

M3, Inc.

Presentation Material

May 2025



The following presentation contains forecasts, plans, management targets, and other forward-looking projections relating to M3, Inc. and/or its group. These statements are drawn from assumptions of future events based on data currently available to us, and there exist possibilities that such assumptions are objectively incorrect and/or may produce differing actual results from those mentioned in the statements.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not warrant their accuracy or dependability.

M3, Inc.

FY2024 Consolidated Results

Unit: JPY MM

	FY2023	FY2024	YoY
Revenue	238,883	284,900	+19%
Operating profit	64,381	62,971	-2%
Profit before tax	68,840	64,785	-6%
Profit	48,549	44,340	-9%

YoY sales growth excluding COVID-related; +23%

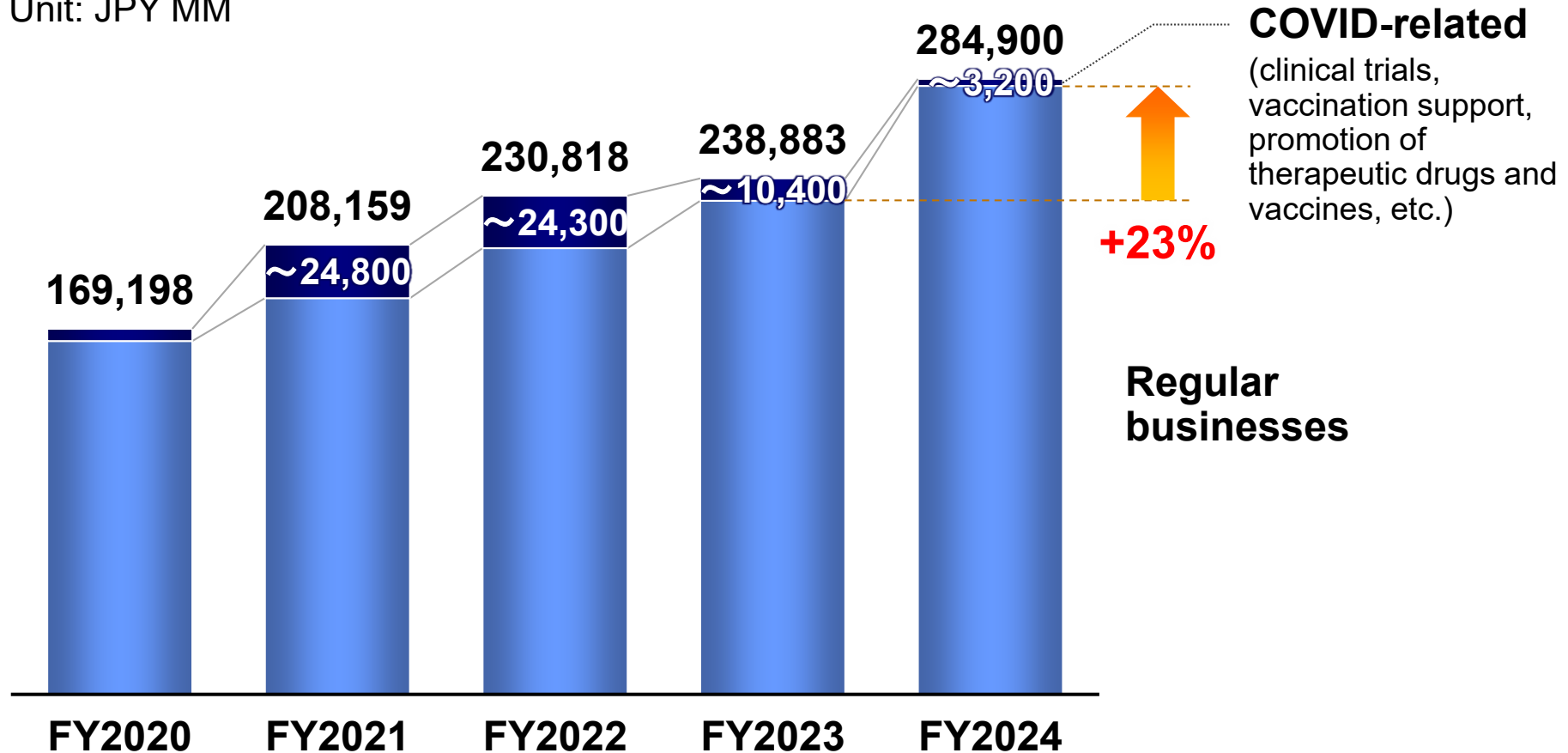


Revenue increased by 19% YoY, driven by both growth in segments that have normalized and the acquisitions including ELAN consolidation. Meanwhile, the primary cause of the decrease in profits was the impact of businesses in the rebound phase following COVID-19

* Please refer to the slide titled "Abbreviations of Segment Names" for the definitions of the segment abbreviations used in this material

Consolidated Revenue Trend and COVID Impact

Unit: JPY MM



A negative impact of over JPY 7Bn for the full year, primarily arising in MP and ES

* FY2023 Actuals: Q1 ~3.0 Bn, Q2 ~2.7 Bn, Q3 ~2.7 Bn, Q4 ~2.0 Bn

FY2024 Actuals: Q1 ~1.1 Bn, Q2 ~0.9 Bn, Q3 ~0.8 Bn, Q4 ~0.5 Bn

FY2024 Consolidated Results by Segment

Unit: JPY MM

Unit: JPY MM			FY2023	FY2024	YoY
Domestic	Medical Platform	Revenue	93,414	91,566	-2%
		Profit	38,626	34,105	-12%
	Evidence Solution	Revenue	26,700	24,244	-9%
		Profit	6,698	4,345	-35%
	Career Solution	Revenue	16,642	20,914	+26%
		Profit	4,781	5,656	+18%
	Site Solution	Revenue	33,025	47,043	+42%
		Profit	3,735	5,422	+45%
	Patient Solution	Revenue	—	21,919	—
		Profit	—	824	—
	Emerging Businesses	Revenue	2,633	2,453	-7%
		Profit	-290	1,003	—
Overseas		Revenue	69,868	80,570	+15%
		Profit	11,695	14,745	+26%

- Pharma marketing: The impact of a decline in COVID-related sales drove revenue decline, but the fundamental DX is currently expanding
- Other businesses, such as DX of the clinical scene, showed steady growth

- Order backlog: JPY 35.8 Bn, significantly improved from JPY 29.1 Bn at the end of the previous fiscal year

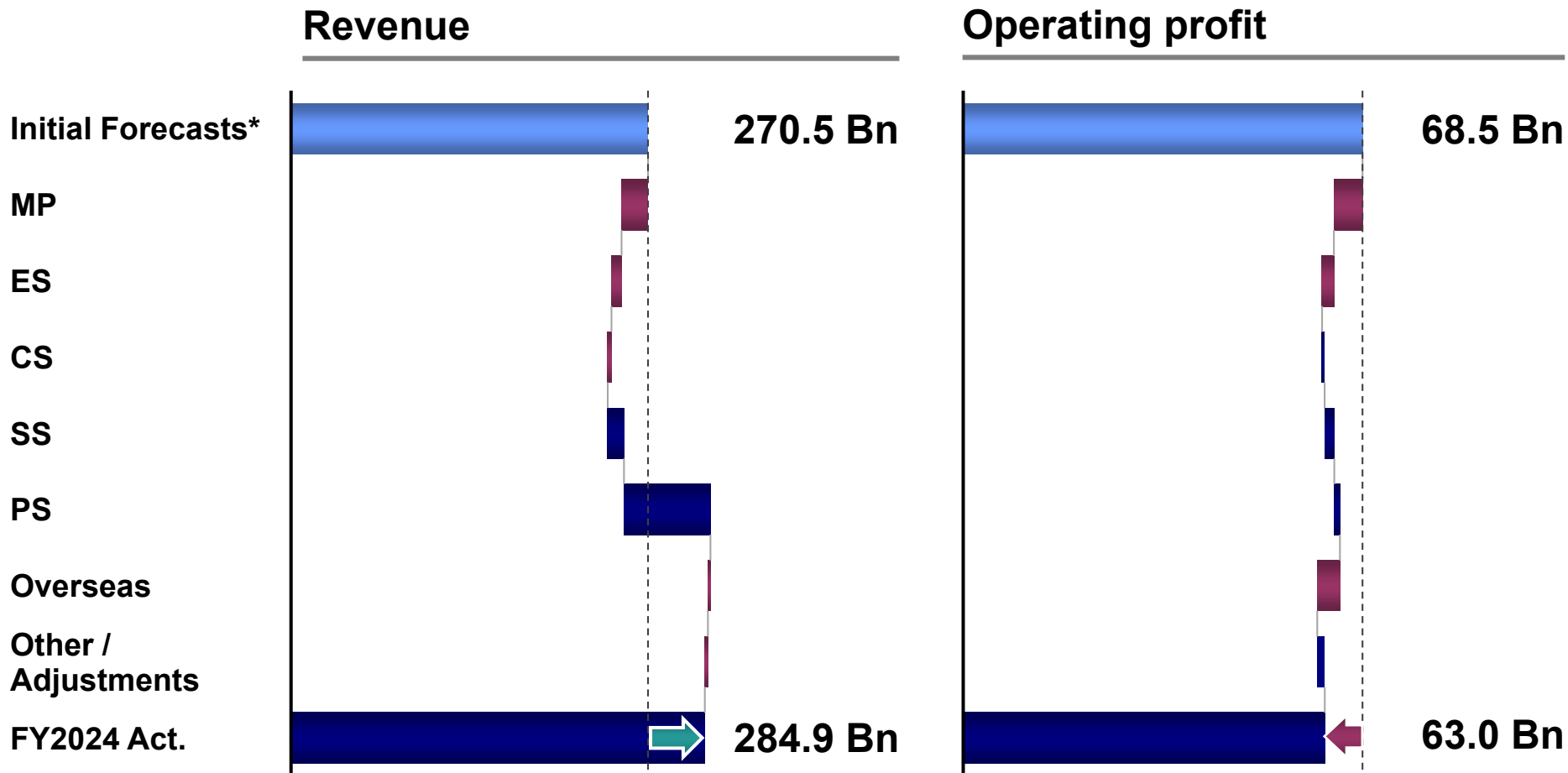
- Business for physicians and pharmacists both performed well

- Efforts to generate synergies are progressing smoothly
- Recorded one-time acquisition costs only in the Oct–Dec period

- Primarily impacted by fluctuations in equity-method investment gains and losses

- Generally in line with expectations, excluding impairment losses and the businesses that recognized those in both FY2023 and 2024

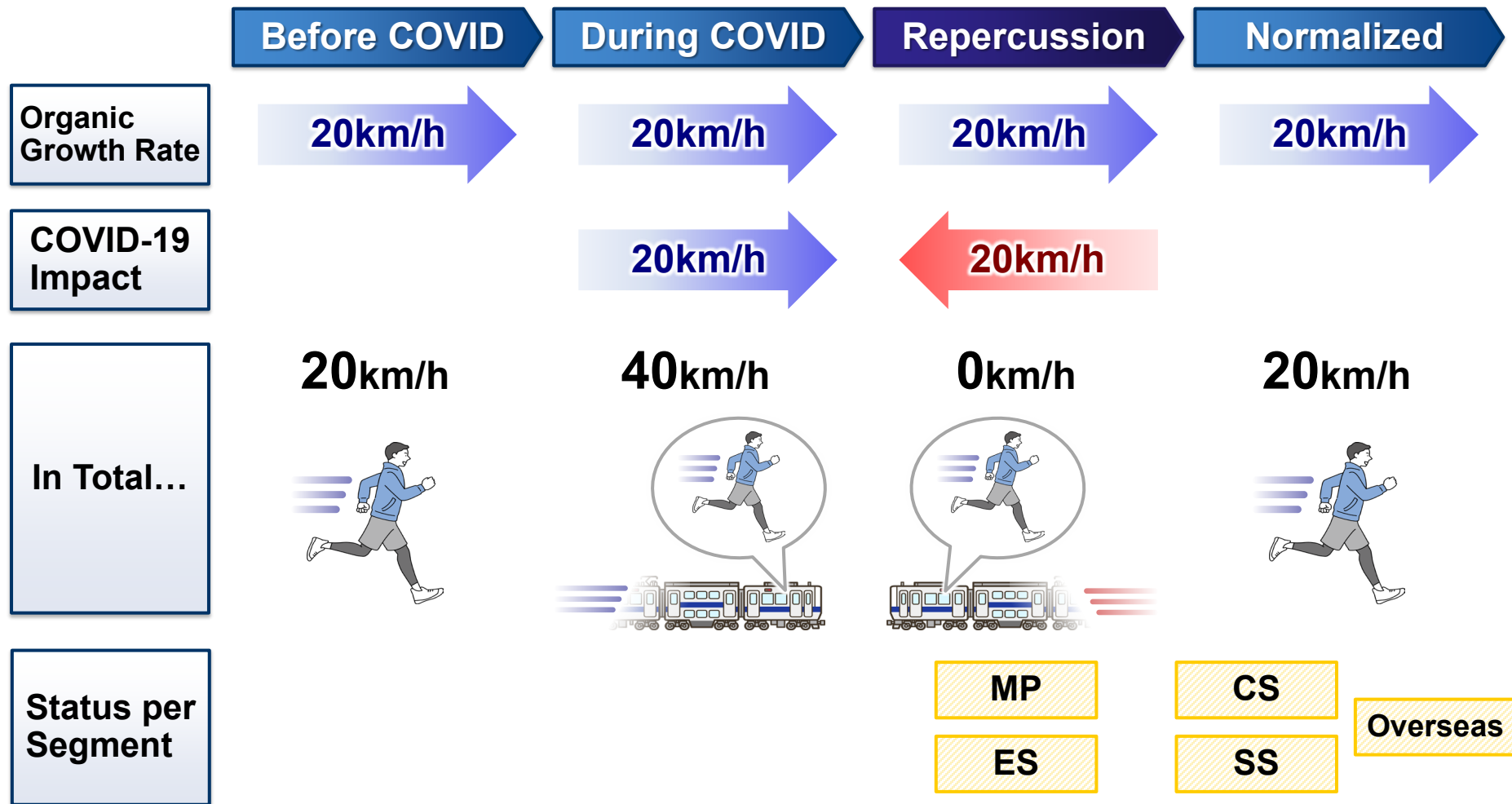
FY2024 Forecasts vs. Actuals



 Revenue targets were achieved, driven by SS and the contribution from the newly established PS. Meanwhile, profit targets fell short due to MP and ES, as well as the recording of impairment losses in Overseas

