

External Recognition and Inclusion in Indices

Evaluation and Certification in Management and Business

Platinum Kurumin

Certification mark awarded to companies that have formulated a General Employer Action Plan in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, achieved the goals set forth in the Plan, and met certain criteria. In June 2024, we were awarded Platinum Kurumin, recognized as a company engaging in a higher standard of initiatives.



Tomonin

We establish a work system that allows employees to balance work and nursing care, so that we can tailor to each employee's situation and prevent them from leaving their jobs due to nursing care. We acquired Tomonin in FY2023.



ISMS Certification

We acquired the international standard ISO/IEC 27001 and domestic standard JIS Q 27001, which are the third party certification criteria in the ISMS (Information Security Management System) conformity scheme, in 2006.



DX Certification

The national certification initiative that certifies companies that meet the basic requirements specified in the Digital Governance Code 2.0 set forth by the Ministry of Economy, Trade and Industry. We are certified by the Minister of Economy, Trade and Industry as a company ready to promote DX.



We received Best Business Application Award and Best and Certified Acquisition Award from Japan Cloud Industry Association (ASPIC).

Our service was certified by ASPIC as a service that appropriately implements and operates information disclosure regarding safety and reliability under the ASP-SaaS Information Disclosure Certification System.



GoogleCloud Partner

As a Google for Education Build Partner, we will promote the development of collaboration that is highly convenient for users. We will also promote the development of services.



The Association for Promotion of Public Local Information and Communication (APPLIC)

Tsumugino conforms to the educational information application unit school business basic information data linkage of the Association for Promotion of Public Local Information and Communication (APPLIC), and has been registered as compliant and interconnection verified product.



Inclusion in Investment Indices

FTSE Blossom Japan Sector Relative Index



S&P/JPX Carbon Efficient Index



Russell/Nomura Prime

"JPX-Nikkei Mid and Small Cap Index"

We have been selected as one of issues with mid and small cap equities in an index comprised of "highly attractive listed companies" that focus on capital efficiency and investor-oriented management



IR-Related

FY2023

Our corporate website was selected as "A Website" in All Japanese Listed Companies' Website Ranking conducted by Nikko Investor Relations Co., Ltd.

Our corporate website was selected as an excellent company (bronze award) in the "Gomez IR Website Ranking 2023."



Recognition from Our Partners

Palo Alto Networks

JAPAC Distribution Partner of the Year (2023)
JAPAN Distribution Partner of the Year (2018, 2019, 2020, 2021, 2022, 2023)
Excellence in support of the year (2018, 2019)

Proofpoint, Inc.

DMARC Trailblazer Award (2024)
Reseller and Integrator of the Year-Email Security (2024)
Partner of the year (2021, 2022, 2023, 2024)
Deal Registration of the year (2022, 2023)

Tanium Inc.

MVP Partner of the Year (2021)
Most Dedicated Partner of the Year (2022)

DELL technologies, Inc.

Channel Services Delivery Excellence Award (2019, 2020, 2021, 2023, 2024)

Cohesity Japan

APJ Marketing Partner of the Year (2022)

Social Contribution Activities

The Company participates in a variety of activities to create a fulfilling society through donations. Furthermore, we have made it possible to donate certain shareholder benefits (to Ashinaga Foundation or Japan Committee for UNICEF). By these donations, we hope to convey the generosity of our shareholders to those in need.



Accept International

Somalia DRR Project*



People's Hope Japan

Support the maternal and child healthcare education of mothers and children in Asia



Ashinaga Foundation Eligible for shareholder benefit donations

Offer support for children who have lost one or both parents, as well as children who have a parent suffering from a serious post-event disability that prevents them from working



Piccolare

Support for isolation and concerns related to pregnancy



Criacao Shinjuku

Realization of "Enrich the world" as a business creation-type sports club



Malaria No More Japan

Realize a world free of malaria



* Accept international conducts a social re-integration program focused on the DRR (De-radicalize, Re-insertion, Re-integration) framework for extremists in Somalia. The goal is to contribute to peace in Somalia and the achievement of the SDGs as a whole.

Focus

Food waste reduction activities and eco-friendly activities with emergency stockpile

In accordance with the local ordinance, we store three days' worth of emergency stockpile per each employee. These emergency supplies stored at companies expire at certain years such as three, five, and seven years. As a part of our social contribution and an eco-friendly activity, we coordinated with the supplier of emergency stockpile to give foods that are three months before their expiration date to food banks, and donated 3,600 batches of hardtack crackers to children's cafeterias.

