

Results for the 40th business period (Fiscal Year Ending March 31, 2024)



May 15, 2024

TECHMATRIX CORPORATION (code : 3762)



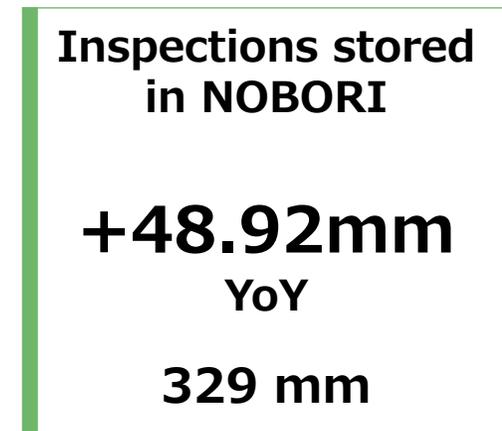
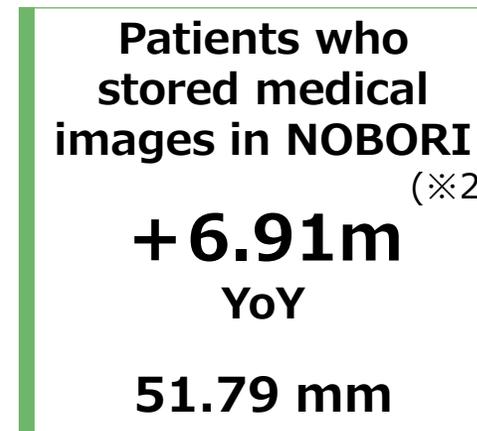
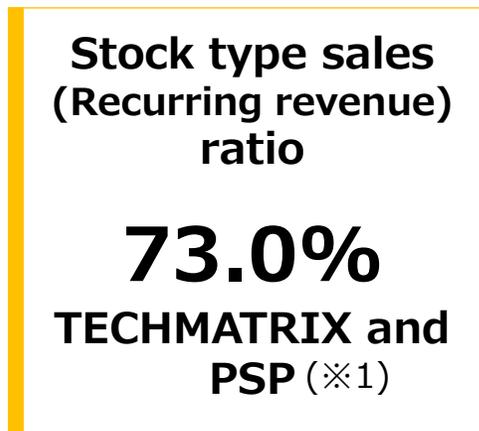
1. Business Highlights for the 40th business period (Consolidated)
2. Forecast for Fiscal Year ending March 31, 2025
(Targets in the next 3 years)
3. Topics of Business activities
4. Medium-Term Management Plan Review
“BEYOND THE NEW NORMAL”
5. New Medium-Term Management Plan
“Creating Customer Value in the New Era”



1. Business Highlights for the 40th business period (Consolidated)



- Key KPIs (Consolidated)



※1 Consolidated subsidiary, PSP (Medical System Business Unit)

※2 Brand name of PSP's medical imaging system (PACS)



Business Highlights for FY2023 (Consolidated)

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

(¥million)

	FY2022	FY2023	YoY	
			Change	Change %
Revenue	45,950	53,303	+7,352	+16.0%
Operating profit (Profit ratio)	5,098 (11.1%)	5,850 (11.0%)	+751	+14.7%
※After excluding special factors (Actual operating profit)	—	5,948 (11.2%)	+849	+16.7%
Profit before tax	5,066	5,854	+788	+15.6%
Profit attributable to owners of parent.	2,950	3,540	+589	+20.0%

※Special factors: Recognized extraordinary expenses (1Q: ¥98m) for paid vacations and refreshment vacations, etc. ,which were incurred in connection with the unification of personnel systems at a consolidated subsidiary, PSP (Medical System Business Unit).



Business Highlights for FY2023 (Consolidated)

(¥million)

	FY2022			FY2023			YoY	
	Results	%	Profit ratio	Results	%	Profit ratio	Change	Change
Revenue	45,950	100.0%		53,303	100.0%		+7,352	+16.0%
Information Infrastructure	29,305	63.8%		35,005	65.7%		+5,700	+19.5%
Application Service	7,300	15.9%		8,205	15.4%		+904	+12.4%
Medical System	9,344	20.3%		10,092	18.9%		+747	+8.0%
Operating profit	5,098	100.0%	11.1%	5,850	100.0%	11.0%	+751	+14.7%
(below: After excluding special factors)				(※2) 5,948		11.2%	+849	+16.7%
Information Infrastructure	3,125	61.3%	10.7%	3,973	67.9%	11.4%	+847	+27.1%
(※1) Information Infrastructure	(※1) 3,090	60.6%	10.5%		66.8%		+882	+28.6%
Application Service	△ 20	△0.4%	△0.3%	317	5.4%	3.9%	+338	—%
(※1) Application Service	(※1) 14	0.3%	0.2%		5.3%		+302	+2144.5%
Medical System	1,993	39.1%	21.3%	1,559	26.7%	15.5%	△433	△21.8%
(※2) Medical System				(※2) 1,657	27.9%	16.4%	△335	△16.9%

※1 The calculation method of allocating of rent and utilities has been changed from 1Q FY2023.

FY2022 1Q operating profit results for Information Infrastructure Business and Application Service Business are calculated using the revised allocation method.

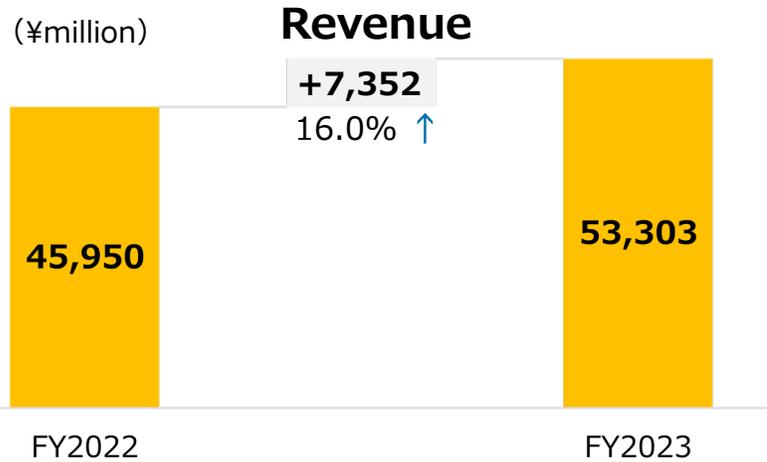
※2 Actual figures excluding extraordinary expenses (1Q: ¥98m) of unifying personnel systems of consolidated subsidiary PSP.

※3 Medical System Business Unit was spun off from the Application Services Business Unit in FY2022.

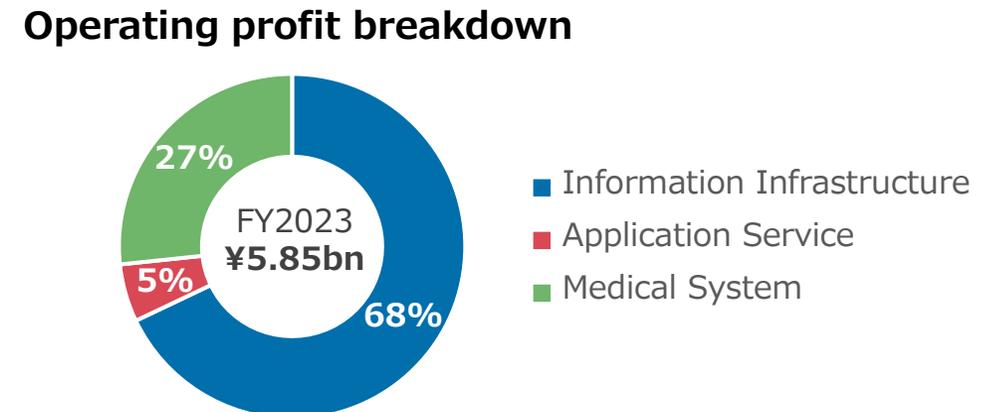
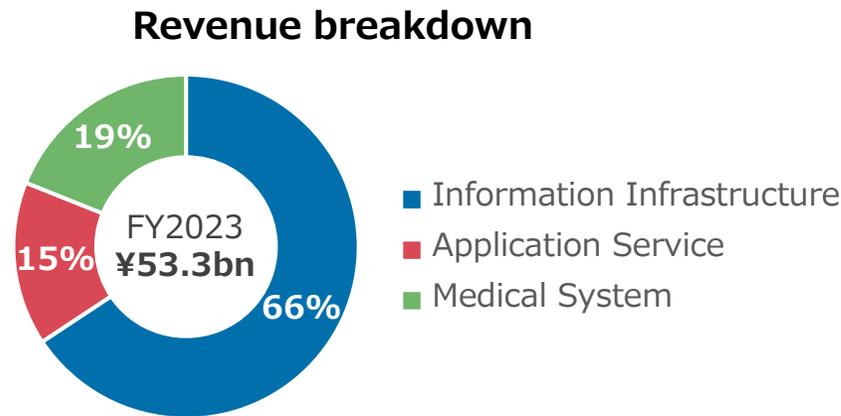


Business Highlights for FY2023 (Consolidated)

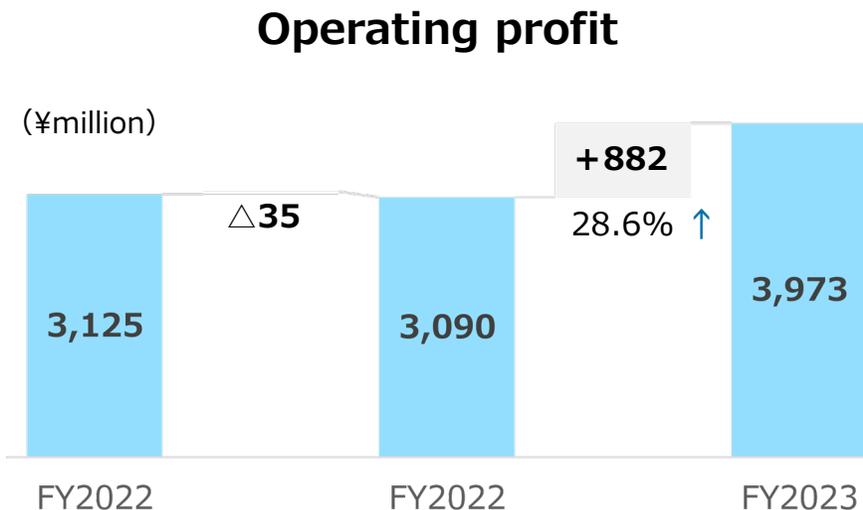
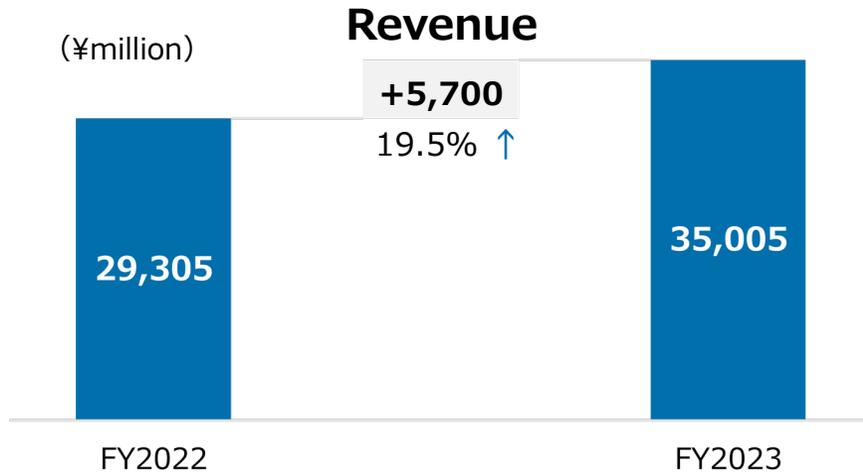
The Information Infrastructure business grew with a tailwind of firm corporate willingness to invest in cybersecurity, driving overall performance. The subscription-based accumulation of the Application Service business also contributed to the growth. Both revenue and operating profit increased, absorbing investments in the Application Service business (EdTech field) and extraordinary expenses incurred from the integration of the Medical Systems Business.



* Assuming that expenses in connection with the unification of personal systems had been excluded



※Medical System Business Unit was spun off from the Application Services Business Unit in FY2022.



* After retroactively reflecting the changes to internal expense allocation rules

The **highest** consolidated revenue and Operating profit.

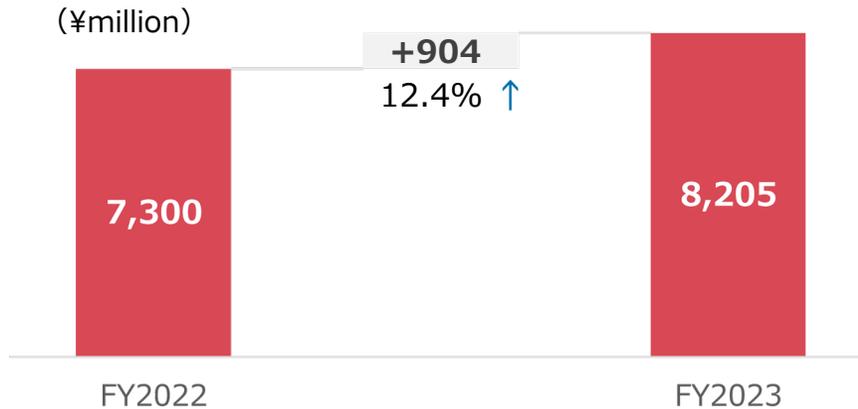
• **Revenue**

- (+) 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.
- (-) Deferred trend due to the shift to subscriptions and Multi-year contracts.

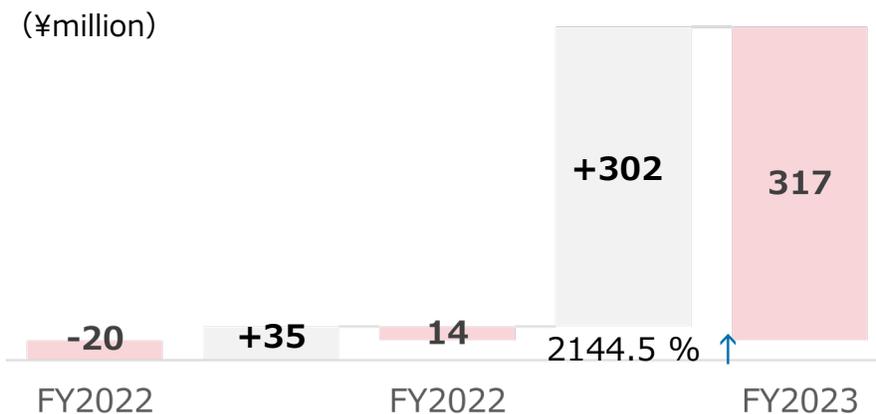
• **Operating profit**

- (+) Thoroughly conducted sales activities with profitability in mind.
- (+) Adjusted the previous year's operating profit due to the changes to internal expense allocation rules for office rent and utilities (¥35million)
- (-) The impact of the weaker yen
- (-) Increased personnel and SG&A expenses to strengthen support structure.
- (-) The impact arising out of the changes to internal expense allocation rules for office rent and utilities.
- (-) Aggressive investments in building the best practice to utilize cloud-native technologies as a new business called "TechMatrix NEO" and the vulnerability management solutions.

Revenue



Operating profit



* After retroactively reflecting the changes to internal expense allocation rules

Revenue and Operating profit increased YoY.

• **Revenue**

- (+) Demands on quality testing tools for enterprise systems and embedded software were strong. (SE)
- (+) In 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)
- (+) In Business solution unit, large projects booking in academic and public solutions and contracted projects to which the percentage-of-completion method was applied are progressing smoothly, contributing to an increase in revenue. (BS)
- (+) Increased revenue due to the increase of number of schools using "tsumugino". (EdTech)

Operating profit

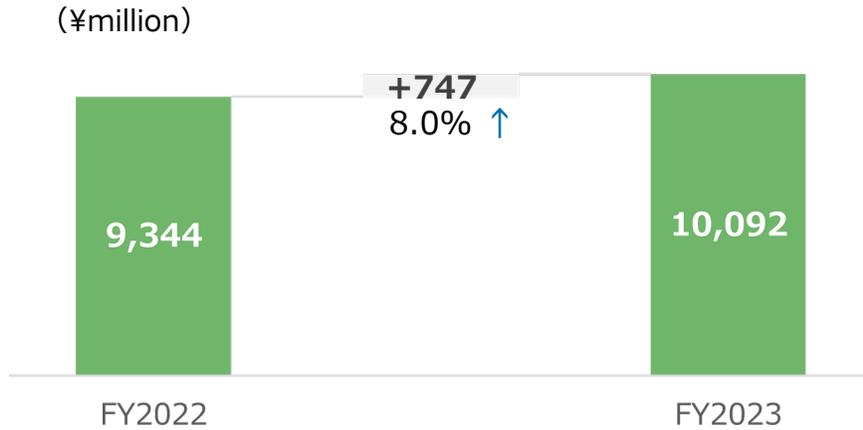
- (+) The impact arising out of the changes to internal expense allocation rules for office rent and utilities.
- (-) Additional employees were hired strategically ahead of schedule for solution development and deliveries. (EdTech)
- (-) Increased personnel and SG&A expenses for expanding business.
- (-) Adjusted the previous year's operating profit due to the changes to internal expense allocation rules for office rent and utilities (¥35million)

※Business abbreviation

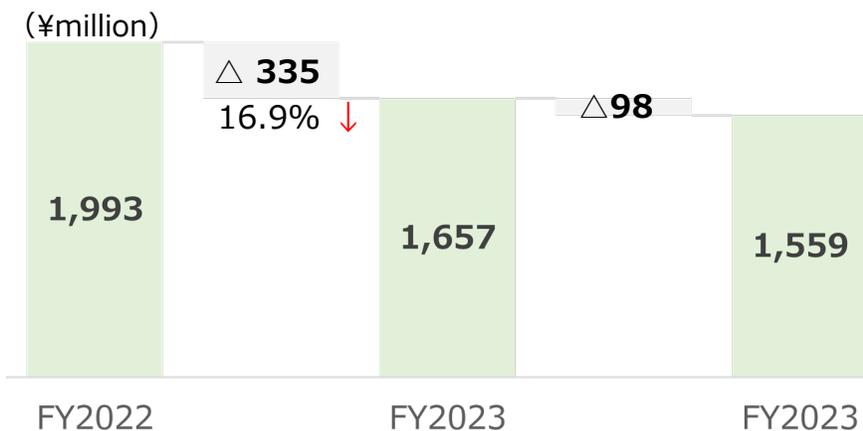
SE: Software quality assurance, BS: Business solution
CRM: Contact center / Call center, EdTech: Education

※Medical System Business Unit was spun off from the Application Services Business Unit in FY2022. **8**

Revenue



Operating profit



* Assuming that expenses in connection with the unification of personnel systems had been excluded

Revenue increased YoY.

Operating profit decreased YoY.

Revenue

- (+) PSP's medical imaging system (PACS) is doing well after the business integration. The shift from On-premise-based PACS to cloud-based PACS progresses gradually.
- (+) NOBORI, a medical information cloud service and a PHR application gained steadily new customer.

