FOR IMMEDIATE RELEASE: 2019/9/9

Akasaka Intercity, 1-11-44, Akasaka, Minato-ku, Tokyo 107-0052
Phone +81-3-6299-8905 Fax +81-3-6299-8922
https://corporate.m3.com pr@m3.com

Capital Alliance with Lily MedTech

～ 7P Project: Painless Breast Cancer Diagnostic Device Development～

M3, Inc. (Headquarters: Tokyo, Japan; CEO: Itaru Tanimura; URL: https://corporate.m3.com/en/ ; "M3" below) has announced a capital alliance with Lily MedTech (Headquarters: Tokyo, Japan; CEO: Shiho Azuma; "Lily MedTech" below), as a part of the new "7P Project" initiatives.

1. Background

M3 operates m3.com, a specialized web portal for medical professionals that delivers healthcare related information to its 280,000+ physician members in Japan, and offers marketing and clinical trial services. Recent business expansion have been in areas such as AI diagnostic tool development, genome diagnostics provision, and stroke rehabilitation centers, no longer limited to pharmaceutical marketing. "7P Projects" aim to integrate such businesses in order to provide holistic solutions for multiple issues within individual therapeutic areas. Presence outside of Japan include the U.S., U.K., France, China, Korea and India, with aggressive business expansion overseas that has amassed over 5.5 million physicians as members across our global platforms, allows provision of services such as marketing support, marketing research, and job placement support that leverages on the platform's powerful value as a media channel.

Lily MedTech is a Tokyo University venture developing a ring shaped ultrasonic transducer based breast imaging diagnostic device. Founded in May 2016 based on research findings of Dr. Takashi Azuma (Lily MedTech Director and CTO as of April 2019), previously a professor at The Tokyo University's Center for Disease Biology and Integrative Medicine, Lily MedTech has been selected by public agencies such as NEDO[*1], AMED[*2], and J-Startup[*3], and has been a focus across Japanese medical societies.

Breast cancer is globally the most contracted disease for women globally, and 1 in 11 Japanese women contract breast cancer, and is the top cause of death for Japanese women between the age of 30~64. On the other hand, examination rate is only half of that in the US (roughly 40%). It has been found that early detection can cure over 90% of cases, and hence

early detection is said to be imperative.　Mammography (breast x-ray device) is prevalent as a breast cancer diagnostic device globally, however, issues surrounding pain upon examination, radiation exposure risk, and lower accuracy for dense breasts still exist.

In attempt to provide solutions to these issues, Lily MedTech is developing a ring shaped ultrasonic transducer based breast imaging diagnostic device, and is planning for market launch within two years.　Furthermore, future plans include automatic AI diagnostic support equipment to distinguish the captured images.

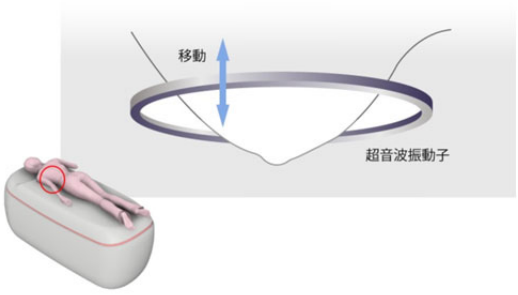
*1　New Energy and Industrial Technology Development Organization
*2　Japan Agency for Medical Research and Development
*3　Start-up development program provided by the Ministry of Economy, Trade and Industry

