

Appendix for the 1st Quarter of 41th business period (Fiscal Year Ending March 31, 2025)



July 31, 2024

TECHMATRIX CORPORATION (code : 3762)



1. Business Highlights for the 1st Quarter business period (Consolidated)

- The **highest** for 1Q consolidated revenue, operating profit, profit before tax and profit attributable to owners of parent.

(¥million)

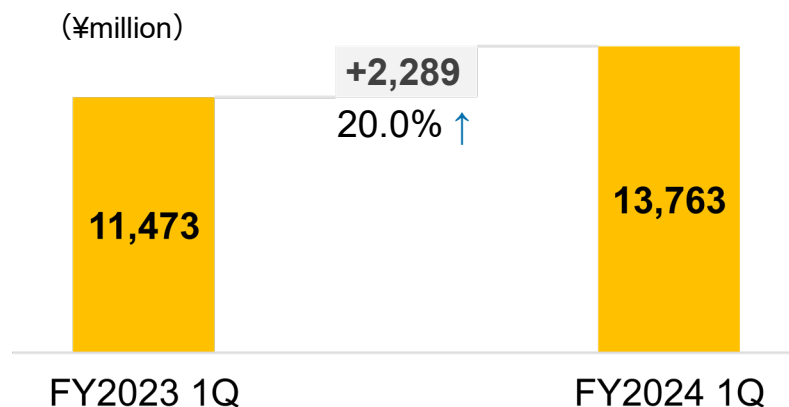
| | FY2023 1Q | FY2024 1Q | YoY | |
|--|--------------|--------------|--------|-------------|
| | | | Change | Change % |
| Revenue | 11,473 | 13,763 | +2,289 | +20.0% |
| Operating profit | 898 | 1,113 | +215 | +24.0% |
| Profit ratio | 7.8% | 8.1% | | +0.3P |
| Profit before tax | 910 | 1,130 | +220 | +24.2% |
| Profit attributable to owners of parent | 560 | 726 | +165 | +29.6% |

(¥million)

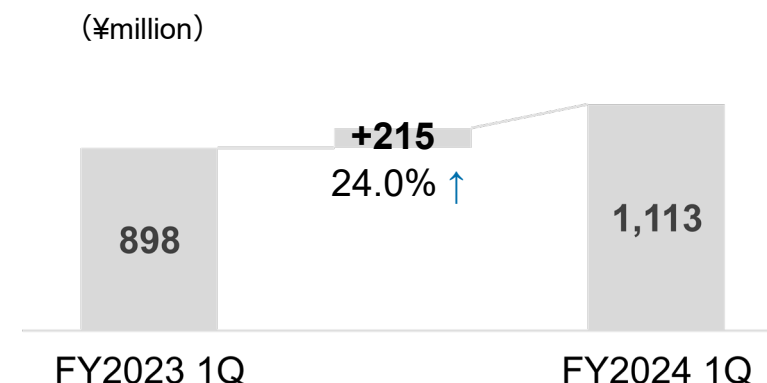
| | FY2023 1Q | | | FY2024 1Q | | | YoY | |
|----------------------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|
| | Results | % | Profit ratio | Results | % | Profit ratio | change | Change % |
| Revenue | 11,473 | 100.0% | | 13,763 | 100.0% | | +2,289 | +20.0% |
| Information Infrastructure | 7,478 | 65.2% | | 9,606 | 69.8% | | +2,128 | +28.5% |
| Application Service | 1,883 | 16.4% | | 2,102 | 15.3% | | +219 | +11.6% |
| Medical System | 2,112 | 18.4% | | 2,054 | 14.9% | | △57 | △2.7% |
| Operating profit | 898 | 100.0% | 7.8% | 1,113 | 100.0% | 8.1% | +215 | +24.0% |
| Information Infrastructure | 646 | 72.0% | 8.7% | 940 | 84.5% | 9.8% | +293 | +45.4% |
| Application Service | 34 | 3.8% | 1.8% | 63 | 5.7% | 3.0% | +29 | +85.8% |
| Medical System | 216 | 24.1% | 10.3% | 109 | 9.8% | 5.3% | △107 | △49.7% |

Information Infrastructure Business: Demand for cloud-based security products drove overall performance.
Application Service Business: Progress in the shift to stock business contributed to performance, with double-digit revenue growth YoY in the CRM, SE, BS, and EdTech fields.
Medical Systems Business: For business expansion, Personnel expenses and aggressive development investments increased.

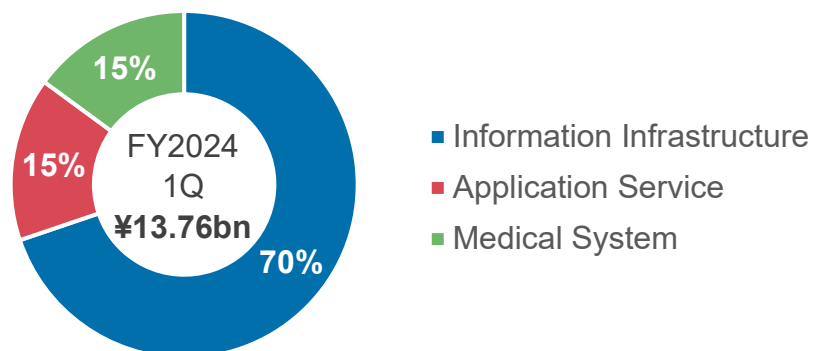
Revenue



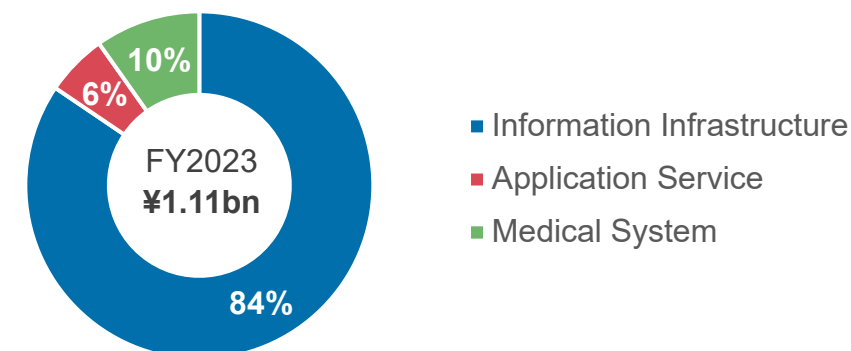
Operating profit



Revenue breakdown



Operating profit breakdown



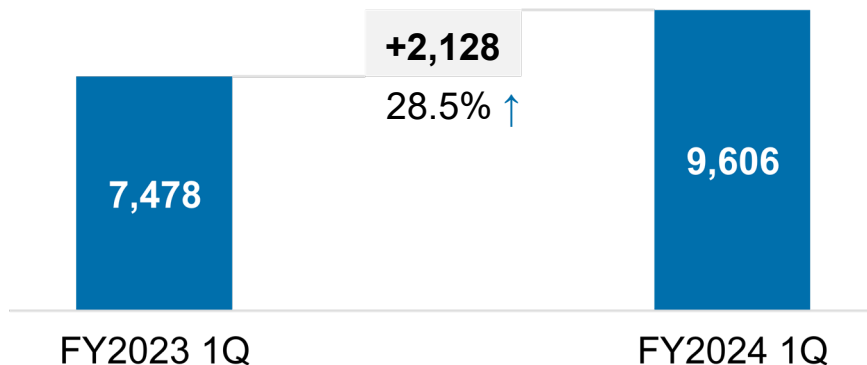


Business Highlights for FY2024 1Q by Segment (Consolidated)

Information Infrastructure Business

Revenue

(¥million)



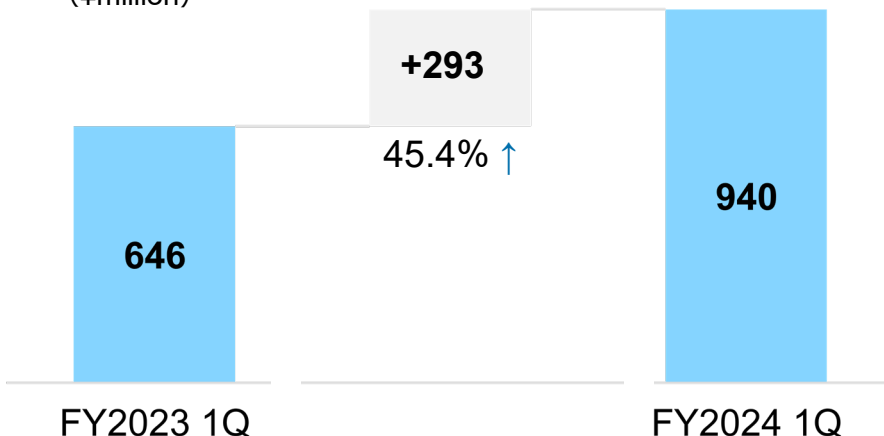
The **highest** for 1Q consolidated revenue and Operating profit.

- **Revenue**

- (+) Increasing demands for cloud-based security products(subscription-based).
- (+) Strong demand for Next-generation anti-virus products utilizing AI.
- (+) Strong demand for Next-Generation Mail security solutions.
- (+) Accumulation of multi-year subscriptions.

