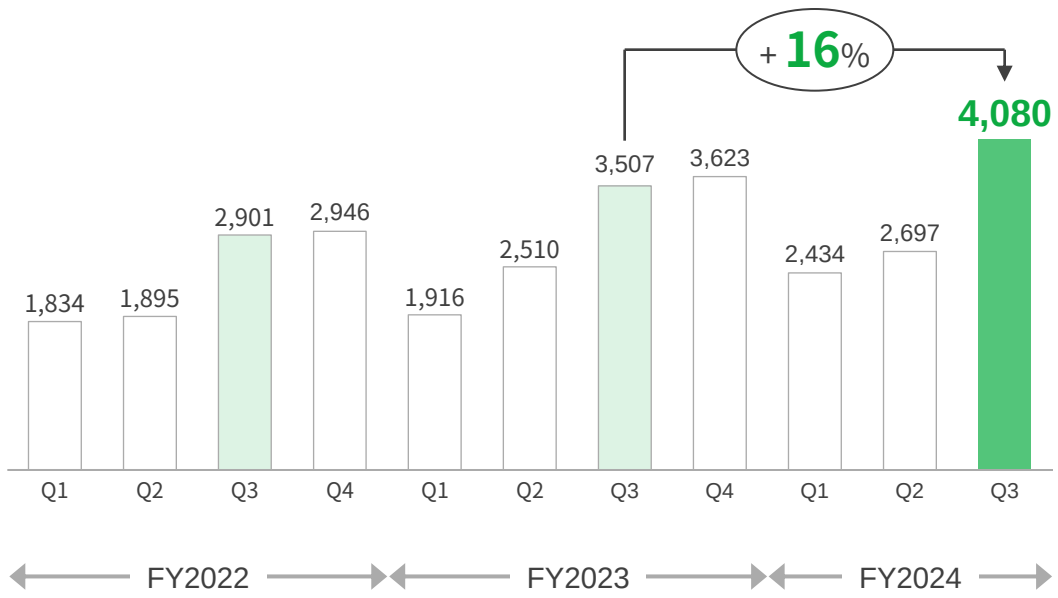
Note: IFRS-based
EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses

For Industry: Business Status of Data Utilization

Growth in business for Industry was lower than last year, when it was strong, as a result of some business for the pharmaceutical companies being somewhat slow (as detailed in the next page) .

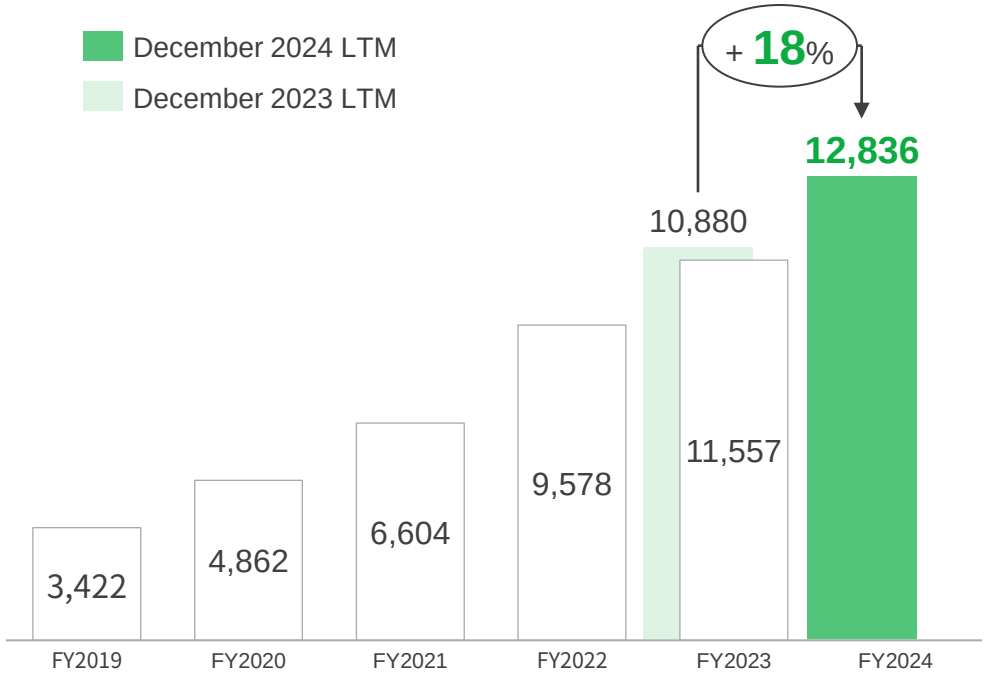
Quarterly Revenue Trends of Business for Industry

(Unit: Million JPY)



Yearly Revenue Trends of Business for Industry

(Unit: Million JPY)