Operating profit

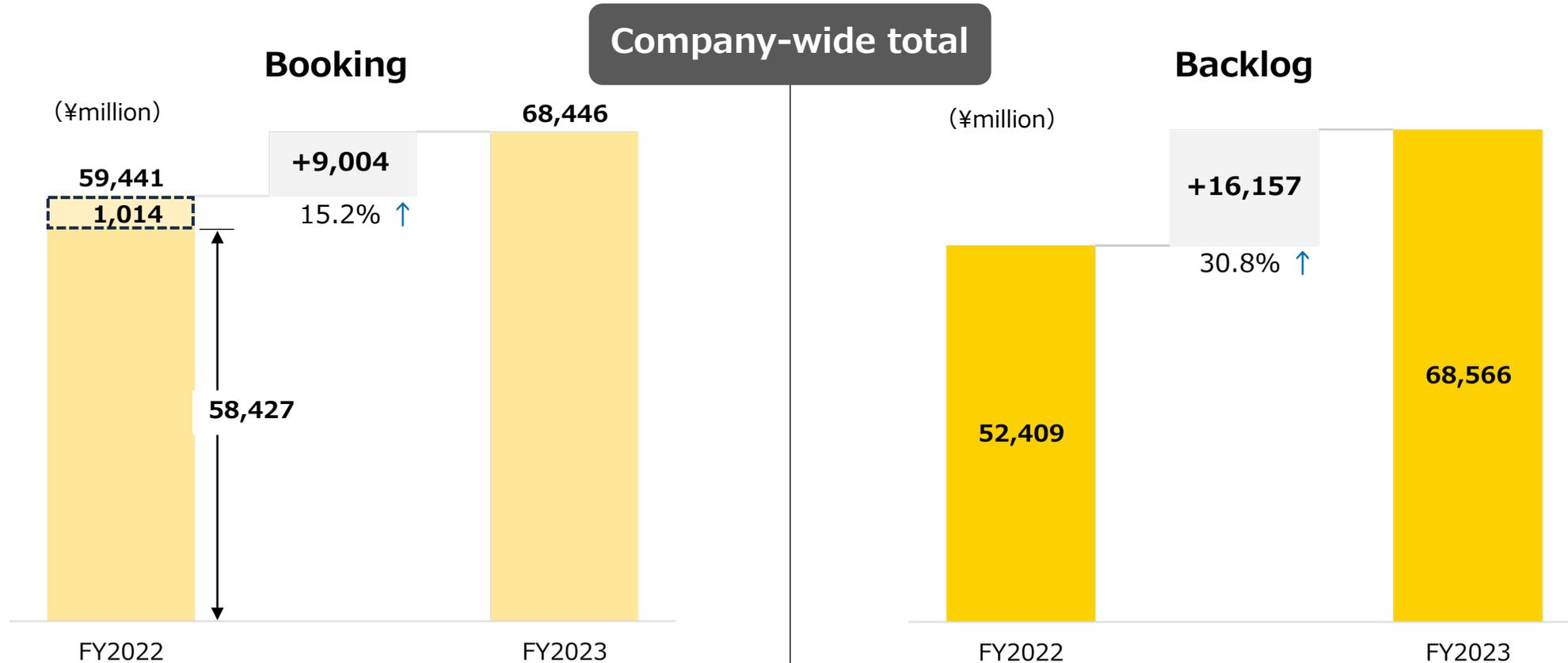
- (+) Recorded profitable projects (3Q).
- (-) Decreased operating profit due to the negative repercussion from increased operating profit in FY2022 which was caused by the recording of FY2022 summer bonus reserve shortfall at the end of FY2021.
- (-) Decreased operating profit due to expenses recognized for paid vacations and refreshment vacations in connection with the unification of personnel systems (1Q: ▲¥98million)
- (-) Increased SG&A expenses due to additional employees for business expansion.
- (-) Amortization of intangible fixed assets associated with software development

※Medical System Business Unit was spun off from the Application Services Business Unit in FY2022.



Booking and Backlog for FY2023 (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.



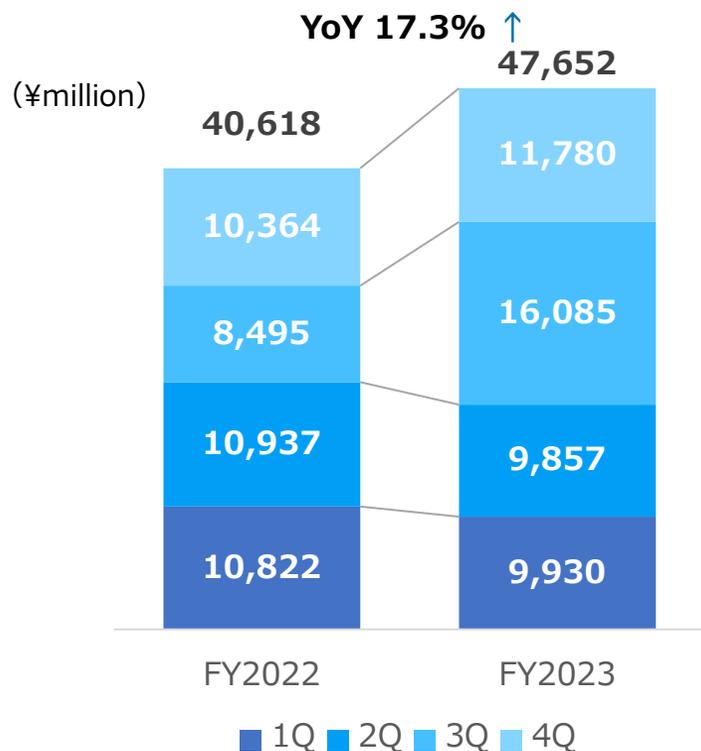
※Due to a calculation error prior to ERP system integration of the merged company in Medical System business, omissions were discovered in the previous year's booking amount (¥1,014 million).



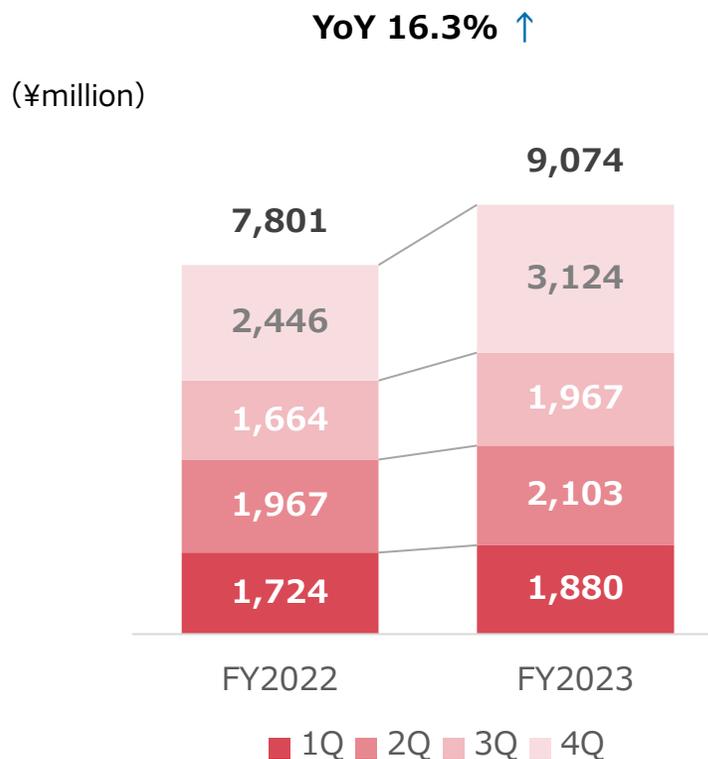
Booking by Segment for FY2023 (Consolidated)

- **Information Infrastructure Business** : Increased demands for cloud-based security products (new / renewal).
- **Application Service Business** : Increased backlogs, in particular, in CRM field. Received large bookings for academic and public solutions in Business solution field. Progress was made in deploying them in private schools offering advanced education in EdTech.
- **Medical System Business** : Increased in number of new bookings steady, renewals and replacements for PACS.

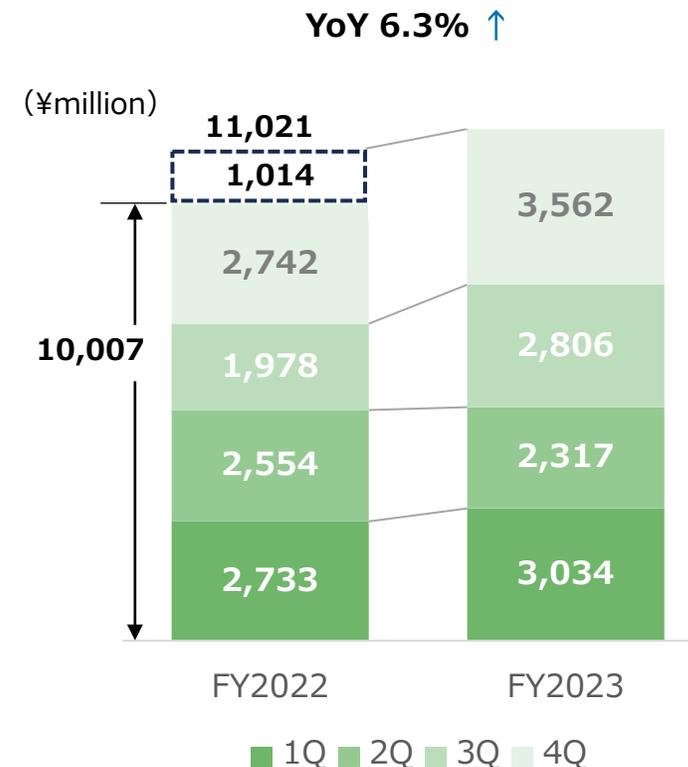
Information Infrastructure Business



Application Services Business



Medical System Business



※1 Due to a calculation error prior to ERP system integration of the merged company, omissions were discovered in the previous year's booking amount (¥1,014 million).
 ※2 Medical System Business Unit was spun off from the Application Services Business Unit in FY2022.
 ※3 Business abbreviation

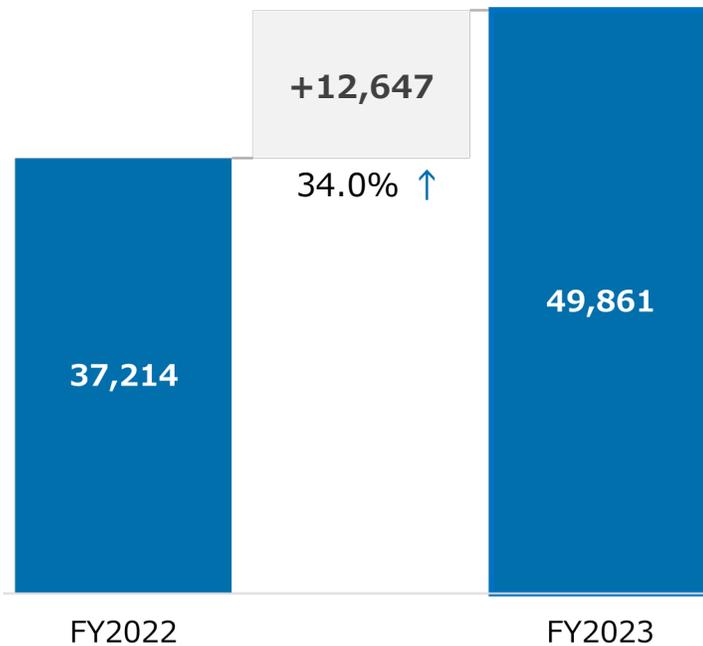


Backlog by Segment for FY2023 (Consolidated)

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

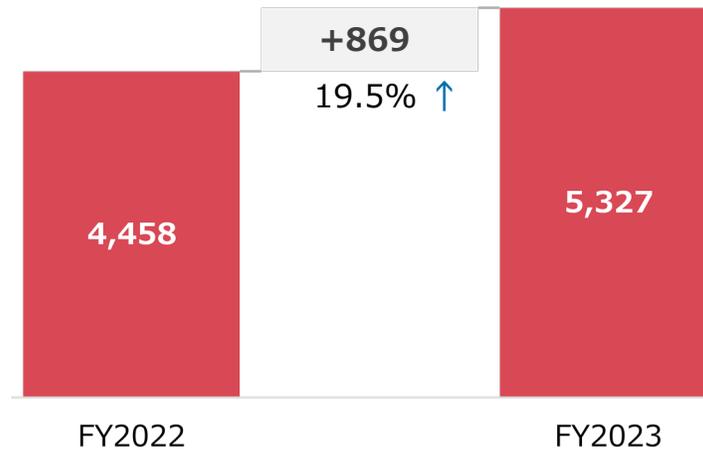
Information Infrastructure Business

(¥million)



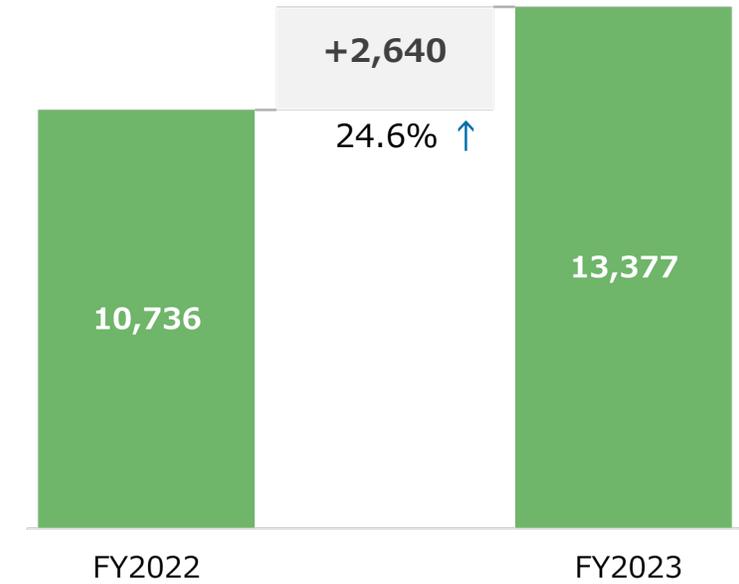
Application Services Business

(¥million)



Medical System Business

(¥million)

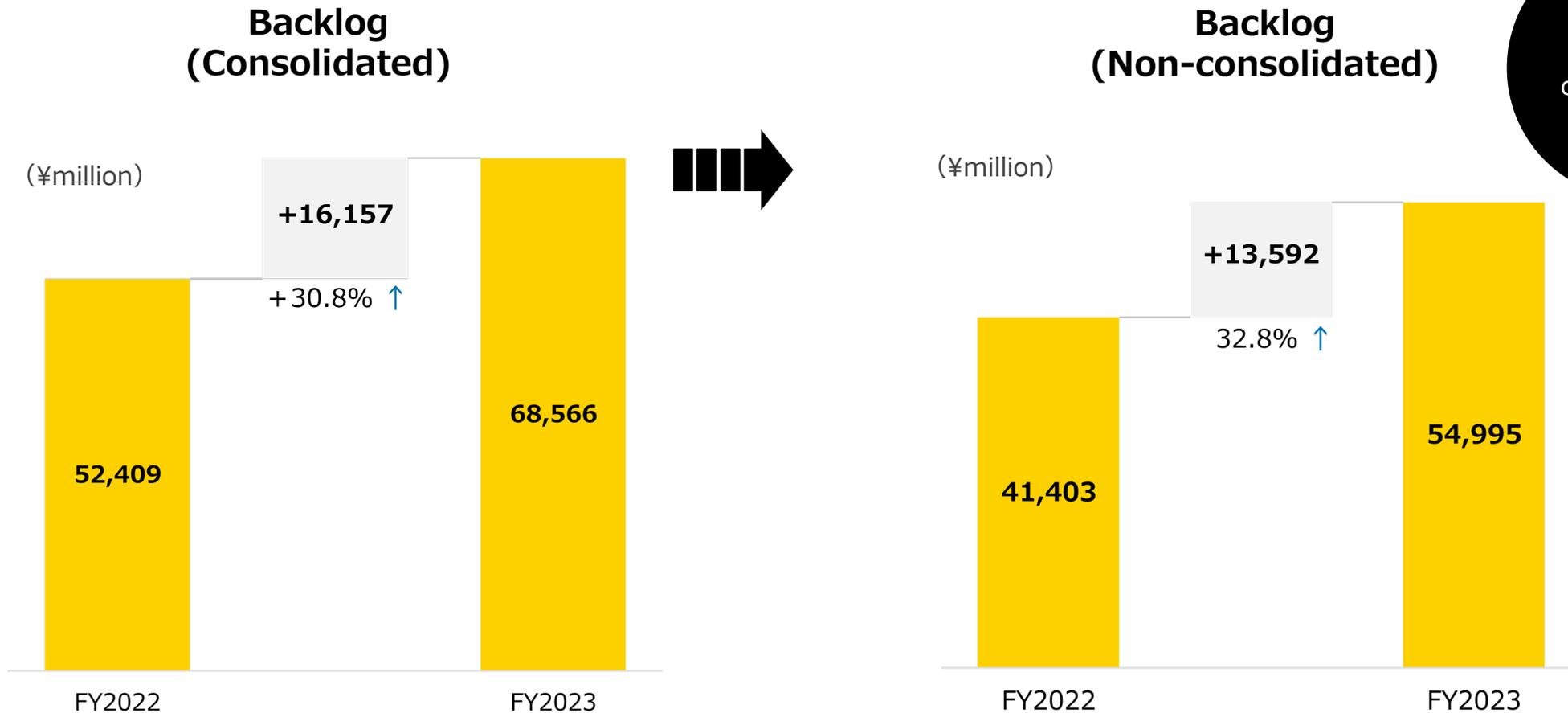


※Medical System Business Unit was spun off from the Application Services Business Unit in FY2022. 12



Backlog for FY2023 (Non-Consolidated)