Operating profit

(¥million)



- **Operating profit**

- (+) SG&A expenses less increased compared to Revenue growth.
- (+) Operating Profit of CROSS HEAD improved YoY.
- (+) Thoroughly conducted sales activities with profitability in mind.

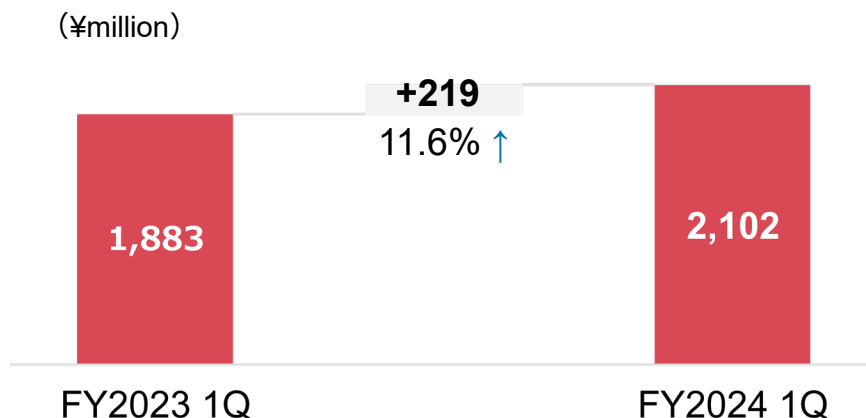


Business Highlights for FY2024 1Q by Segment (Consolidated)

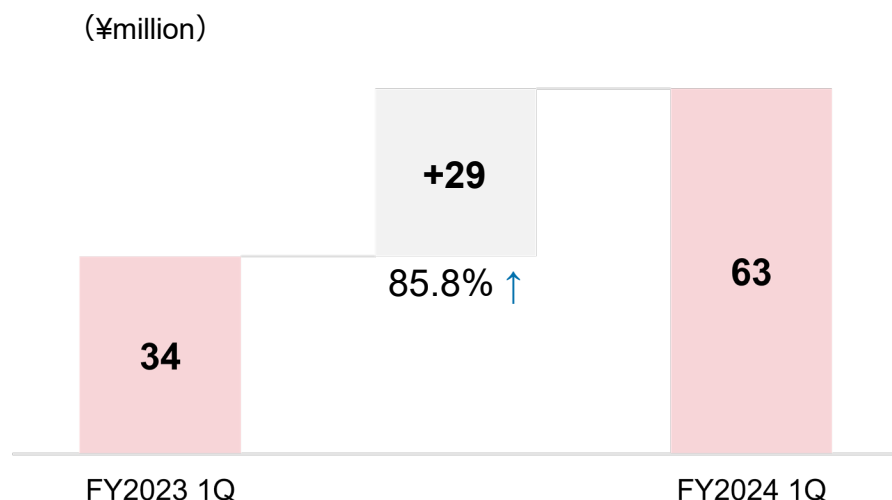
Application Service Business



Revenue



Operating profit



Revenue and Operating profit increased YoY.

- **Revenue**

- (+) Demands on quality testing tools for enterprise systems and embedded software were strong. (SE)
- (+) In the CRM field and Software Quality Assurance field, revenue and operating profit increased due to the accumulation of stock-type businesses accelerated by the progress of subscriptions. (CRM, SE)
- (+) Increased revenue due to the increase of number of schools using "tsumugino". (EdTech)

- **Operating profit**

- (-) Increased in labor and SG&A expenses due to business expansion.
- (-) Increased amortization expenses due to the previous year's strategic investments on products development. (EdTech)

※ Division name abbreviation
CRM: Contact center / Call center
SE: Software quality assurance
BS: Business solution
EdTech: Education

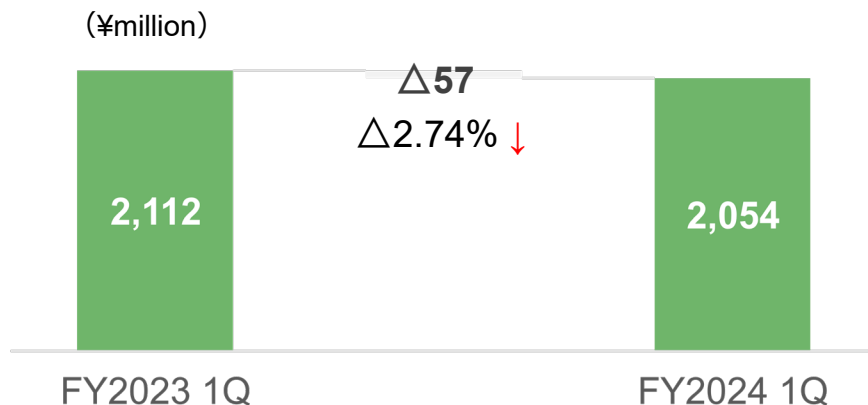


Business Highlights for FY2024 1Q by Segment (Consolidated)

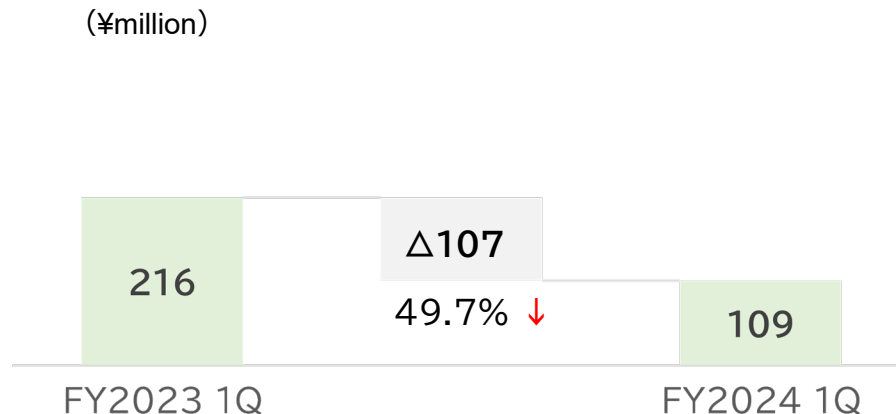
Medical System Business

TechMatrix

Revenue



Operating profit



Revenue and Operating profit decreased YoY.

• Revenue

- (+) The medical imaging system (PACS) is steady.
- (+) NOBORI, a medical information cloud service and a PHR application, performed well.
- (-) On-premise projects in 1Q were delayed.
- (-) Gradual shift to cloud computing

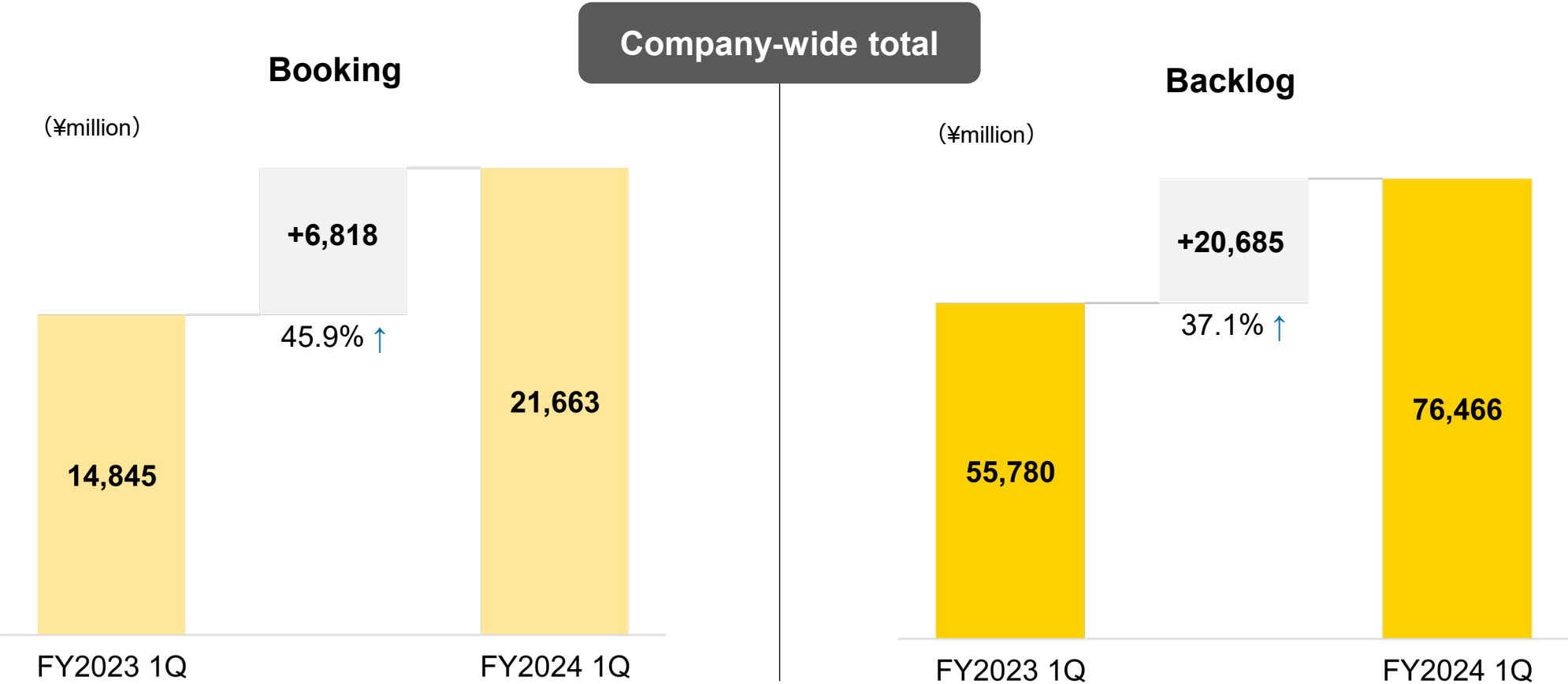
• Operating profit

- (+) Special factors such as costs related to unification of treatment systems have been eliminated. (¥98million)
- (-) Increased in SG&A expenses due to increase in number of employees.
- (-) Increased in SG&A expenses due to aggressive development investment.