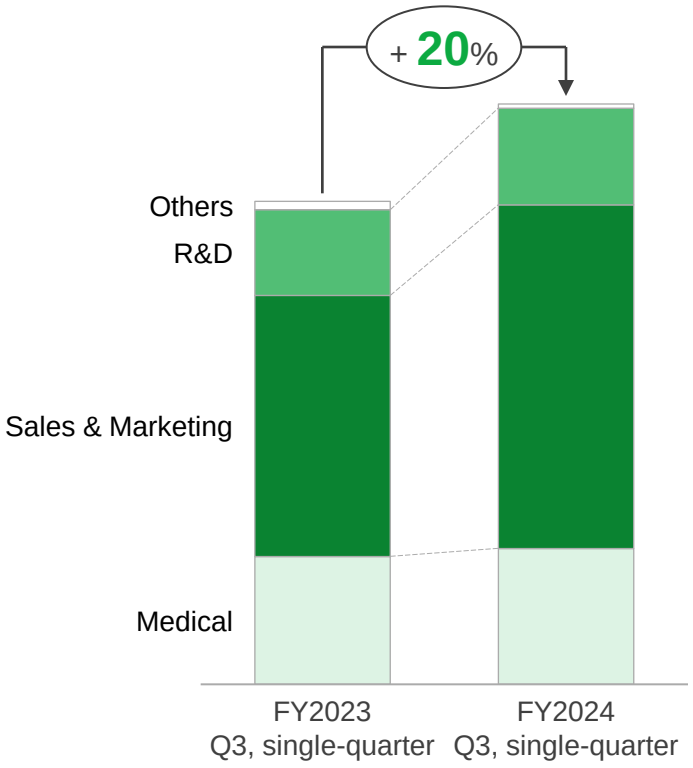
LTM: Last Twelve Months (the past 12 months from the latest quarter)

[Reference] For Industry: Comparison by Division and Growth Momentum in the Pharmaceutical Companies

While data use for epidemiological research purposes in the medical division was slow, growth in the sales & marketing division is accelerating. The number of divisions providing data is increasing, and the range and scale of projects is also expanding, so the degree of fluctuation per quarter is also increasing, but we believe that stable growth will continue in the future.

Comparison by Division in the Pharmaceutical Companies

(Unit: Amount basis)



R&D

Operations in the clinical trial domain, which make full use of data, are progressing steadily.

Sales & Marketing

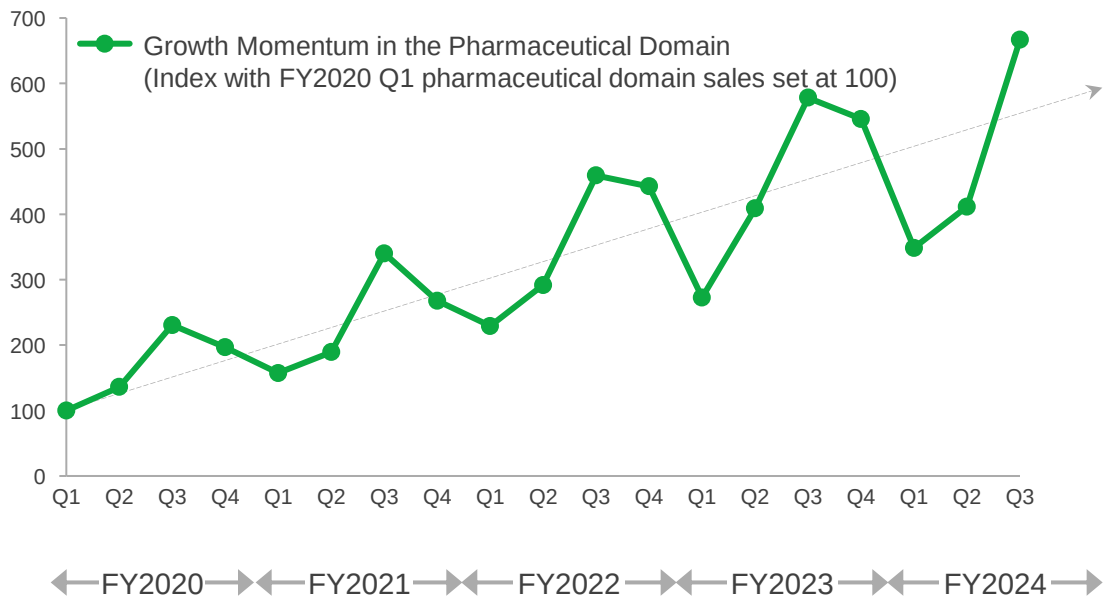
Growth is continuing due to an expansion in the use of data and an increase in projects that involve improving the value of data.

Medical

The needs for basic research purposes, such as epidemiological studies, have been met by some front-runners. On the other hand, due to the growing need for research that utilizes multiple data and support for the use of RWD, a recovery is expected in the future.