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

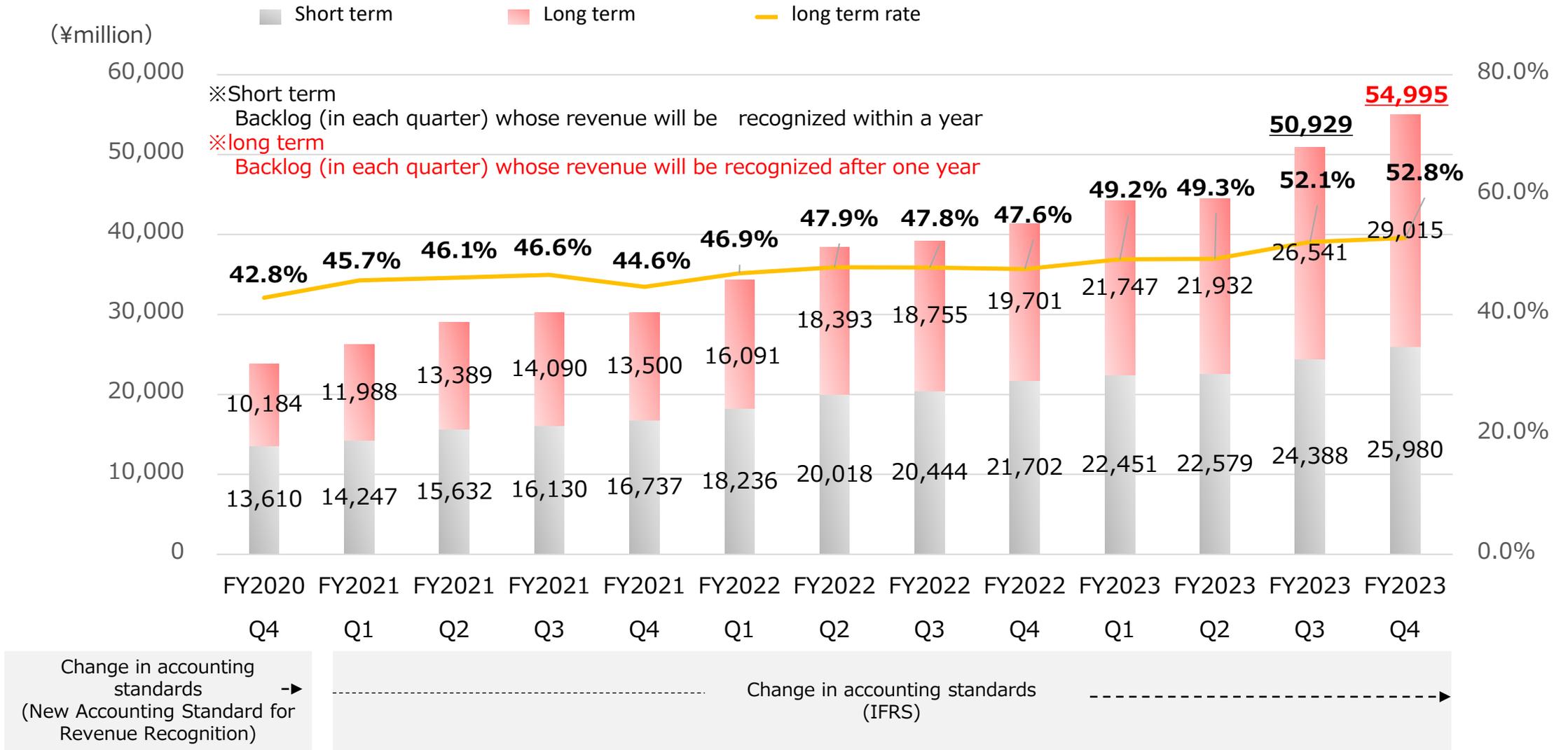


About **80%** of consolidated backlog



Backlog for FY2023 (Non-Consolidated)

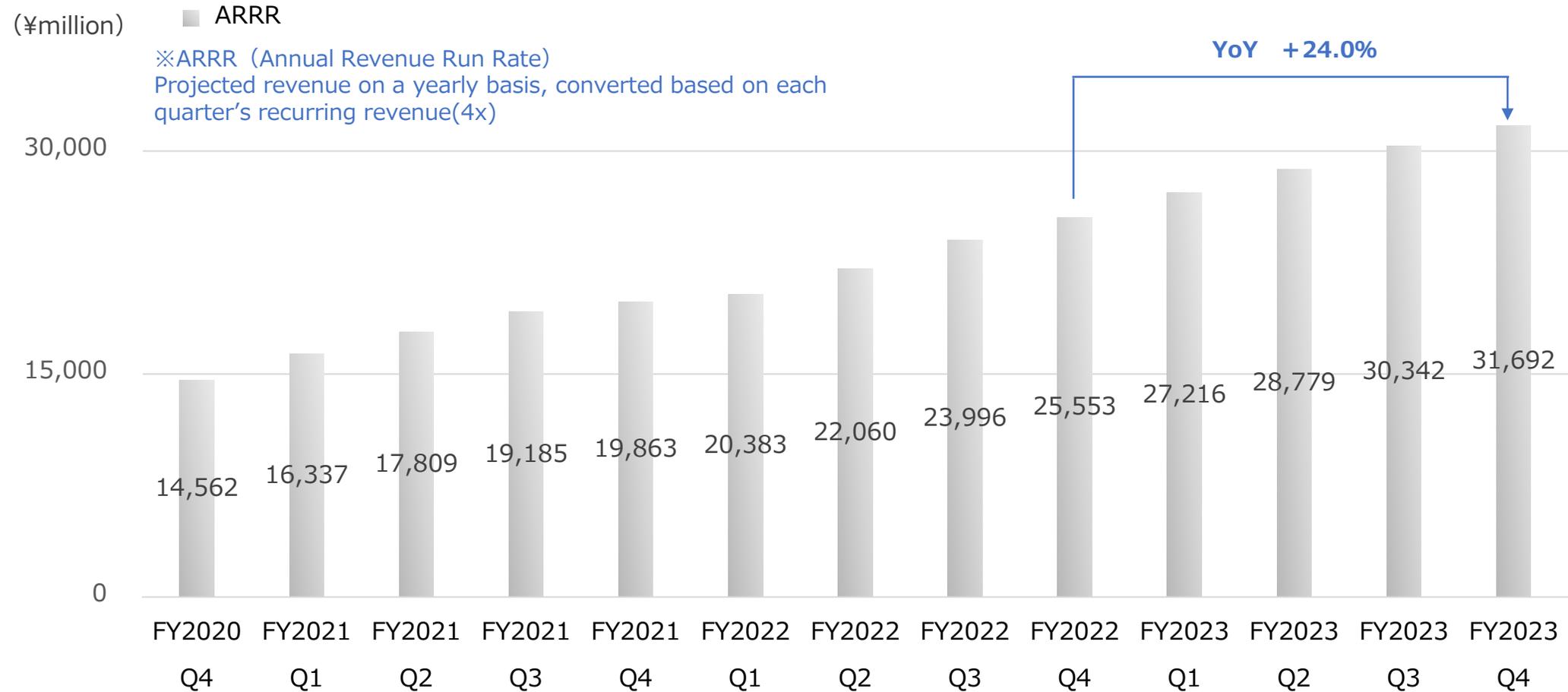
- Non-consolidated backlog (only at TechMatrix) are as follows.





ARRR for FY2023 (Non-Consolidated)

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





Weather chart by Segment (Based on revenue) for FY2023

Information Infrastructure Business		YoY
Load balancers (F5)	<ul style="list-style-type: none"> Revenue for application delivery / load balancer (BIG-IP) and Web server software (middleware) (NGINX by F5) increased as a result of the accumulation of medium-sized projects. 	
Next-Generation Firewall / SASE / XDR / SOAR (Palo Alto)	<ul style="list-style-type: none"> Increased revenue for cloud-based security products as a result of the accumulation of medium-sized projects and new ultra-large projects. New demands for medium projects is increasing. 	
Antivirus / Intrusion prevention Appliances / Security Information and Event Management(SIEM) / Web security (Trellix, Skyhigh)	<ul style="list-style-type: none"> Product is in the process of rebranding, so acquisition new customers is a challenge. 	
Personal Authentication Systems & Forensic Products (RSA)	<ul style="list-style-type: none"> Due to a decrease in the number of new and replacement SecurID, revenue for authentication systems decreased. 	
Storage products (Dell, Cohesity)	<ul style="list-style-type: none"> Revenue increased, driven by strong demands from the media entertainment industry, with high demands for backup / recovery solution against Ransomware. 	
Security-related operation and monitoring services (TPS)	<ul style="list-style-type: none"> Revenue for TPS remained steady, which was stimulated by increasing demands for cloud-based security products. 	
Next-Generation Mail security(ProofPoint)	<ul style="list-style-type: none"> Revenue increased YoY due to strong demands on security solutions for cyber attacks via email. 	
Cyber Hygiene(Tanium)	<ul style="list-style-type: none"> Although demands for endpoint security solution was strong, revenue declined due to challenges in acquiring new customers. 	
Other security products	<ul style="list-style-type: none"> Strong demands for Next-generation anti-virus products utilizing AI and Web application vulnerability assessment tool. Revenue increased due to the acquisition of existing projects and new large projects. 	
CROSS HEAD & OCH	<ul style="list-style-type: none"> CROSS HEAD : Revenue increased YoY due to the strong demands on integration projects, in particular, for cybozu. Revenue exceeded the plan and increased YoY. OCH : The plan was unachieved due to intensified competition in some of main products. Launched new UTM products (strong start). 	

+10% and over
 +5% ~ +10%
 within±5%
 within△10%
 under△10%



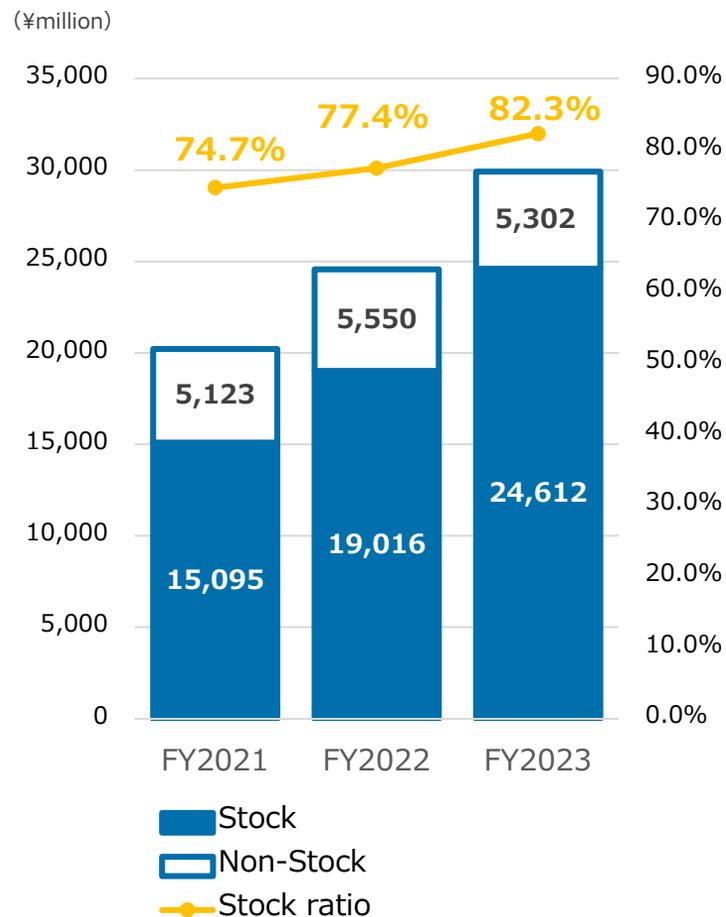
Weather chart by Segment (Based on revenue) for FY2023

Application Services Business		YoY
Business Solution field (Including CASAREAL and ARECCIA Fintech (former IDAY))	<ul style="list-style-type: none"> In the Business solution unit, demands for academic and public solutions is strong. Also, contracted projects to which the percentage-of-completion method was applied are progressing smoothly, contributing to an increase in revenue. Projected number was overachieved. CASAREAL : Revenue increased YoY due to continuation of strong demands on IT trainings and voice actor / entertainer management system. The plan was unachieved due to slipping the timing of holding trainings to the 2nd half of the year. New ARECCIA Fintech: Although the plan was unachieved, revenue increased YoY. Received bookings for large-scale projects as a result of strengthening sales activities through reorganization (made ARECCIA Fintech a wholly owned subsidiary and our financial solution business was integrated into ARECCIA Fintech). 	
Software Quality Assurance field	<ul style="list-style-type: none"> Strong demands in the automotive industry due to the shift to IT in automobiles. Revenue increased due to the accumulation of stock-type businesses accelerated by the progress of subscriptions. Exceeded the plan. 	
CRM field	<ul style="list-style-type: none"> Market environment is favorable. Revenue increased due to the accumulation of stock-type businesses accelerated by the progress of subscriptions. Exceeded the plan. 	
EdTech field	<ul style="list-style-type: none"> Although the plan was unachieved, revenue increased significantly due to deployment to private schools that offer advanced education and the accumulation of projects. 	
Medical System Business		YoY
PSP	<ul style="list-style-type: none"> Increase in number of new contracts, renewals and replacements for PACS. 	
Ichigo	<ul style="list-style-type: none"> Maintained stable sales growth for teleradiology and telepathology and exceeded the plan. Revenue increased YoY. 	
A-Line	<ul style="list-style-type: none"> Sales activities as a PSP group led to an increase in the number of radiation dose management systems. 	

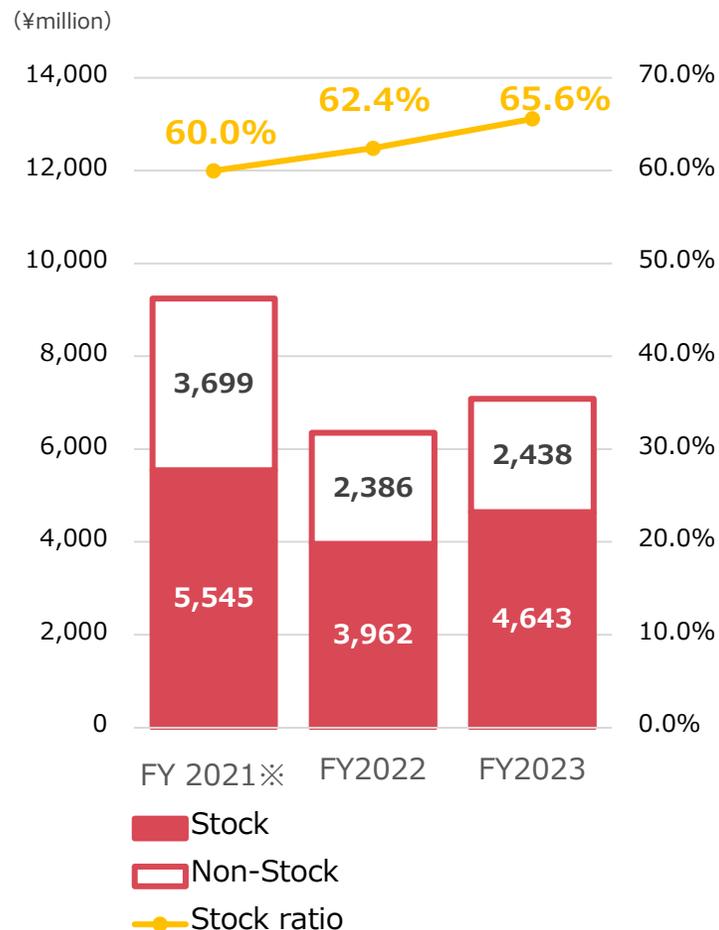
+10% and over
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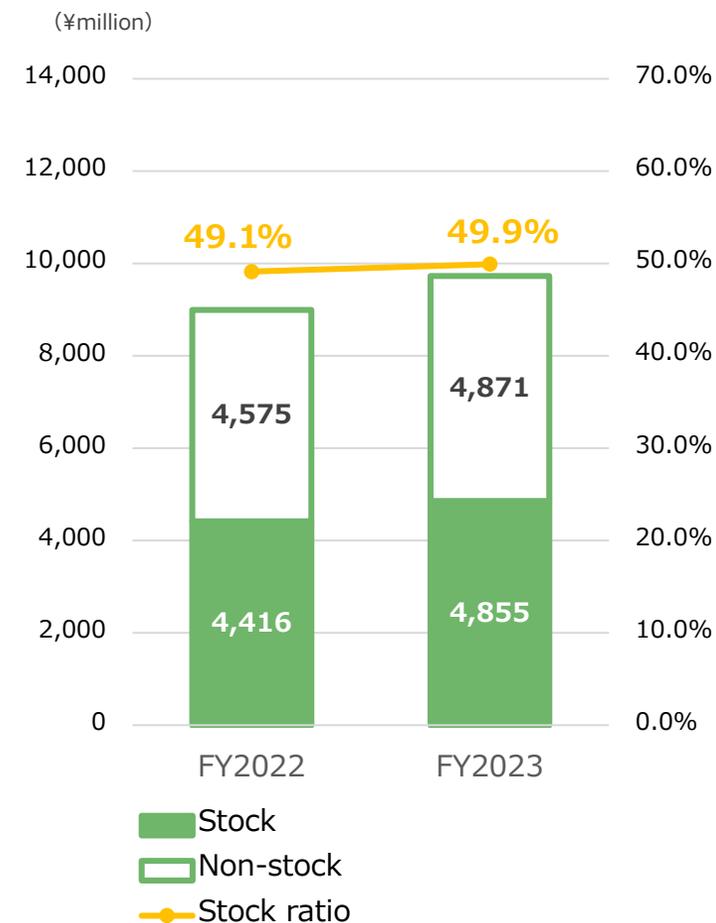
Information Infrastructure Business



Application Services Business



Medical System Business



※ Medical System Business Unit was spun off from the Application Services Business Unit in FY2022.
 ※ FY2021 results for application services business include results for medical field.



Consolidated Statement of Financial Position

- ※1 Cash and cash equivalents increased as collection of receivables for large projects.
 ※2 "Advance payments" included in Other current assets and "Advance received" included in Other current liabilities were increased as a result of increase in booking for subscription-based cloud security services.
 ※3 "Stocks of affiliated companies" increased due to the investment in Mobilus Corporation. Mobilus became an affiliate accounted for by the equity method.

