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Corporate Philosophy

Mission Statement

The IT professional group who create a better future

Standards of Business Conduct

In a spirit of co-existence and co-prosperity, we work hard to make a contribution to our customers and society.

Keeping in mind the importance of humbly learning something new, we continue to challenge new technologies and new businesses.

All the members make a strong commitment to a team success and team growth through open discussion.

TechMatrix's vision of professional human resources

SIMPLE & 4C

– Speed
– Innovation
– Management
– Passion
– Learning
– Endeavor
– Commitment
– Customer Satisfaction
– Confidence
– Challenge

TechMatrix Group

- CROSS HEAD   • OCH Co., Ltd.   • CASAREAL, Inc.
- ARECCIA Fintech Corp.   • TechMatrix Asia Co., Ltd.
- PSP Corporation   • Ichigo LLC   • A-Line Co. Ltd.

For more information of SIMPLE & 4C ▶

Contents

Editorial policy

This comprehensive report on financial and non-financial information was edited as an Integrated Report to disclose information to and promote dialogue with various stakeholders, such as shareholders and investors.

Period covered by the report

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)
Some parts of the report may include information on activities outside the above period.

Notes on forward-looking statements

Forecasts, plans, and outlooks concerning future performance presented in this report are considered reasonable by the Company's management based on currently available information. Actual results may be substantially different from these forecasts, plans, and outlooks due to changes in various factors.

Referenced guidelines

In editing this report, the Company referenced the International Integrated Reporting Framework proposed by the International Integrated Reporting Council (IIRC) and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation proposed by the Ministry of Economy, Trade and Industry.

Environment
Social
Governance

Guidance for Collaborative Value Creation

Structure of information disclosure tools
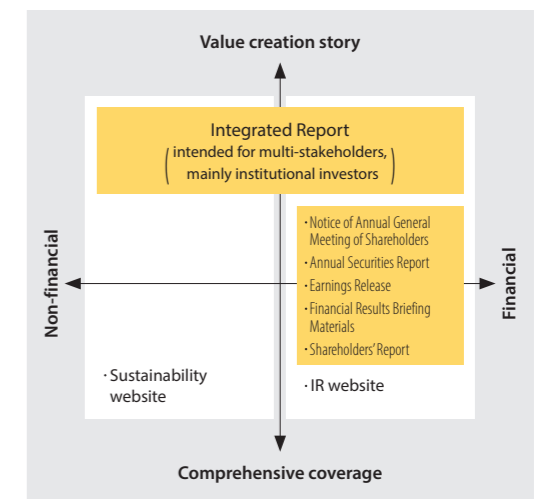
About the cover

• As the IT professional group who create a better future, TechMatrix rolls out a variety of businesses. The cover expresses how our business activities provide a better future for people in a wide range of fields and generations.
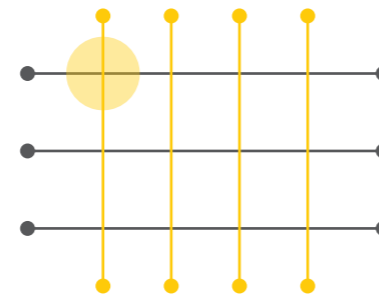
What is TechMatrix?

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■ Characteristics of Our Business

Matrix of technologies and vertical markets

The company name TechMatrix comes from the concept, "matrix of technologies and vertical markets." This is a matrix where the vertical axis represents industry-specific vertical markets (medical, call center, education, finance, automobile, etc.) and the horizontal axis represents technologies. There are many intersections on the matrix. Paying attention to these intersections, we will keep embracing new technologies and embarking on new businesses.

Vertical markets (vertical axis)	Technologies (horizontal axis)
• Medical	• **Application**
• Call center	Software for efficient and effective functioning of business processes
• Education	[Scope of provision] **SaaS** (business support software, testing tools, BI, AI)
• Finance	• **Middleware**
• Automobile	Software used in common for application development and execution
⋮	[Scope of provision] **PaaS** (databases, APIs, operating systems, virtual networks)
	• **Infrastructure**
	Hardware and equipment to operate software
	[Scope of provision] **HaaS/IaaS** (servers, storage, network devices, security measures)

■ Business Portfolio

Six solutions

TechMatrix not only provides applications and technologies for business use but listens to clients' challenges, finds the best solution for them, provides new technologies, and takes charge of the implementation and maintenance of those technologies.