Booking and Backlog for FY2024 1Q (Consolidated)

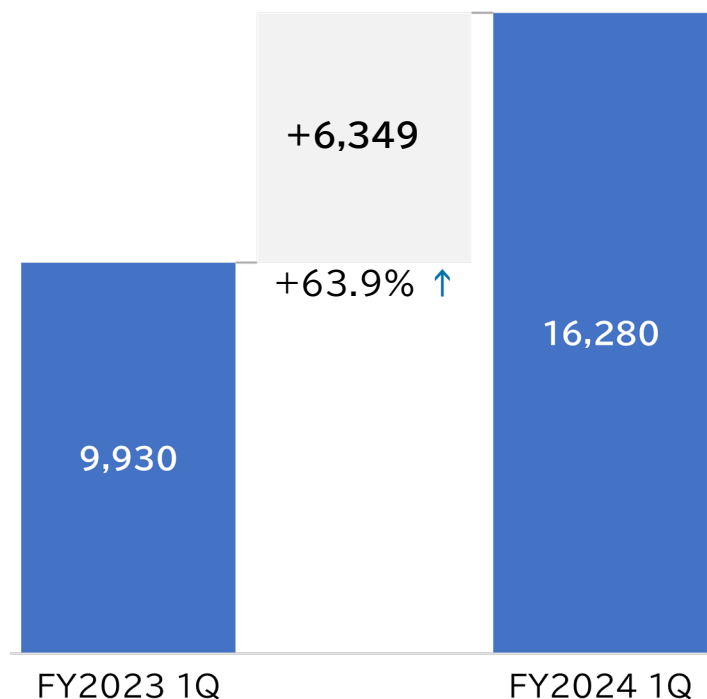
- Booking was strong compared to the last fiscal year.
- Strong backlogs, in particular, in Information Infrastructure business.
- Market conditions were favorable for all Information Infrastructure, Application Service, and Medical System businesses. Bookings steadily increased.



- **Information Infrastructure Business** : Increased demands for cloud-based security products (new / renewal).
- **Application Service Business** : All segments performed well, especially in the Software quality assurance field.
- **Medical System Business** : Bookings for medical image management systems (PACS) were steady and exceeded the plan.

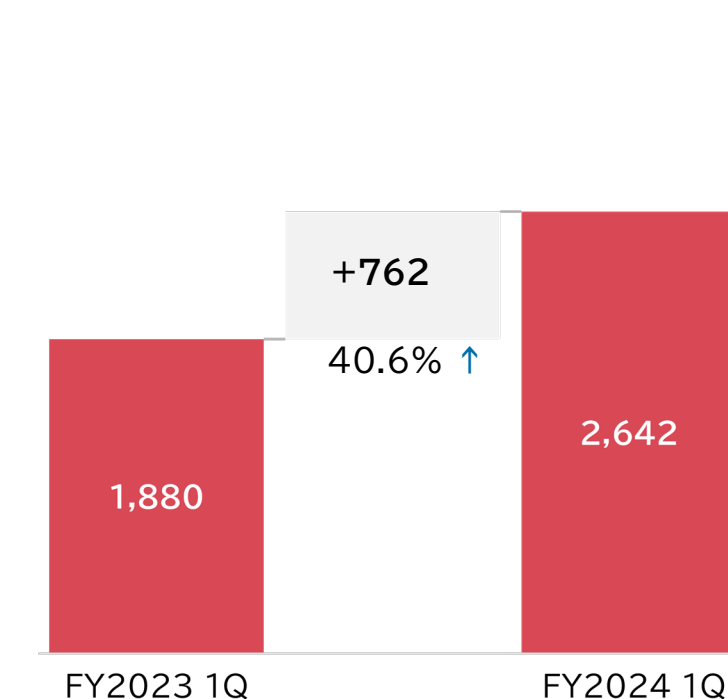
Information Infrastructure Business

(¥million)



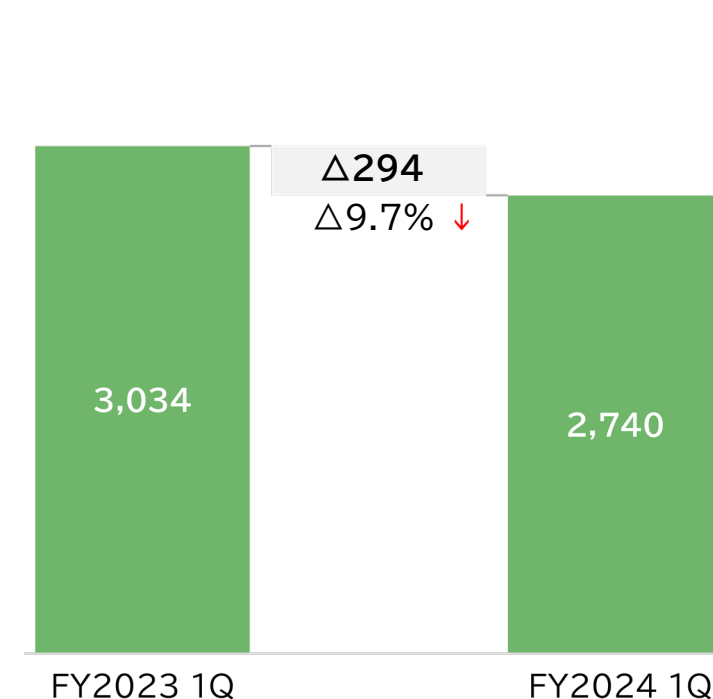
Application Services Business

(¥million)



Medical System Business

(¥million)



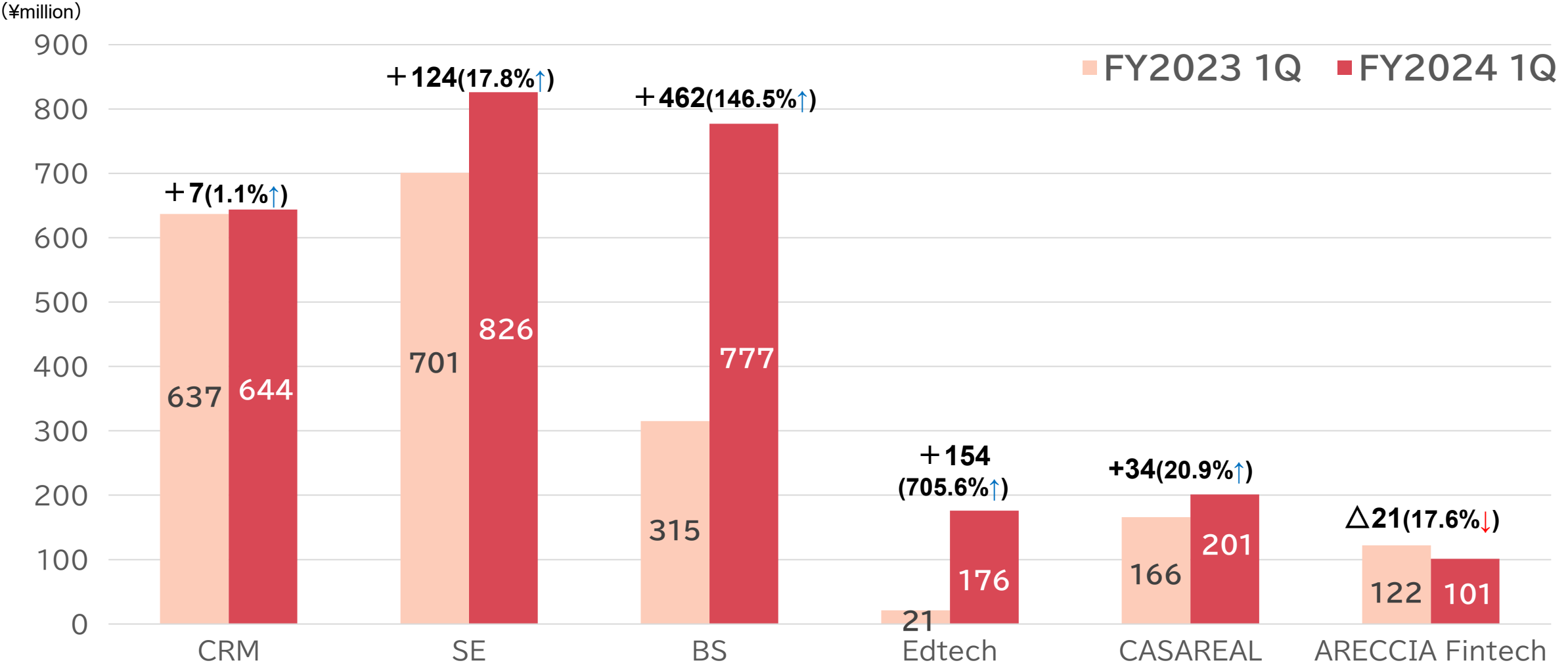
※ Division name abbreviation

CRM: Contact center / Call center, SE: Software quality assurance, BS: Business solution, EdTech: Education