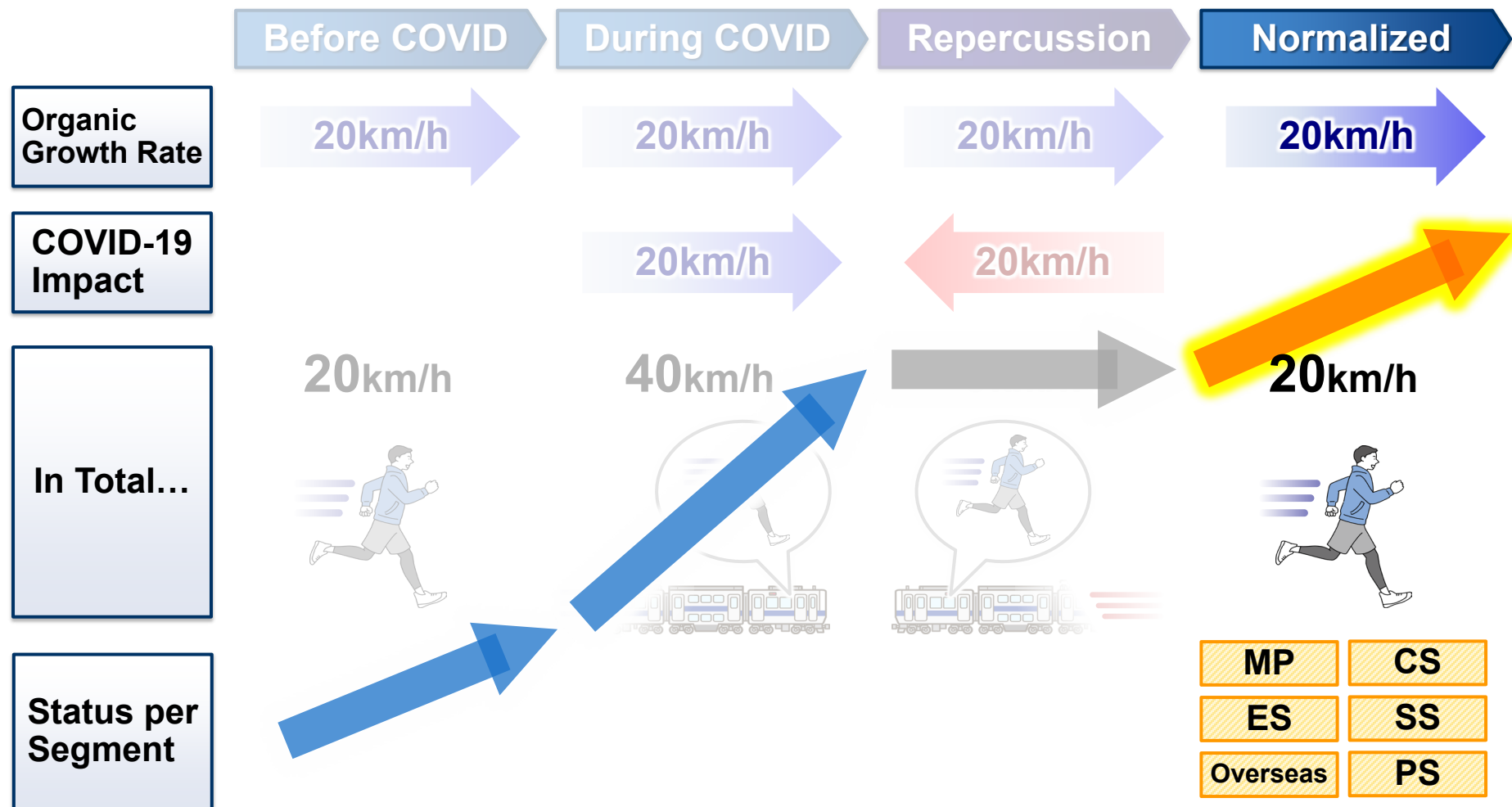
* The numbers of the initial forecasts for revenue and operating profit on the graphs are the median of the range of FY2024 financial forecasts disclosed on April 2024

Growth Dynamics and COVID Effects: FY2024



 Currently, each segment and business is in a different phase, and the outlook for growth rate also varies

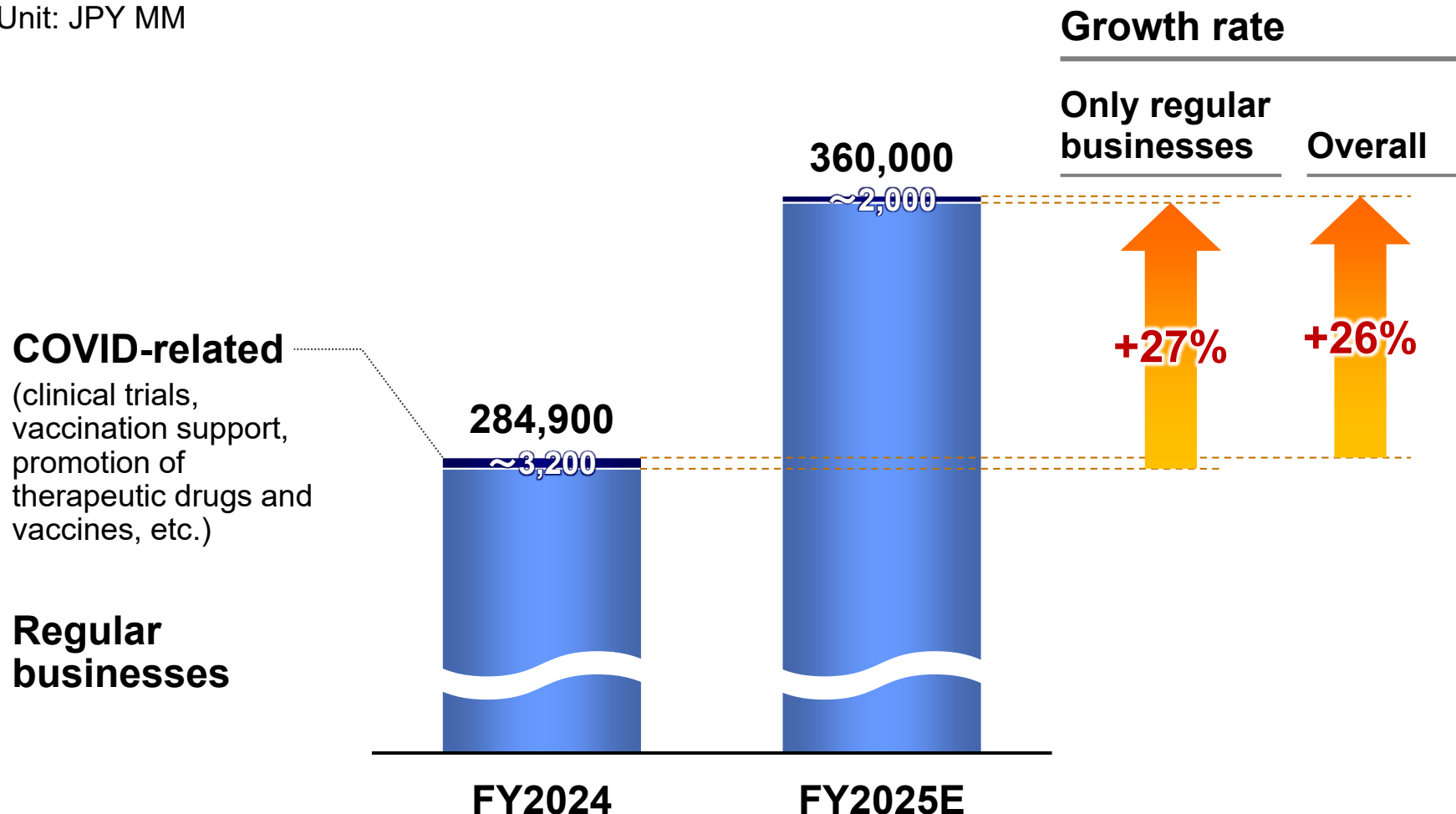
Growth Dynamics and COVID Effects: FY2025



 The negative impact on COVID-related sales concluded in FY2024, with a return to baseline growth reflected in performance from FY2025

Sales Outlook for FY2025

Unit: JPY MM

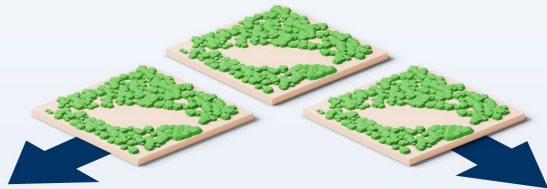


COVID-related sales in FY2025 are expected to reach up to JPY 2 Bn. The impact is minor, accounting for less than 1% of the projected consolidated revenue