Growth Momentum in the Pharmaceutical Domain

(Unit: Index basis)



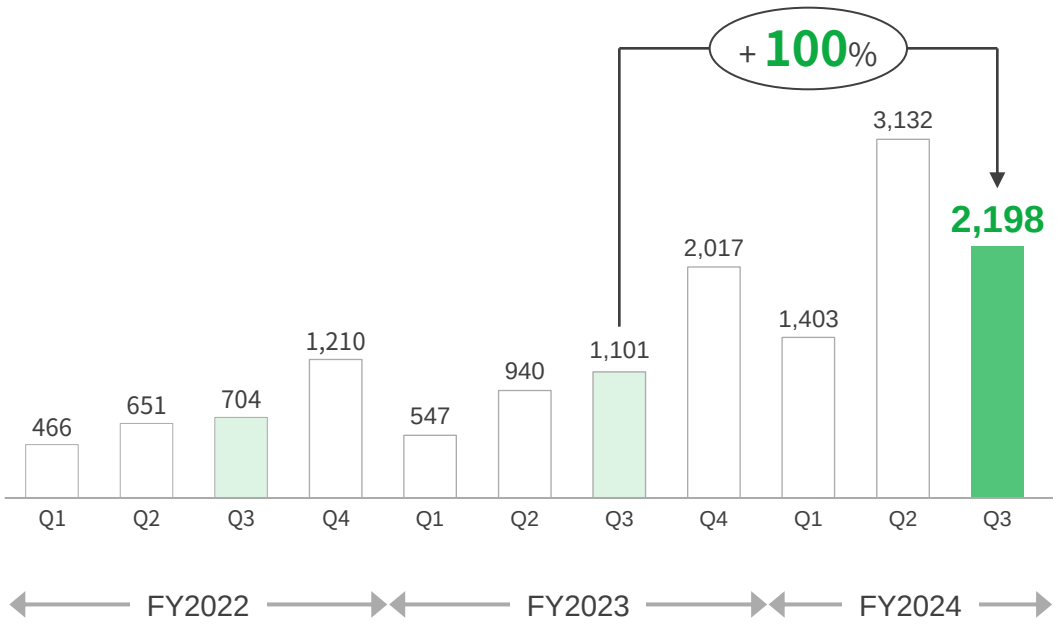
Note: In the above “Comparison of Departments in Pharmaceutical Companies”, sales from academia and other companies have been deducted.

For Payers, Individuals: State of Business

The business is expanding rapidly due to sustainable growth through the expansion of the scale of operations in the local government domain and the expansion of business foundations of Pep Up.

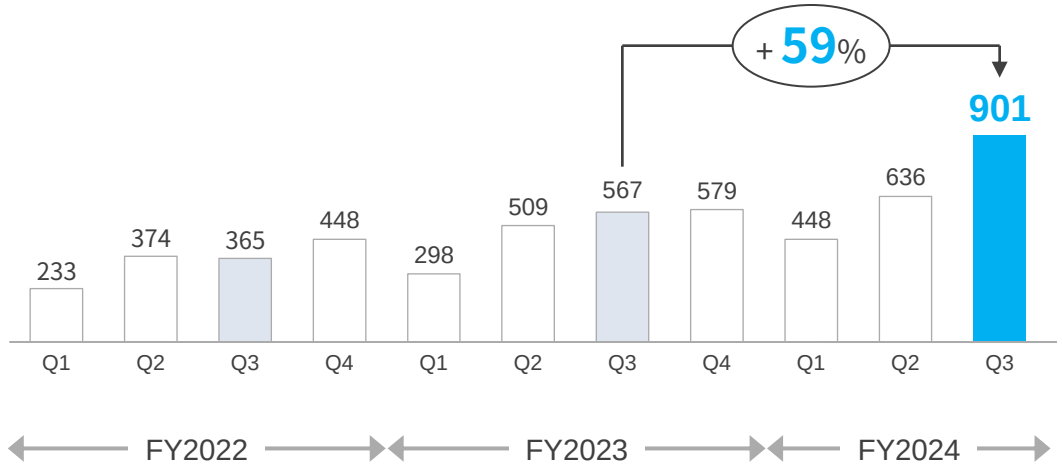
Quarterly Revenue Trends of Business for Payers/individuals

(Unit: Million JPY)



Quarterly Revenue Trends in Pep Up related sales

(Unit: Million JPY)