(¥million)

	FY2022	FY2023		FY2022	FY2023
Total current assets	51,770	70,462	Total current liabilities	36,044	51,648
Cash and cash equivalents (※1)	20,071	27,265	Trade and other payables	2,145	2,230
Trade and other receivables	6,274	6,874	Borrowings	570	570
Other current assets (※2)	25,425	36,321	Other current liabilities (※2)	33,329	48,847
Total non-current assets	13,920	15,294	Total non-current liabilities	5,729	7,064
Property, plant and equipment	6,121	6,117	Borrowings	300	100
Goodwill	171	171	Other non-current liabilities	5,429	6,964
Intangible assets	2,141	2,420	Total liabilities	23,917	27,043
Other non-current assets (※3)	5,485	6,584	Share capital and Capital surplus	5,892	6,065
Total assets	65,691	85,756	Treasury shares	△974	△930
			Retained earnings	13,380	16,037
			Other components of equity	671	571
			Total equity attributable to owners of parent	18,970	21,744
			Non-controlling interests	4,946	5,299
			Total liabilities and equity	65,691	85,756



Consolidated

	30-Jun.	30-Sep.	31-Dec.	31-Mar.
FY2022	1,424 [133]	1,429 [134]	1,442 [138]	1,439 [138]
FY2023	1,484 [137]	1,489 [137]	1,491 [140]	1,502 [135]
YoY	+60 [+4]	+60 [+3]	+49 [+2]	+63 [-3]

Non-consolidated

	30-Jun.	30-Sep.	31-Dec.	31-Mar.
FY2022	531 [69]	532 [70]	544 [73]	544 [74]
FY2023	558 [76]	※ 543 [79]	541 [83]	553 [82]
YoY	+27 [+7]	+11 [+9]	-3 [+10]	+9 [+8]

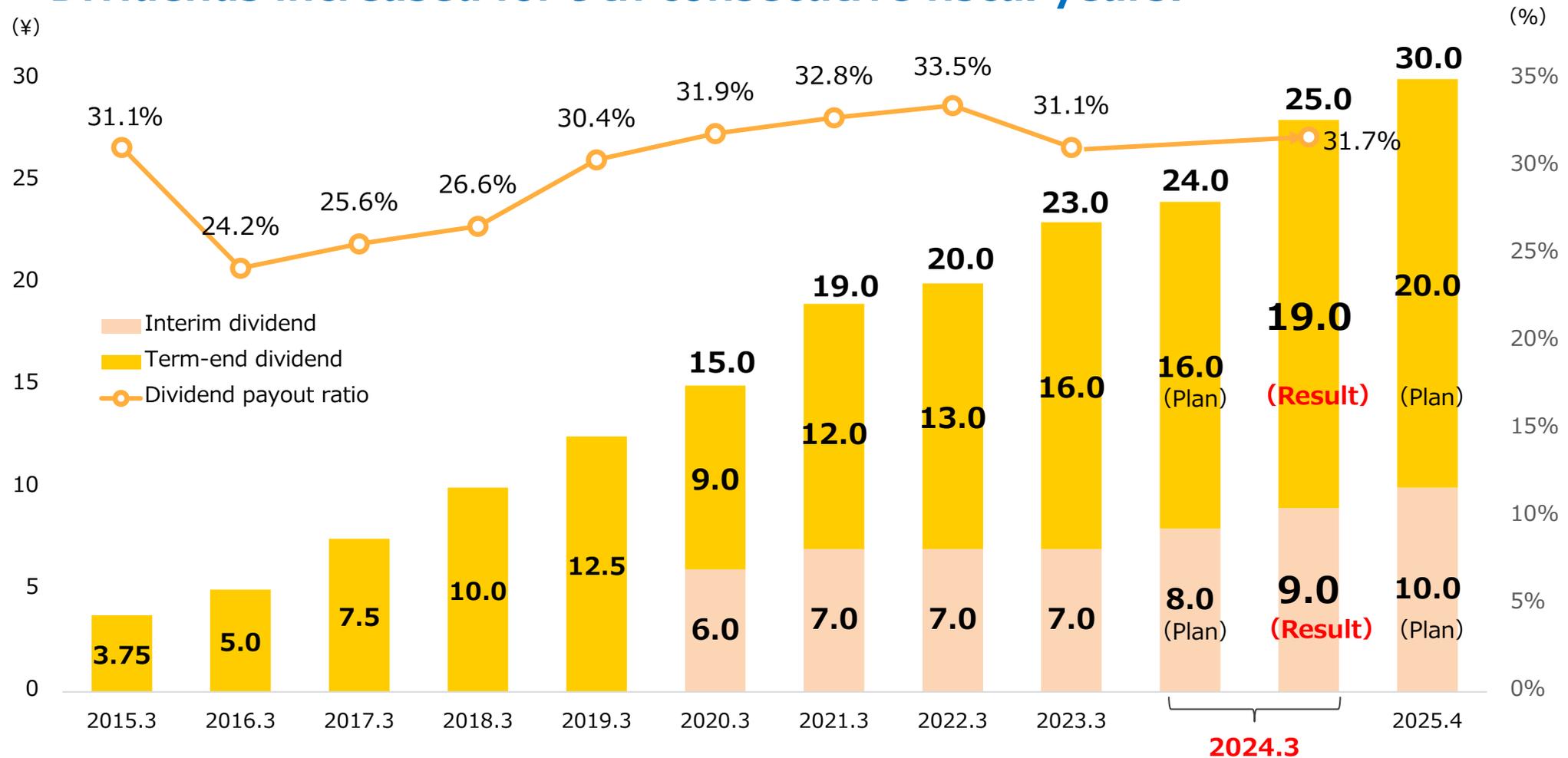
※Made ARECCIA Fintech a wholly owned subsidiary (July 1, 2023)
 The number of non-consolidated staff decreased due to transfers
 to ARECCIA Fintech as a result of this change.

※The number of employees is the number of full-time employees.

※The figures in parentheses in the “Number of employees” column indicate the average number of temporary employees (including temporary and contract employees).



- Raise basic policy of dividend payout ratio to 30% or more (FY2023~).
- Dividends increased for 9th consecutive fiscal years.



※As a result of the 1:2 stock split implemented in Marth 2017 and July 2020, the amount of dividends for prior periods presented assuming that the stock split was implemented.



2. Forecast for Fiscal Year ending March 31, 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

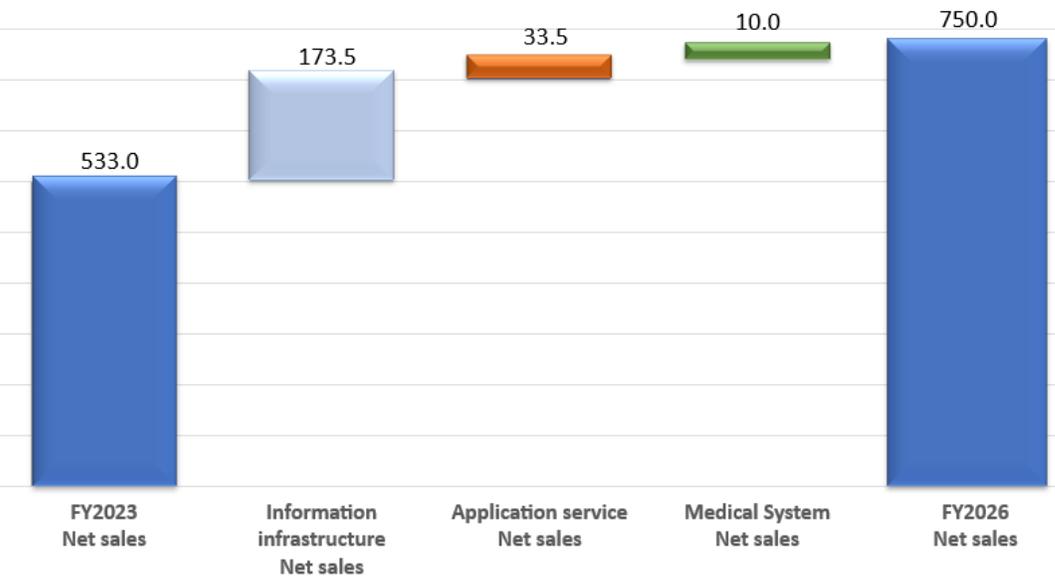
- communication platform + Integrated school affairs support system 「tsumugino」 service started
- Started providing PHR services for individuals (patients)

- Established NOBORI Ltd.

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

(100million yen)

TechMatrix consolidated net sales trends

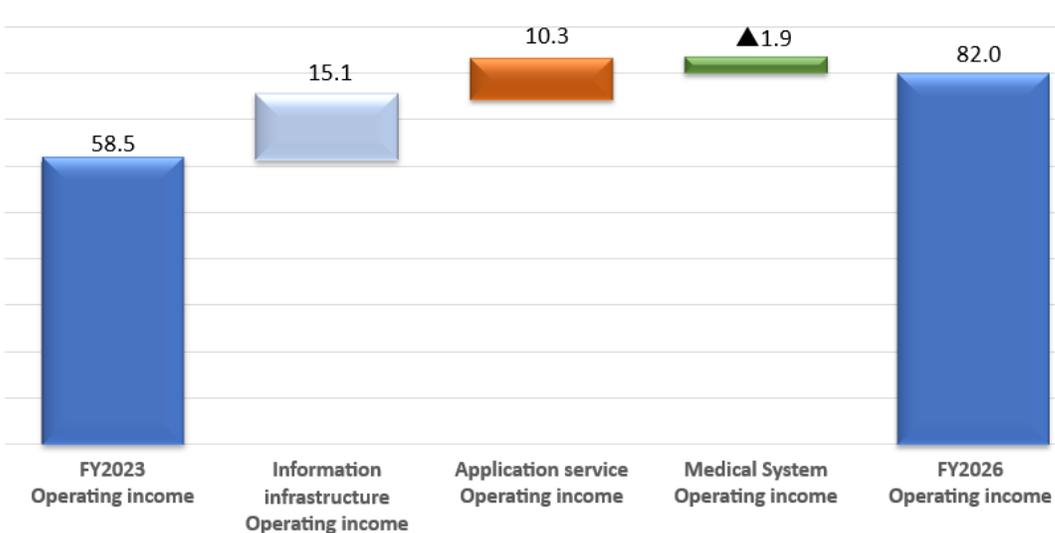


		FY2023 Actual
Net sales	Total	533.0
	Information infrastructure	350.0
	Application service	82.0
	Medical System	101.0

		FY2026 Plan	
Net sales	Total	750.0	140.7%
	Information infrastructure	523.5	149.6%
	Application service	115.5	140.9%
	Medical System	111.0	109.9%

(100million yen)

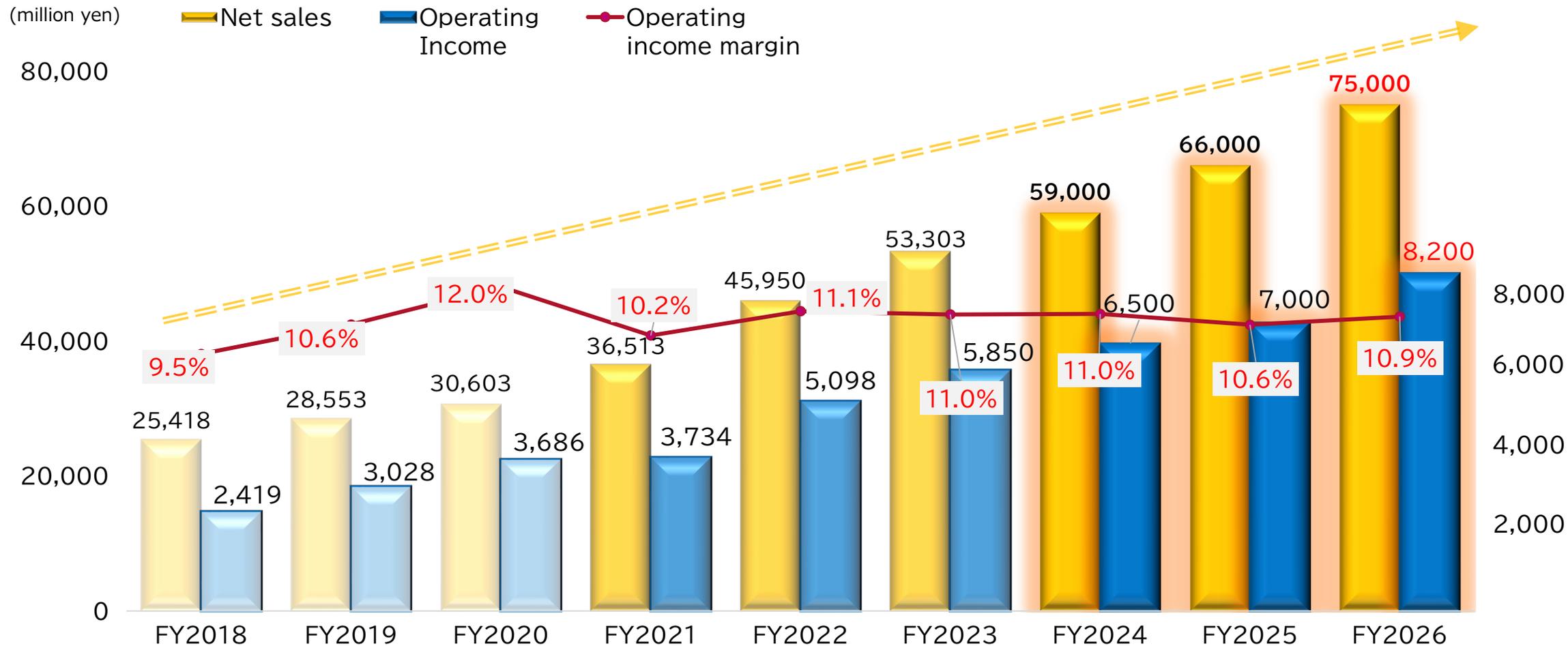
TechMatrix consolidated Operating income trends



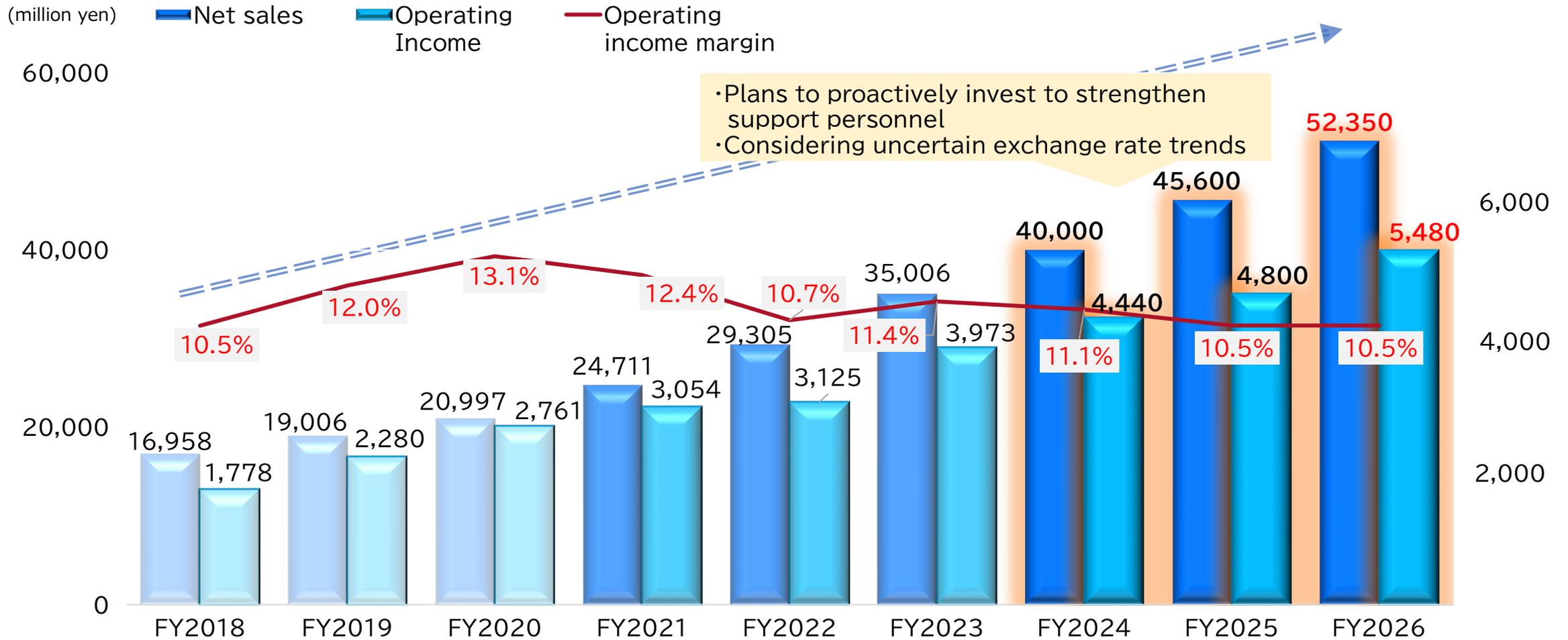
		FY2023 Actual
Operating income	Total	58.5
	Information infrastructure	39.7
	Application service	3.2
	Medical System	15.6

		FY2026 Plan	
Operating income	Total	82.0	140.2%
	Information infrastructure	54.8	138.0%
	Application service	13.5	421.9%
	Medical System	13.7	87.8%

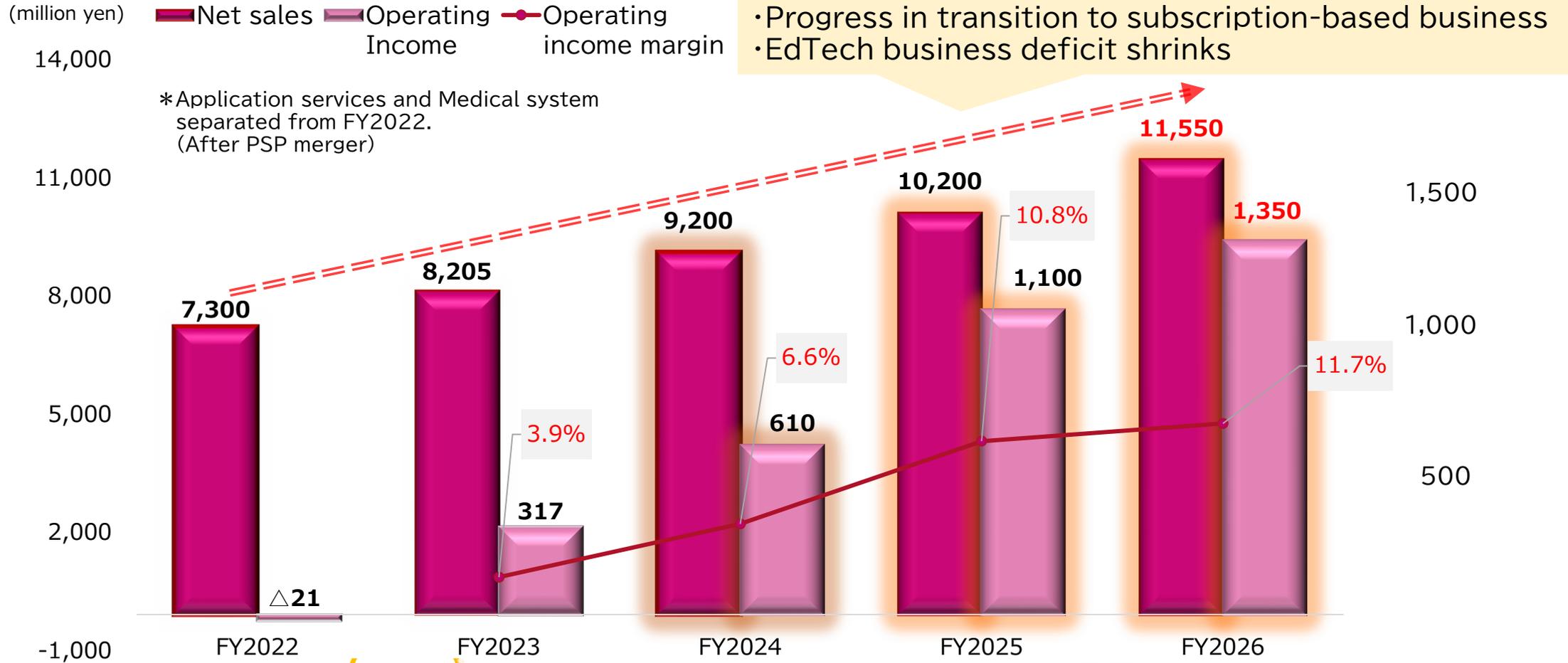
Creating Customer Value in the New Era 3-year targets (Consolidated)