Booking for FY2024 1Q by Field (Consolidated)

Application Service Business



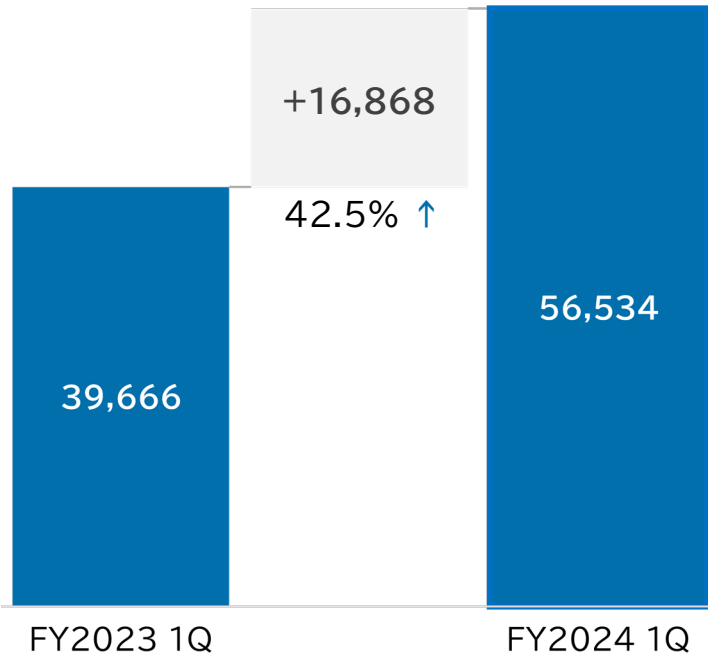
※ Figures before consolidation adjustments between divisions

※ Division name abbreviation
CRM: Contact center / Call center, SE: Software quality assurance, BS: Business solution, EdTech: Education

- In increasing tendency due to shift to subscription (strengthening stock business).

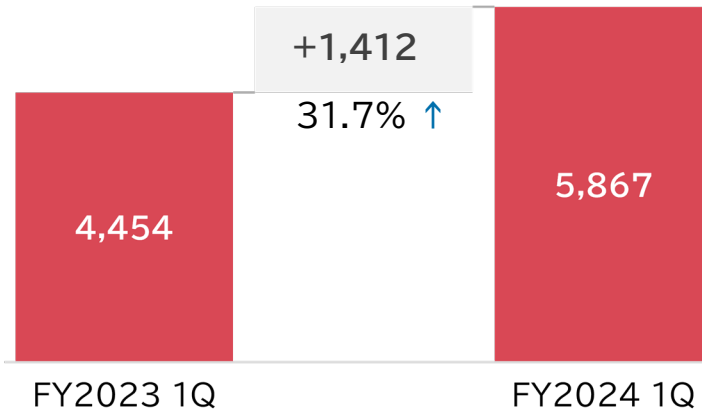
Information Infrastructure Business

(¥million)



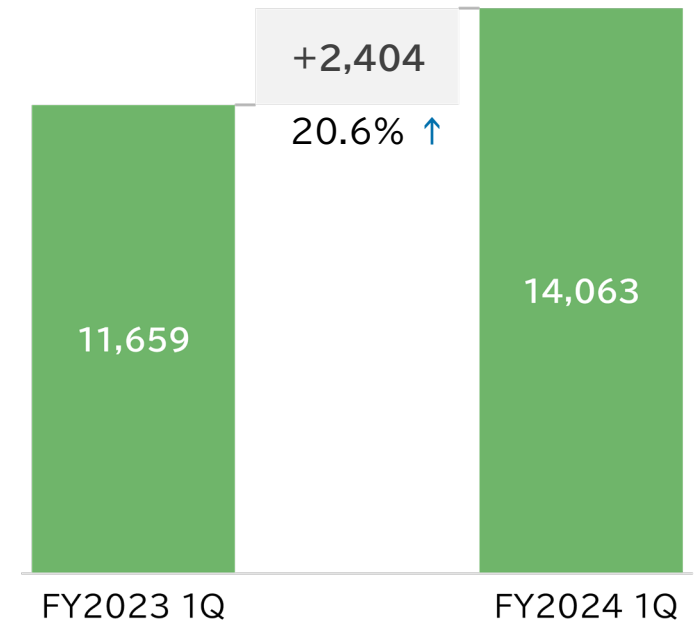
Application Services Business

(¥million)



Medical System Business

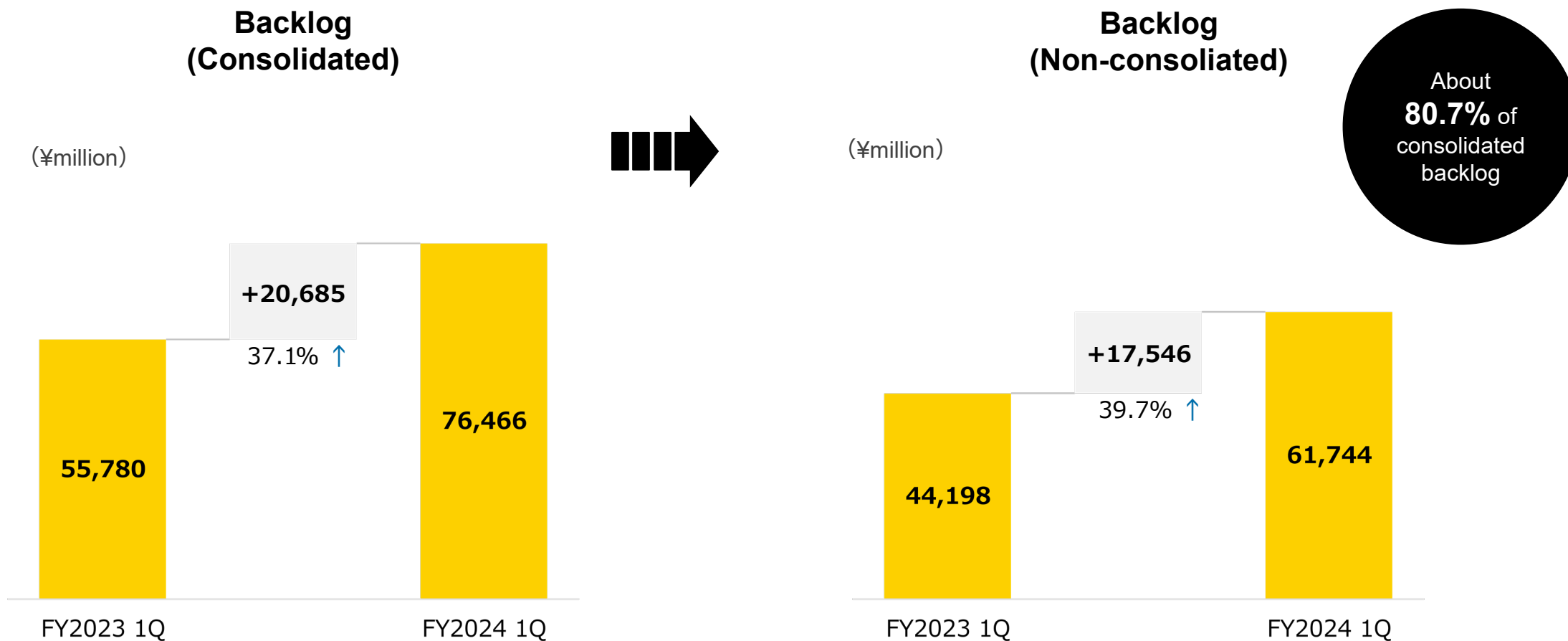
(¥million)





Backlog for FY2024 1Q (Non-Consolidated)