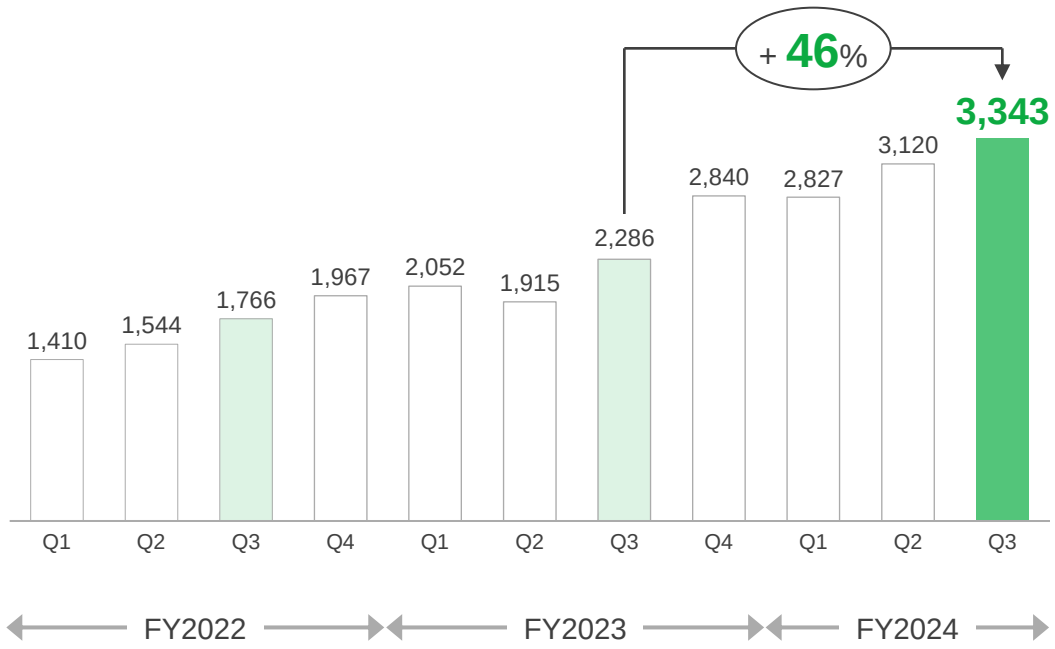


For Medical Service Providers: State of Business

Supported by solid demand for financial consulting from medical institutions and digitization needs from clinics, the scale of the business continues to grow. In addition, the data utilization infrastructure based on transactions with medical institutions (hospitals) is also expanding.

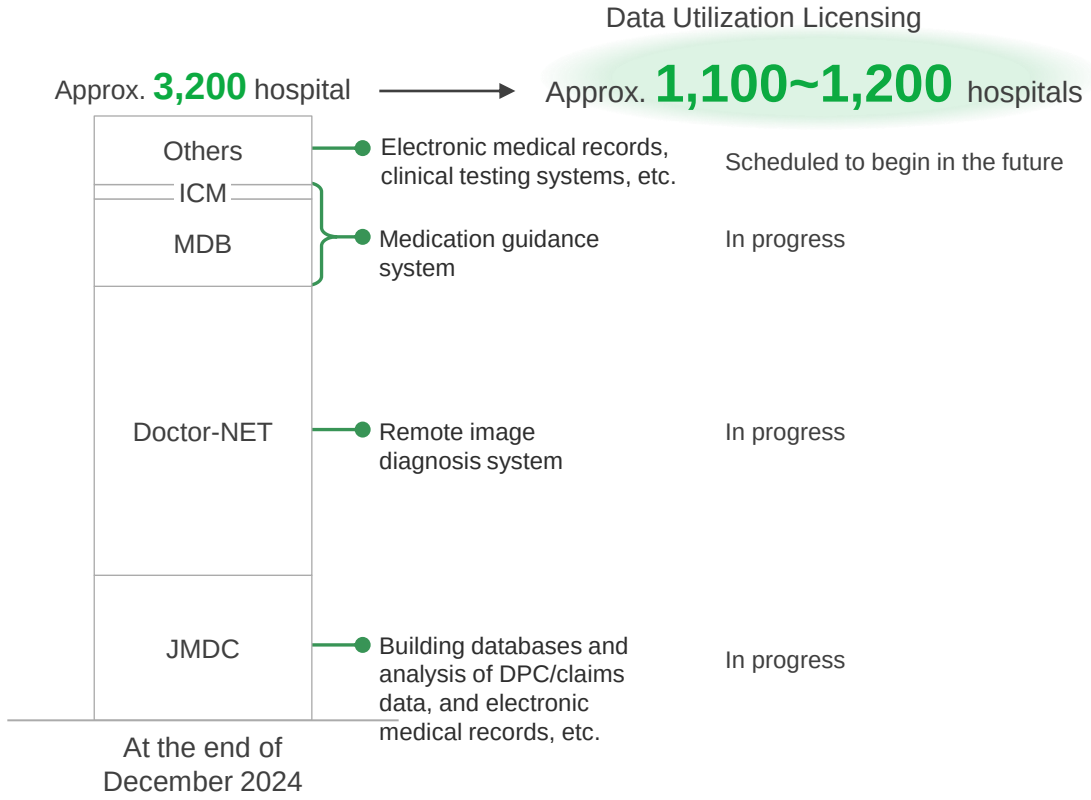
Quarterly Revenue Trends of Business for Medical Service Providers