We will continue such food waste reduction activities and eco-friendly activities by sending food to such organizations.



Second League Kanagawa Nonprofit Organization

Second League Kanagawa is a nonprofit organization established in 2012 by a Consumers' Co-operative, Palsystem Kanagawa. In addition to creating communities and supporting child rearing within Kanagawa Prefecture, it has registered with the Ministry of Agriculture, Forestry and Fisheries as a food bank in 2021 and has been supporting activities as an intermediary to provide food to food banks in Kanagawa Prefecture. Since 2022, it has been acting as a nationwide coordinator of emergency stockpile. The organization is working on a project to establish K-Model, which aims to end poverty by using food to link food and community, thereby solving social issues such as child support, supporting the people in need, and food waste.



Recycling clothes and supporting developing countries by sending clothing and food

We have set target themes based on the basic policy set forth in the Environmental Policy and participated in activities to recycle clothes and support developing countries by sending unused clothing and food stuff through the World Gift Nonprofit Organization. We collect unused clothing items (which are new, washed, un-damaged and stain-free) and food stuff (which are unopened and at least 90 days before expiration) from our employees. In FY2022, we provided about 50 items of clothing to help support the developing countries.

We will continue to recycle clothes and practice food waste reduction and eco-friendly activities by sending unused clothing and food stuff to such organizations.



World Gift Nonprofit Organization

World Gift is a nonprofit organization that started its NGO activities in 2013 at World Gift (an association to promote support for international society) and began its activities as World Gift Nonprofit Organization in 2021. It mainly engages in support activities in four areas: donation and reusing of goods, medical care and vaccinations, meals and food, and safe water. The organization has provided support in 92 countries to date.



Consolidated Financial Summary

International Financial Reporting Standards (IFRS)(Million yen)

| Item | 2020.3 (FY2019) | 2021.3 (FY2020) | 2022.3 (FY2021) | 2023.3 (FY2022) | 2024.3 (FY2023) |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Consolidated Statements of Profit or Loss | | | | | |
| Revenue | 27,599 | 30,928 | 36,513 | 45,950 | 53,303 |
| Gross profit | 10,131 | 11,217 | 12,456 | 16,369 | 18,202 |
| Selling, general and administrative expenses | 7,431 | 7,639 | 8,269 | 11,173 | 12,309 |
| Operating profit | 2,735 | 3,583 | 3,734 | 5,098 | 5,850 |
| Profit before tax | 2,728 | 3,406 | 3,718 | 5,066 | 5,854 |
| Profit attributable to owners of parent | 1,831 | 2,301 | 2,371 | 2,950 | 3,540 |
| Consolidated Statements of Financial Position | | | | | |
| Current assets | 26,743 | 31,169 | 42,267 | 51,770 | 70,462 |
| Non-current assets | 9,000 | 8,826 | 10,236 | 13,920 | 15,294 |
| Total assets | 35,744 | 39,996 | 52,503 | 65,691 | 85,756 |
| Current liabilities | 16,028 | 18,902 | 27,989 | 36,044 | 51,648 |
| Non-current liabilities | 5,282 | 4,739 | 4,311 | 5,729 | 7,064 |
| Total liabilities | 21,311 | 23,641 | 32,301 | 41,773 | 58,712 |
| Total equity | 14,433 | 16,354 | 20,202 | 23,917 | 27,043 |
| Total liabilities and equity | 35,744 | 39,996 | 52,503 | 65,691 | 85,756 |
| Consolidated Statements of Cash Flows | | | | | |
| Net cash provided by (used in) operating activities | 3,001 | 3,516 | 5,283 | 6,348 | 8,982 |
| Net cash provided by (used in) investing activities | △540 | △841 | 195 | △3,131 | △1,938 |
| Net cash provided by (used in) financing activities | △569 | △1,790 | △1,959 | △1,299 | 147 |
| Cash and cash equivalents at end of period | 13,747 | 14,634 | 18,155 | 20,071 | 27,265 |
| Per Share Indicators (yen) | | | | | |
| Basic earnings per share | 46.24 | 57.92 | 59.65 | 73.91 | 88.35 |
| Equity per share attributable to owners of parent | 327.18 | 373.53 | 426.40 | 475.24 | 541.87 |
| Annual dividends per share*2 | 30.0 | 19.0 | 20.0 | 23.0 | 28.0 |
| Financial Indicators | | | | | |
| Equity ratio (%)*3 | 36.4 | 37.1 | 32.4 | 28.9 | 25.4 |
| ROE (%)*4 | 15.5 | 16.5 | 14.9 | 16.4 | 17.4 |
| Total asset turnover (times) | 0.8 | 0.8 | 0.8 | 0.8 | 0.7 |
| Financial leverage (times) | 2.7 | 2.7 | 3.1 | 3.5 | 3.9 |
| ROA (%) | 5.5 | 6.1 | 5.1 | 5.0 | 4.7 |
| Operating profit margin (%) | 9.9 | 11.6 | 10.2 | 11.1 | 11.0 |
| Profit margin (%) | 6.6 | 7.4 | 6.5 | 6.4 | 6.6 |
| Payout ratio (%) | 31.9 | 32.8 | 33.5 | 31.1 | 31.7 |

