₩ M3, Inc.

Al Medtech "COVID-19 Pneumonia Image Analysis Program Ali-M3"

Gains Approval for Manufacturing & Sales, Launches Distribution

M3 Inc. (Headquarter: Tokyo, Japan; CEO: Itaru Tanimura; URL: <u>https://corporate.m3.com/;</u> "M3," below) and Alibaba Cloud gained manufacturing and sales approval^{*1} for "COVID-19 Pneumonia Image Analysis Program Ali-M3 ("Ali-M3," below)," a medical image analysis software which specifies a confidence level of infection to support the diagnosis process. Distribution will span across nationwide medical institutions battling COVID-19 on a daily basis.

1. Background

The pandemic has become a social problem to say the least, pushing Japan to the brink of a medical collapse that instigated a state of emergency during its first wave. Although the state of emergency has been retracted for now, preventative tactics, early detection, vaccines and drugs development are of utmost priority in preparing for the second wave, with medical technology such as Ali-M3 becoming essential to the revival of economic activity.

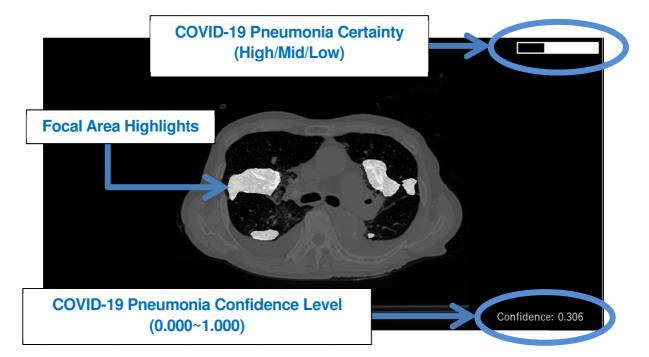
COVID-19 is currently diagnosed through PCR tests and antigen detection, along with patients often also receiving CT exams, making image analysis that provide immediate results very valuable. Given Japan has one of the highest numbers of CT machines per population*², and with CT exams standardized across various normal and emergency medical examinations, Ali-M3 is expected to become a widely used support tool in the triage scene as well.

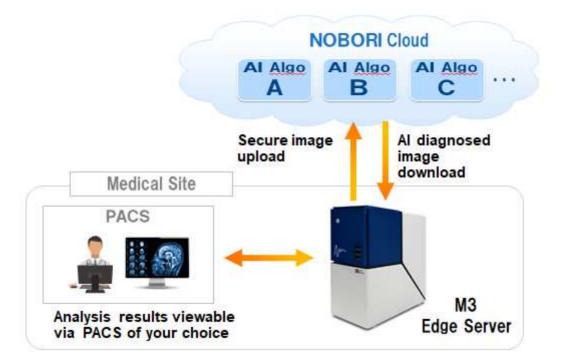
Although Ali-M3 is positioned as a diagnosis support tool (not a final diagnosis determinant), it has been developed to assist in reduction of physical and psychological burden on medical professionals, and to ultimately suppress a collapse in medical care.

2. About Ali-M3

Ali-M3 utilizes an Al algorithm developed by Alibaba Damo (Hangzhou) Technology Co., Ltd, a company that develops Alibaba Cloud. Its main function is to provide a confidence level for COVID-19 visual cues observable within CT images, and highlighting such focal areas. The algorithm was developed using deep learning based on 7,038 image data cases (of which 3,067 were COVID-19 positive).

A nationwide (approx. 800 cases) image data clinical performance study was also conducted to evaluate its accuracy ahead of approval applications. We aim to broaden its distribution through the M3 Edge Server, being distributed by M3 AI Lab and NOBORI Ltd. (CEO: Yoshihisa Yoda; Headquarter: Tokyo, Japan; "NOBORI," below), which can connect to any PACS^{*3} system at a medical facility.





3. Special Free Service Provision

Free diagnosis support using Ali-M3 and M3 Edge Servers will be provided across 100 medical sites for a period of 4 months^{*4}. The development of this service has been in part funded by the Sony Global Relief Fund for COVID-19.

^{*1} Approval application for manufacturing and distribution was obtained by M3's subsidiary, MIC Medical Corp, (Headquarter: Tokyo, Japan; CEO: Masanobu Mitsuhashi).

^{*2} 111.49 CT machines per 1 million in Japan, highest across the 34 countries with recorded data. (Ref: OECD Health Statistics (2017)

^{*3} PACS: A picture archiving and communication system (PACS) is a medical imaging technology which provides economical storage and convenient access to images from multiple modalities (source machine types). (Ref: Wikipedia)

^{*4} Additional sponsorships are possible to support further distribution