(Unit: Million JPY)



Number of systems provided to medical institutions (hospitals) by JMDC Group companies

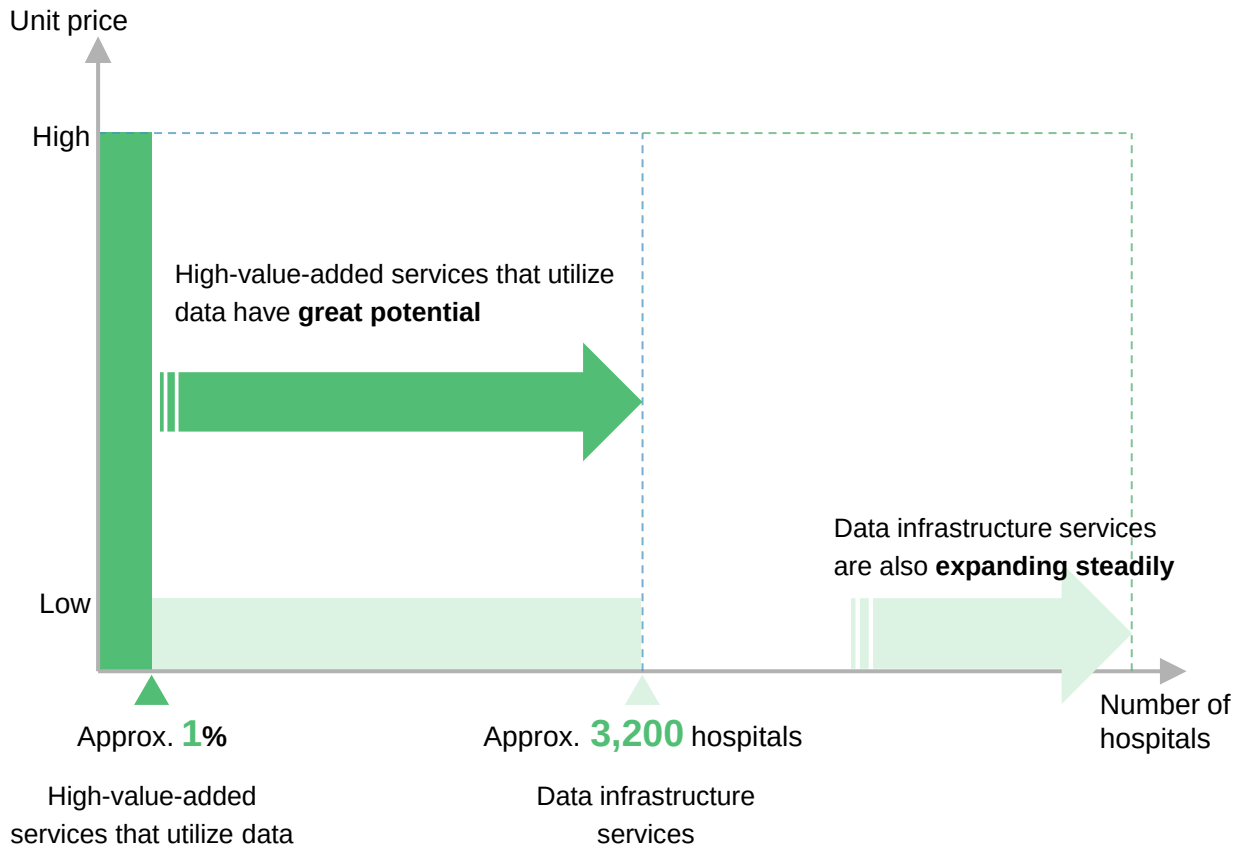
(Number of facilities basis)



[Reference] For Medical Service Providers: Potential of Business for Hospitals

In addition to the provision of systems for medical institutions, there is great potential for high value-added services such as consulting and financing, which are linked to improved management outcomes for medical institutions. By providing high value-added services to thousands of medical institutions, we aim to increase the productivity of medical institutions in Japan.