M3's Triple Growth Engine + CSV

1

**Ecosystem
Expansion**
(Sagrada Familia)



**Continuous new
business entries**

2

**Individual
Business
Development**



**Pharma marketing
/ Clinical Scene DX**

3

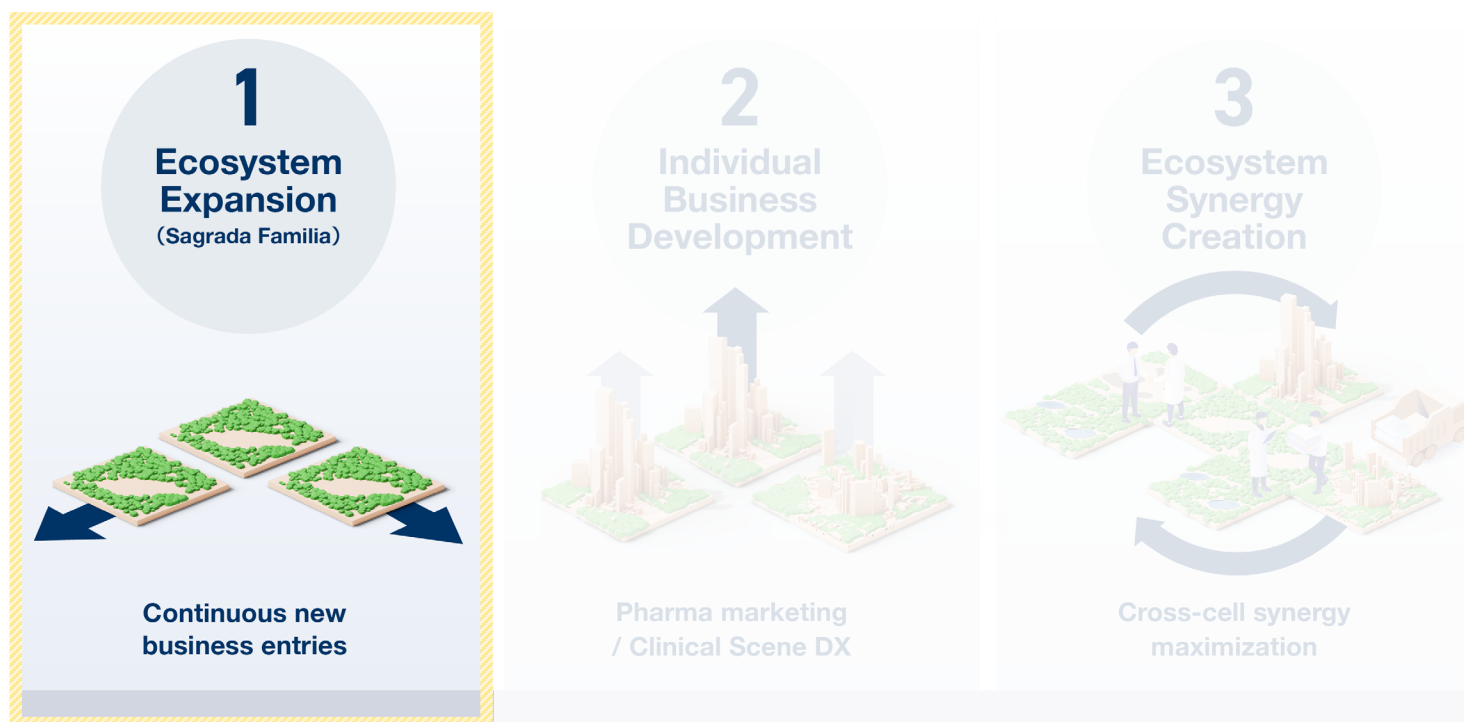
**Ecosystem
Synergy
Creation**



**Cross-cell synergy
maximization**

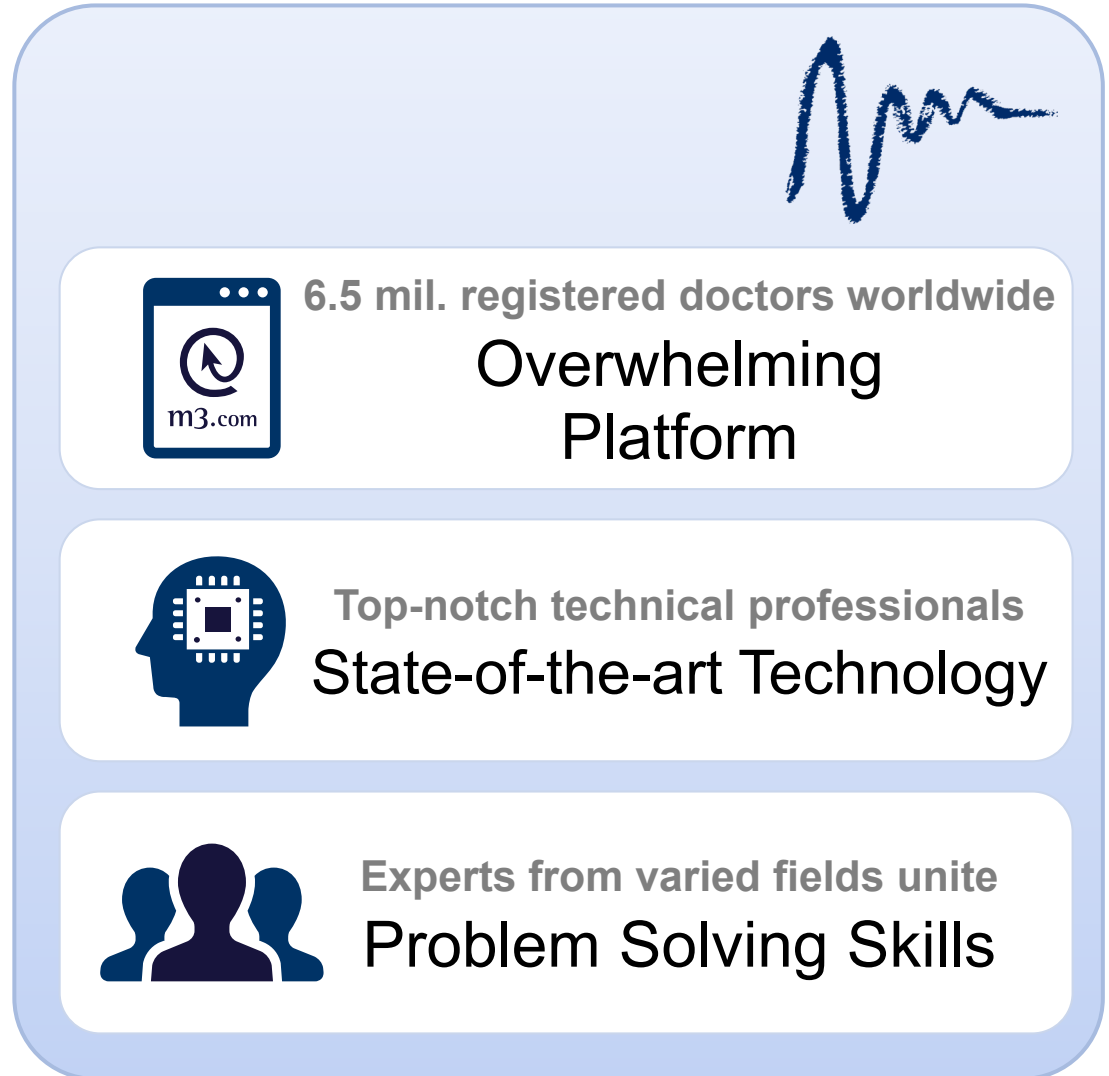
Prioritizing CSV (Creating Shared Value) to Generate Social Impact

Growth Engine 1: Ecosystem Expansion (Sagrada Familia)



Prioritizing CSV (Creating Shared Value) to Generate Social Impact

Leverage 3 Major Resources to Solve Healthcare Issues

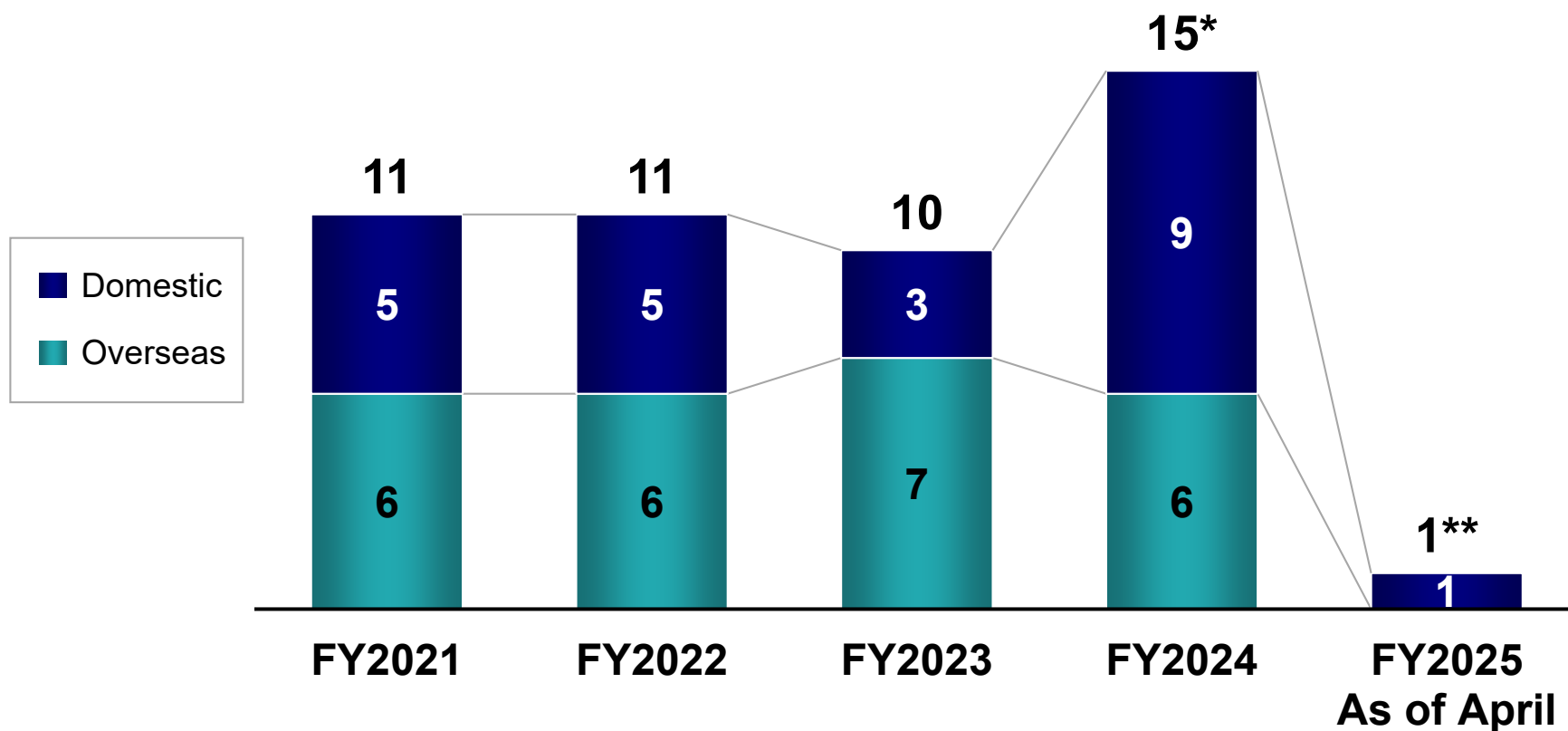


Business Scope Expansion and Growth Potential

FY	: 2010	2015	2020	2024
Country	: 3 →	8 (2.5x) →	11 (3.5x) →	18 (6.0x)
Business Types	: 6 →	15 (2.5x) →	35 (6.0x) →	41 (7.0x)
Business Units (Type x Country)	: 10 →	24 (2.5x) →	56 (5.5x) →	80 (8.0x)
Sales (Bn)	: 14.6 →	64.7 (4.5x) →	169.2 (12.0x) →	284.9 (19.5x)

 **Aggressive M&A to ensue in reaching growth potentials exceeding 10~20x current levels...**

Trend in M&A Volume: Programmatic M&A Strategy



M&A is completed with approximately 10 companies annually; in FY2024, a total of 16 acquisitions were made including EWEL. In addition to ELAN and EWEL conducted by M3, active acquisitions led by group companies. We will continue to pursue M&A actively

* 2 out of 9 domestic deals, and 3 out of 6 overseas deals were conducted by listed subsidiaries

** EWEL consolidation starts from April 1st, 2025

ELAN Update

■ Contributions in FY2024

- The acquisition contributed approx. JPY 0.8 Bn (0.1 Bn in Q3 and 0.7 Bn in Q4) in operating profit over a 5-month consolidation period, even after accounting for acquisition costs

■ Progress of Synergy Creation

- Short term
 - Joint proposals to medical institutions implemented, early results confirmed
 - Cost reduction effects, leveraging the group's purchasing power, have also begun to materialize
- Mid- to long-term
 - Development of differentiated CS set products is underway; with a proof-of-concept trial scheduled in the near future
 - Full-scale consideration is underway to create broader synergies with multiple existing businesses

 **While respecting ELAN's independence, we will accelerate efforts in FY2025 to accumulate quick wins toward maximizing synergies**

EWEL Update

■ Consolidation starts from FY2025Q1

- To be included in the MP segment with acquisition costs already recorded in FY2024
- Profit contribution is expected even after accounting for the amortization of intangible assets

■ Progress of Synergy Creation

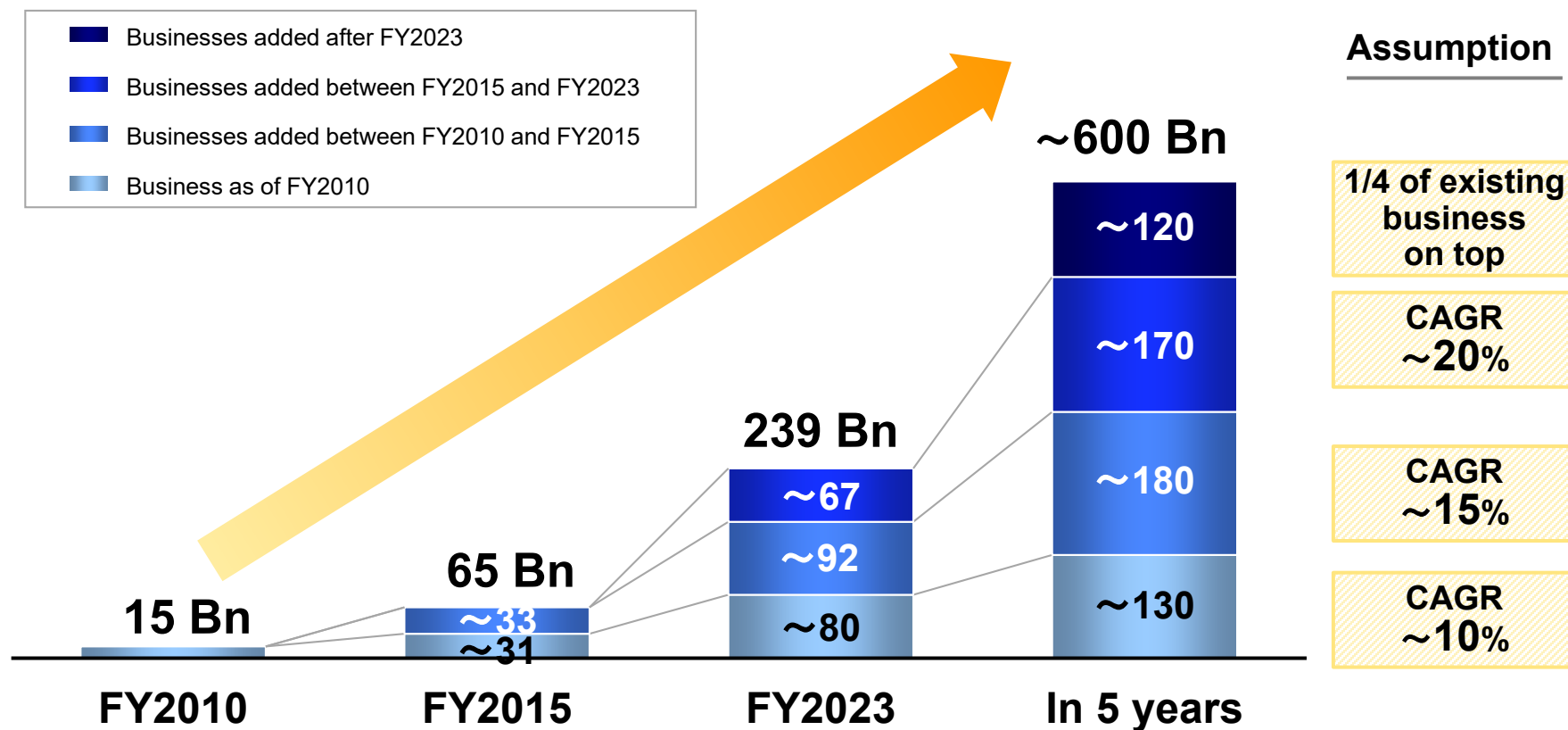
- Short term
 - Engineering collaboration already underway
 - Started initiatives on sales collaboration
- Mid- to long-term
 - Commenced consideration for the expansion of the ecosystem synergies in services related to the White Jack Project



A favorable start toward accelerating ecosystem synergy creation entirely across the White Jack Project

Growth Image per Business Expansion Phases [FY2023 ver.]