*1 The Company has applied the International Financial Reporting Standards (IFRS) for its annual securities report from the fiscal year ended March 31, 2021, with the date of transition to IFRS being April 1, 2019.

*2 The Company conducted a 2-for-1 share split of its common stock on July 1, 2020.

*3 Presented as ratio of equity attributable to owners of parent to total assets

*4 Presented as rate of return on equity attributable to owners of parent

Non-Financial Summary

| Item | 2021.3 (FY2020) | 2022.3 (FY2021) | 2023.3 (FY2022) | 2024.3 (FY2023) |
|--|--------------------|--------------------|--------------------|--------------------|
| Data on employees | | | | |
| Number of employees (persons)*2 | 1,088 | 1,404 | 1,439 | 1,502 |
| Number of employees (persons)*3 | 486 | 526 | 561 | 574 |
| Male employees (persons) | 372 | 397 | 419 | 427 |
| Female employees (persons) | 114 | 129 | 142 | 147 |
| Average years of service (year) | 8.2 | 8.3 | 8.3 | 8.3 |
| Male employees (year) | 8.6 | 8.8 | 8.8 | 8.7 |
| Female employees (year) | 7.1 | 7.2 | 7.2 | 7.3 |
| Average age | 37.7 | 37.8 | 37.8 | 38.0 |
| Male employees | 37.9 | 38.3 | 38.3 | 38.6 |
| Female employees | 36.5 | 36.3 | 36.6 | 36.3 |
| Wage gap between men and women (%) | 79.8 | 81.1 | 81.1 | 80.0 |
| Of which, full-time workers (%) | 80.5 | 81.8 | 81.9 | 80.6 |
| Of which, part-time and fixed-term workers (%) | 67.5 | 70.7 | 54.0 | 67.9 |
| Number of new graduates hired (persons) | 18 | 18 | 21 | 18 |
| Male employees (persons) | 16 | 13 | 16 | 10 |
| Female employees (persons) | 2 | 5 | 5 | 8 |
| Number of career hires (persons) | 50 | 40 | 42 | 53 |
| Male employees (persons) | 37 | 27 | 26 | 39 |
| Female employees (persons) | 13 | 13 | 16 | 14 |
| Job turnover rate*4 | 4.2 | 4.2 | 4.7 | 5.7 |
| Ratio of women in management positions (%) | 6.0 | 5.9 | 5.6 | 5.3 |
| Ratio of employees with disabilities (%) | 2.07 | 3.26 | 3.07 | 2.72 |
| Percentage of annual leave taken (%) | 45.1 | 55.3 | 60.3 | 62.9 |
| Percentage of childcare leave taken (%) | 72.7 | 58.1 | 73.9 | 79.2 |
| Men (%)*5 | 27.3 | 45.8 | 59.1 | 72.2 |
| Women (%)*5 | 100 | 100 | 100 | 100 |
| Employee engagement eNPS (score)*6 | — | — | △30 | △24 |
| Total training hours (hours) | — | — | 14,397 | 20,386 |
| Number of Information Technology Engineer Examination Certificate holders (persons) | 178 | 201 | 235 | 250 |
| Ratio of compliance training participation (%) | 100 | 100 | 100 | 100 |
| Ratio of harassment training participation (%) | 100 | 100 | 100 | 100 |
| Environmental data | | | | |
| CO ₂ emissions (SCOPE 1 + 2) (t-CO ₂) | 608 | 608 | 488 | 191 |
| CO ₂ emissions (SCOPE 3) (t-CO ₂) | 35,608 | 34,592 | 49,178 | 46,754 |
| Total CO ₂ emissions (SCOPE 1 + 2 + 3) (t-CO ₂) | 36,216 | 35,200 | 49,666 | 46,945 |
| Total energy usage (GJ) | 3,572 | 3,525 | 3,339 | 2,720 |
| CO ₂ emissions per unit of energy consumption (SCOPE 1 + 2) (t-CO ₂ /GJ) | 0.17 | 0.17 | 0.15 | 0.07 |
| CO ₂ emissions per net sales of one million yen (t-CO ₂ /million yen) *7 | 0.026 | 0.023 | 0.016 | 0.005 |

*1 Scope of calculation: TECHMATRIX CORPORATION (on a standalone basis).