Potential for business growth (Image diagram)

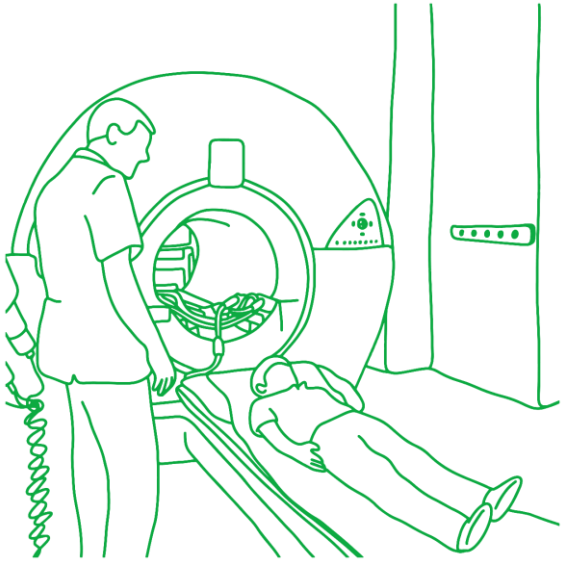


Section 3

Tele-medicine Business and Dispensing Pharmacy Support Business

Tele-medicine Business (Tele-RAD services): Summary

The number of radiologists is approx. 6,000 while there are 110,000 medical institutions and 150 million diagnostic images taken each year in Japan. JMDC aims to fill this gap through effective use of resources of radiologists.



Contracted medical institutions

1,519

Tele-RAD

Matching of diagnostic imaging request and contracted radiologists

Conducting Tele-medicine by DtoD

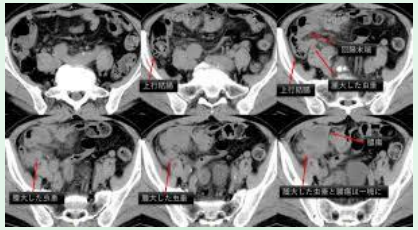


Image DB

Radiologist DB

Largest market share of 30% in Japan

Radiologists

1,170

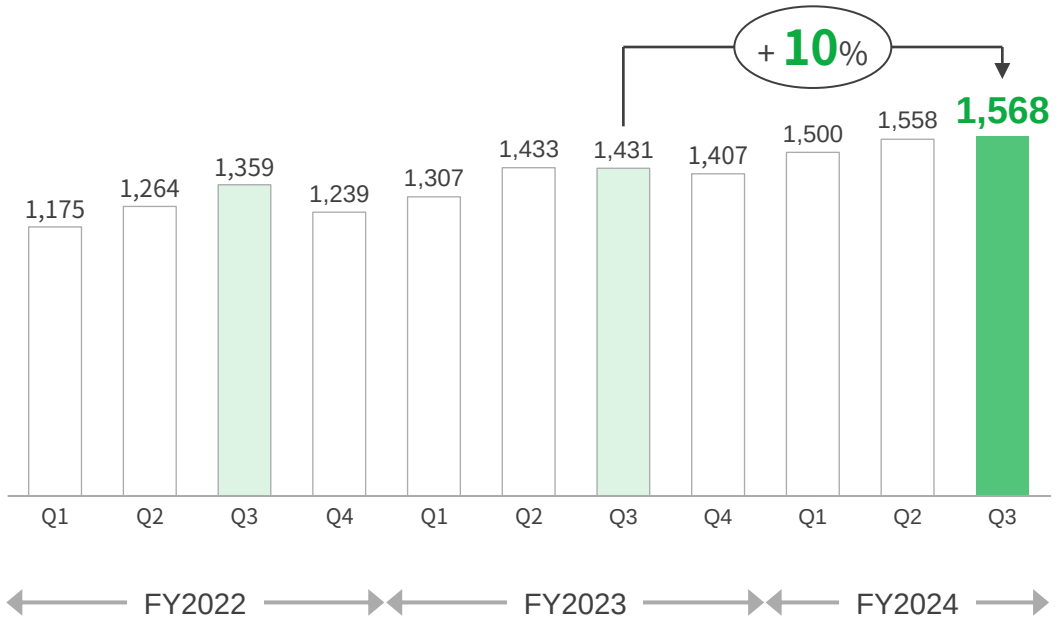
Note: Market share is calculated by Doctor Net. The number of contracted medical institutions and radiologists are the total number of institutions and radiologists with which Doctor Net has service contracts.
Source: Ministry of Health, Labour and Welfare "Survey on Medical Facility Dynamics in 2020," List of Radiologists on the website of the Japan Radiological Radiological Society.

Tele-medicine Business: Performance

Supported by solid demand for diagnostic imaging services, the scale of our business continues to expand. In addition, we continue to improve profitability by strengthening our operational capabilities.