Sales Trend (JPY)

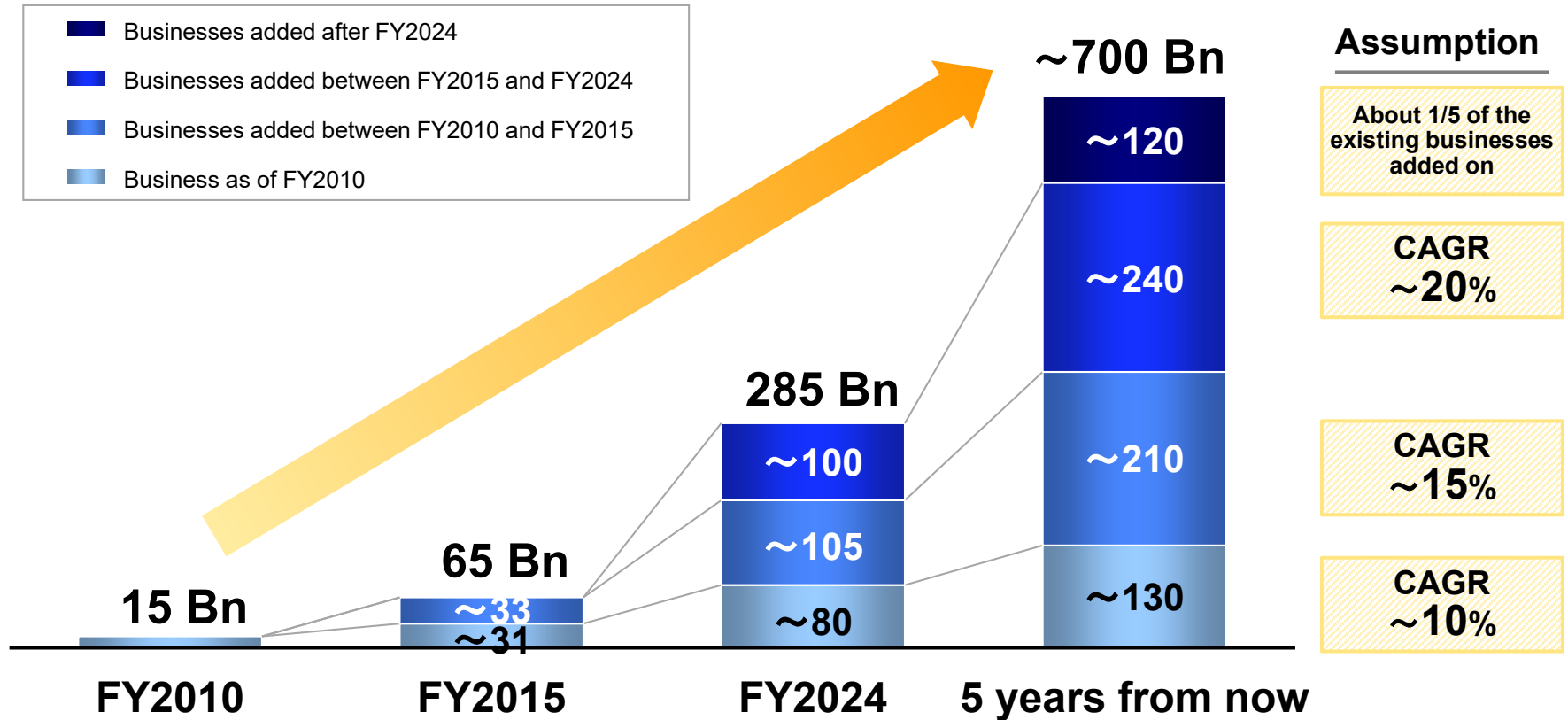


👉 As of FY2023, the sales growth outlook projects JPY 600 Bn in 5 years

* The FY2023 results and the simulation figures through the next 5 years have been retrospectively revised based on the figures disclosed in the previous financial results

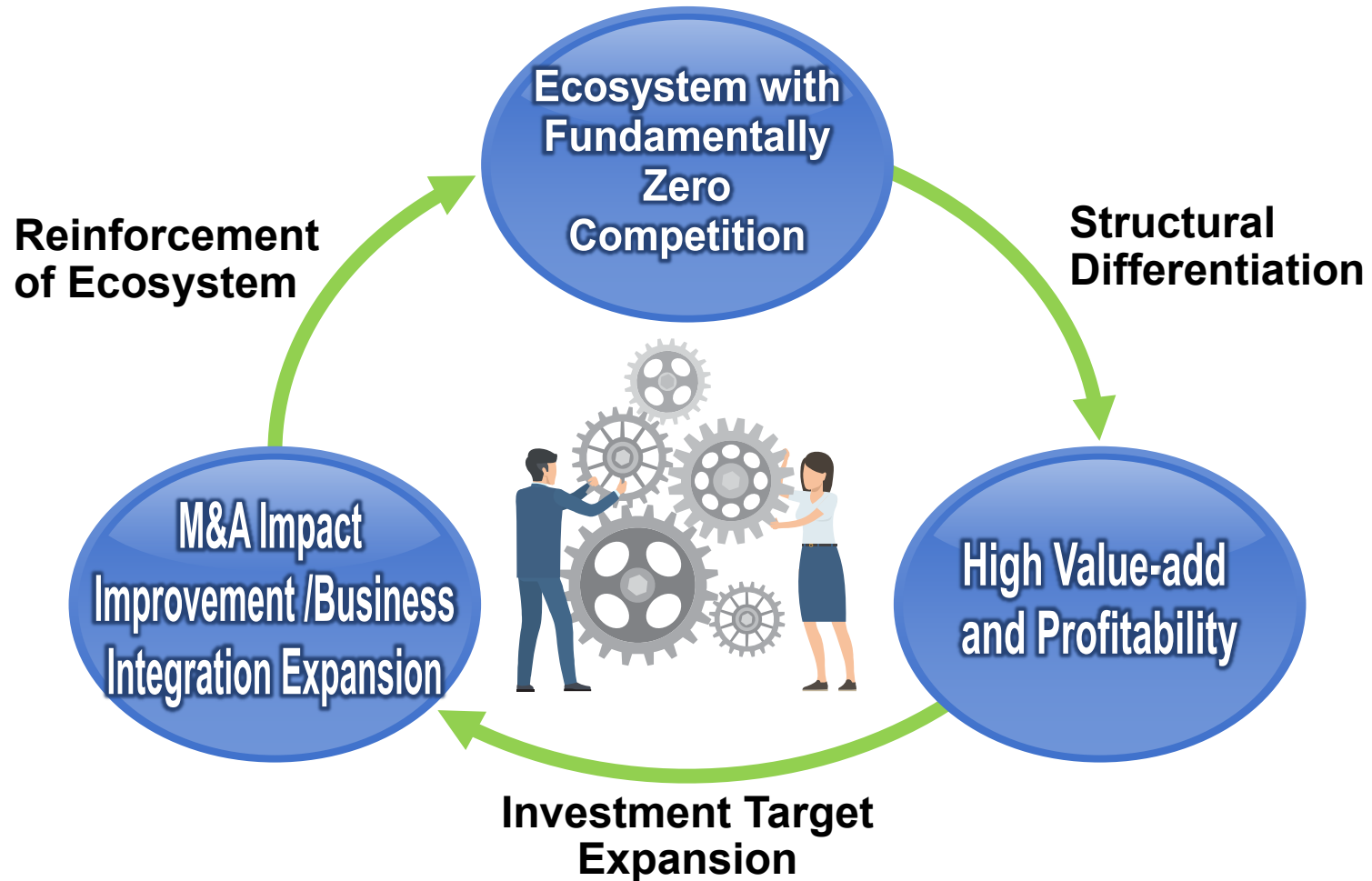
Growth Image per Business Expansion Phases [FY2024 ver.]

Sales Trend (JPY)



The simulation has been updated based on the FY2024 actuals. There is no change in our policy of aiming for business growth similar to that achieved so far, through the continued development and growth of new businesses, as well as the growth of existing businesses

Business Expansion Creation Flow



👉 Self-reinforcing expansion cycle = "superbly capable staff" base also expands, and continuity is further strengthened... "business snowball" to multiply rapidly

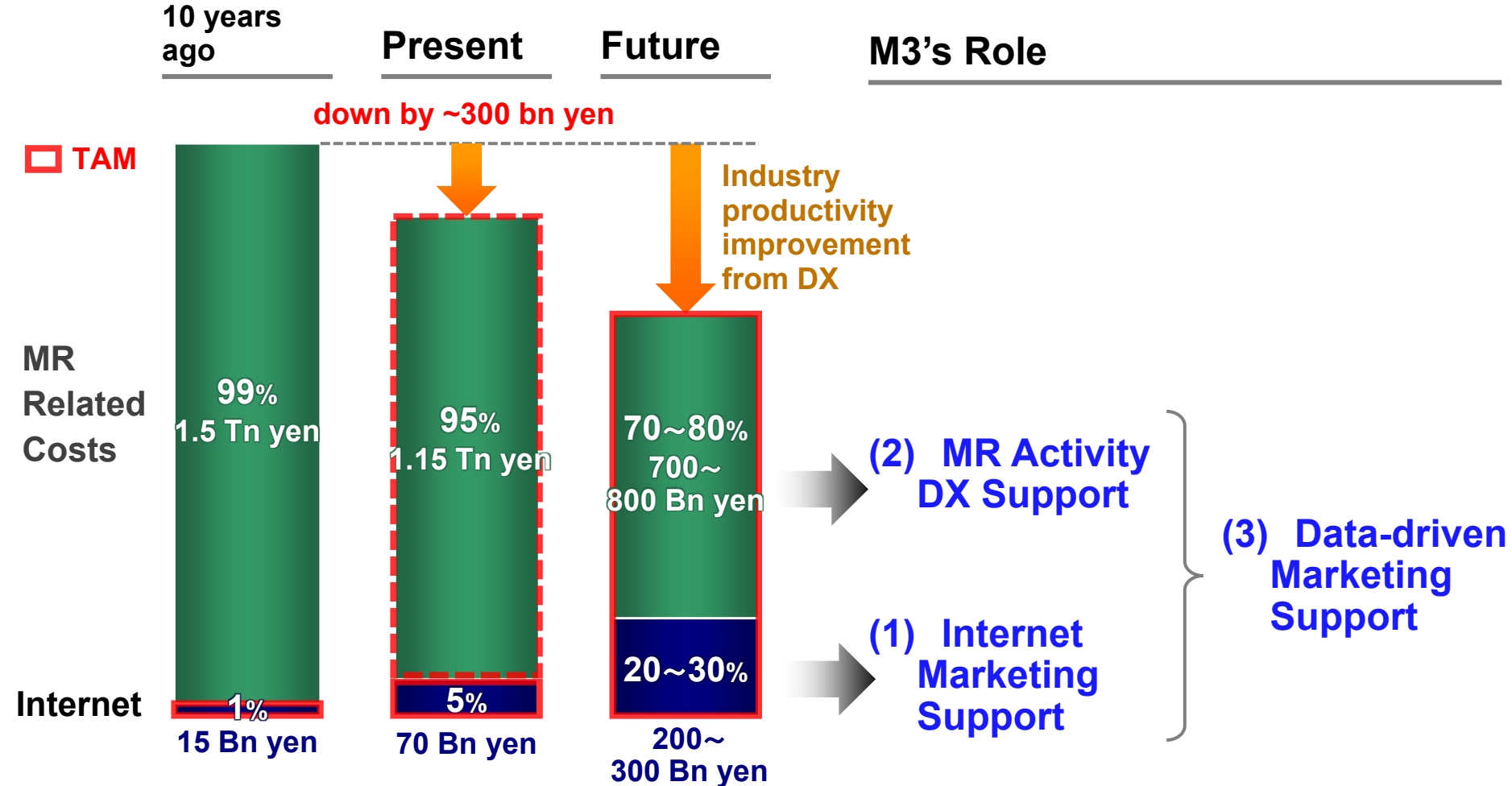
Growth Engine 2: Individual Business Development



Prioritizing CSV (Creating Shared Value) to Generate Social Impact

Pharmaceutical Sales & Marketing DX

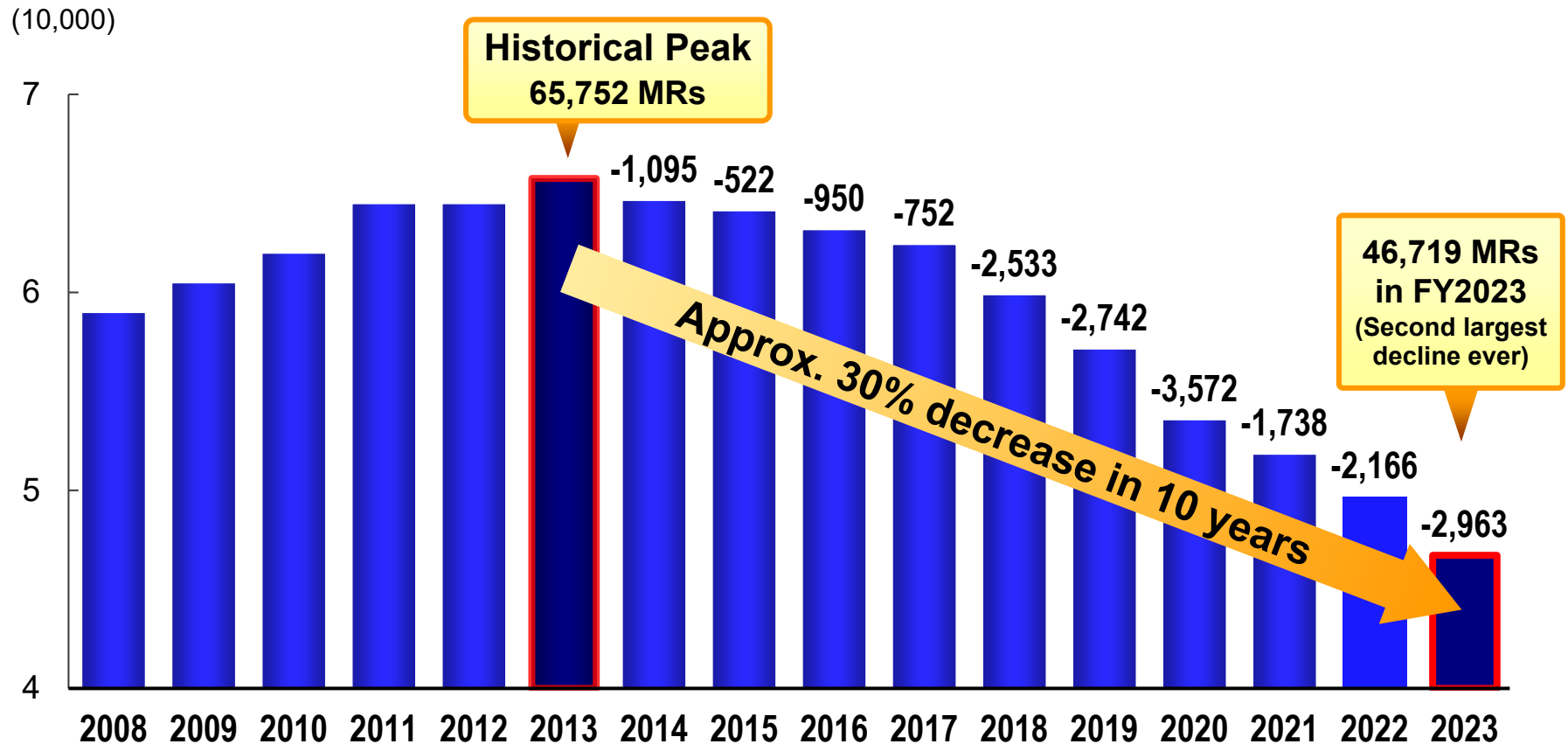
Pharma Marketing Cost and TAM for M3



M3 involvement is to go beyond the bounds of the internet to improve productivity across the entire industry