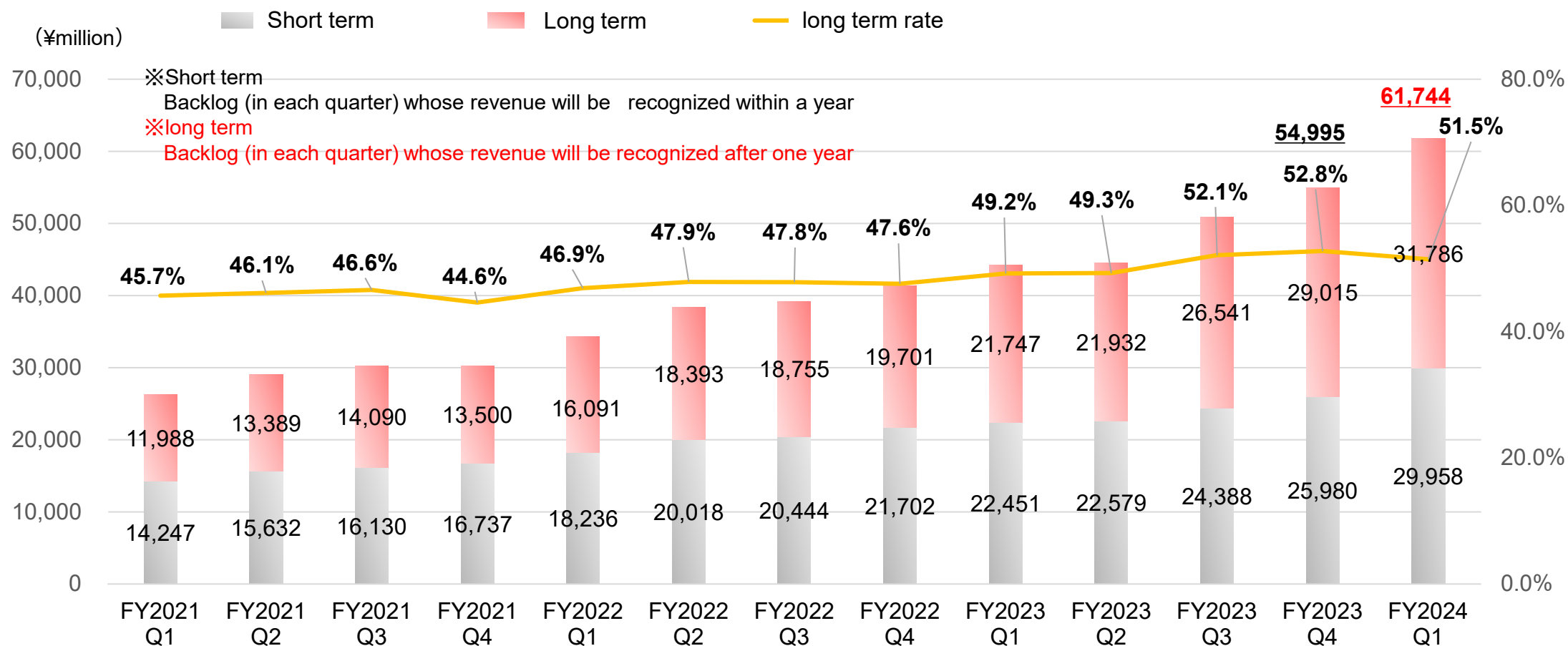
- Consolidated and non-consolidated (TechMatrix only) backlogs are as follows.





Backlog for FY2024 1Q (Non-Consolidated)

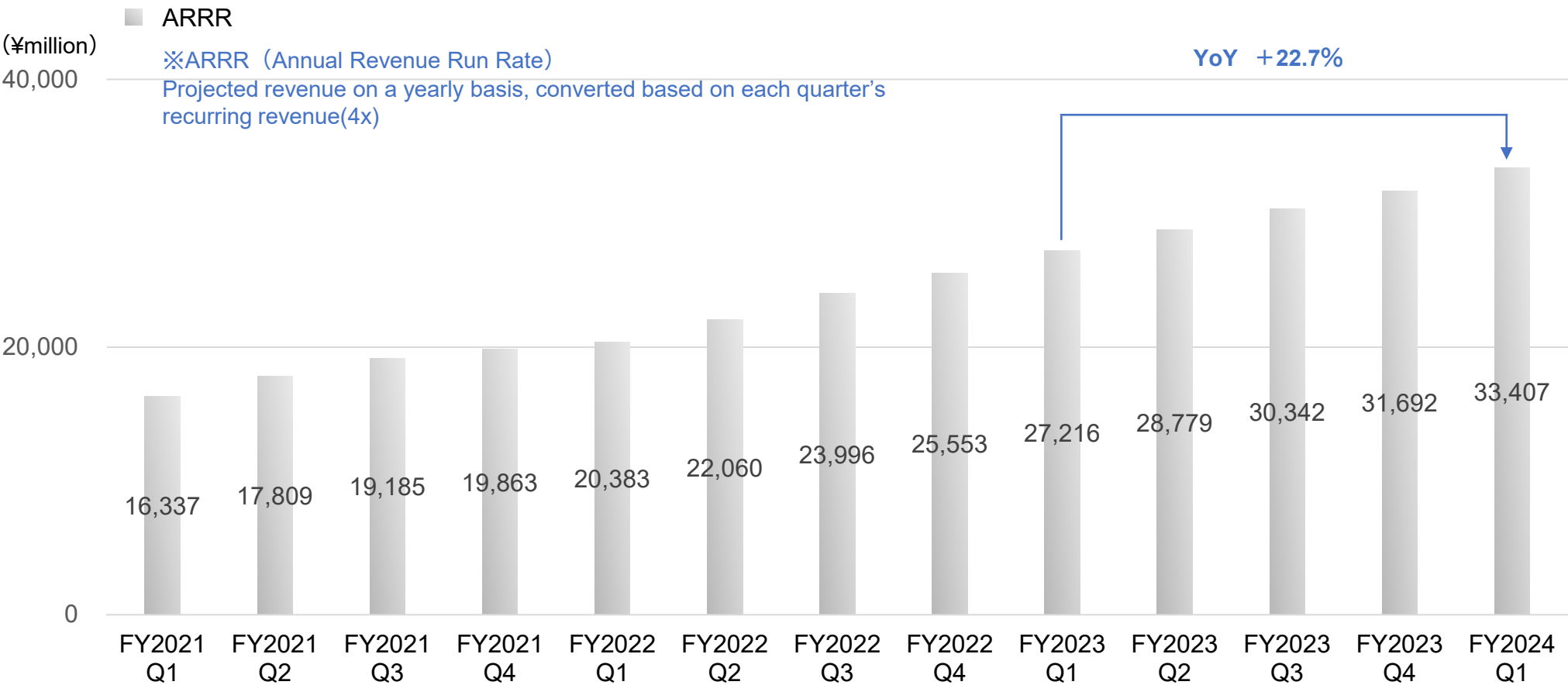
- Non-consolidated backlog (for only TechMatrix) are as follows.





ARRR for FY2024 1Q (Non-Consolidated)

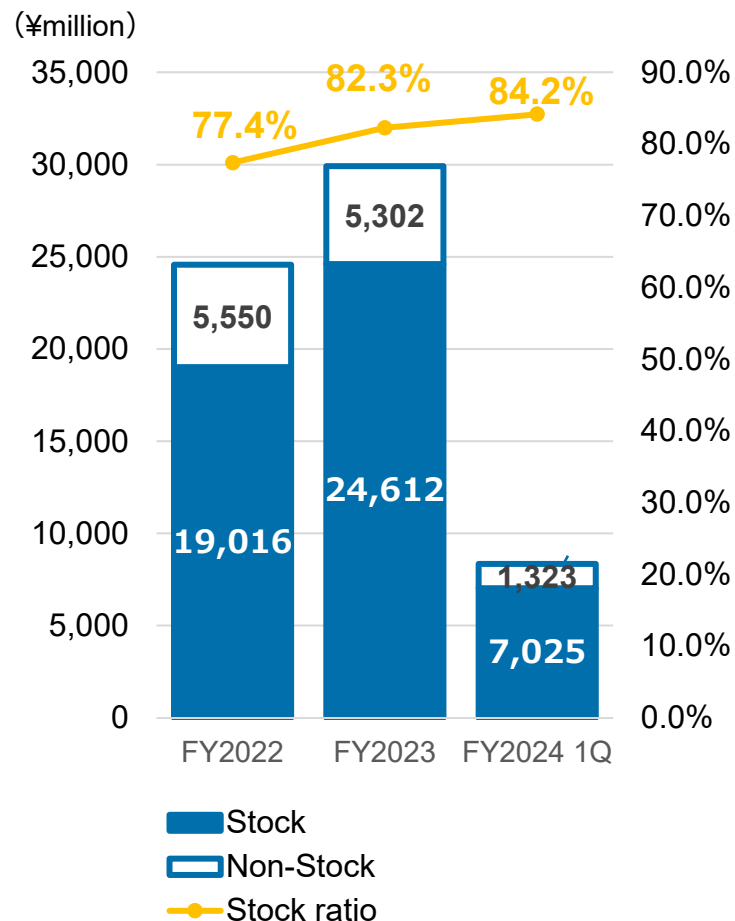
- Non-consolidated ARRR (only at TechMatrix) is as follows.