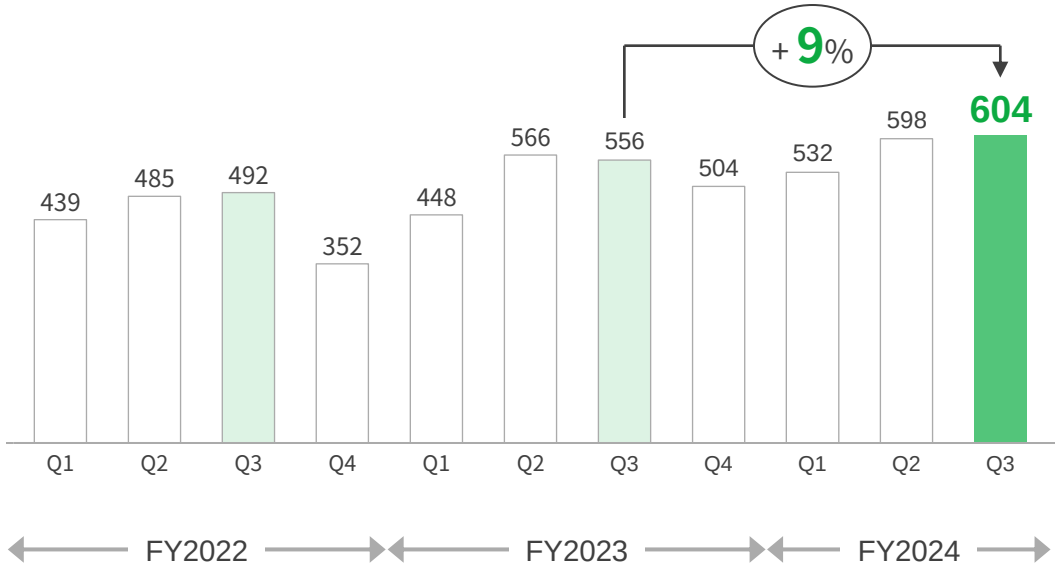
Quarterly Revenue Trends of Tele-medicine Business

(Unit: Million JPY)



Quarterly Trends of EBITDA

(Unit: Million JPY)

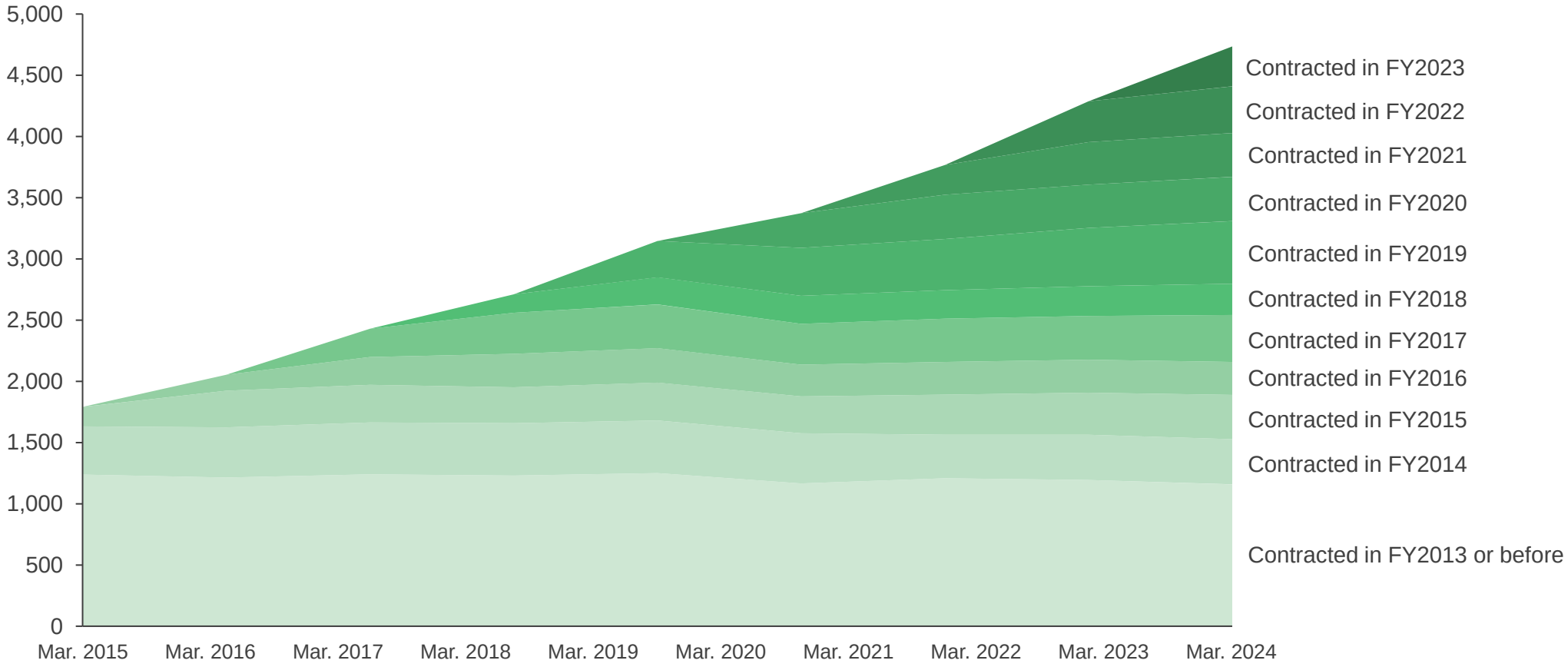


Note: EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses

[Reference] Tele-medicine Business: Accumulation of remote reading service sales

We believe that business performance will continue to expand steadily, supported by continued strong demand.