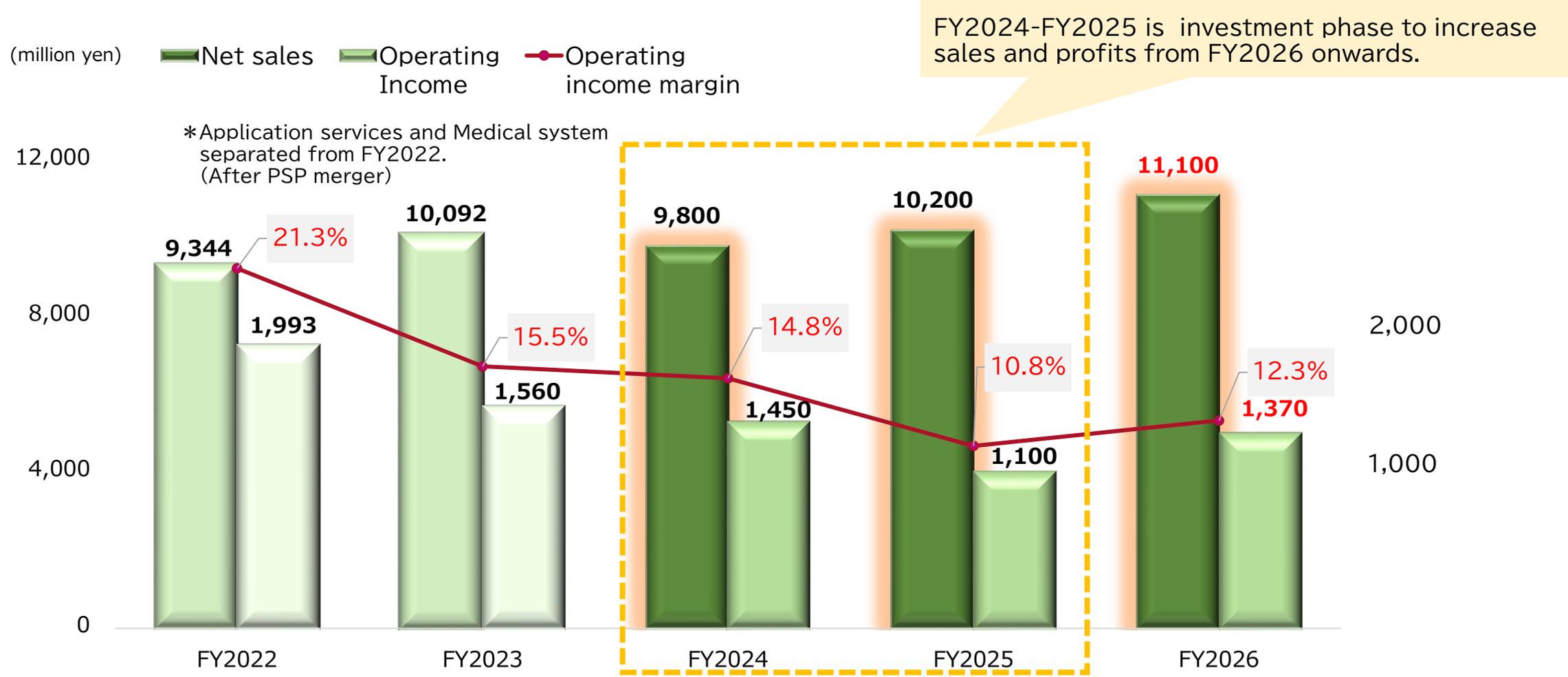
Creating Customer Value in the New Era 3-year targets (Information infrastructure)



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



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



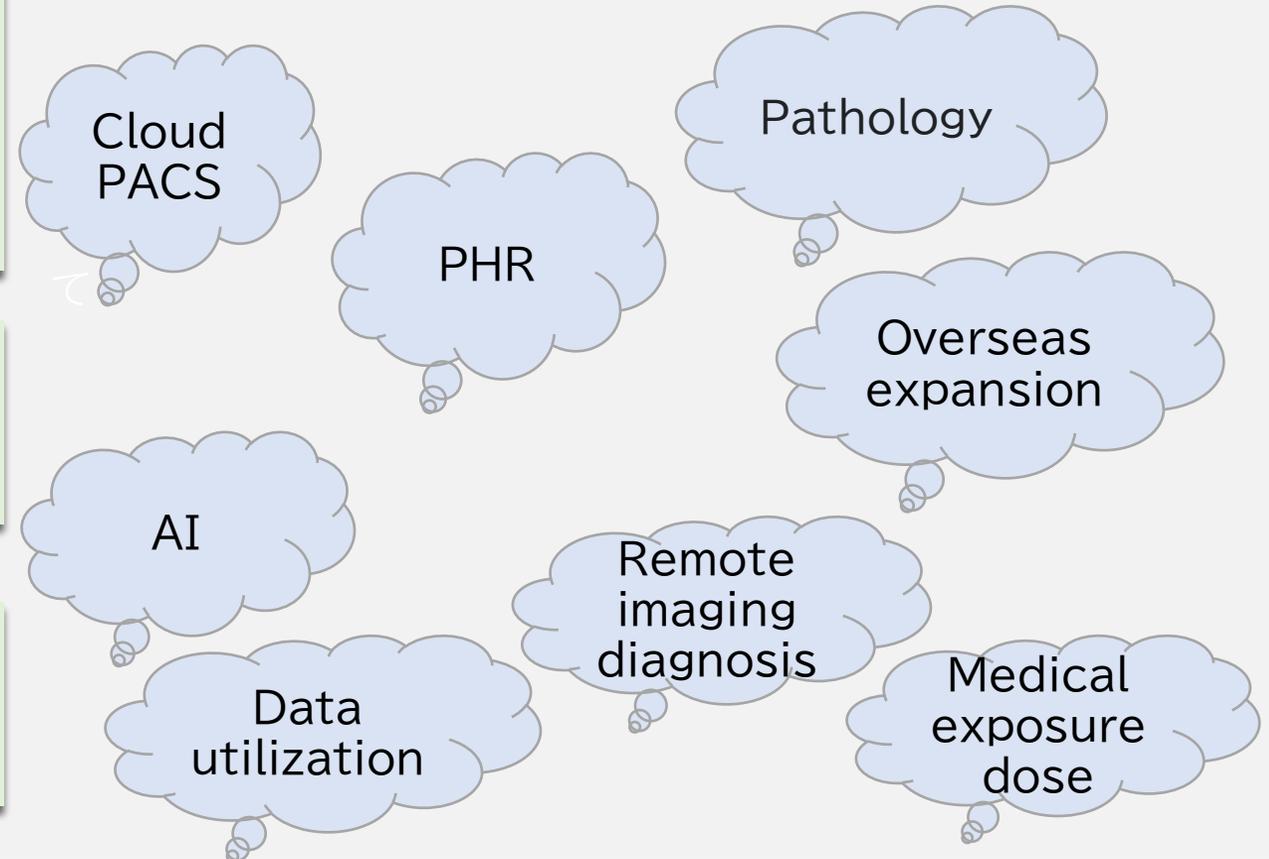
FY2024-FY2025 is investment phase to increase sales and profits from FY2026 onwards.

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





3. Topics of Business activities

Capital and business alliance with Mobilus Corporation (January 2024) ①

The needs for contact centers to shift to non-voice and automated operations have been growing. We have strengthened the competitiveness of our contact center solutions by the capital and business alliance.



MOBILUS
 Top enterprise chatbots in Japan

Strengths in non-voice solutions (chat, LINE, bot) and generative AI domain

Sales alliance (cross-selling)
 Distribution of Mobilus products by TechMatrix on an OEM basis
 Distribution of TechMatrix products by Mobilus as an agent

Improve productivity and customer satisfaction in contact centers



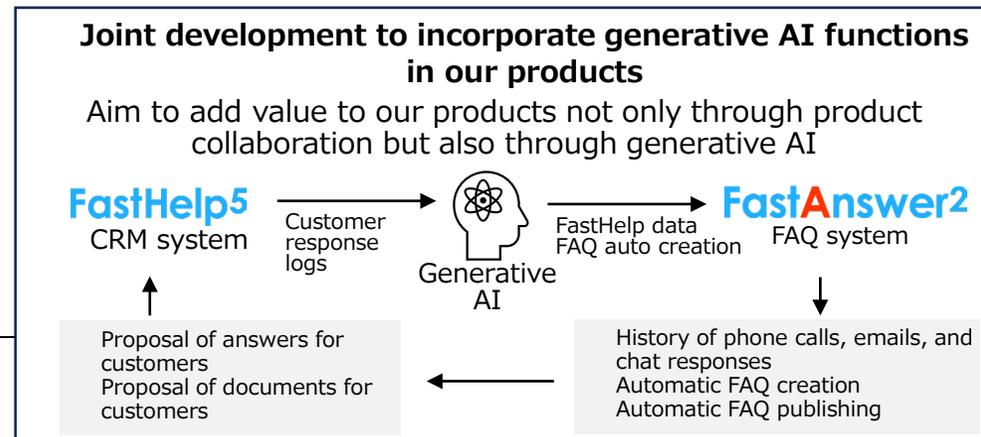
TechMatrix
 Top CRM in Japan

Strengths in voice call-centered multi-channel solutions

Marketing
 Joint advertising and sales promotion
 Cooperation in customer attraction activities

Product and service development
 Links between TechMatrix and Mobilus products.
 Joint research and new business development.

Overseas business
 Sales of Mobilus products in the ASEAN region.



Made Mobilus Corporation an affiliated company accounted for by the equity method (March 2024) ②

Percentage of shares held by TechMatrix to the total number of shares issued: 28.75%



Major shareholders

• TechMatrix Corporation	28.75%
	
• Mitsubishi UFJ Capital V, Limited Partnership	7.59%
• Individual shareholders	6.73%
• Global Innovation Fund III	6.13%
• transcosmos inc.	6.13%
• Individual shareholder (Tomohiro Ishii, President and CEO of Mobilus Corporation)	2.97%
• Individual shareholders	2.09%
• JPMorgan Securities Japan Co., Ltd.	1.15%
• Nippon Cultural Broadcasting Inc.	1.15%

* Percentages of shares held by entities other than TechMatrix are as of August 31, 2023.

Outline of Mobilus Corporation and TechMatrix

	Mobilus Corporation	TechMatrix
Location	Hamamatsucho Building 15F, 1-1-1 Shibaura, Minato-ku, Tokyo	SHINAGAWA SEASON TERRACE 24F, 2-70 Konan 1-chome, Minato-ku, Tokyo
Name and title of the representative	Tomohiro Ishii, President and CEO	Takaharu Yai, President and CEO
Business areas	Provision of CX solutions such as SaaS products (Mobi series) for contact centers.	Provision of services such as sales consulting and maintenance of IT-related software, hardware and solutions Provision of solutions for contact centers in the CRM field
Share capital	¥438 million	¥1,298 million
Number of employees	89 (As of August 31, 2023)	1,439 (As of March 31, 2023)
Revenue	¥1,590 million (Fiscal year ended August 31, 2023)	¥45,950 million (Fiscal year ended March 31, 2023)
Operating profit	△156 million (Fiscal year ended August 31, 2023)	¥5,098 million (Fiscal year ended March 31, 2023)
Operating profit margin	— (Fiscal year ended August 31, 2023)	11.1% (Fiscal year ended March 31, 2023)
Ordinary profit (profit before tax)	△¥152 million (Fiscal year ended August 31, 2023)	¥5,066 million (Fiscal year ended March 31, 2023)
Profit (Profit attributable to owners of parent)	△¥182 million (Fiscal year ended August 31, 2023)	¥2,950 million (Fiscal year ended March 31, 2023)
Profit per share (Basic earnings per share)	△¥31.17 (Fiscal year ended August 31, 2023)	¥73.91 (Fiscal year ended March 31, 2023)

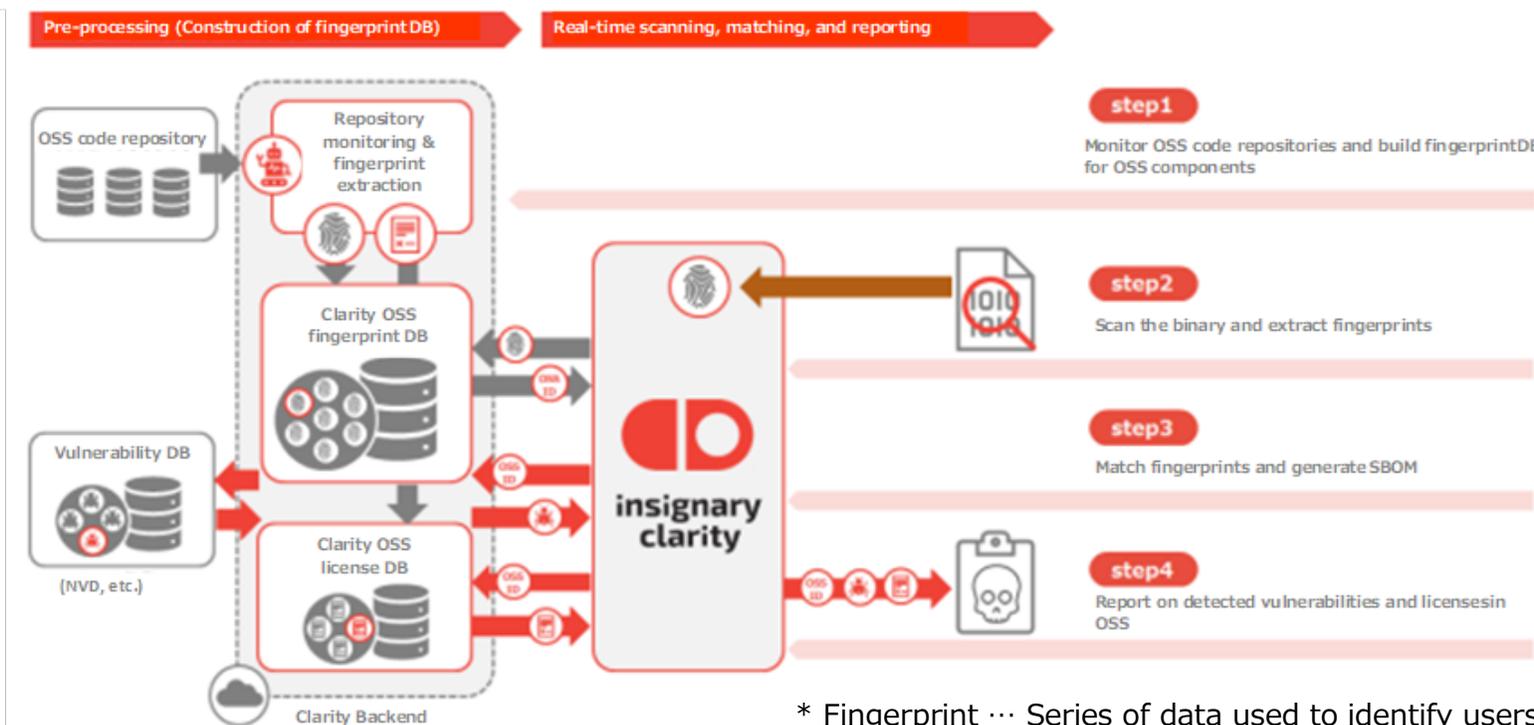


Started sales of Insignary Clarity, a binary analysis OSS management tool (January 2024)

OSS (Open Source Software) management solution developed by Insignary in Korea.

It monitors risks in software supply chains by extracting OSS components from the binary* to identify vulnerabilities and licenses.

[How Clarity works]



Features

- Checks for vulnerabilities and license compliance issues even when source codes and documents are not available.
- Searches OSS from fragmented source code information in the binary.

* Fingerprint ... Series of data used to identify users, devices, and other endpoints.

Binary ... Binary code, which is not in text format and used when computers execute instructions.



Launched inventory optimization solution (March 2024)

A solution born from the voices of customers engaged in business operations management. It provides integrated management from inventory confirmation to order planning by utilizing the automatic analysis function of “Yellowfin,” a business intelligence platform offered by TechMatrix.

It realizes proper inventory management by automatically detecting and notifying of events such as rapid decline in inventory.

Background and issues

- Excess inventory and dormant inventory occur frequently on a daily basis, and stockouts frequently occur.
- As staff members use different Excel files for inventory management, data is scattered or missing.
- Inventory management and order planning operations are dependent on specific personnel.
- Due to a lack of inter-system integration, timely inventory counts and storage status are not available, resulting in inaccurate demand forecasts.

We provide solutions to the challenges in inventory management faced by companies in all industries

Use cases (in Japanese only): <https://www.techmatrix.co.jp/casestudy/kyowasec2/index.html>

The screenshot displays a dashboard with several key sections:

- 今月のレポート@**: A header for monthly reports, mentioning sales, new customers, and regular customers.
- 売上について**: A section for sales reports, including a bar chart showing sales data across different categories.
- 在庫管理票**: Inventory management reports, including:
 - 単品別状況 (商品)**: Single-item status for goods, with a table for alerts.
 - 単品別状況 (資材)**: Single-item status for materials, with a table for alerts.
 - 単品別状況 (店舗)**: Single-item status for stores.
- 毎月、何件くらい新規定期に入るの?**: A section for forecasting new regular orders, featuring a table with columns for months and rows for various metrics like '新規顧客数' and '定額売上'.