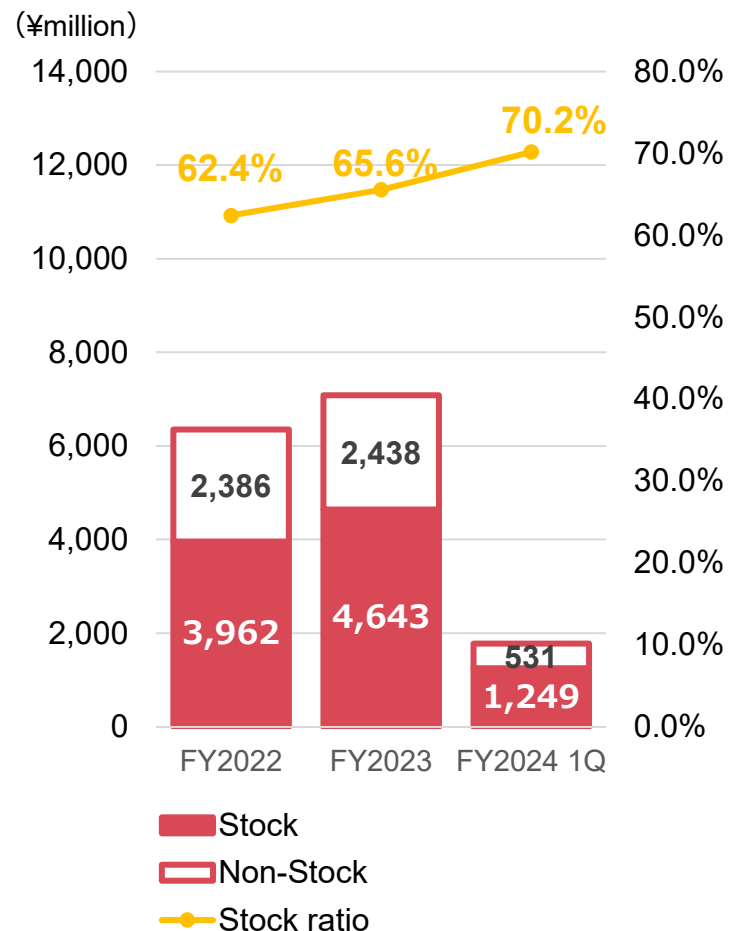


Stock type sales (Recurring revenue) ratio of TECHMATRIX and PSP

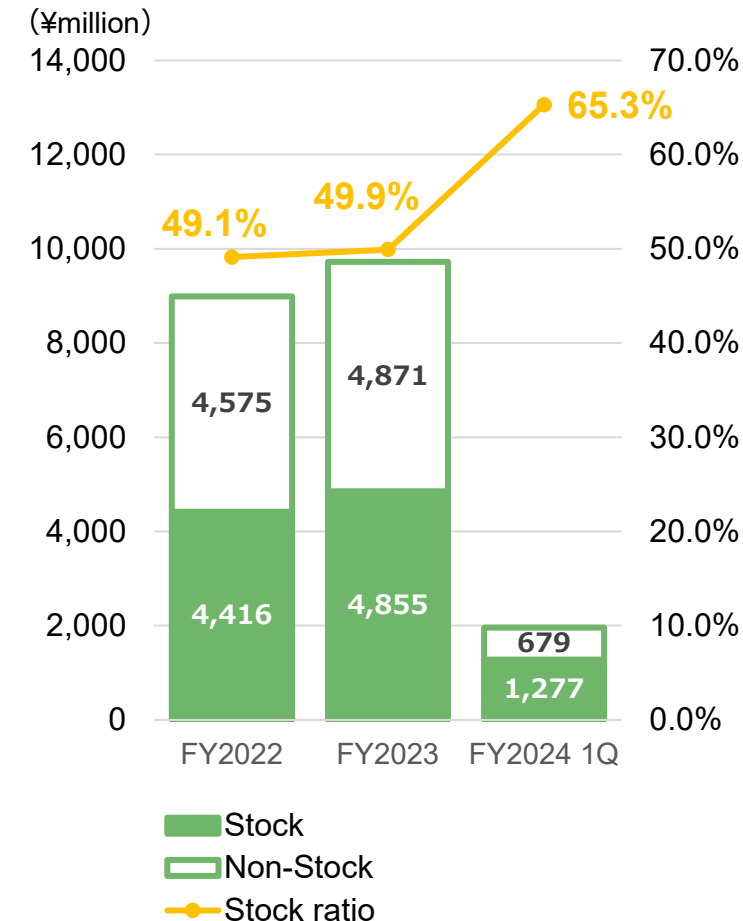
Information Infrastructure Business



Application Services Business



Medical System Business



※ FY2024 1Q excludes financial business



2. Forecast for Fiscal Year ending March31, 2025 (Targets in the next 3 years)

**Operating
income
10Billion yen**



Creating Customer Value in the New Era (FY2024~FY2026)

(Plan)

Net sales: 750million yen

Operating income: 82million yen



BEYOND THE NEW NORMAL (FY2021~FY2023)

Net sales: 533million yen

Operating income: 58.5million yen

- Established New PSP Corporation
(Acquired shares of PSP Corporation and integrated business with NOBORI Ltd.)
- Established 「M3 AI, Inc.」 together with M3, Inc. and PSP.
- Capital and business alliance with Educa & Quest Inc.
- Established local subsidiary TechMatrix Asia in Thailand
- Business and capital alliance with Mobilus Corporation

Medium-Term Management Plan
GO BEYOND 3.0

GO BEYOND3.0 (FY2018~FY2020)

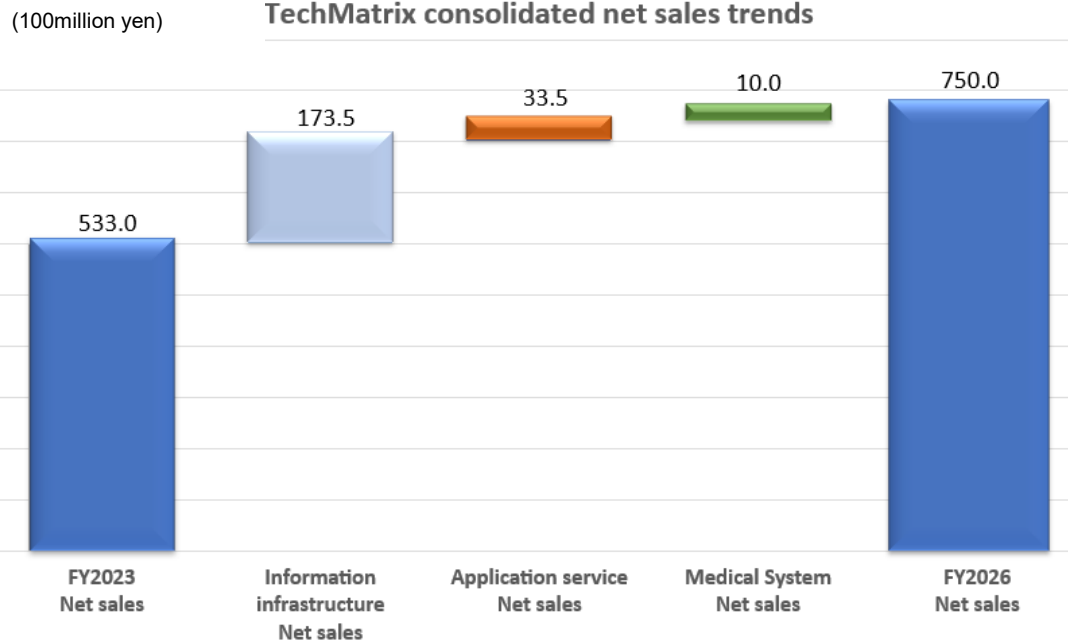
Net sales: 309million yen

Operating income: 35.8million yen

- communication platform + Integrated school affairs support system
「tsumugino」 service started
- Started providing PHR services for individuals (patients)

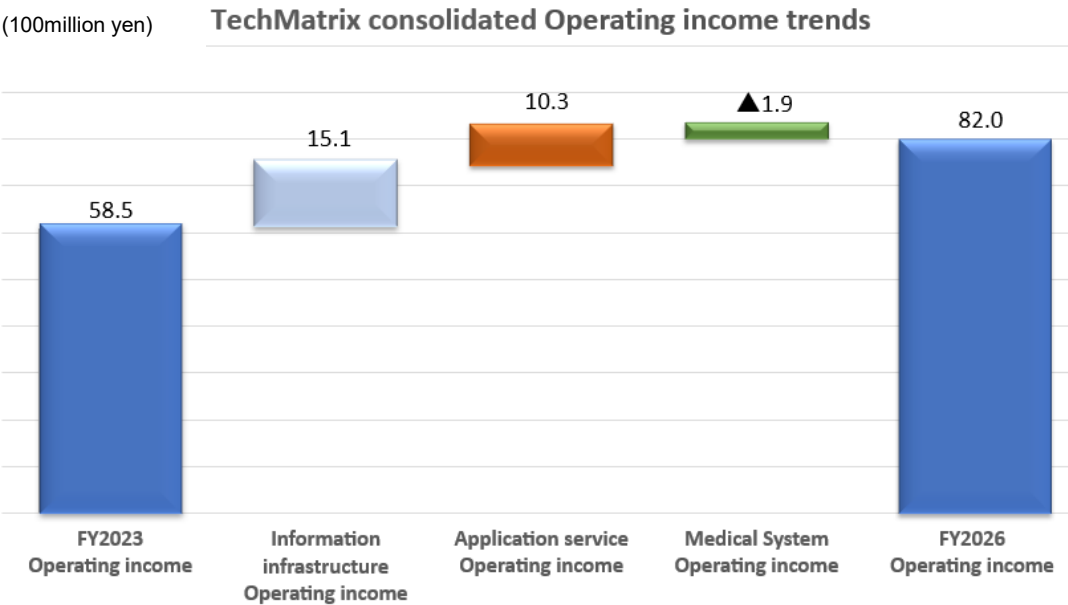
- Established NOBORI Ltd.