*2 Consolidated.

*3 On a standalone basis. Workers directly employed for a fixed term of one month or more.

*4 Voluntary retirement of full-time employees (except for retirement or transfer).

*5 Percentage of employees who took childcare leave among those who had children born during the year.

*6 Net Promotor Score® and its abbreviation NPS are registered trademarks of Bain & Company, Inc., Fred Reichheld, and NICE Systems, Inc.

*7 Scope of calculation: TECHMATRIX CORPORATION on a standalone basis.

[Environmental data]

* SCOPE 2 emissions are calculated based on office activities.

* For SCOPE 3 accounting methodologies, the Company has referred to the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain.

* Some date items for which data collection is difficult are estimated based on prior performance and other criteria. For this reason, future calculations may be revised, including changes to previously aggregated results.

* Currently, data items for which a reasonable computation method cannot be defined are excluded from calculations.

* The Company will continually review how to appropriately manage and disclose emissions in each category, taking into account factors such as international discussions.

Corporate Information

| | | |
|---|--|---|
| Company Name | TECHMATRIX CORPORATION | |
| Date of establishment | August 30, 1984 | |
| Listed exchange | Prime Section of the Tokyo Stock Exchange | |
| Stock code | 3762 | |
| Paid-in capital | ¥1,298.12 million | |
| Number of employees | 1,502 [135] (consolidated; as of March 31, 2024) * The number of employees is the number of full-time employees. * The figure in parentheses in the "Number of employees" column indicate the average number of temporary employees (including dispatched and contract employees). | |
| Business year | From April 1 to March 31 | |
| Annual general meeting of shareholders | Every year June | |
| Administrator of shareholders' registry | Mitsubishi UFJ Trust and Banking Corporation | |
| Location | Head Office location | |
| | Tokyo Head Office | SHINAGAWA SEASON TERRACE 24F 2-70 Konan 1-chome, Minato-ku, Tokyo, 108-8588 Telephone: +81-3-4405-7800 (Main) Fax: +81-3-6712-3161 |
| | Domestic Offices | |
| | West Japan Branch | Nakanoshima Central Tower 23F, 2-7 Nakano-shima 2-chome, Kita-ku, Osaka 530-0005 Telephone: +81-6-6484-7486 (Main) Fax: +81-6-6208-2730 |
| | Nagoya Sales Office | Nagoya CrossCourt Tower 8F, 4-40-10 Meieki, Nakamura-ku, Nagoya, Aichi Prefecture 450-0002 Telephone: +81-52-462-8373 Fax: +81-52-462-8374 |
| | Kyushu Sales Office | Chuo Hakataeki Mae Building 3F, 3-30-26, Hakataeki Mae, Hakata-ku, Fukuoka 812-0011 Telephone: +81-92-402-2537 FAX: +81-92-402-2557 |