商品の種	毎月	2018年10月	2018年11月	2018年12月	2019年1月	2019年2月	2019年3月
新規顧客 (人)							
定額売上 (円)							
解約率 (%)							
定額売上件数 (件)							
定額売上単価 (円)							
定額売上金額 (円)							



51,796,000

The number of **patients** who stored medical images in NOBORI

329,993,000

The number of **inspections** stored in NOBORI

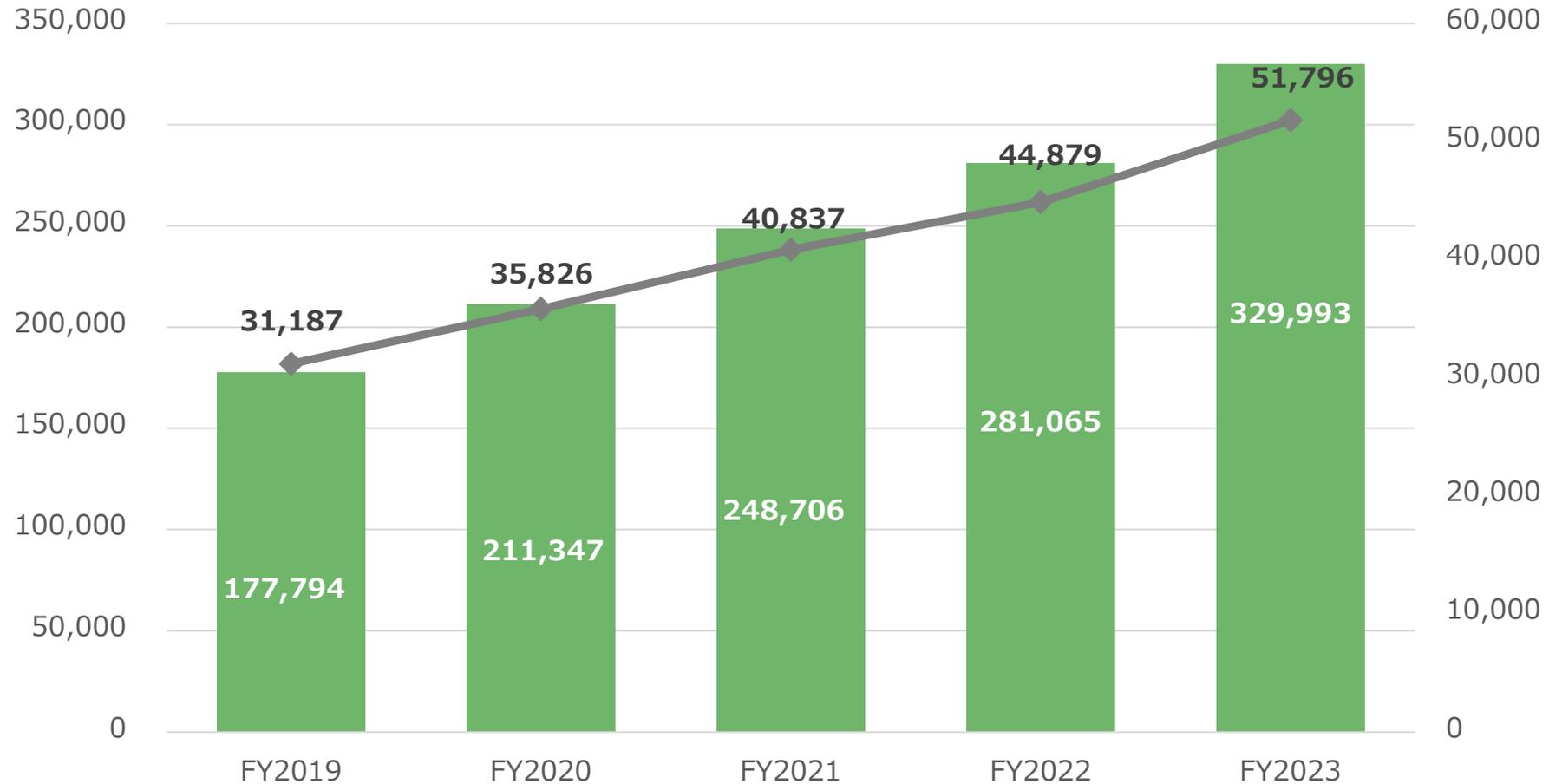
(March 31, 2024)



Data Stored in NOBORI

(Numbers of inspections : thousand)

(Numbers of patients : thousand)



■ The numbers of inspections stored in NOBORI (left vertical axis)

◆ The numbers of patients stored in NOBORI (right vertical axis)



4 . Former Medium-Term Management Plan Review “BEYOND THE NEW NORMAL”

TMX3.0 business strategy continues

- Promote strategy and acceleration of Cloud-related business
- Pursuit of security and safety

		Topic	Valuation
Content strategy	1	Expanding portfolio of products and services	○
	2	Accelerated servicization (increasing service ratio)	○
	3	Utilization of data(Including use of AI)	○
External strategy	4	Diverse alliances•M&A (Expansion of existing business , Creation of new business)	◎
	5	Expanding business in the overseas market	△
Internal strategy	6	Creation of synergies by strengthening group collaboration	○
	7	Human resource development/Organizational development (Including promotion of diversity)	○

Content strategy	Valuation	Description
<p>1</p> <p>Expanding portfolio of products and services</p>	<p>○</p>	<p>Network Security Business</p> <ul style="list-style-type: none"> ■ Launched the SentinelOne, an autonomous AI endpoint security platform. *Launched the SentinelOne Vigilance MDR Service, a next-generation cybersecurity platform. ■ Concluded a distributorship agreement with Tenable, Inc., a provider of vulnerability management solutions. <p>Software Engineering Business</p> <ul style="list-style-type: none"> ■ Launched a cloud version of TestRail, a web-based test management tool ■ Launched Techmatrix Redmine Cloud Services, comprising a cloud version of Lychee Redmine, a project management tool, and Redmine, an open-source software. ■ Acquired the exclusive distributorship rights in Japan for Secure Code Warrior, a secure coding learning platform. ■ Launched Mayhem for Code, a fuzzing tool that supports unit and integration testing. ■ Launched Insignary Clarity, an OSS management tool with binary analysis. <p>Business Solutions Business</p> <ul style="list-style-type: none"> ■ Launched the inventory optimization solutions, a fully automated service for centralized management of inventory data and report generation. ■ Launched a market rate-based loan management system as a new product in the Apreccia series to support operations after the abolition of LIBOR. <p>CASAREAL, Inc.</p> <ul style="list-style-type: none"> ■ Started selling GitLab licenses as an official distributor in Japan and providing Git-related support services. *An open partner agreement signed with U.S.-based GitLab Inc.

Content strategy	Valuation	Description
<p>2</p> <p>Accelerated servitization (increasing service ratio)</p>	<p>○</p>	<p>★ Achieved the service ratio of 84% at the end of the 40th (compared with 73% for the 37th)</p> <p>Company-wide</p> <ul style="list-style-type: none"> Received an Outstanding Business Utilization Award and an Outstanding Certification Award from the ASP-SaaS-AI-IoT Cloud Industry Association (ASPIC). <p>Network Security Business, Software Engineering Business, CASAREAL, Inc.</p> <ul style="list-style-type: none"> Upgraded the service level of TPS (integrated security monitoring service) by: <ul style="list-style-type: none"> launching incident response and forensic services, providing attack surface management services for Cortex[®] Xpanse of Palo Alto Networks, and adding SentinelOne's Singularity Platform to a service menu. Launched TechMatrix NEO, an in-house developed solution utilizing cloud-native technologies <p>EdTech Business</p> <ul style="list-style-type: none"> As a result of expanded services of <i>tsumugino</i>, a communication platform combined with a school administration support system, we <ul style="list-style-type: none"> obtained certification under the Information Disclosure Certification System for ASP and SaaS Safety and Reliability won the semi-grand prix in the ASPIC Cloud Award 2021, and was adopted by the Ministry of Education, Culture, Sports, Science and Technology as a Demonstration Project for the Promotion of Digitalization of Next Generation School Administrative Affairs
<p>3</p> <p>Utilization of data (including use of AI)</p>	<p>○</p>	<p>Medical System Business</p> <ul style="list-style-type: none"> Established a new PSP Corporation to accelerate the PHR service and the AI service as new businesses based on the use of data. Established M3 AI, Inc. as a joint venture with M3, Inc., to accelerate the business in the advanced medical field, such as support for the development of AI-based medical equipment (stated in multiple entries). Concluded a capital and business alliance with Medmain Inc. to accelerate the promotion of digital pathology. <p>CRM Solution Business</p> <ul style="list-style-type: none"> Concluded a business and capital alliance with Mobilus Corporation in a bid to increase product competitiveness with the use of generative AI technologies.

External strategy	Valuation	Description
<p data-bbox="71 325 173 396">4</p> <p data-bbox="63 658 473 875">Diverse alliances / M&A (expansion of existing business, creation of new business)</p>	<p data-bbox="537 746 588 789">◎</p>	<p data-bbox="654 301 1021 329">CRM Solution Business</p> <ul data-bbox="654 332 2481 729" style="list-style-type: none"> ■ Concluded capital and business alliances with the following partners aiming to expand business in the ASEAN region: <ul data-bbox="708 401 2379 496" style="list-style-type: none"> • WISESIGHT (Thailand) Co., Ltd., the largest operator in the field of social data analytics cloud services in Thailand, and • Choco Card Enterprise Co., Ltd., the largest provider in the field of customer data platforms (CDP) in Thailand ■ Concluded a business and capital alliance with Mobilus Corporation aiming to increase product competitiveness with the use of generative AI technologies. ■ Started system integration with the MiiTel voice analytics AI phone service run by RevComm Inc. ■ Started system integration with the BlueBean cloud-based call center system developed and provided by SOFTSU Co., Ltd. ■ Started system integration with the AI Messenger Voicebot phone response automation solution provided by AI Shift, Inc. <p data-bbox="654 758 924 786">EdTech Business</p> <ul data-bbox="654 789 2474 989" style="list-style-type: none"> ■ Concluded a capital and business alliance with Educa & Quest Inc., a provider of inquiry-based career education programs. ■ Concluded a resale partner agreement with TD SYNEX K.K. ■ Started a joint project with Compass Inc., a developer and provider of the AI-based educational material Qubena. ■ Started system integration with Manabi Pocket, a cloud-based education platform provided by NTT Communications Corporation. <p data-bbox="654 1018 1054 1046">Medical System Business</p> <ul data-bbox="654 1049 2474 1249" style="list-style-type: none"> ■ Acquired a majority of shares of PSP Corporation to make it a consolidated subsidiary, with the aim of boosting market share in medical imaging systems and accelerating the PHR service and the AI service as new businesses. ■ Concluded a business alliance with Canon Medical Systems Corporation to start an OEM supply of cloud-based medical imaging systems to it. ■ Established M3 AI, Inc. as a joint venture with M3, Inc. and PSP to accelerate the business in the advanced medical field, such as support for the development of AI-based medical equipment.

External strategy	Valuation	Description
<p>5</p> <p>Expanding business in the overseas market</p>	<p>△</p>	<p>CRM Solution Business</p> <ul style="list-style-type: none"> ■ Established TechMatrix Asia Co., Ltd. as a local subsidiary in Thailand. ■ Concluded capital and business alliances with the following partners aimed at expanding business in the ASEAN region. <ul style="list-style-type: none"> • A capital and business alliance with WISESIGHT (Thailand) Co., Ltd., the largest operator in the field of social data analytics cloud services in Thailand • A capital and business alliance with Choco Card Enterprise Co., Ltd., the largest provider in the field of customer data platforms (CDP) in Thailand ■ Launched CRM Next, a marketing service based on customer insight analysis for the Taiwanese market, jointly with BELLSYSTEM24, Inc. and Intumit Inc.

Internal strategy	Valuation	Description
<p>6</p> <p>Creation of synergies by strengthening group collaboration</p>	<p>○</p>	<ul style="list-style-type: none"> ■ Relocated the headquarters in conjunction with the consolidation of headquarter functions of individual group companies. ■ Started strategic group management meetings, joined by business managers of group companies, to be held quarterly. ■ Started giving joint training for new employees of group companies ■ Converted ARECCIA Fintech Corporation (formerly IDAY) into a wholly owned subsidiary and transferred TechMatrix's financial system-related business to it.
<p>7</p> <p>Human resource development/organizational development (including promotion of diversity)</p>	<p>○</p>	<ul style="list-style-type: none"> ■ Developed HR strategies in line with management strategies. ■ Started implementing a new personnel system by: <ul style="list-style-type: none"> • introducing a role-based personnel grading system and competency-based personnel evaluation, • formulating TMX Communication Design as guidelines for new working styles, and • introducing flexible work hours, hourly paid leave, a work-interval system, and recommended days for paid leave. ■ Established the Diversity & Inclusion Department to promote diversity and inclusion initiatives such as female empowerment.



5. New Medium-Term Management Plan

“Creating Customer Value in the New Era”

To survive the new era as a company that creates the future, new business development is absolutely necessary.

Mission Statement

The IT professional group who create a better future

Action Guidelines

- 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.

Creating Customer Value in the New Era

Even with the advent of the new era, the TechMatrix Group will continue to be a company that creates **a better future** by solving social issues with solutions packed with its **foresight** and **Business know how**, thereby creating greater **customer value**.

Foresight involves:

- Discovering social issues to be solved, and
- Finding state-of-the-art technologies.

Business know-how involves:

- Holding more In-depth knowledge than customers do on business processes in focused industries requiring expert knowledge or skills.

A better future involves:

- Enhancing customer convenience and operational efficiency, and
- Building a society where customers can live safely and with peace of mind.

Creating Customer Value

Source of customer value (DNA)

Offering solutions packed with Business know-how

- Creating new value by:
 - ✓ Supporting customers' operations primarily through AI and automation,
 - ✓ Handling new technologies, and
 - ✓ Entering into business sectors that make a greater contribution to society.

Credo and aspiration (corporate culture)

Providing close support for customers

- Serving persistently without giving up
- Having a constantly learning mindset

Business infrastructure (basis for offering customer value)

An environment where every single employee can take on challenges to grow

- Recruiting and retaining talents
- Putting in place systems for conducting operations quickly and accurately
- Monitoring the operational status of the company
- Engaging in branding

the New Era

Decrease in the
working population



Emergence of
new technology



corporate social
responsibility



Purposes (what we want to achieve)

Expanding
business domains

Expanding
business in the
overseas market

Creating
businesses by
utilizing data



Measures (to make them happen)

Diverse alliances / M&A (expansion of
existing business, creation of new business)

Expanding portfolio of products and services

Utilization of AI

Developing and retaining talents (including
promotion of diversity)

Creation of synergies by strengthening group
collaboration

Major key strategies

Information Infrastructure Business

- Expand products and services handled.
- Deep-dive into strategic accounts in collaboration with our resellers.
- Expand sales of the integrated security monitoring service (TPS) and provide a one-stop threat information analytics service.
- Expand business in the Chubu and Kyushu regions and to seek to develop business in Asia.
- Use AI in operation and monitoring processes in serving customers.

Application Service Business

- Increase the number of tsumugino's adaption to public schools. [EdTech]
- Business expansion in the ASEAN region. [CRM]
- Run a business that helps streamline contact center operations with the use of generative AI. [CRM]
- Build a development base and offer an introduction support service (with automation and streamlining). [SE]
- Introduce in-house developed products to launch a development data analytics business. [SE]
- Carry out digital transformation (DX) of the public business and develop and provide solutions for improving the customer experience (CX). [BS]

Medical System Business

- Establish a B2B2C business model with the PHR.
- Discover new markets created from the DX in the pathology area.
- Commercialize in-house developed AI.
- Expand the business of the AI-based medical image diagnosis support service.
- Business expansion in Asia
- Strengthen the subscription model business (stock business) by shifting to the cloud PACS business.

Creating Customer Value in the New Era: Focus Areas

Information Infrastructure

Application Service

Medical System

Existing products and services

New products and services

Existing market

Market penetration (deep-dive and market share increase)

Expansion of products and services

Cybersecurity measures

Deep-dive into strategic accounts in collaboration with our resellers.

SE:Development infrastructure construction and implementation support services

Strengthen the subscription model business (stock business) by shifting to the cloud PACS business

Integrated security monitoring service – TPS

CRM : Incorporate generative AI technology into service menu

SE:Development data analysis business

Expand the business of the AI-based medical image diagnosis support service

New market

Market development

Diversification

Seek to develop business in Asia

CRM : Business expansion in the ASEAN region

EdTech: Full-scale promotion to public schools

BS: Carry out digital transformation (DX) of the public business and improve customer experience (CX)

Business expansion in Asia

Expand PHR service business

Business expansion into the pathology area

SE:Software Quality Assurance field

BS:Business Solution field

Creating Customer Value in the New Era : Data utilization

Support automation and labor saving through data utilization for Customers of our solutions



Business know-how (solution)

+



Data utilized

×



AI

=



Automation labor saving

◆Medical System field

Medical institution business processes including medical image management

◆CRM field

Call center/contact center operations and knowledge management

◆SE field

Software development process and quality control

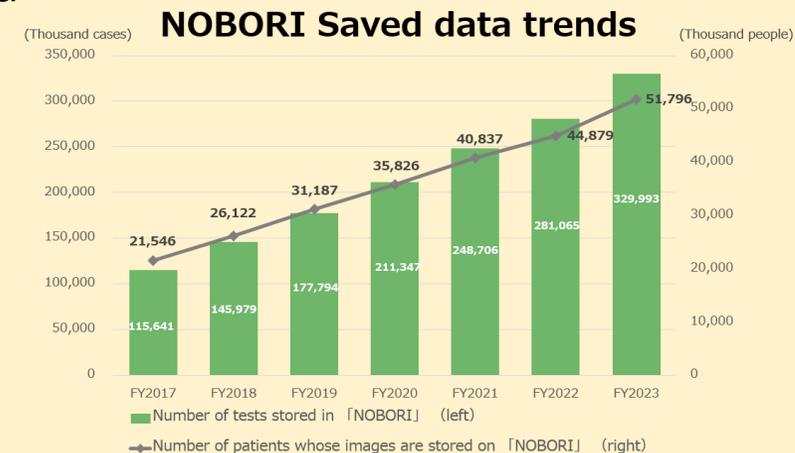
◆Security field

Cybersecurity measures and security operations

◇medical image data

◇call history data

◇Inquiry history data

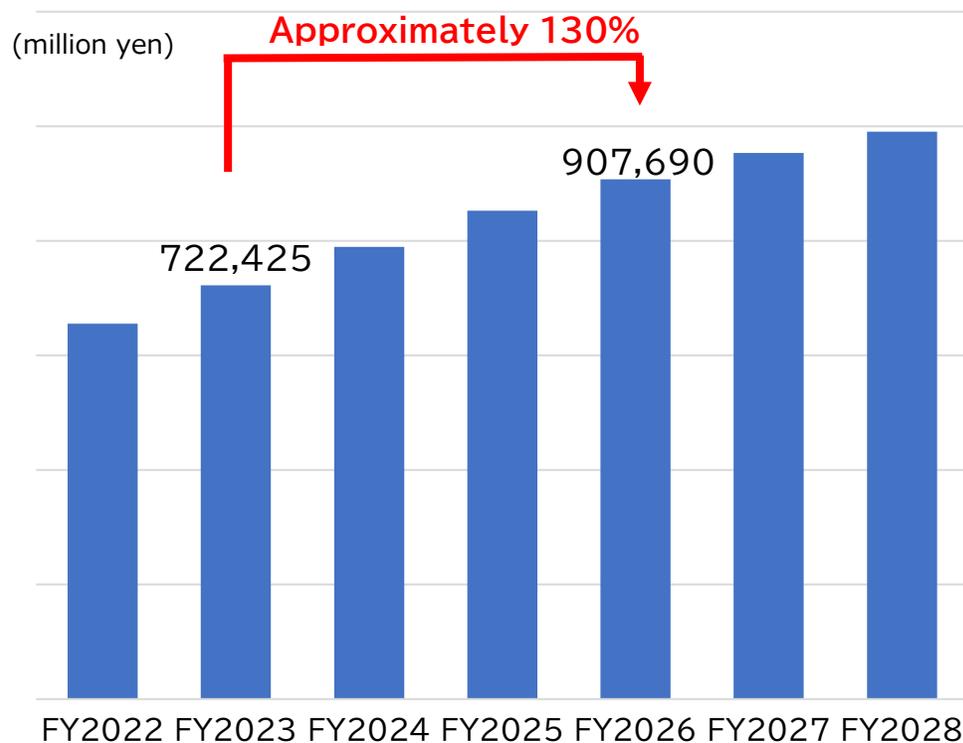




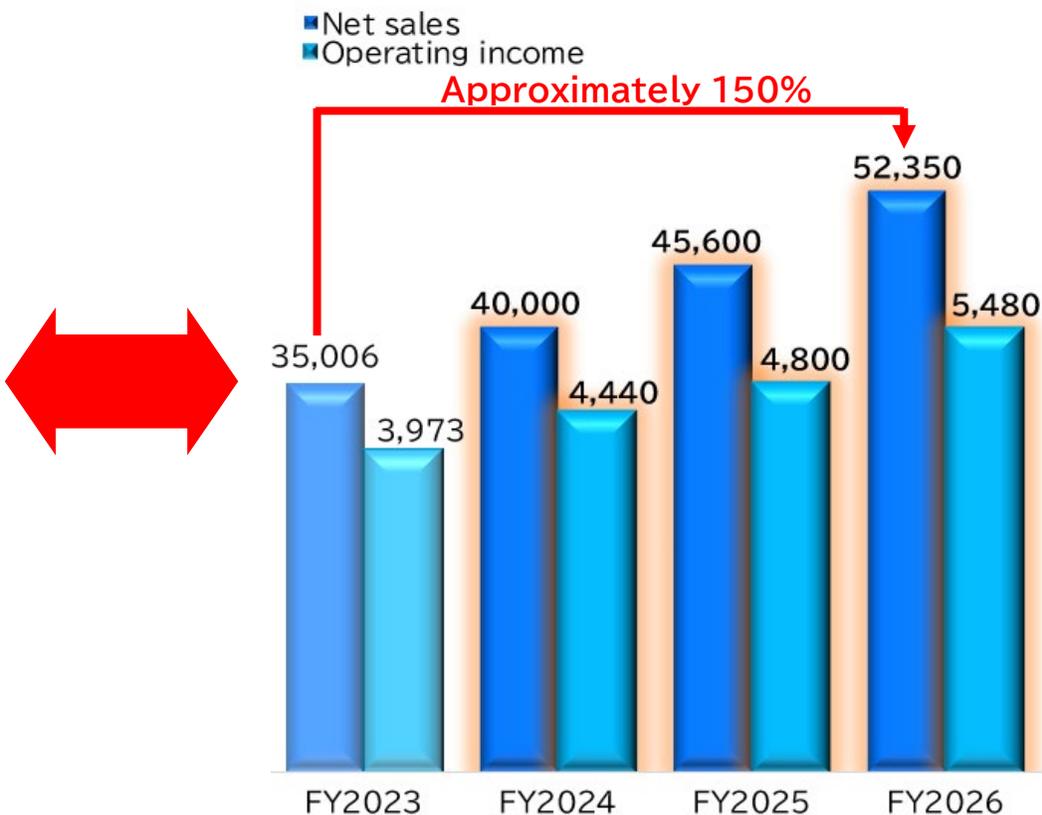
(Reference) Survey data • Other

Network security business market is expected to continue expanding

Domestic market forecast for network security business



Medium-term plan for our information infrastructure business



Source: Fuji Chimera Research Institute, Inc.
Created based on 「Survey of the domestic market for network security business」