Creating Customer Value in the New Era Targets in the next 3 years(Summary)



| Net sales | | FY2023 Actual |
|-----------|----------------------------|---------------|
| | Total | 533.0 |
| | Information infrastructure | 350.0 |
| | Application service | 82.0 |
| | Medical System | 101.0 |

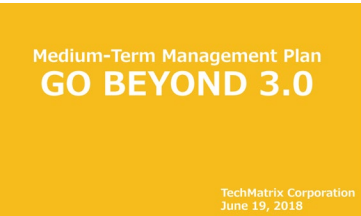
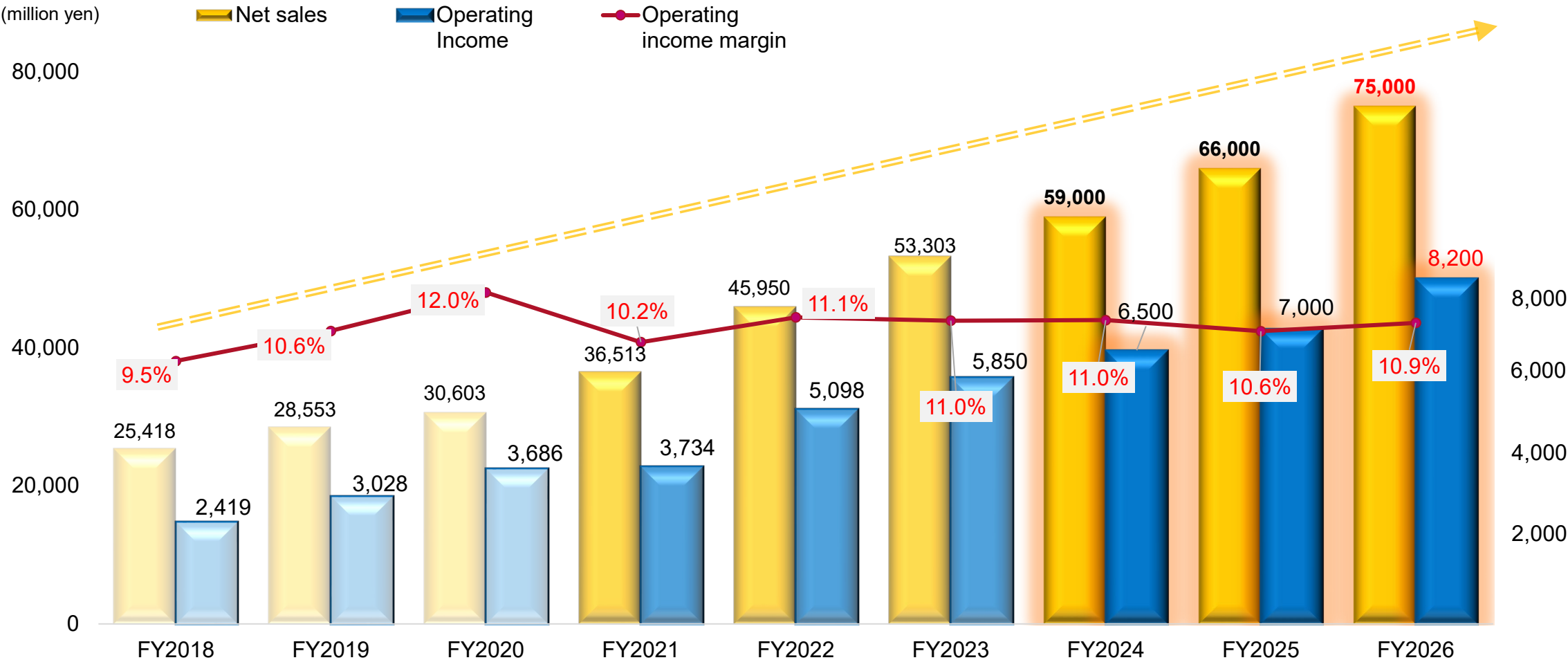
| FY2026 Plan | |
|-------------|--------|
| 750.0 | 140.7% |
| 523.5 | 149.6% |
| 115.5 | 140.9% |
| 111.0 | 109.9% |



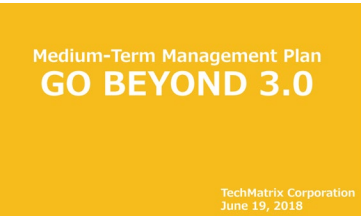
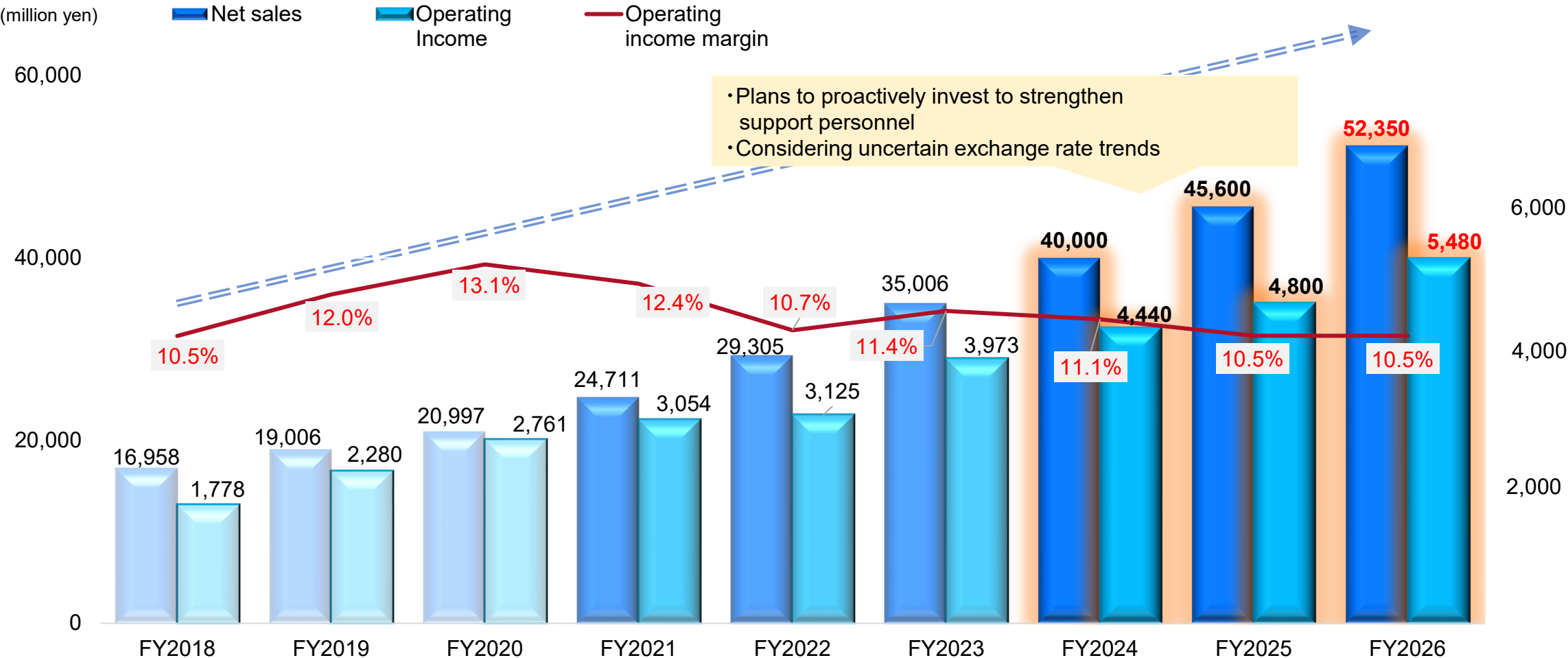
| Operating income | | |
|------------------|----------------------------|------|
| | Total | 58.5 |
| | Information infrastructure | 39.7 |
| | Application service | 3.2 |
| | Medical System | 15.6 |

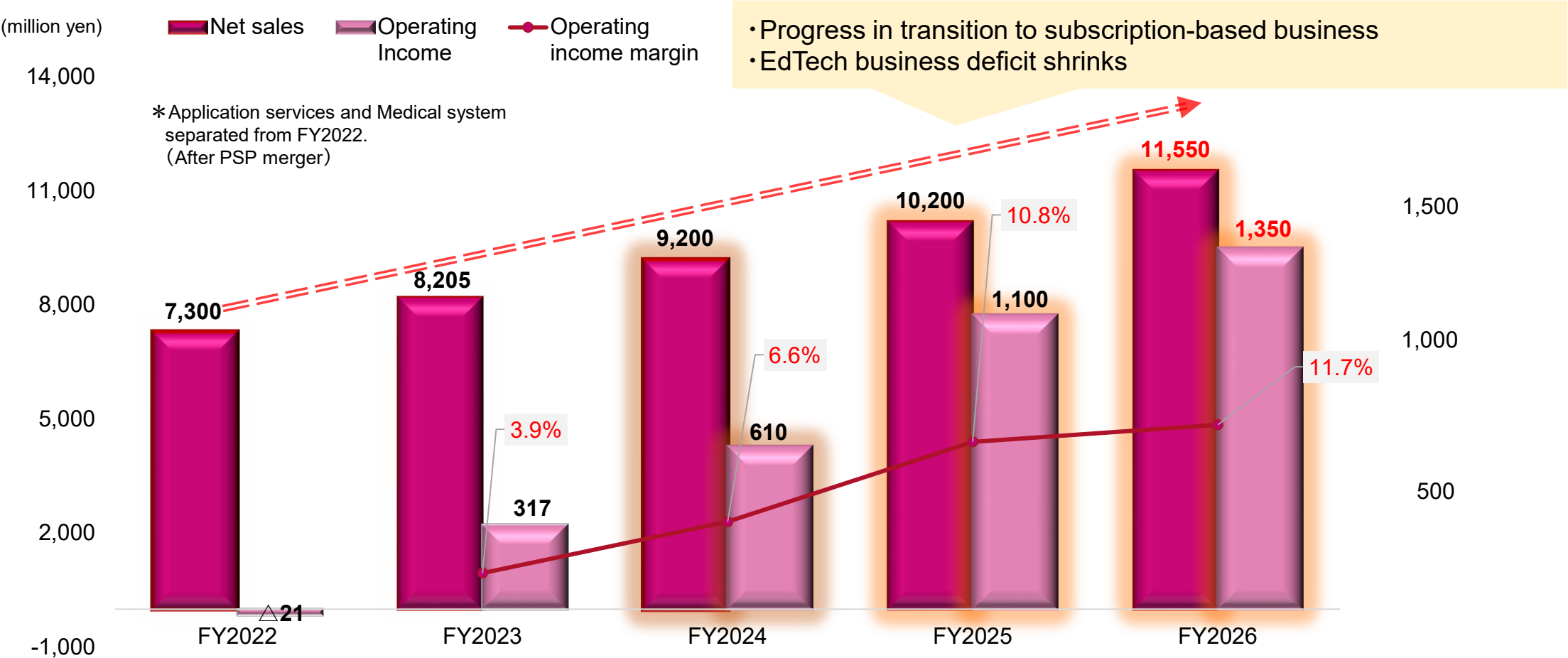
| | |
|------|--------|
| 82.0 | 140.2% |
| 54.8 | 138.0% |
| 13.5 | 421.9% |
| 13.7 | 87.8% |