Business Unit	Solution	Overview
Information Infrastructure Business	Network security	• Provide cutting-edge network and cybersecurity solutions • Build safe information infrastructure • Provide around-the-clock operation monitoring services
Application Services Business	CRM	• Provide inquiry management systems for contact centers • Provide FAQ knowledge systems
	Software quality assurance	• Sell testing tools for quality assurance of embedded software of the IoT era
	Business solutions	• Provide online services and solutions in the field of finance
	EdTech (Education)	• Provide "tsumugino," a school communication platform
Medical Systems Business	Medical	• Provide medical imaging system (PACS) • Provide PHR services • Provide AI medical diagnosis support services • Provide remote image reading platforms

■ Group Companies

With high levels of expertise and problem-solving abilities in the fields of IT systems, medical, finance, etc., as well as collaboration with and synergy effects between Group companies, we strive to increase added value as the Group as a whole.

	Company	Business	Description
1	CROSS HEAD	Information Infrastructure Business	Consulting on, as well as design and building of, IT system infrastructure; import, sales, and support of overseas IT products; dispatch of network engineers; consulting on and lump-sum contracting of operation and monitoring; nationwide on-site maintenance for multi vendors; education, development, etc. of IT technicians
2	OCH Co., Ltd.	Information Infrastructure Business	Education and development of IT technicians in Okinawa Prefecture, building of network servers, data center services and their operation and maintenance, provision of SaaS services, dispatch of IT technicians, development, sales, etc. of products and services for SMBs
3	CASAREAL, Inc.	Application Services Business	System development using open source software, education of IT technicians
4	ARECCIA Fintech Corp.	Application Services Business	Strength in system planning and design in the area where financial engineering and information technology overlap (Provision of series of Apreccia is main business.)
5	TechMatrix Asia Co., Ltd.	Application Services Business	Sales, marketing and technical support for FastSeries, a contact center CRM system/FAQ knowledge system, in the ASEAN region, mainly in Thailand
6	PSP Corporation	Medical Systems Business	Provision of On-Premise image management system "EV Insite", cloud service for healthcare information "NOBORI" and PHR service for the individual (Patient).
7	Ichigo LLC	Medical Systems Business	Provision of IT infrastructure to support teleradiology and telepathology in the healthcare field
8	A-Line Co. Ltd.	Medical Systems Business	Provision of MINCADI, a cloud-type radiation dose management system that facilitates the optimization of examinations by recording in the cloud, for each examination and patient, medical radiation exposure information obtained from medical image data and referring to and comparing the record with radiation dose information at other medical institutions

Locations (as of March 2023)

ARECCIA Fintech Corp.
ARECCIA

CASAREAL, Inc.
CASAREAL

Ichigo LLC
医知悟LLC

TechMatrix Asia Co., Ltd.
TechMatrix

CROSS HEAD
CROSS HEAD

PSP Corporation
PSP

Hokkaido, Aomori, Iwate, Miyagi, Yamagata, Fukushima, Tochigi, Gunma, Saitama, Tokyo, Kanagawa, Yamanashi, Nagano, Niigata, Ishikawa, Aichi, Mie, Osaka, Tottori, Hiroshima, Kagawa, Ehime, Fukuoka, Kumamoto, Kagoshima, Okinawa, Thailand, Singapore, Nepal

A-Line Co. Ltd.
A-Line

OCH Co., Ltd.
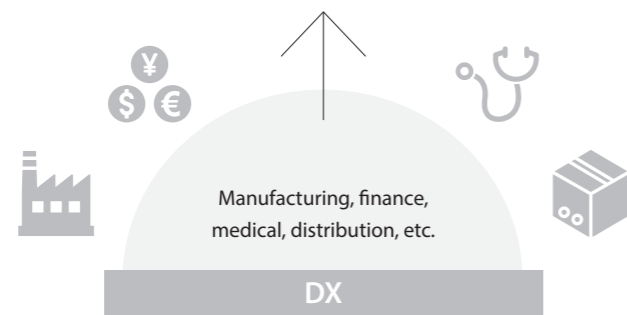OCH

Value Provided by TechMatrix

TechMatrix Solutions for Creation of a Sustainable Society

Digital technologies are built into society at every level, and as efforts accelerate to promote business model reform through DX (digital transformation), industry structures are bound to undergo significant change in the process.

Going forward, the TechMatrix Group will contribute to the creation of a sustainable society by accelerating business in areas indispensable to society and industry, and by providing services to solve social issues.

Creating a sustainable society

¥ $ €

Manufacturing, finance, medical, distribution, etc.

DX

Best Practice

Business applications

Network | Security | Cloud | AI

IT platform

Sustainability initiatives

To create a sustainable society, we contribute to the achievement of the SDGs through our business activities and the provision of solutions.

Sustainable Development Goals (SDGs)
The Sustainable Development Goals are international goals to achieve a better, sustainable world by 2030. They are included in the 2030 Agenda for Sustainable Development, adopted by the United Nations Summit in September 2015. Comprising of 17 goals and 169 targets, the SDGs pledge that no one on earth will be left behind.