Ref: M3 survey and estimate; numbers are approximate

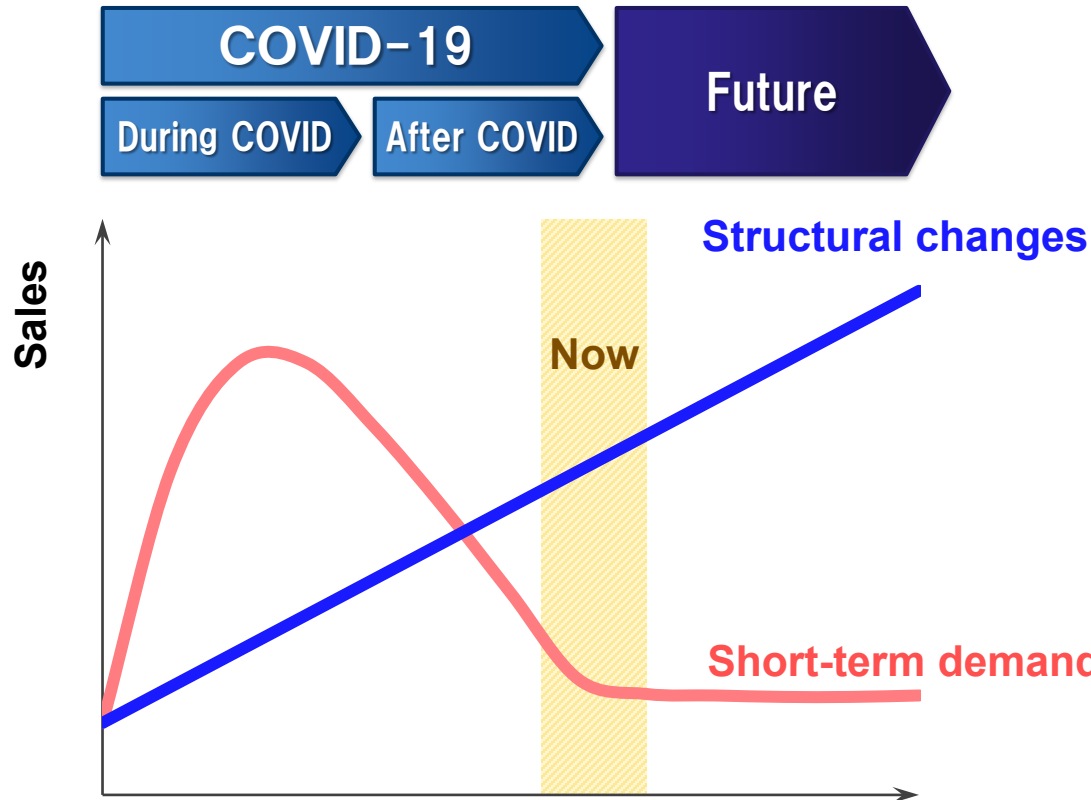
Trend of Domestic Pharmaceutical Sales Reps (MRs)



In addition to a decrease in the number of MRs, an increasing number of contract reps and online reps who work exclusively online or by phone.... The trend toward sales efficiency is expected to continue

Current Status of Pharmaceutical Marketing

Demand and Its Trend



Positive Factors

- Advancement of structural digital transformation (DX)
- Further penetration of data-driven marketing
- Projects on a larger scale

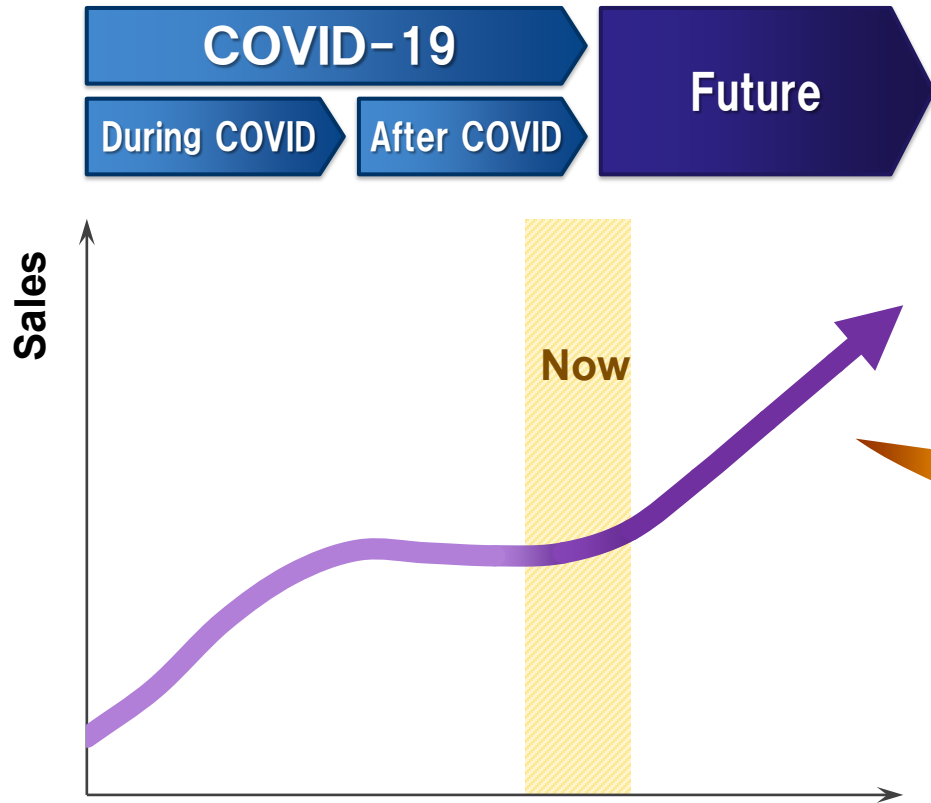
Negative Factors

- Temporary decline in demand during the COVID period
- Cost reduction at some global pharma companies

 The impact of the decline of COVID-related sales (for vaccines and treatment drugs) expanded from the initial forecast, with a negative impact of roughly JPY 6 Bn for the full year

As a Strategic Partner to Pharma Companies

Overall Trend



Efforts for Renewed Growth

- **Rejuvenate and strengthen leadership**
- **Our Products**
Continual development of services that dramatically improve the productivity of pharmaceutical company sales and marketing (currently at level 50%)
- **Our Professional Staff**
Continuously expanding the team by several tens of people each year (currently at level 50%)
- **Productivity Per Staff**
Standardization of service proposals, skills enhancement, and improvement in per-person productivity through DX (currently at level 75%)

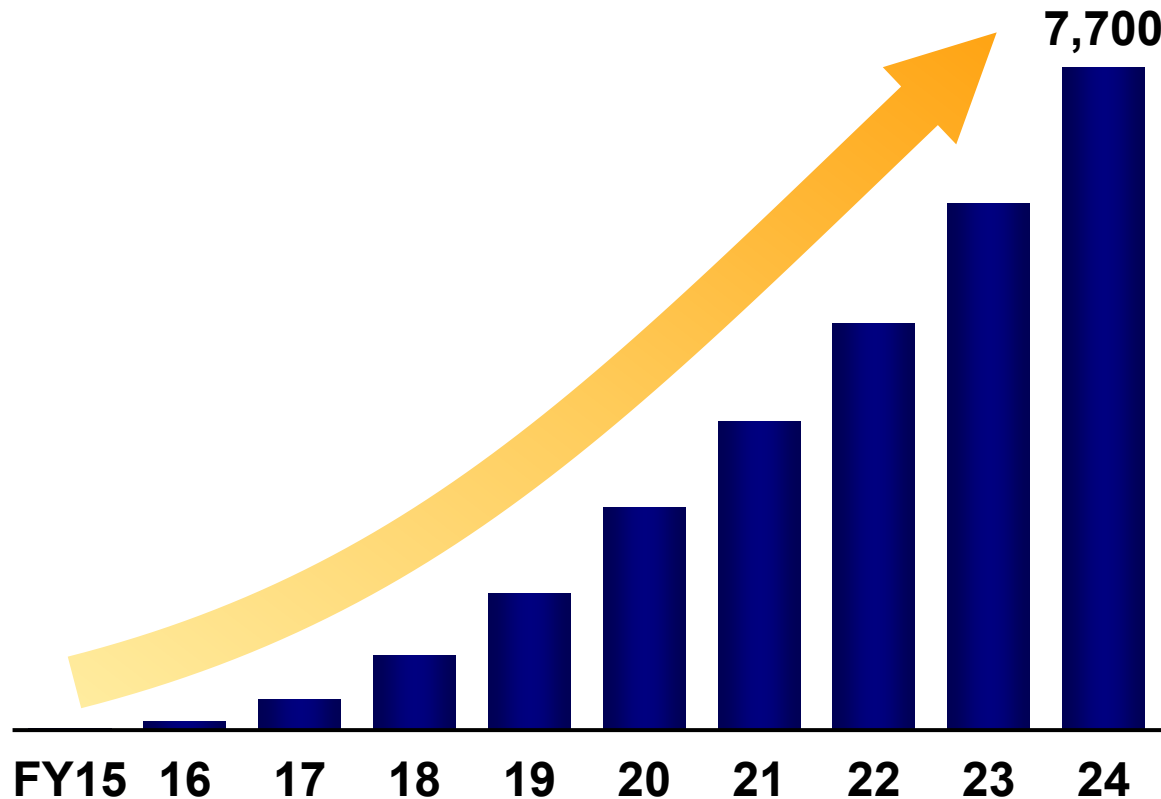


Further accelerating essential DX initiatives as a strategic partner to pharmaceutical companies

DX of the Clinical Scene

M3 DigiKar EHR Growth

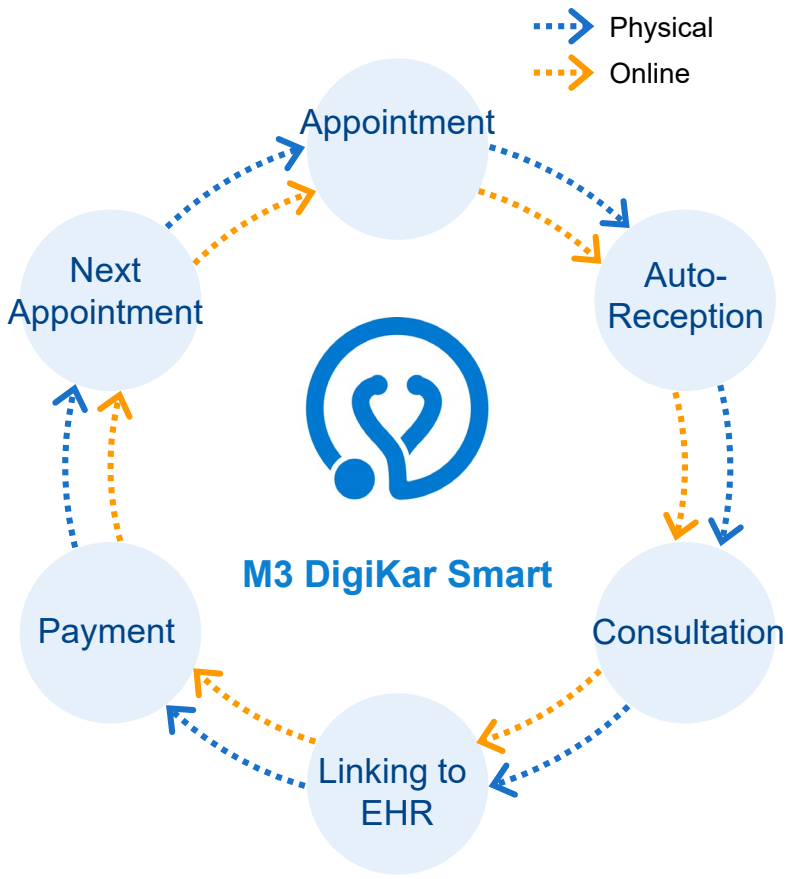
Number of Medical Institutions Using M3 DigiKar



- A cumulative number of installations is approx. 7,700. Steady progress
- Co-selling with DigiKarSmart further increases the added value of DigiKar

