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February 20, 2025

To whom it may concern

Company name: JMDC Inc.
Representative: Ryo Noguchi,
President and CEO
(TSE Prime Market, Stock Code: 4483)
Contact: Tomohiro Mochizuki,
Executive Officer and CFO
(E-mail: ir@jmdc.co.jp)

Notice of Changes in Subsidiaries (Transfer of Shares) and in Reportable Segments

JMDC Inc. (the "Company") announces that at the meeting of its Board of Directors held on February 20, 2025, the Company resolved to transfer all shares of NOAH MEDICAL SYSTEM CORPORATION. (the "NOAH MEDICAL"), a consolidated subsidiary, to KAKEHASHI Inc. (the "KAKEHASHI") and to change its reportable segments.

【A】Changes in subsidiaries (transfer of shares)

1. Reason and purpose of the changes

Under its corporate philosophy of "A healthy and prosperous life for all people," the Company aims to realize a sustainable healthcare system by using the power of data and ICT to solve issues in the healthcare field, such as rising medical expenses and regional disparities in medical care, which are discussed. Specifically, the Company provides a variety of support to further optimize medical care for all patients by accumulating the data generated by players in the healthcare industry and broadly sharing it with society. Based on this philosophy, the Company made NOAH MEDICAL a subsidiary in April 2021 for the purpose of touchpoints with patients and consumers and the digital transformation of pharmacies, believing that "the efficiency and optimization of healthcare is necessary to improve the health of people in society and eventually the health of national healthcare costs".

NOAH MEDICAL was established in 1997, and in accordance with its philosophy of "pursuing the happiness of our employees, developing and providing products and services that move and satisfy our customers, and contributing to the development of the industry," it has been responding to the diversifying needs of medical service providers working in pharmacies through the development and sale of software for pharmacies. In addition, NOAH MEDICAL is leveraging its strengths in building relationships of trust with customers to provide receipt computer systems to over 1,500 dispensing pharmacies, and it has a particularly strong presence in the Kyushu region.

KAKEHASHI has the mission of "Make Japanese medical experiences more flexible" and, in addition to the cloud-based electronic medical history system "Musubi" for pharmacies, it develops and provides multiple products to support the streamlining of medical history creation work, the

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enhancement of patient communication, and the visualization of management figures. In addition, at present, the entire group provides services to over 20% of the approximately 60,000 pharmacies nationwide.

We have examined the optimal business portfolio for the Group, and as a result, we have decided that the transfer of NOAH MEDICAL's business base in the Kyushu region to KAKEHASHI, which has knowledge of digital transformation in pharmacies and a high level of service development capabilities, will lead to the sustainable growth and improvement of corporate value of NOAH MEDICAL. Therefore, the Company has decided to carry out this share transfer.

2. Overview of the subsidiaries to be transferred

(1)	Name	NOAH MEDICAL SYSTEM CORPORATION.	
(2)	Location	Hakata Kuramoto Ota Building 5F, 2-1 Narayamachi, Hakata-ku, Fukuoka-shi, Fukuoka	
(3)	Name and position of the representative	Toshihide Morii, Representative Director, President, and CEO	
(4)	Business lines	Development and sales of business systems for pharmacies	
(5)	Capital	25 million yen	
(6)	Establishment	November 4, 1997	
(7)	Major shareholders and the ratio of their shareholdings (as of March 31, 2024)	The Company 100%	
(8)	Relationship between JMDC and NOAH MEDICAL	Capital relationship	NOAH MEDICAL is a consolidated subsidiary of JMDC.
		Personnel relationship	JMDC dispatches officers to NOAH MEDICAL.
		Business relationship	NOAH MEDICAL has some business relationships with JMDC Group companies.

(9) Operating results and financial position for the last three years

Fiscal year end	March 31, 2022	March 31, 2023	March 31, 2024
Net assets	473 million yen	571 million yen	669 million yen
Total assets	714 million yen	792 million yen	921 million yen
Net assets per share	987,782.05 yen	1,143,920.77 yen	1,339,884.83 yen
Revenue	999 million yen	1,181 million yen	1,223 million yen
Operating profit	148 million yen	131 million yen	134 million yen
Ordinary profit	164 million yen	138 million yen	146 million yen
Profit	98 million yen	98 million yen	97 million yen
Basic earnings per share	197,202.73 yen	196,138.71 yen	195,964.06 yen
Dividends per share	― yen	― yen	― yen

3. Overview of the share transferee

(1)	Name	KAKEHASHI Inc.
(2)	Location	Sumitomo Fudosan Hibiya Building 5F, 2-8-6 Nishi-Shinbashi,

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		Minato-ku, Tokyo	
(3)	Name and position of the representative	Yutaka Nakao, President and Representative Director Takashi Nakagawa, CEO and Representative Director	
(4)	Business lines	Development and provision of medical-related services	
(5)	Capital	100 million yen	
(6)	Establishment	March 30, 2016	
(7)	Net assets	Not disclosed at the request of the transferee	
(8)	Total assets	Not disclosed at the request of the transferee	
(9)	Major shareholders and the ratio of their shareholdings	Not disclosed at the request of the transferee	
(8)	Relationship between JMDC and KAKEHASHI	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	KAKEHASHI has some business relationships with JMDC Group companies.
		Applicability of being related parties	Not applicable

4. Number of shares to be transferred, transfer price, and status of shares held before and after the transfer

(1)	Number of shares held before transfer	500 shares (ownership ratio of voting rights: 100%)
(2)	Number of shares to be transferred	500 shares
(3)	Transfer price	About JPY 3 billion (planned) The final transfer price will be determined after price adjustments based on the share transfer agreement.
(4)	Number of shares held after transfer	0 shares (ownership ratio of voting rights: 0%)

5. Share transfer schedule

(1) Resolution at the meeting of the Board of Directors — February 20, 2025
(2) Execution date of share transfer agreement — February 20, 2025
(3) Implementation date of share transfer — February 21, 2025 (scheduled)

6. Future outlook

The final transfer price for the transfer of shares will be determined after price adjustments based on the share transfer agreement, so the impact on the full-year consolidated results for FY2024 and the gain on the transfer of the subsidiary are currently being examined. We will promptly disclose information as necessary in the future. Furthermore, although NOAH MEDICAL is classified under the Dispensing Pharmacy Support segment, it will be removed from the consolidated subsidiaries

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due to the share transfer, and the segment will be discontinued. For details, please refer to "【B】Changes in reportable segments" below.

【B】Changes in reportable segments

1. Reason and purpose for the change

The Company had classified the business of dispensing pharmacy support operated by NOAH MEDICAL as the "Dispensing Pharmacy Support" segment, but as stated in "1. Reason and purpose of the changes" in "【A】Changes in subsidiaries (transfer of shares)" above, the "Dispensing Pharmacy Support" segment will be discontinued due to the transfer of all shares of NOAH MEDICAL to KAKEHASHI.

2. Details of the change

Before the change	After the change
Healthcare-Big Data	No change
Tele-medicine	No change
Dispensing Pharmacy Support	Discontinued

3. Timing of the change

From the disclosure of financial results for Q4 of FY2024, we will report using the new reportable segments.