At super major and major companies that are our main business partners
Continued investment is expected in the future

Domestic company size Network security investment trends

(Billion yen)

	FY2022	FY2028	Ratio to FY2022
Super major	2,651	4,055	153.0%
Major	2,090	3,313	158.5%
Medium	1,183	1,707	144.3%
Small	627	830	132.4%

Super-major and Major companies are proactive in implementing security measures, so their investment amounts are steadily increasing. It is anticipated that active efforts will continue in the future to prevent business shutdowns due to the increasing sophistication of cyber attacks and security incidents that have increased in recent years.

Small and medium-sized companies have limited budgets for security measures, and future growth in investment amounts is expected to be slower than that of Super-major and Major companies .
However, steady growth is expected as efforts are being made to comply with security guidelines established by each industry.

(employees)

Super major: 5,000~
Major : 1,000~4,999
Medium : 300~900
Small : 299~1

Source: Fuji Chimera Research Institute, Inc.
Created based on 「Survey of the domestic market for network security business」



Fact-finding Survey on Security Measures

Survey period: June 10, 2022 – June 17, 2022

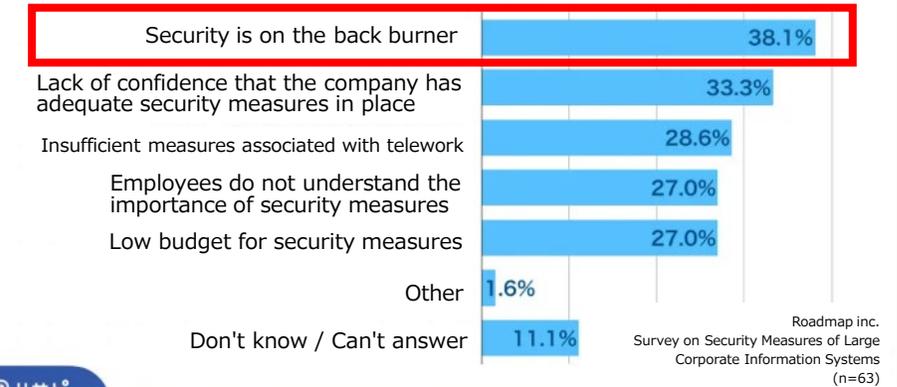
Based on a survey by Roadmap inc.

Results of a survey of 100 information system managers at large companies (1,000 or more employees)

- ✓ **About 40%** of respondents felt that their company's security measures were falling behind in terms of concerns.
- ✓ **72.0%** of information system personnel said that their employer's management understands the importance of security measures.

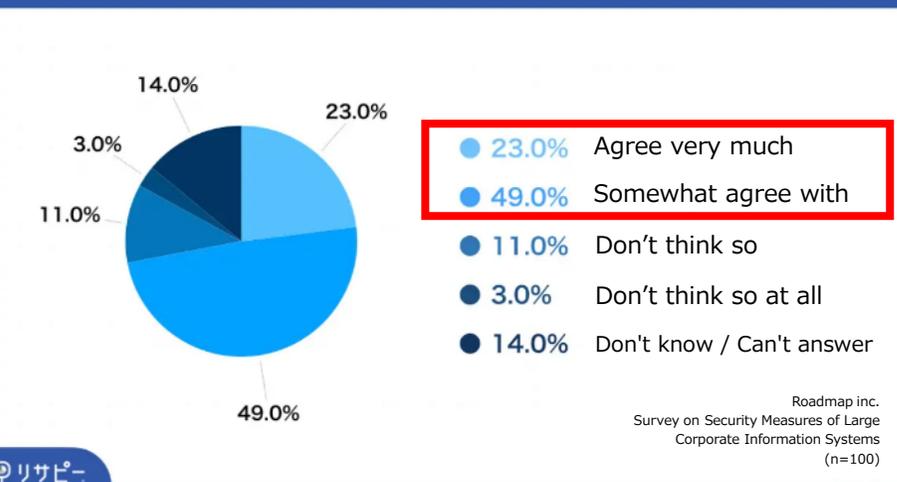
Q4

Questions for those who answered other than "adequate" in Q3. What are your concerns about security measures at your place of work (multiple answers)?



Q6

Do you think the management of your company fully understands the importance of security measures?





The Global Personal Health Record Software Market size is expected to reach \$13.2 Million by 2027

Market Growth Factors

Increasing government initiatives across the globe

There are growing government initiatives across various regions to promote the paperless healthcare mechanism. The burden of carrying multiple papers or prescriptions for availing any health care facilities has led patients to opt for personal health record software.

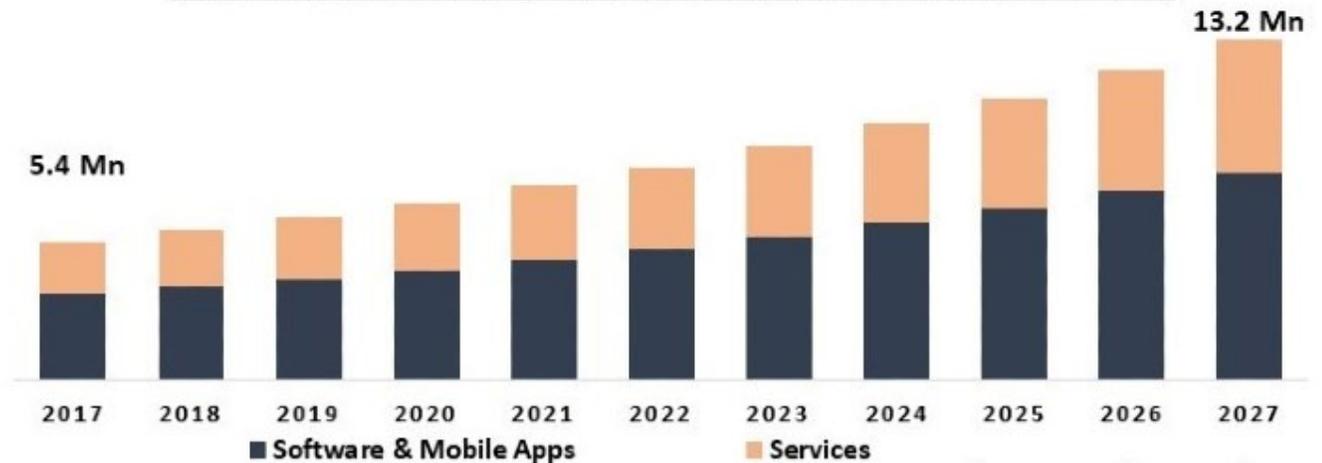
Growing digitalization in the healthcare industry

The increasing digitalization across the globe, especially in the healthcare sector is creating demand for more advanced, compact, and convenient technologies and solutions, which is estimated to fuel the demand for personal health record software. This software helps in keeping the health record of a person that includes a wide variety of information like doctor and patient’s address, an allergy to the patient, etc., which improves the healthcare management.

Source : Global Information, Inc.

“Global Personal Health Record Software Market By Component (Software & Mobile Apps and Services), By Architecture Type (Payer Tethered, Standalone and Provider Tethered), By Deployment Mode (Web-based and Cloud-based By Regional Outlook, Industry Analysis Report and Forecast, 2021 - 2027 ” (KBV Research)

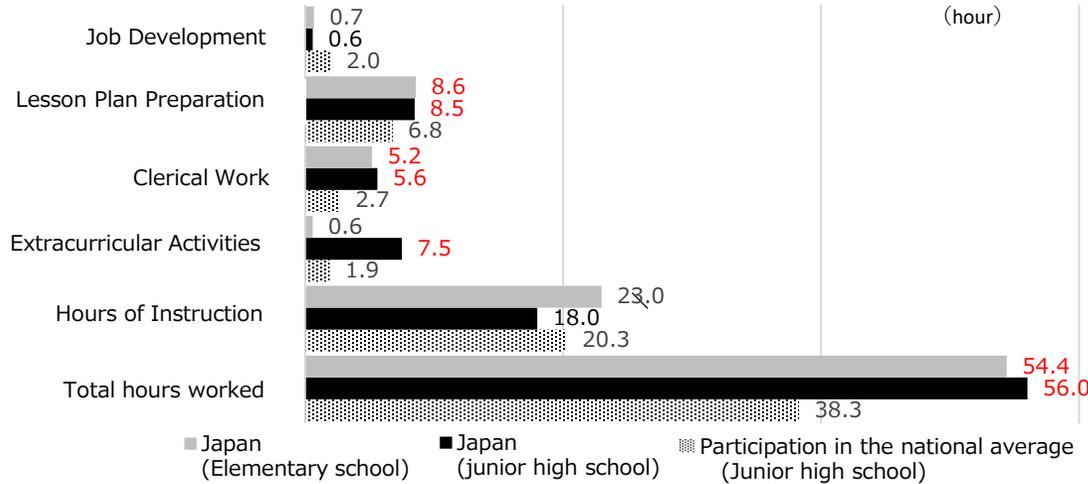
Personal Health Record Software Market Size, By Component, 2017 - 2027



Source: www.kbvresearch.com



Teacher's work hour per week

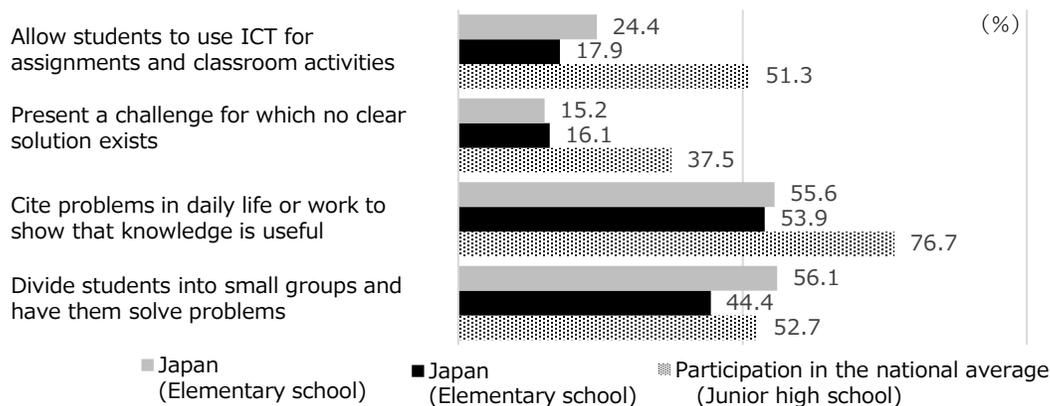


Teachers work the longest hours among any of the participating countries, and there is a significant sense of a shortage of human resources.

The following items recorded the longest hours among the participating countries.

- ✓ Work time
- ✓ Extracurricular activity hours (junior high school)
- ✓ Administrative work

Percentage of teachers who frequently use each instructional practice



Insufficient efforts to improve classes from the viewpoint of independent, interactive, and deep learning and to utilize ICT, etc.

*Organization for Economic Cooperation and Development (OECD) International Teacher Leadership and Instructional Environment Survey (TALIS) has been conducted every five years since 2008 for teachers and principals, focusing on the working and school environments of teachers and principals. The next survey is scheduled to be conducted in 2024. *48 countries/regions, including OECD member countries, participated (15 countries/regions participated in primary education). Translated with www.DeepL.com/Translator (free version)

Source : International Teacher Teaching Environment Survey (TALIS) 2018 (OECD)

Rising demand for cloud security

Significance of unified security policy

Rising demands for remote access from home and unified security policy applied to many offices spread across the globe.

Point ! 

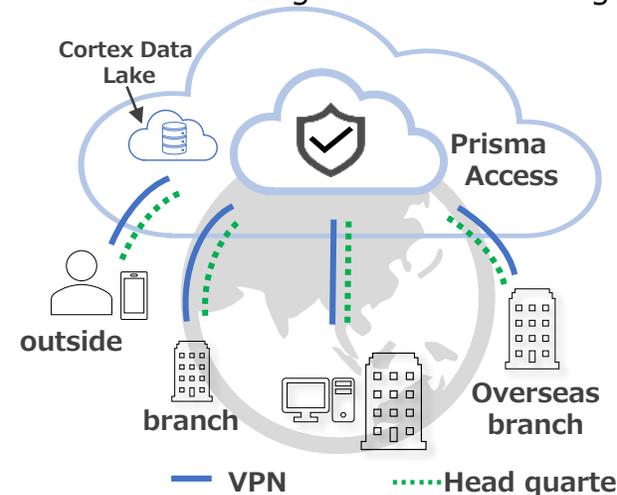
Providing security services independent of location, device...etc.

SASE (Secure Access Service Edge)

Secure Access Service Edge(SASE) is a cloud service which provides network and network security within a single framework.

Palo Alto Networks Prisma Access

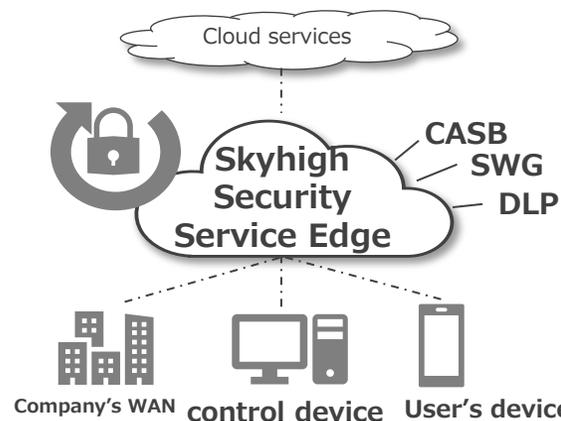
~ Providing functions of next generation fire wall on cloud~



- Protecting multiple offices and mobile user... by unified security policy of next generation fire wall on cloud.
- No equipment installation.

Skyhigh Security Service Edge (SSE)

~Provides consistent data and threat protection controls from device to cloud~



- Data loss prevention in cloud native environments, which can't be detected from enterprise LAN.
- Providing secure cloud access from every devices.



Relation of sales partners

Network & Security

Medical System

Software quality assurance

CRM

Business solution

EdTech



Provision of optimal services to customers based on our Japan's top class track record of supporting product deployments.



First prize

- JAPAC Distribution partner of the year (2023)

6 years in a row

- Distributor of the year (2018,2019,2020,2021,2022,2023)

2 years in a row

- Excellence in support of the year (2018,2019)



2021 Award

- MVP Partner of the year

2022 Award

- Most Dedicated Partner of the Year



2019~2021,2023 Award

Channel Services Delivery Excellence Award
(Former Services Delivery Excellence Awards)



3 years in a row

- PARTNER OF THE YEAR (2021,2022,2023)

2 years in a row

- Deal registration of the year (2022,2023)



2022 Award

APJ Marketing Partner of the Year

【Others】





(Reference (reposted)) 1Q Topics for the FY2023



Reorganized financial system-related business

Made ARECCIA Fintech a wholly owned subsidiary (July 1, 2023)

November 2019: Concluded a capital and business alliance with ARECCIA Fintech (formerly IDAY).

(Percentage of voting rights held by TechMatrix: 51%)

July 2023: Made ARECCIA Fintech a wholly owned subsidiary through a share exchange.

TechMatrix's financial system-related business was succeeded by ARECCIA Fintech through an absorption-type split.



- Consolidate operating resources, including products, services, and human resources
- Provide stable support for existing customers
- Acquire new customers by strengthening the sales and marketing organizations
- Enhance product and service functionality and strengthen research and development

Expand financial system-related business and FinTech business



CROSS HEAD, our consolidated subsidiary, established the Chubu (the central part of Japan) office

Opened an office in Nagoya, Aichi (in TechMatrix's Nagoya sales office in April 2023)

To strengthen the organization dedicated to Central Japan to meet growing demand for network security products and technical support in that area.