 **Incontestable #1 market share within cloud-based digital health records, approx. 340 million charts**

DX of Clinics: DigiKar Smart



Medical Institutions: Managing System



Patients: Mobile App





M3 デジタルスマート 診察券
メディカル

開く

5.1万件の評価

4.6

★★★★★

評価とレビュー >

年齢

12+

歳

ランキング

#1

メディカル

デベロッ

DigiKar,

4.6

★★★★★

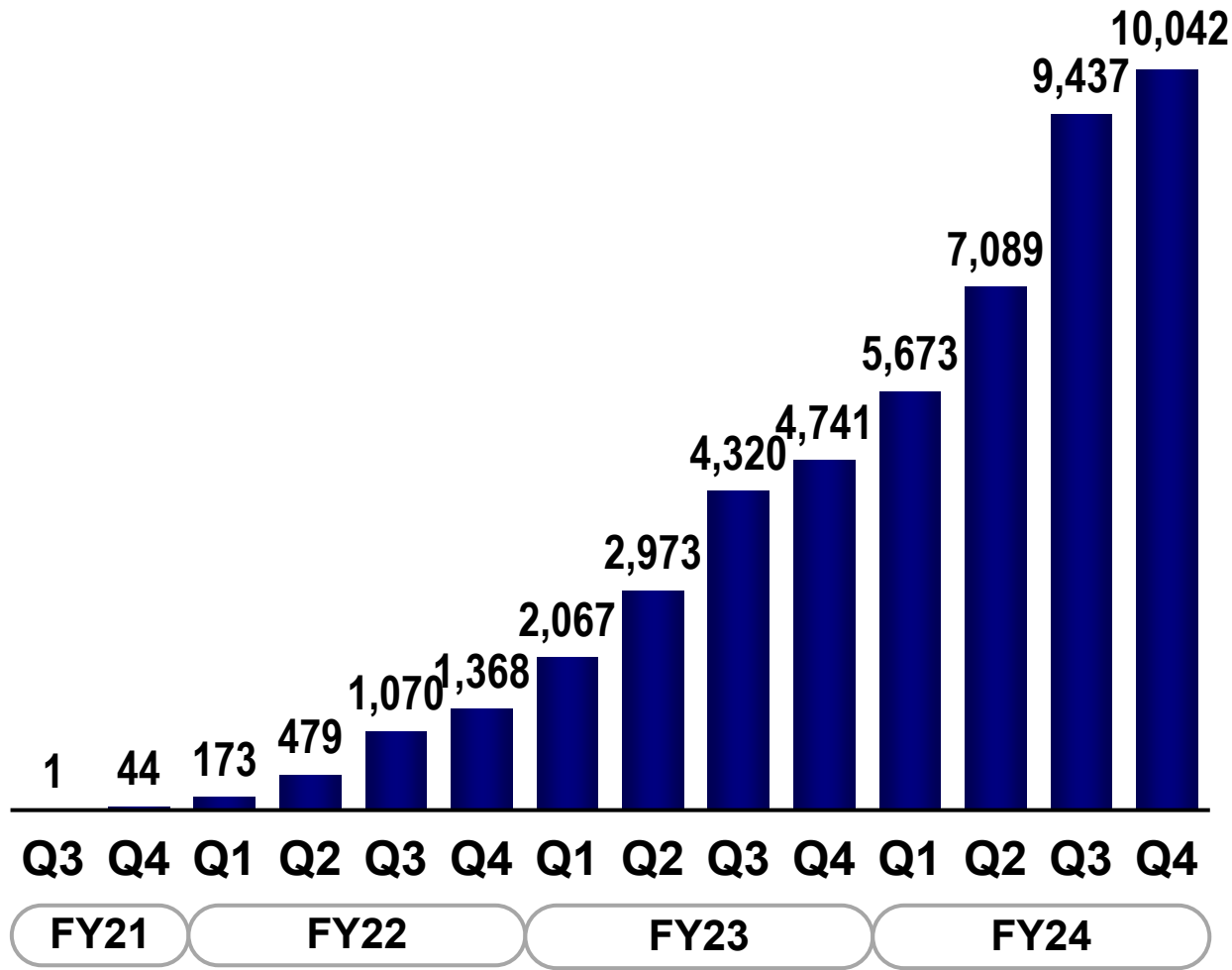
5.1万件の評価

 **51,000 reviews with a rating of 4.6 from users, a new patient experience created, and a high rating in the category**

* Taken from the following URL, as of April 10, 2025
<https://apps.apple.com/jp/app/m3%E3%83%87%E3%82%B8%E3%82%AB%E3%83%AB%E3%82%B9%E3%83%9E%E3%83%BC%E3%83%88%E8%A8%BA%E5%AF%9F%E5%88%B8/id1563102530>

No. of DigiKar Smart Users

Unit: Index with FY2021Q3 as 1



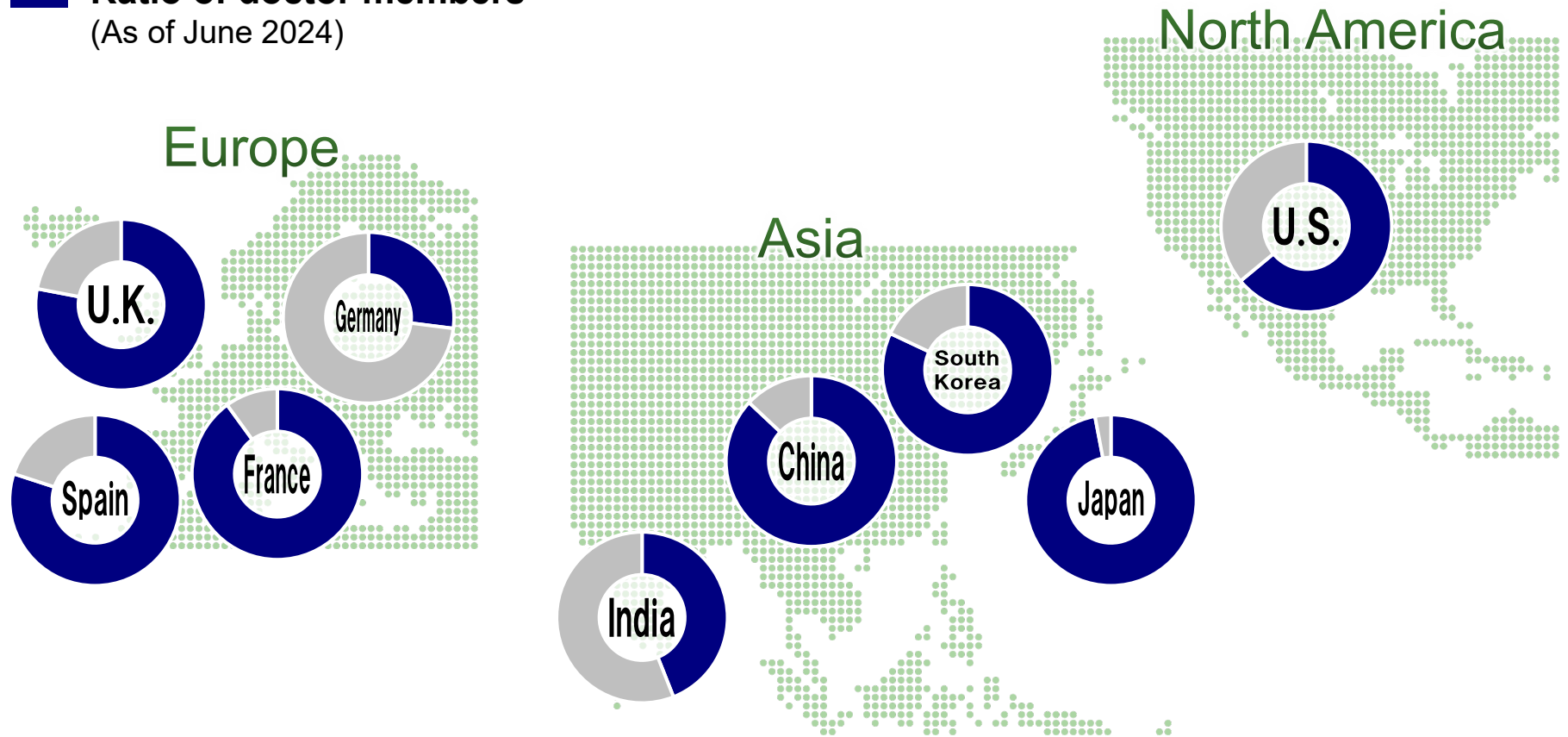
- Rapid market penetration of DigiKar Smart as the clinics' infrastructure
of Users: 2.1x YoY
Txn Amount: 2.5x YoY
- Video call has been added and is expanding as an infrastructure for telemedicine

* Quarterly sum of monthly UUs

Overseas

Number of Doctor Members and Panelists (Global)

■ Ratio of doctor members
(As of June 2024)



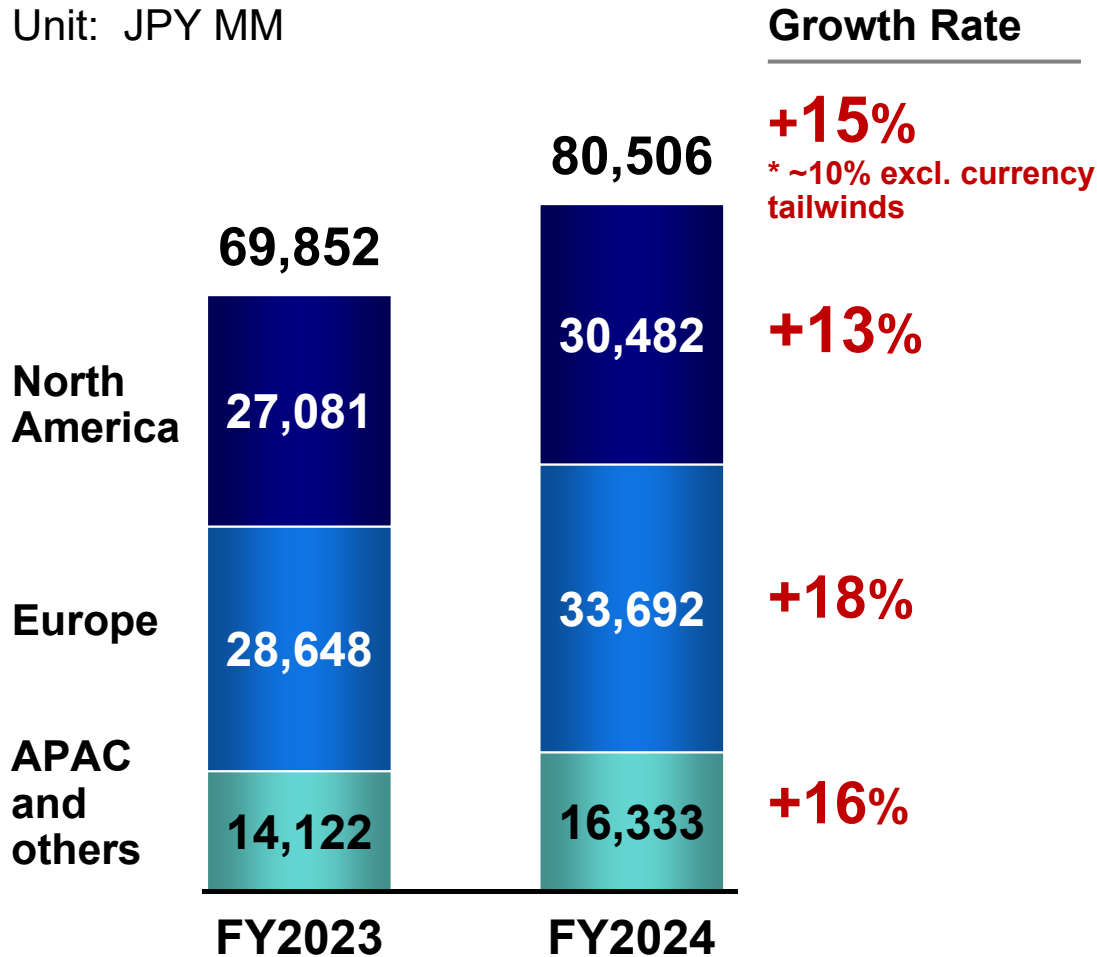
👉 Including regions not mentioned above, more than 6.5 million doctor members and panelists, covering over 50% of doctors worldwide

*The no. of doctors in Japan is based on data from the Ministry of Health, Labour and Welfare (2022).

The no. of doctors in other countries is based on the latest data from WHO and other sources.

Overseas Segment: Sales by Region

Unit: JPY MM



North America

- Continued strong performance
- Clinical trial business: Although Q4 did not reach the level of Q3, the H2 showed improvement compared to the H1. Continue to strengthen and streamline the management foundation to support renewed growth

Europe

- Steady progress in France and the UK

APAC

- Continued solid momentum, along with DBMCI contributions



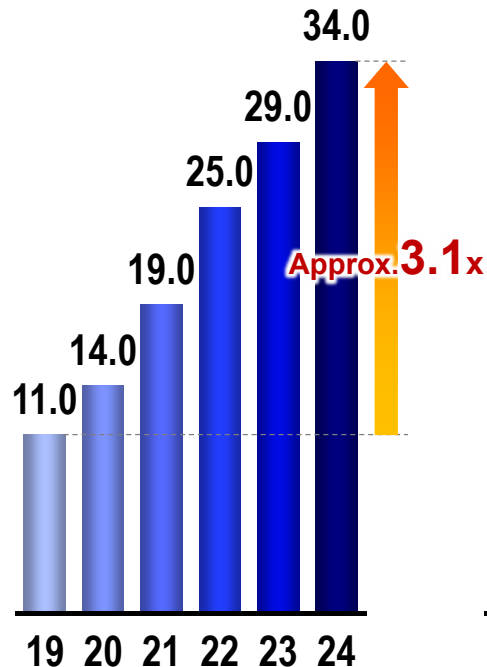
Overall performance remains solid. Accelerating new initiatives for the future, such as M&A and structural reforms

Overseas Growth Trends by Business (Full Year)

Unit: JPY Bn

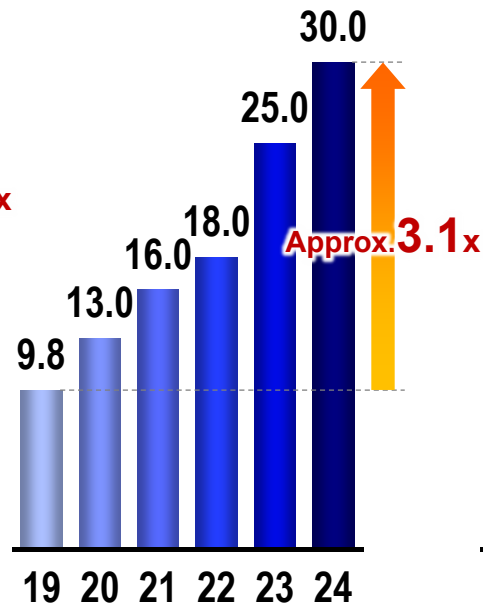
Service for Doctors

(Platform for doctors in North America, Europe, and APAC and EHR)



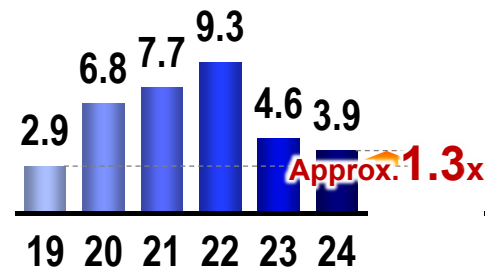
Business Intelligence

(M3 Global Research: Expanding in North America, Europe, and APAC)



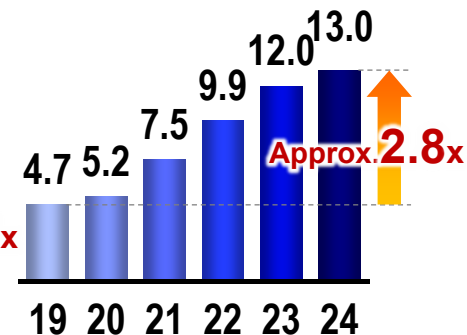
Clinical Trials

(Operation of clinical trials sites in North America)