Revenue of Remote Image Interpretation Matching Services (Unit: Million JPY)



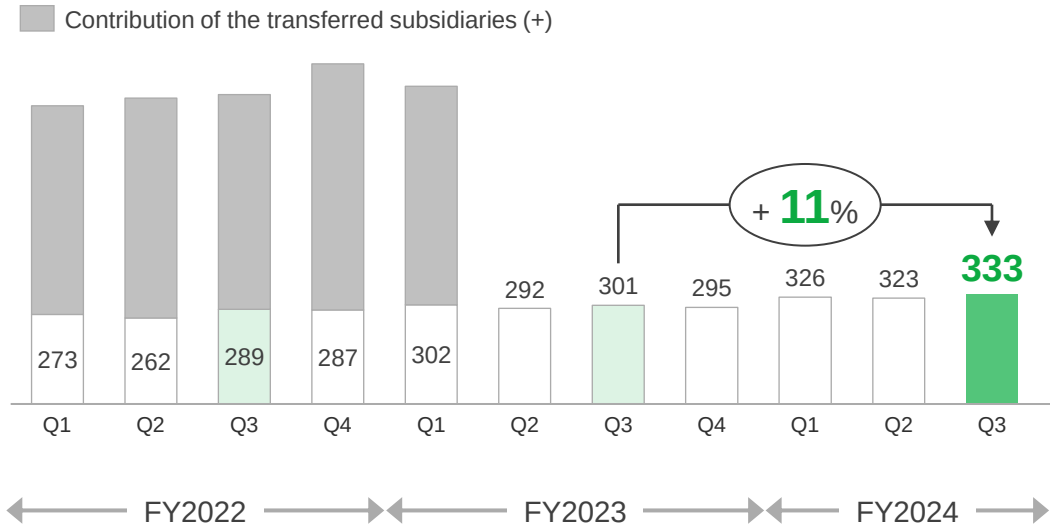
Note: Revenues in this slide are for JMDC's management. Doctor-NET has been consolidated since April 2018, but the above figures include Doctor-NET's revenue for the prior periods.

Dispensing Pharmacy Support Business: Performance

At the end of June 2023, we transferred our subsidiaries. Although the size of this segment has shrunk, it continues to generate stable revenue and profit.

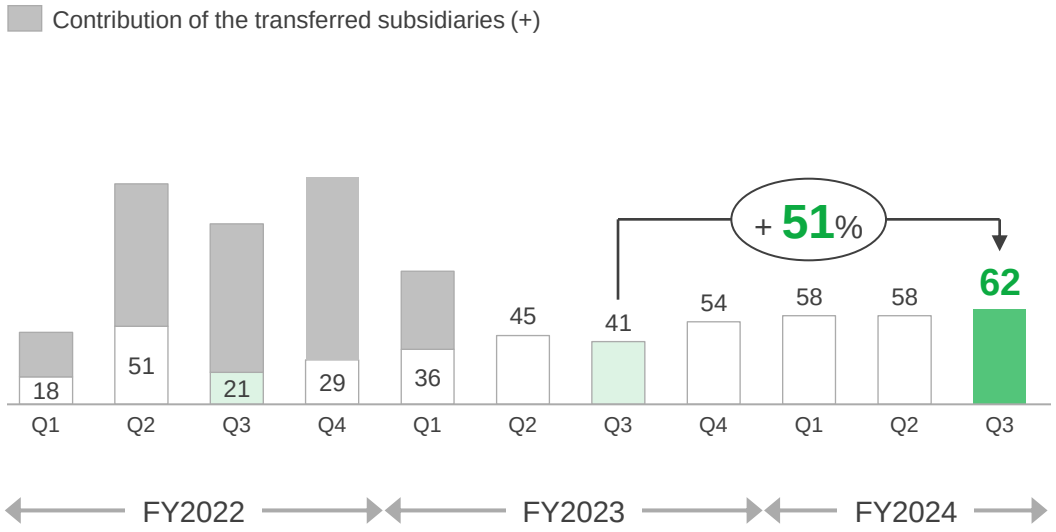
Quarterly Revenue Trends of Dispensing Pharmacy Support Business

(Unit: Million JPY)



Quarterly Trends of EBITDA

(Unit: Million JPY)



Note: EBITDA: Operating profit + Depreciation and amortization costs ± Other profits and/or losses

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