Creating Customer Value in the New Era 3-year targets (Consolidated)

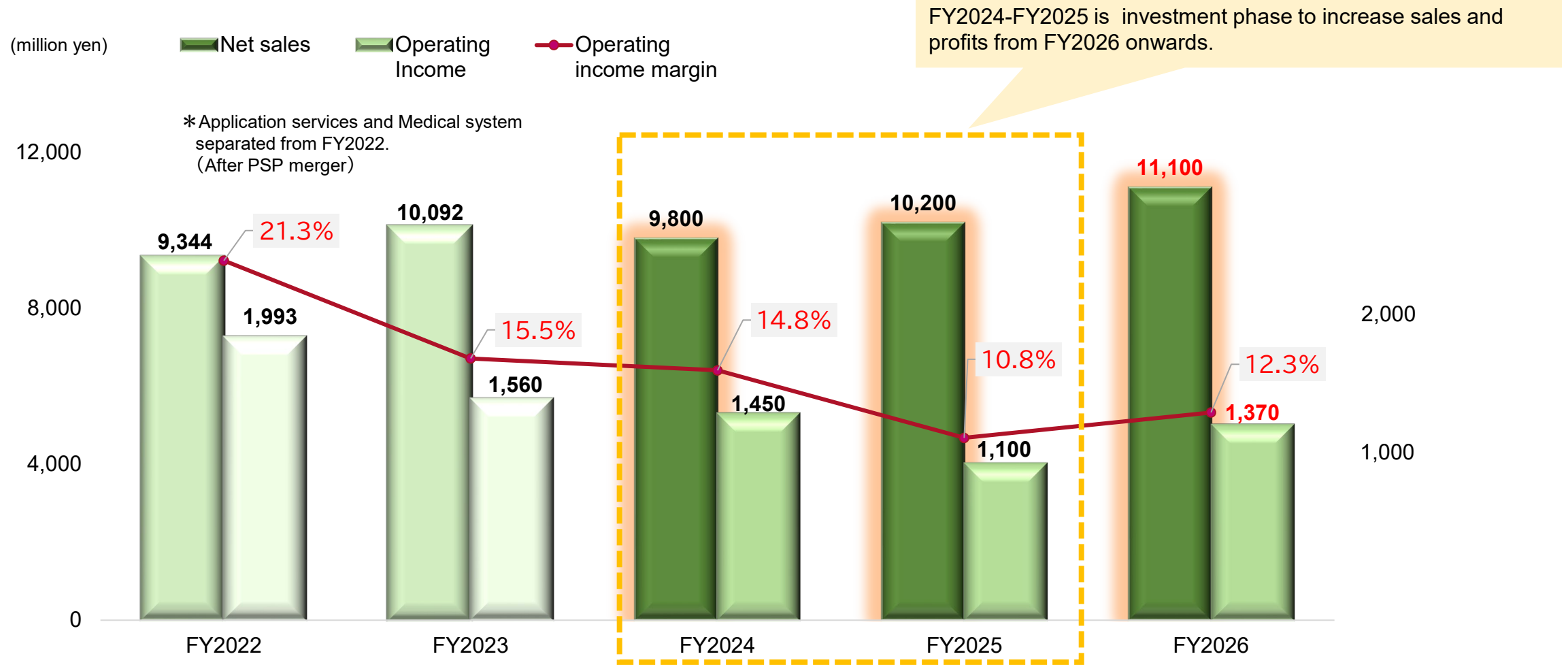


Creating Customer Value in the New Era 3-year targets (Information infrastructure)





Creating Customer Value in the New Era 3-year targets (Medical System)



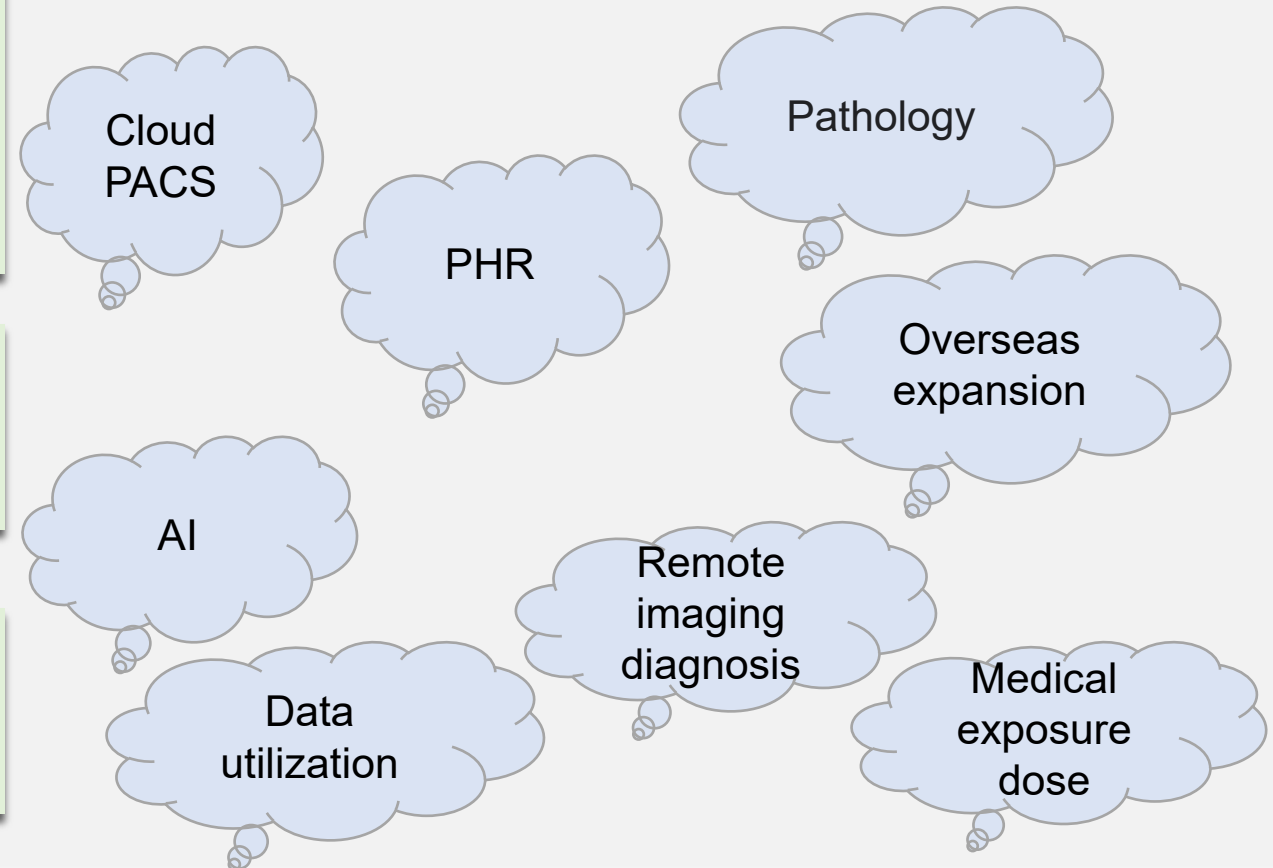
FY2024-FY2025 is investment phase to increase sales and profits from FY2026 onwards.

1) Cloud shift of PACS business

☞ This will result in a short-term decrease in sales and operating income. However, this is a management decision with an eye to the future.

2) Increase in staff for business expansion

3) Aggressive development investment





<Handling of this material>

Description of future prospect contained in this material, etc. is based on current information.

It may fluctuate due to Macroeconomic trends, Market environment, Our related industry trends, Other internal ・ external factors, etc.

Therefore, there are risks and certainty that actual performance may differ from the descriptions of future prospect, etc.

<Contact>

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