Career for Doctors

(Human resources business centered on doctors in North America and Europe)



Achieve growth trends in various business types

* Based on each subsidiary's principal business, aggregated by fiscal year

Growth Engine 3: Ecosystem Synergy Creation

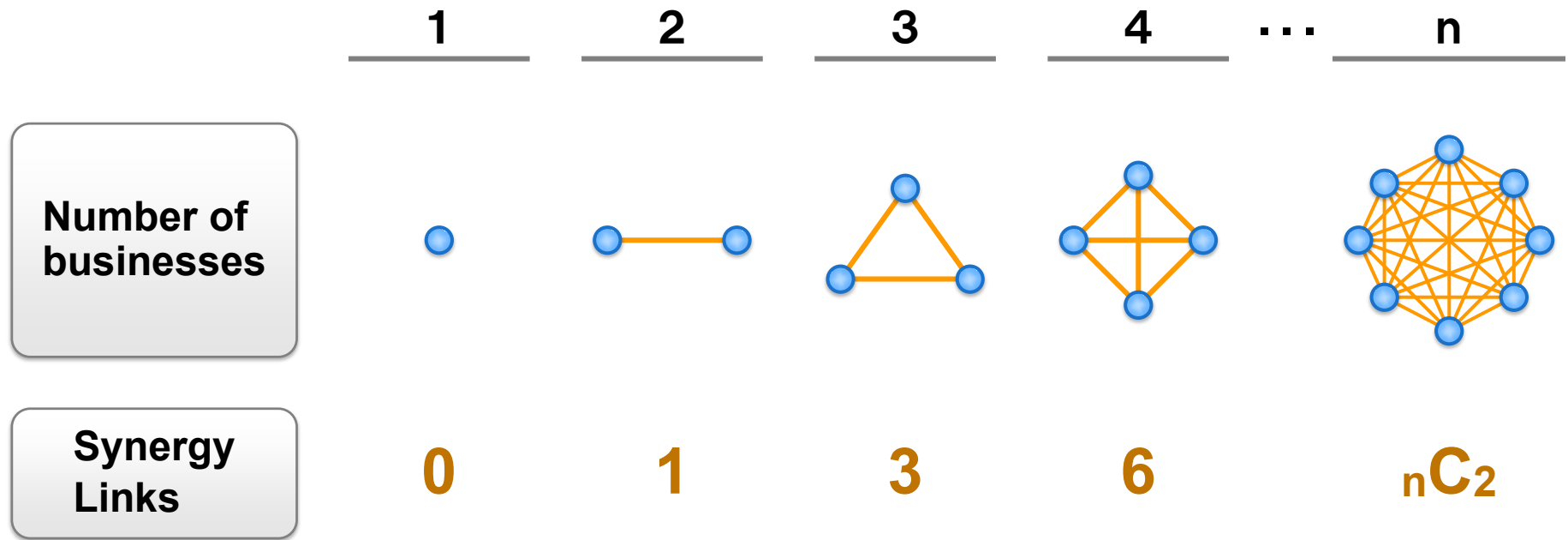


Prioritizing CSV (Creating Shared Value) to Generate Social Impact

Business Scope Expansion and Growth Potential

FY	: 2010	2015	2020	2024
Country	: 3 →	8 (2.5x) →	11 (3.5x) →	18 (6.0x)
Business Types	: 6 →	15 (2.5x) →	35 (6.0x) →	41 (7.0x)
Business Units (Type x Country)	: 10 →	24 (2.5x) →	56 (5.5x) →	80 (8.0x)
Sales (Bn)	: 14.6 →	64.7 (4.5x) →	169.2 (12.0x) →	284.9 (19.5x)

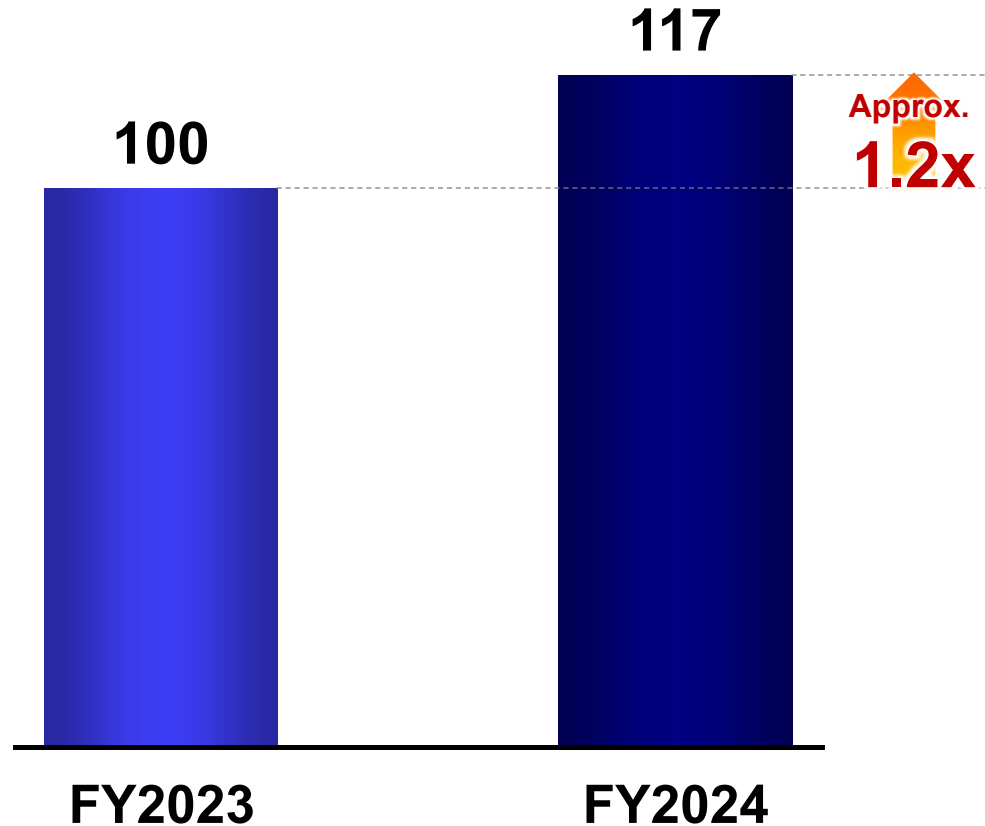
Cross-Business Synergy Creation Potential



 Synergy potential between businesses: $80C_2 = 3,160$ possible linkages

Ecosystem Synergy Value Creation

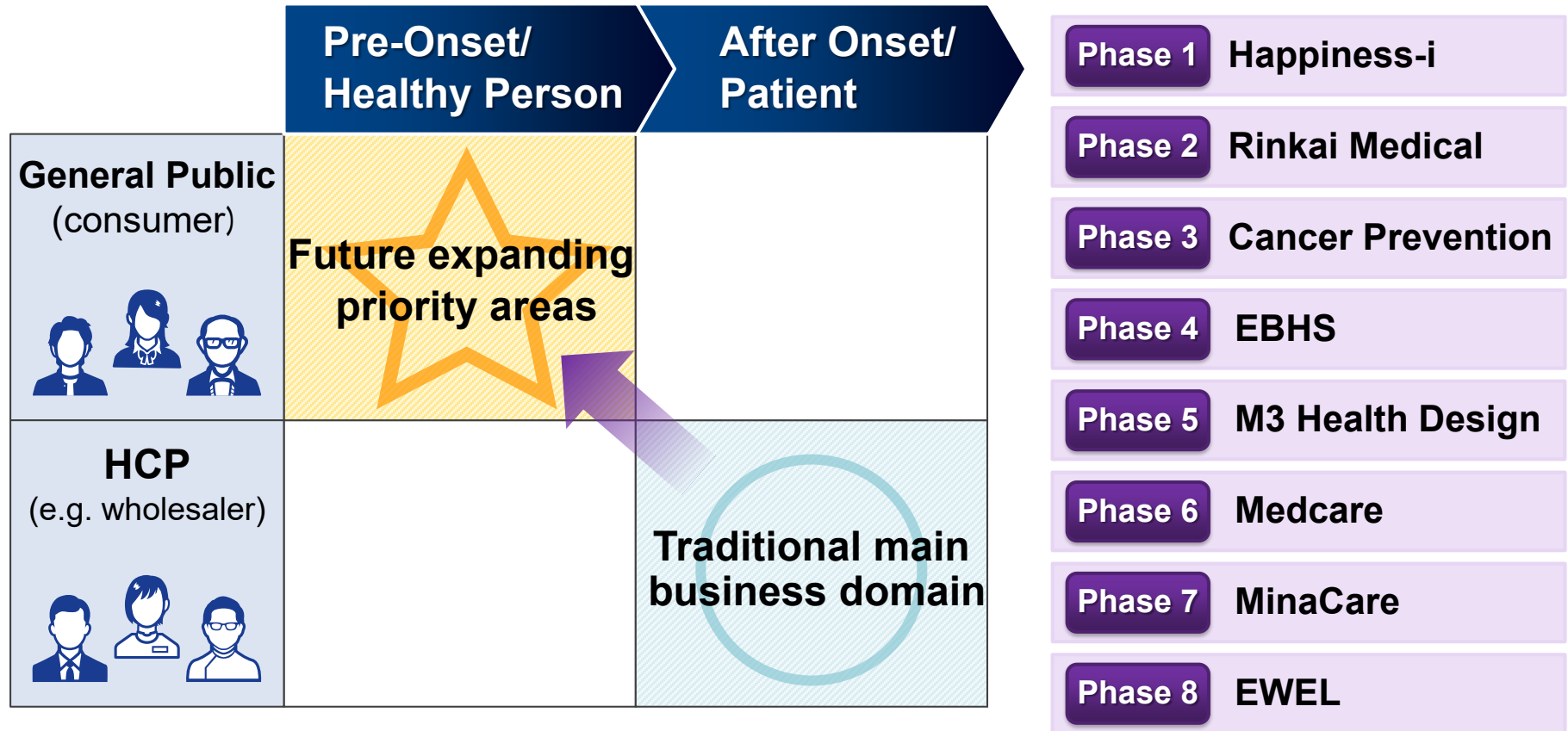
Unit: Index with FY2023 as 100



 The next ten years will be based on ecosystem synergies, including internal and external collaborations, to further promote healthcare problem-solving/social impact creation, and business expansion

*Sum of value additive projects spanning across multiple business lines and data utilization. Definitions will be reviewed as necessary, including this time

“The White Jack Project”

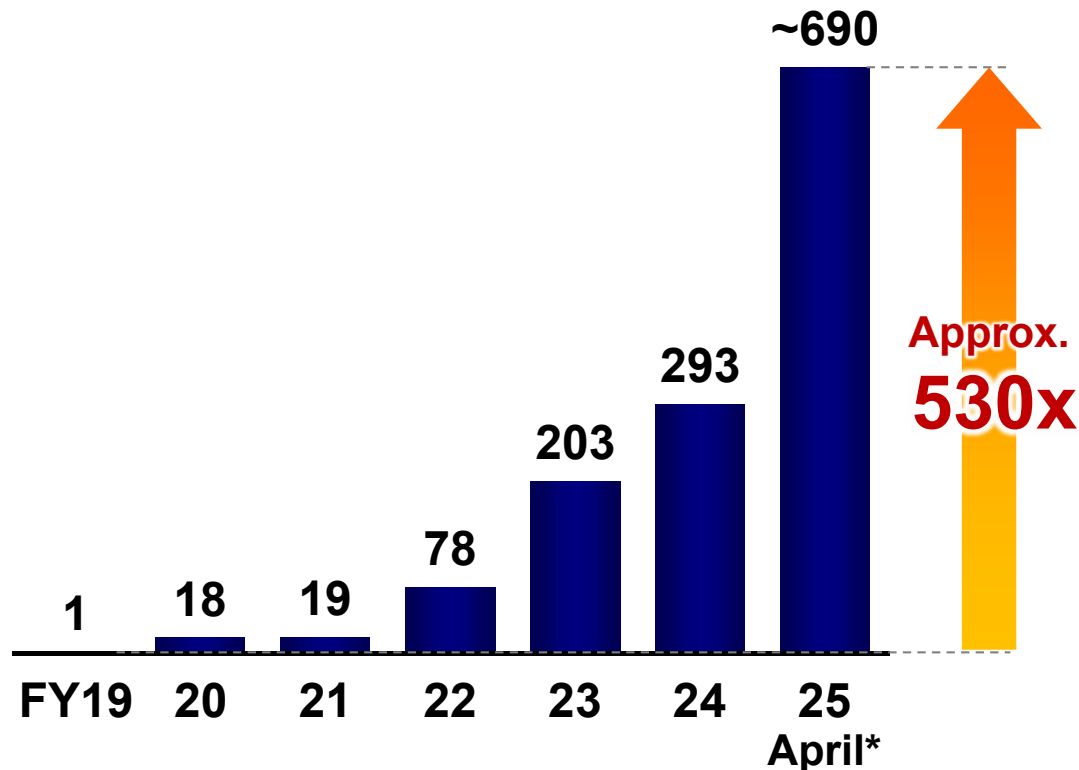


 Following the addition of EWEL, the expansion of the White Jack Project has gained momentum

Expand Coverage of Enterprise Services

Number of Employees Covered by Enterprise Services

Unit: 10,000 ppl



Covers approx. 3 million employees as of FY2024Q4, and ~6.9 million as of April 2025, with the following services

- EBHS Life
- Cancer prevention, PSP
- AskDoctors
- Booking & conducting medical check-ups
- Employee health data management
- Dispatch of industrial physicians and stress checks
- Services for health insurance associations
- Employee benefit platform