SUSTAINABLE DEVELOPMENT GOALS

SDGs		Target	TechMatrix Group's solution
3 GOOD HEALTH AND WELL-BEING	Good Health and Well-being	3.6	● **Software quality assurance** Development support for cars of the future
		3.8	● **Medical** Medical information cloud services, PHR services, etc.
4 QUALITY EDUCATION	Quality Education	4.1	● **Education** Educational platform system "tsumugino"
		4.4	● **Business solutions** Training seminars for IT technicians
8 DECENT WORK AND ECONOMIC GROWTH	Decent Work and Economic Growth	8.2	● **All business areas**
		8.3	● **CRM** More efficient contact center operations
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, Innovation and Infrastructure	9.1	● **Network security** Support for the creation of secure network environments
10 REDUCED INEQUALITIES	Reduced Inequalities	10.5	● **Business solutions** Business solutions for financial service sector

Application Services Business | **Medical Systems Business**

Business applications

Recognition of social issues	Value provided by TechMatrix
There have been increasing needs for IT use to improve business operations and reduce costs for resolving customer inconvenience.	We provide best practices in business through cloud-based business applications with a sophisticated user experience (UX) that is easy for anyone to use and various software development tools for customers to accelerate in-house development.

Information Infrastructure Business

IT platform

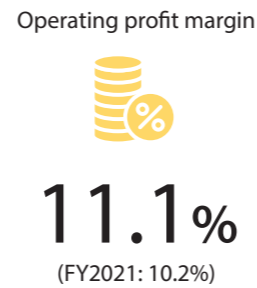| Recognition of social issues	Value provided by TechMatrix
High levels of information security measures are sought after, in response to socially threatening cyberattacks that invade computer systems and steal important information.	Through network, security, cloud, and AI services, we provide cybersecurity solutions that ensure the safety and security of social infrastructure essential for life.

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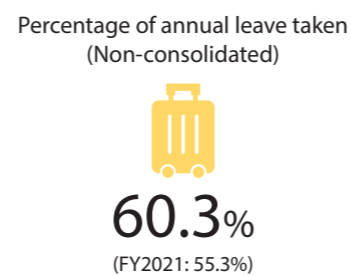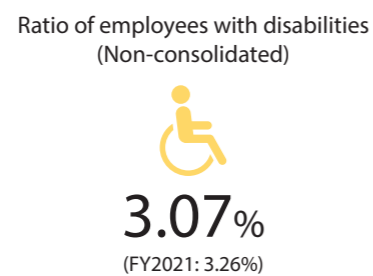
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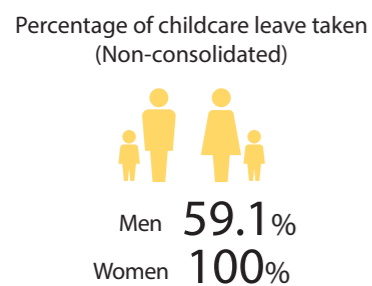
Data

At a Glance

Financial Data (FY2022)

Profitability

Revenue increased for the 21st consecutive year

Revenue	Operating profit	Operating profit margin
¥**45.9** billion	¥**5.09** billion	**11.1**%
(FY2021: ¥36.5 billion)	(FY2021: ¥3.73 billion)	(FY2021: 10.2%)

Non-financial Data

Diversity (FY2022)

Number of group employees	Ratio of women employees (Non-consolidated)	Ratio of women in management positions (Non-consolidated)
1,439	**25.3**%	**5.6**%
(FY2021: 1,404)	(FY2021: 24.4%)	(FY2021: 5.9%)

Percentage of childcare leave taken (Non-consolidated)	Ratio of employees with disabilities (Non-consolidated)	Percentage of annual leave taken (Non-consolidated)
Men **59.1**% Women **100**%	**3.07**%	**60.3**%
	(FY2021: 3.26%)	(FY2021: 55.3%)

Information Security

ISO/IEC 27001 (international standards)

JIS Q 27001 (Japanese standards)

DNV ISO/IEC 27001 · ISMS-AC ISMS IS R008

Training and Upskilling (FY2022)

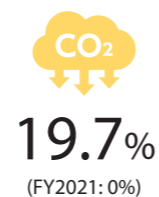Total training hours (Non-consolidated)*

14,397 hours

*Refers to employee training, etc. including self-development programs organized by the Human Resources Dept.