■ Lily MedTec's Diagnostic Ideals

Simply place the breast into the opening……

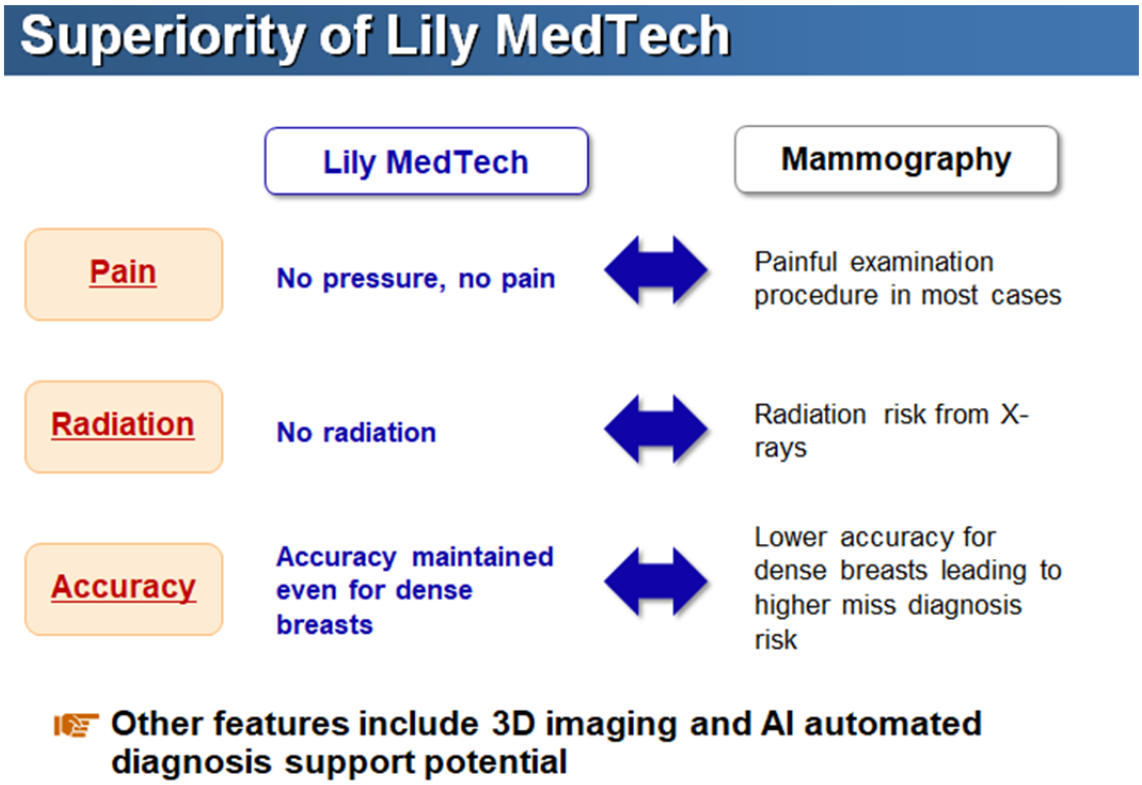
✓ Eliminate need for contact by or exposure to others
✓ Ultrasonic device eliminates radiation risk, and is suitable for dense breasts
✓ No pressure and distortion of breast shape allows for 3D imaging of the entire breast that is much closer to the actual breast shape
✓ Improved accuracy with diagnosis support technology

■ Device Image (left); usage image (right)



Ref: Lily MedTech

A ring shaped ultrasonic transducer moves on a vertical axis to capture an internal image of the breast once the patient lies face down on the device and places a breast into the opening.　The transducer never touches the patient, and therefore causes no discomfort.　Furthermore, it is expected that the downward positioning of the breast allows for images that are easier to reproduce.



※Unapproved in Japan as of September 9, 2019.

2. Expected Synergies

(1) Regulatory Strategy and Clinical Development Support

M3 group's research and development support expertise in the area of advanced medicine expected to support Lily MedTech's regulatory strategy formulation and clinical development for expedited approval.

(2) Post Launch Market Expansion

M3 group's platforms with over 5.5. million doctor members expected to support post launch marketing and research efforts for Lily MedTech's diagnostic device.

3. Strategic Positioning of this Project

Recent business expansion has been in areas no longer limited to pharmaceutical marketing. "7P Projects" aim to integrate such businesses in order to provide holistic solutions for multiple issues within individual therapeutic areas. Breast cancer is one such area, with Lily MedTech's diagnostic device being an integral part of a larger scheme of combined services to address issues that support improvement of diagnosis rate, proper treatment, and provision of aftercare.