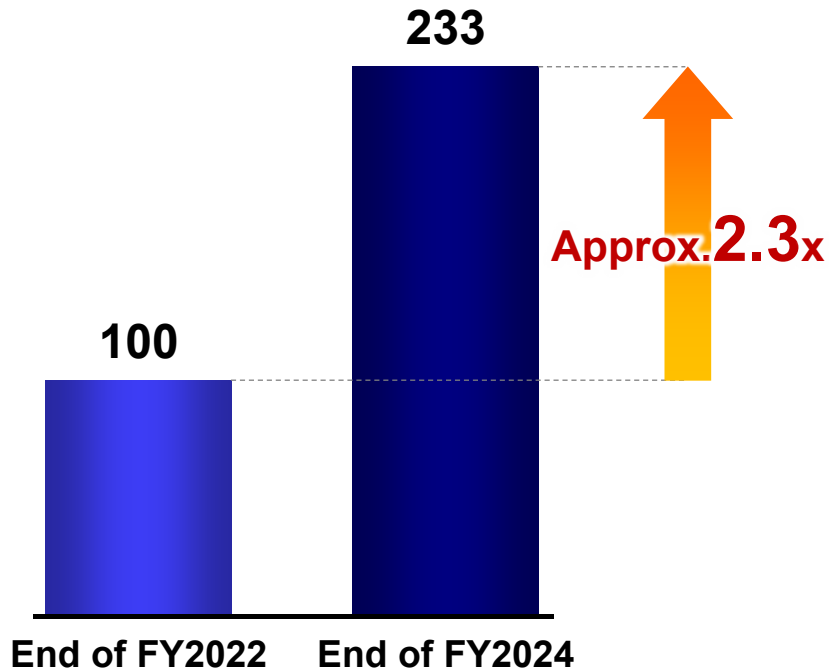
 Expanding business foundation to create ecosystem synergies...to approx. 3 million people. From FY2025Q1, the addition of EWEL marks the transition to a new phase

* Including approx. 4 million of service users of EWEL who are reachable via email and other means (to be refined)

KPI Trend of Main Services

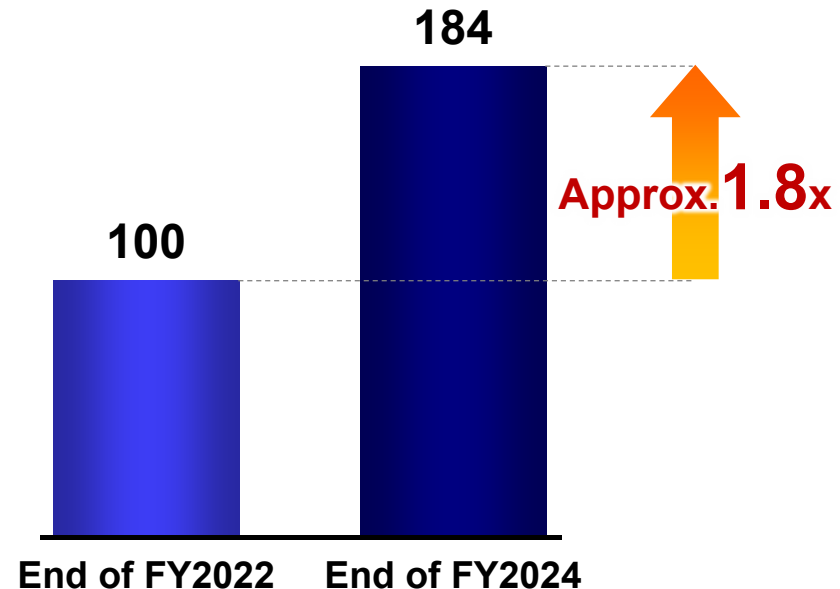
of Accounts for Employee Health Data Management Service⁽¹⁾

Unit: Index with the end of FY2022 as 100



of Client Worksites for the Occupational Physician Dispatch Service⁽²⁾

Unit: Index with the end of FY2022 as 100



The development of individual services in “the White Jack Project” is progressing smoothly

(1) “Happiness Partners” provided by M3 Health Design

(2) Provided by M3 Career

Social Impact Creation



Prioritizing CSV (Creating Shared Value) to Generate Social Impact

SDGs and CSV: M3's CSV positioning

SDGs

Sustainable Development Goals

(Development goals which are possible to sustain)

Detail

International objectives that governments, businesses and individuals in all countries aim to achieve with regard to human rights, the environment and development

Positioning for companies

Each company fulfills its responsibilities towards international targets

Relevance to corporate mission

Not necessarily linked to the company's mission

CSV

Creating Shared Value

(Creation of shared values)

Initiatives by companies to solve social problems through their core business

Balancing corporate growth and solving social issues

Fully consistent with corporate mission/purpose

Under M3's mission of "Making use of the Internet to increase, as much as possible, the number of people who can live longer and healthier lives, and to reduce, as much as possible, the amount of unnecessary medical costs," we are also committed to SDGs through its CSV activities

M3's CSV* Impact (1/2): Patients / End Users



Providing a Seamless Healthcare Experience

Number of medical consultations using Digikar Smart: over 13 million in a year, more than double compared to the previous fiscal year

Reduction of 4.14 million hours spent in clinics

Including the above, 36.7 million hours of patient waiting time reduced by the M3 Group... corresponding to approx. 4,200 years or the life expectancy of 50 ppl**

FY2024, from a group total of about 40.5 million receptions

Professional Advice Provision for Health Concerns

Offering physicians answers online to daily health concerns; ~310,000 posted questions gathering approx. 74 million UU views in a year

FY2024



Granting Wishes for Severely Ill Patients

49 wishes granted through the CaNoW program; over 1.5 million PVs of videos and articles documenting the grants

As of April 2025, since the service launch in 2019

Support for corporate health management and employee health promotion

Accelerate efforts in the pre-symptomatic state and preventive medicine, with approx. 3 million employees covered

FY2024



* CSV = Creating Shared Value

** Calculated based on the average life expectancy of Japanese men and women as of 2024 (<https://www.mhlw.go.jp/toukei/saikin/hw/life/life23/index.html>, as of April 15, 2025)

M3's CSV* Impact (2/2): Medical Professionals

Information Provision for all HCPs

Approx. 9.8 million viewers in total for web conferences, etc.**

FY2024



Medical Examination Support

Supporting medical examinations through the management of information across over 400 million electronic health records, all across the world

As of FY2024

Productivity Improvement for Pharma Companies

Distribution of more than 70 million e-details; equivalent to the workload of 36,000+ MRs, over 3/4 of the total MRs in Japan

FY2024



 **Actualizing M3's mission across various areas, to reduce unnecessary medical costs and to support healthier lives using digital technologies**

* CSV = Creating Shared Value

** Including the number of audience of "m3TV" from FY2024

Shareholder Returns

Capital Allocation Policy and Shareholder Returns

- **Basic Policy:** To strengthen the management foundation and prepare for new business development, profits will be retained internally and reinvested
- **Determine the level of shareholder returns by comprehensively assessing capital demands and cash flow conditions**

Dividend from Retained Earnings

Dividend per share	JPY 21
Total dividends	JPY 14.3 Bn
Dividend payout ratio	35.2%

Repurchase of Own Shares

Total shares acquired	Max. 20 million shares (2.95% of total shares outstanding*)
Total acquisition cost	Max. JPY 20 Bn
Acquisition period	May 3, 2025~April 30, 2026

 **Carry out shareholder returns of up to a total of JPY 34.3 Bn, based on JPY 40.5 Bn in profit attributable to owners of the parent**

* Excluding treasury shares

FY2025 Outlook

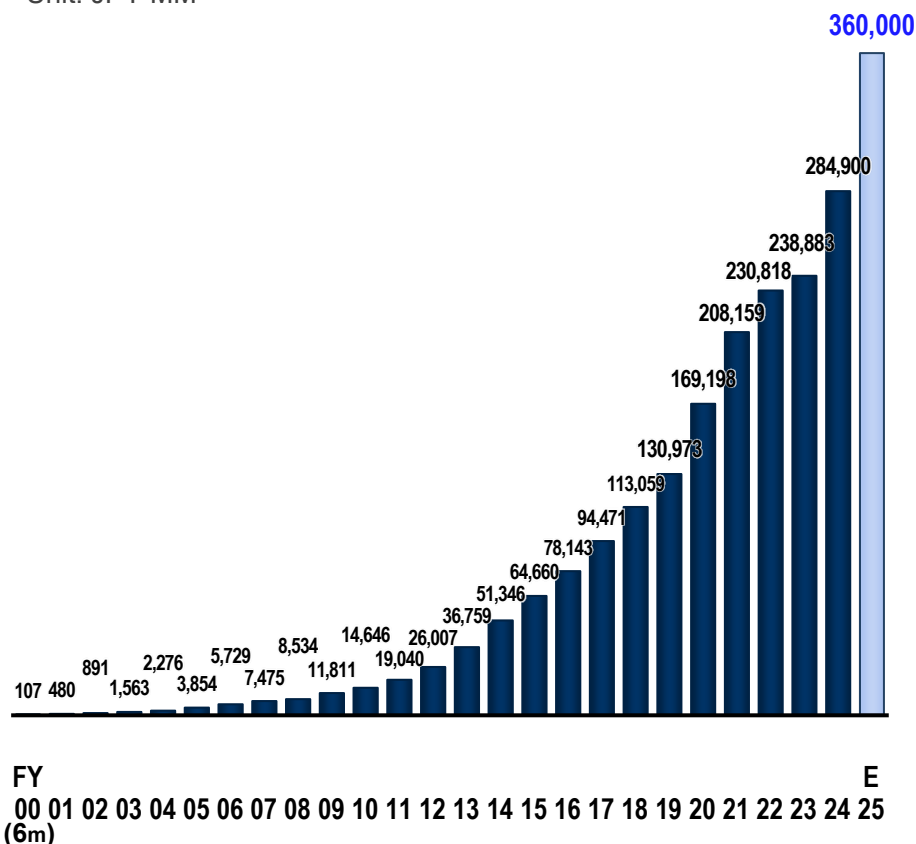
FY2024 and FY2025 Outlook

			FY2024		FY2025 Outlook
Driver 2: Individual Business Development	Driver 1: Ecosystem Expansion	<ul style="list-style-type: none"> Annualized contribution from FY2024 acquisitions New acquisitions in FY2025 not embedded 	++	→	+
	Medical Platform	<ul style="list-style-type: none"> Negative impact from COVID-related sales drop in pharma marketing support to almost subsidy; aiming for renewed growth by capturing structural DX movements Steady growth expected in other businesses such as clinic DX 	—	→	+
	Evidence Solution	<ul style="list-style-type: none"> Immaterial negative impact from COVID-related sales drop; continue to further promote the reform of the sales function in FY2025 	--	→	++
	Career Solution	<ul style="list-style-type: none"> Both businesses for physicians and pharmacists are expected to continue growing 	++	→	++
	Site Solution	<ul style="list-style-type: none"> Steady growth expected in respective businesses, while embedding temporary negative impacts mainly due to expansion of upfront investments 	++	→	±
	Patient Solution	<ul style="list-style-type: none"> Aim to expand both domestic and international businesses through synergy creations with M3, such as service developments and sales collaborations 	N/A	→	+
	Overseas	<ul style="list-style-type: none"> Steady growth expected in respective regions, excluding FX fluctuation impact with assuming yen to become stronger compared to FY2024 US clinical trials business normalized; efforts are underway to promote renewed growth 	++	→	++
Driver 3: Ecosystem Synergy Creation		<ul style="list-style-type: none"> Accelerate the growth of the White Jack Project with the EWEL acquisition 	+	→	+

Annual Results and Forecasts

Revenue

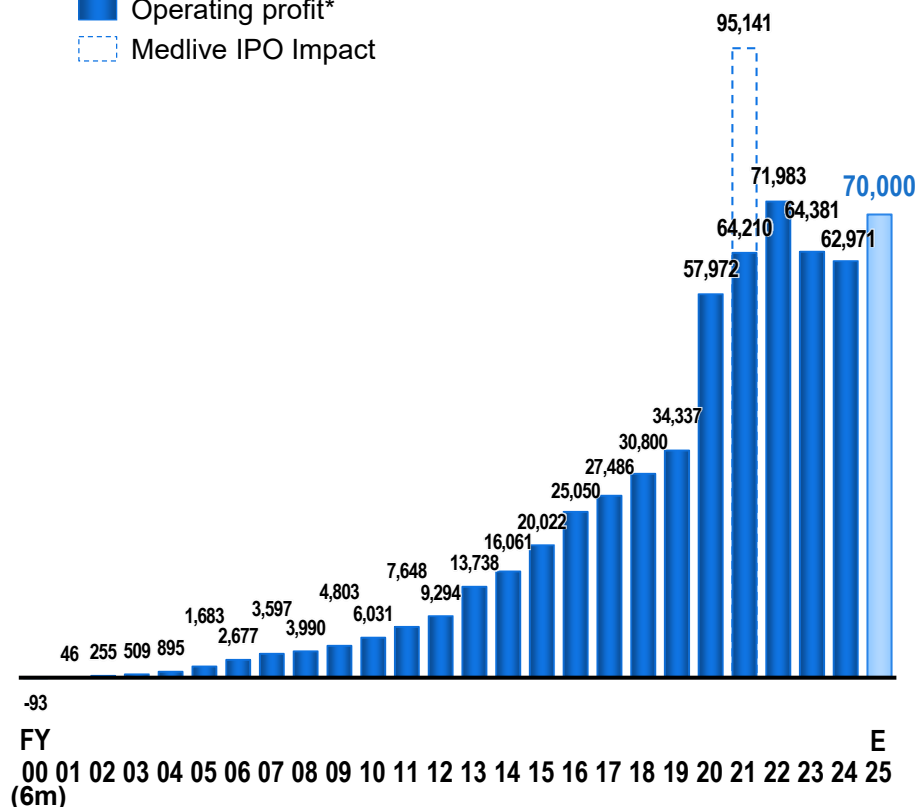
Unit: JPY MM



Operating Profit

Unit: JPY MM

■ Operating profit*
 □ Medlive IPO Impact



 In line with tradition, we aim to expand our business foundation and achieve growth from a medium to long-term perspective

* FY2021 excludes gains related to Medlive IPO

Abbreviations of Segment Names

Segment name abbreviations are used following the definitions outlined below:

<u>Official Segment Name</u>	<u>Abbreviation</u>
■ Medical Platform	MP
■ Evidence Solution	ES
■ Career Solution	CS
■ Site Solution	SS
■ Patient Solution	PS