Climate Change (FY2022)

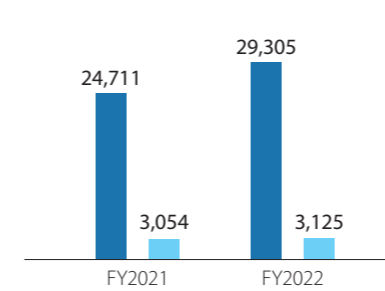CO_2 emissions reduction rate (Non-consolidated)

19.7%

(FY2021: 0%)

Data by Business Unit

Information Infrastructure Business

Revenue and operating profit (Million yen)
■ Revenue ■ Operating profit

	FY2021	FY2022
Revenue	24,711	29,305
Operating profit	3,054	3,125

Recurring revenue ratio (Million yen)
■ Recurring revenue □ Non-recurring revenue ● Recurring revenue ratio

|	FY2021	FY2022
Recurring revenue ratio	74.7%	77.4%
Non-recurring revenue	5,123	5,550
Recurring revenue	15,095	19,016
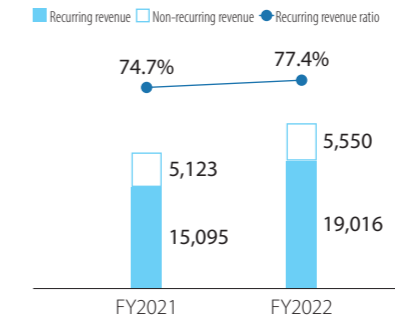
Providing secure information infrastructure, cybersecurity solutions and services as social infrastructure to ensure safety and security in today's digital society.

Application Services Business

Revenue and operating profit (Million yen)
■ Revenue ■ Operating profit

	FY2021	FY2022
Revenue	7,242	7,300
Operating profit	−48	−20

Recurring revenue ratio (Million yen)
■ Recurring revenue □ Non-recurring revenue ● Recurring revenue ratio

|	FY2021	FY2022
Recurring revenue ratio	60.0%	62.4%
Non-recurring revenue	3,699	2,386
Recurring revenue	5,545	3,962
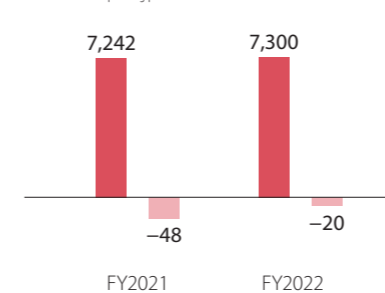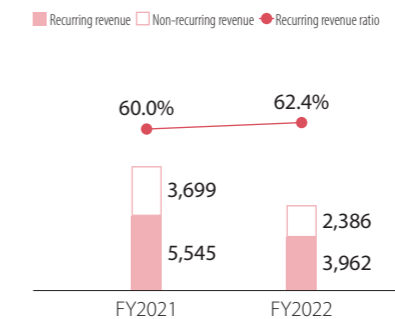
Providing cloud-based business applications with a sophisticated user experience (UX) that is easy for anyone to use and various software development tools and platforms for customers to accelerate in-house development of software.
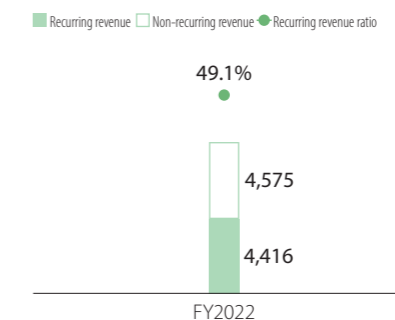
*FY2021 results for Application Services Business include results for medical field. Medical System Business was spun off from the Application Services Business in FY2022.

Medical Systems Business

Revenue and operating profit (Million yen)
■ Revenue ■ Operating profit

	FY2021	FY2022
Revenue	4,560	9,344
Operating profit	728	1,993

Recurring revenue ratio (Million yen)
■ Recurring revenue □ Non-recurring revenue ● Recurring revenue ratio

	FY2022
Recurring revenue ratio	49.1%
Non-recurring revenue	4,575
Recurring revenue	4,416
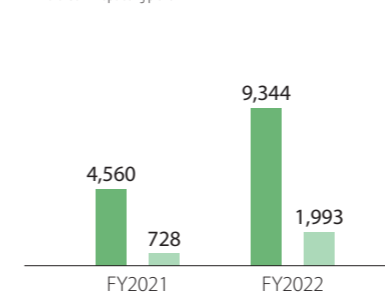
Providing applications and services that aim to build a medical information infrastructure that supports the rest of life of each and every customer.

*Medical Systems Business was spun off from the Application Services Business in FY2022.

Revenue breakdown by business unit (FY2022)
- Medical Systems Business 20.3%
- Information Infrastructure Business 63.8%
- Application Services Business 15.9%

Operating profit breakdown by business unit (FY2022)
- Medical Systems Business 39.1%
- Information Infrastructure Business 61.3%
- Application Services Business -0.4%