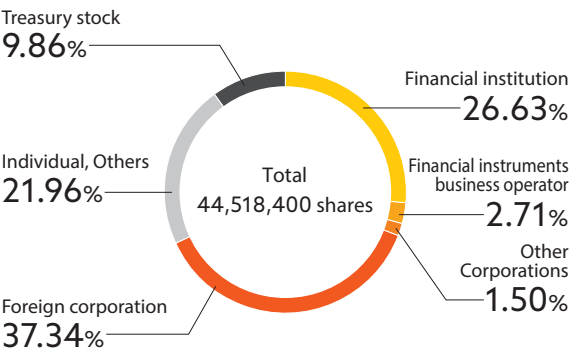
Main consolidated subsidiaries

| | |
|--|---|
| CROSS HEAD SHINAGAWA SEASON TERRACE 24F 2-70, Konan 1-chome, Minato-ku, Tokyo, 108-0075 Telephone: +81-3-5793-3366 (Main) | TechMatrix Asia Co., Ltd. 20th Floor (IWOoffice), UBC II Building, 591 Sukhumvit Road, North Klongton, Wattana, Bangkok, 10110 Thailand |
| OCH Co., Ltd. Kafuna Asahibashi B Building level 3, 1-9 Asahimachi, Naha, Okinawa, 900-0029 Telephone: +81-98-860-0203 | PSP Corporation SHINAGAWA SEASON TERRACE 25F 2-70, Konan 1-chome, Minato-ku, Tokyo, 108-0075 Telephone: +81-3-4346-3180 |
| CASAREAL, Inc. SHINAGAWA SEASON TERRACE 24F 2-70, Konan 1-chome, Minato-ku, Tokyo, 108-0075 Telephone: +81-3-4405-7865 | Ichigo LLC SHINAGAWA SEASON TERRACE 25F 2-70, Konan 1-chome, Minato-ku, Tokyo, 108-0075 Telephone: +81-3-4405-7862 |
| ARECCIA Fintech Corp. SHINAGAWA SEASON TERRACE 24F 2-70, Konan 1-chome, Minato-ku, Tokyo, 108-0075 Telephone: +81-3-6453-7211 | A-Line Co. Ltd. Nakanoshima Central Tower 23F, 2-7 Nakano-shima 2-chome, Kita-ku, Osaka 530-0005 Telephone: +81-6-6195-3266 |

Stock Information

| | |
|------------------------------------|--------------------|
| Total number of shares authorized | 165,888,000 shares |
| Total number of shares outstanding | 44,518,400 shares |
| The number of shareholders | 5,824 people |

Breakdown by Type of Shareholder



Major Shareholders

| Name of shareholder | Number of shares | Ratio (%) |
|---|------------------|-----------|
| The Master Trust Bank of Japan, Ltd. (account in trust) | 5,766,600 | 14.37 |
| Custody Bank of Japan, Ltd. (account in trust) | 4,966,200 | 12.37 |
| STATE STREET BANK AND TRUST COMPANY 505025 | 3,505,400 | 8.73 |
| GOVERNMENT OF NORWAY | 1,516,600 | 3.78 |
| Individual | 1,325,000 | 3.30 |
| NORTHERN TRUST CO. (AVFC) RE 009-016064-326 CLT | 1,253,600 | 3.12 |
| THE BANK OF NEW YORK MELLON 140042 | 1,005,600 | 2.50 |
| TECHMATRIX's Employee Shareholding Association | 677,700 | 1.68 |
| KIA FUND 136 | 591,700 | 1.47 |
| CACEIS BANK / QUINTET LUXEMBOURG SUB AC / UCITS CUSTOMERS ACCOUNT | 520,800 | 1.29 |

IR Activities

The Company explains our management policy, business results, and latest initiatives in dialogue with analysts, institutional investors, individual investors, and other stakeholders, as well as proactively feed back valuable opinions we receive to management, thereby striving to engage in constructive dialogue with our shareholders and other stakeholders.



The 40th Annual General Meeting of Shareholders



Financial Results Briefing



Investor Briefing for individual

Main Activities

| To | Main IR activities conducted during 2024/3 | Frequency | Details |
|----------------------------|---|-----------|---|
| Shareholders and investors | Annual general meeting of shareholders | 1 time | Conducted at the venue of the Meeting and via live streaming (in June) |
| | Investor briefing for individual | 5 times | Investor briefing for individual by the President |
| | Financial results briefing for analysts and institutional investors | 2 times | Financial results briefing by the President (in May and November) |
| | Individual meetings for institutional investors | 189 times | Individual meetings with institutional investors to ensure highly transparent IR activities |
| | Issuance of Integrated Report | 1 times | Issue Integrated Report (issued in September) |
| | Enhancement of IR website and sustainability information | — | Timely disclosure of earning-related materials (earnings release and financial results briefing materials) Enhancement of disclosure of Securities Reports and non-financial information (on the IR website) |

* Conducted in an online format, with a few exceptions

Investor Relations

For details, please refer to the IR information on our corporate website



<https://www.techmatrix.co.jp/en/ir/index.html>



Production Team

We appreciate you taking the time to read our Integrated Report 2024. This is the second year for preparing the Integrated Report. This year's report provides comprehensive explanation of our responses to the issues acknowledged through daily dialogue and our medium- to long-term management direction. We will continue to strive to engage in active dialogue with you as well as information disclosure in a timely and appropriate manner, and commit to our IR activities to further enhance our corporate value.