To enhance service quality and improve customer satisfaction by collaborating with the TechMatrix's Network Security division



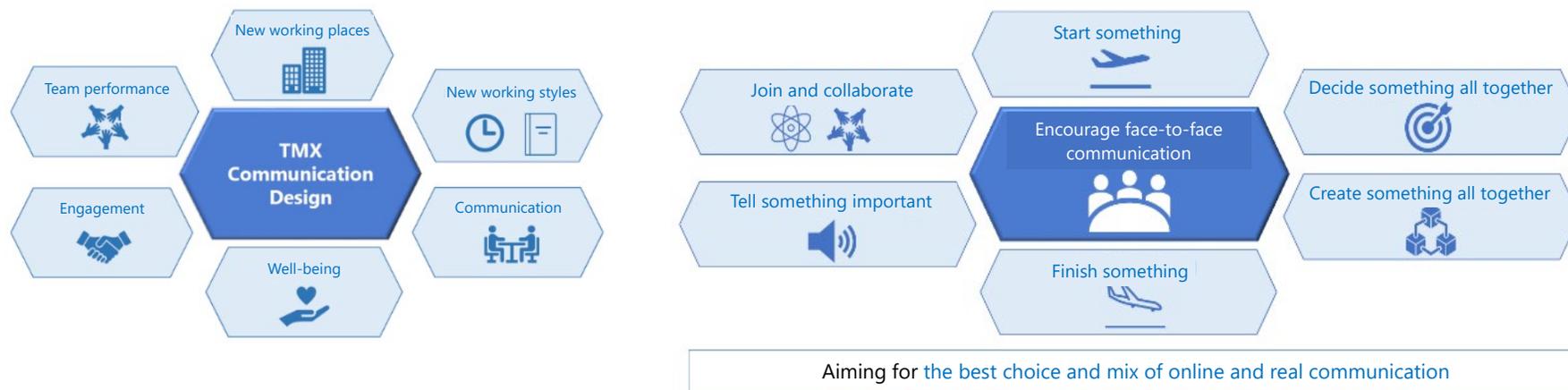
Developed human resource strategies to realize management strategies

- **Basic policy of human resource strategies**

Maximize the organization's capacities by creating an organizational culture that supports the challenges and growth of employees and fosters their motivation.

- **Three basic strategies**

1. Develop human resources for the future
2. Realize a new communication style and flexible work style to maximize employee potential
3. Promote diversity and inclusion



Note: The details of the strategies (including indicators and targets) are described in the securities report for the 39th business year (in Japanese only).

https://www.techmatrix.co.jp/en/ir/library/library_03.html



Launched Secure Code Warrior, a secure coding learning platform after obtaining its exclusive distributorship rights in Japan (May 2023)

Help developers establish their secure coding practices with extensive learning content

Support 60 or more languages and frameworks. 150 different security vulnerabilities can be learned.

Integrated into CI/CD* cycles.



Competitions

Recognize skill level by competing against opponents in challenges to identify vulnerabilities and fix them.



Training courses can be customized with templates according to learners' skills or the like.

Assessment

Take tests to check skill level.

Background and Issues

- Cybersecurity risks are growing and secure coding is essential for software safety.
- Large efforts are required for education.
- Hiring skilled personnel is difficult.
- It is difficult to grasp the level of learners' understanding of secure coding.

Industries of the target market of Secure Code Warrior include IT, automotive, medical, financial, retail, public sector, and other various industries.

* CI stands for continuous integration. One of the practices of agile development. A build and test method.

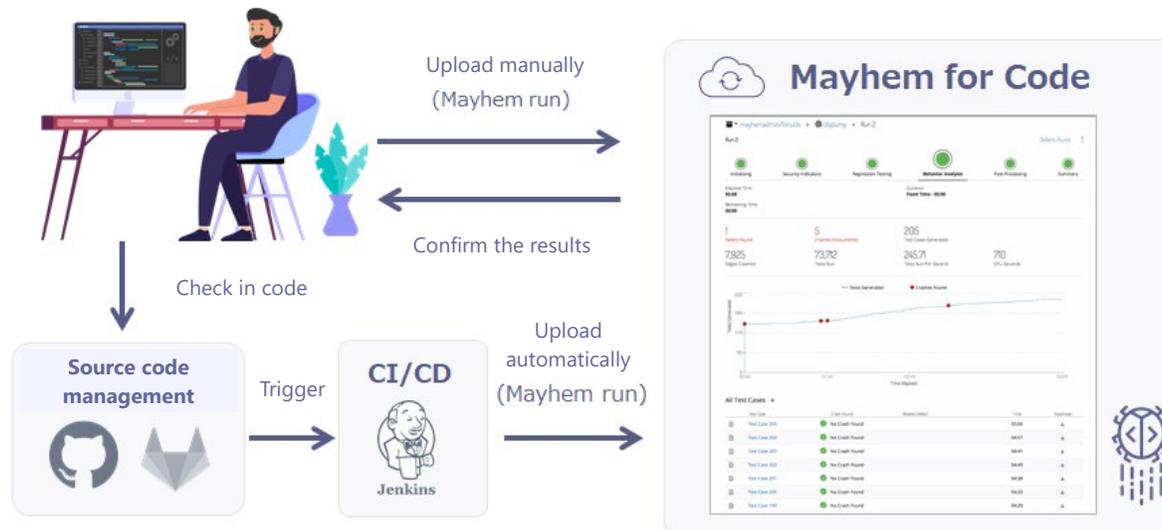
* CD stands for continuous delivery. CD is a practice that enables frequent releases.



Launched Mayhem for Code, a fuzzing* tool that supports unit and integration testing (May 2023)

Mayhem for Code autonomously detects software bugs and vulnerabilities, significantly reducing testing efforts. Maximizes test coverage.

- Continuously performs analysis to find unexpected flaws
- No false positives are included in detected bugs and vulnerabilities, ensuring a smooth correction.
- Automatically generates an extensive number of test cases.
- Detects bugs and vulnerabilities early with fuzzing testing in an early stage in SDLC**.
- Visualize the coverage of fuzzing tests performed (through linkage with unit testing functions of Parasoft C++test, a C/C++ tool by Parasoft Corporation).



Background and Issues

- An extensive number of manual tests must be run to detect bugs and vulnerabilities.
- Fuzzing testing is dependent on developers' efforts and skills.
- The coverage of tests is difficult to ascertain.

Targeted industries for Mayhem for Code include aerospace, automotive, high-tech, and other various industries.

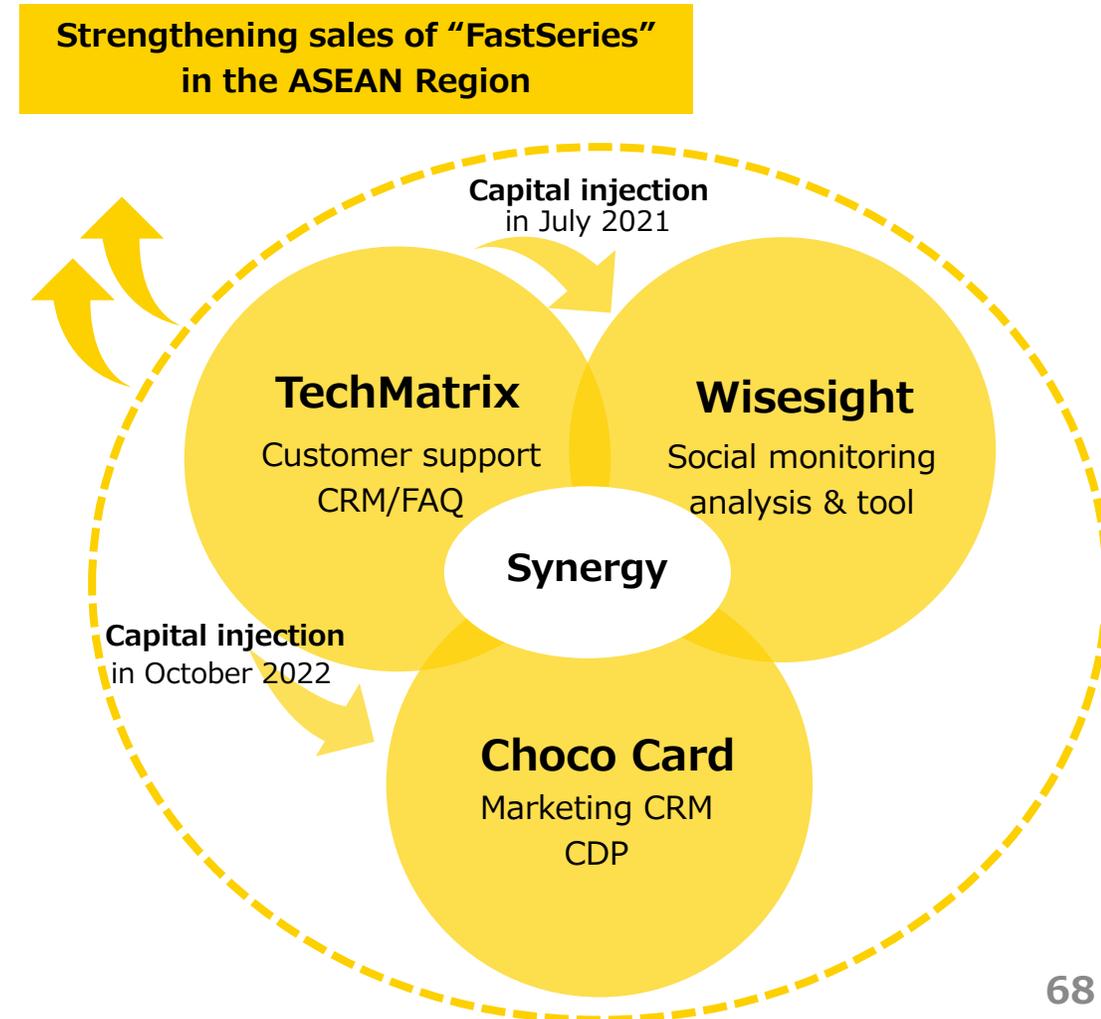
* Fuzzing: A testing method that inputs a large amount of data to the target and monitors its response and behavior.

** SDLC: Software development lifecycle



Medium-Term Management Plan / External Strategy Expanding business in the overseas (ASEAN) market

- ① **Established TechMatrix Asia, a local subsidiary in Thailand (The company was newly consolidated from April 2023 and became a first overseas subsidiary.)**
 - Expand CRM solution business in ASEAN
 - Accelerate direct sales and conclude direct contracts with local customers
 - Strong collaboration with investment portfolio companies
- ② **Joint development of “CRM Next,” a new innovative marketing service based on customer insight analysis for the Taiwanese market by the three companies - TechMatrix, BELLSYSTEM 24, and Intumit (November,2022)**
- ③ **Capital and business alliance with Choco Card (Thailand, a leading CDP provider) (October,2022)**
- ④ **Capital and Business Alliance with WISESIGHT (THAILAND) CO., LTD. (No.1 social data analysis cloud service in Thailand) (July,2021)**





(Reference (reposted)) 2Q Topics for the FY2023



Concluded a distributorship agreement with Tenable, Inc. (August 2023)

The Company, as a sales partner, commenced the handling of Tenable products (2019). Going forward, the Company, as a distributor, will cooperate with the sales partners and offer solutions to a wide range of customers

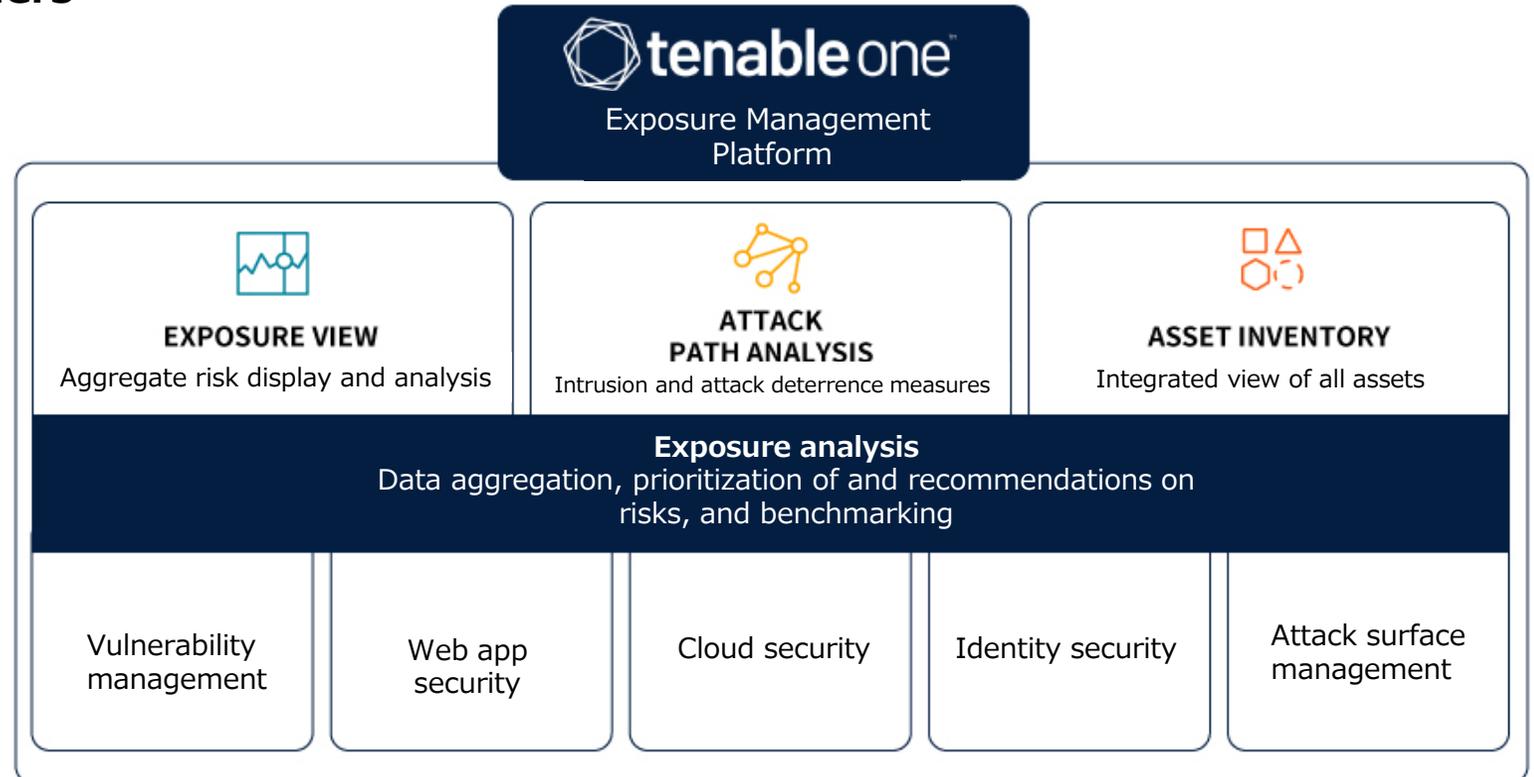
Market environment

- Rapid increase in the number of vulnerabilities
- Growing demand not only for spot security diagnosis but also for security products with real-time features

The added value of TechMatrix

Engineers with expertise in vulnerability assessment provide the following support:

- Training and deployment support services for Tenable users
- Technical support by a dedicated helpdesk





“tsumugino,” the Cloud SaaS type service was adopted by the Ministry of Education, Culture, Sports, Science and Technology (MEXT) as a “Demonstration Project for the Promotion of Digitalization of Next Generation School Administrative Affairs” (August 2023)

Vision targeted by “tsumugino”

学びを 未来へ 紡ぐ



tsumugino

To achieve DX in school administrative affairs (admin) through cloud computing of systems for supporting school admin

Aiming to reform the workstyles of teachers (greater operational efficiency) and make teachers spend quality time with students

Issues in the education field

- A large part of school admin is left to the teachers (to be dealt with in the teacher staff room) and teachers have very few options in terms of workstyles (on-premise operations)
- Operations are mostly paper-based
- Difficulty in linking learning data and school admin data
- Forms have yet to be standardized

Functions that will be reinforced in the demonstration project by MEXT

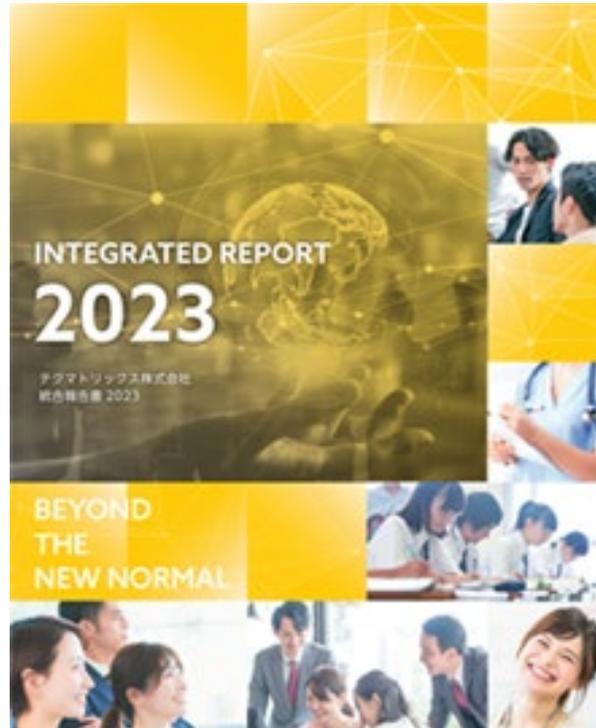
- Providing services as SaaS
- Encryption of the database
- Support for multi-factor authentication
- Linking with general-purpose cloud tools
- Dashboard functions that integrate and visualize the data of the school and students at the student, classroom, school, and school board levels.

“tsumugino” has already implemented functions a. through d. listed above. Going forward, we plan to develop and demonstrate function e.



Publication of the first Integrated Report (September 2023)

The Integrated Report which provides a comprehensive explanation of financial and non-financial information has been published for all stakeholders to deepen their understanding of the TechMatrix Group initiatives to enhance corporate value in the medium- to long-term and to gain their trust.



- **Sections of the Report that we want to draw your attention to:**

“Message from the President & CEO”

The President & CEO discusses a wide range of topics including growth strategies, human capital, and management philosophy.

“Value Creation of the TechMatrix Group”

The heads of each business unit convey their message and explain how the Company, driven by its three strengths, creates value through business activities and contributes to society.

*The Integrated Report is available on the Company’s IR website (Japanese).

https://www.techmatrix.co.jp/ir/library/library_07.html

*The English version of the Integrated Report will be available at the end of November.



Corporate Philosophy The IT professional group who create a better future P.01



Value Creation Model (Excerpt from Integrated Report p.19-20)

Amplify the strengths

*Evergreen means a situation where there is constant demand



(Reference (reposted)) 3Q Topics for the FY2023

Awarded Palo Alto's 2023 JAPAC Distribution Partner of the Year

First Asia-Pacific No.1



【Evaluation items】

- Performance
: Booking, pipeline generation and acquisition of new customers, etc.
- Enablement
: Number of training courses completed and certified engineers
- Engagement
: Excellent engagement with customers
- Innovation
: Results of innovation through product integration

※Press Release is available on the Company's IR website (Japanese).

https://www.techmatrix.co.jp/ir/upload_file/tdnrelease/3762_20231201597625_P01_.pdf



Participation in a regional revitalization project in Uwajima City, Ehime Prefecture

We will take on the challenges of both social business creation and regional revitalization by renovating a school closed due to reorganization into the Haikou Mall as a center for regional innovation.



Certificate of Appreciation Ceremony held in October 2023
(Left: President and CEO Yuri, Right: Mayor Okahara of Uwajima)



宇和島
ココロまじわうトコロ



Renovation of
Kokubo Elementary School
as a regional innovation center

Donation to support the use of
school facilities

**Promotion of co-creation between urban companies
interested in regional development and local companies
Regional revitalization through the creation of a new
regional community of residents**

*The press release is available on the Company's IR website (Japanese).

https://www.techmatrix.co.jp/ir/upload_file/tdnrelease/3762_20231024570292_P01_.pdf



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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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