

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



July 31, 2024

TECHMATRIX CORPORATION (code : 3762)



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

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

(¥million)

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



Business Highlights for FY2024 1Q (Consolidated)

(¥million)

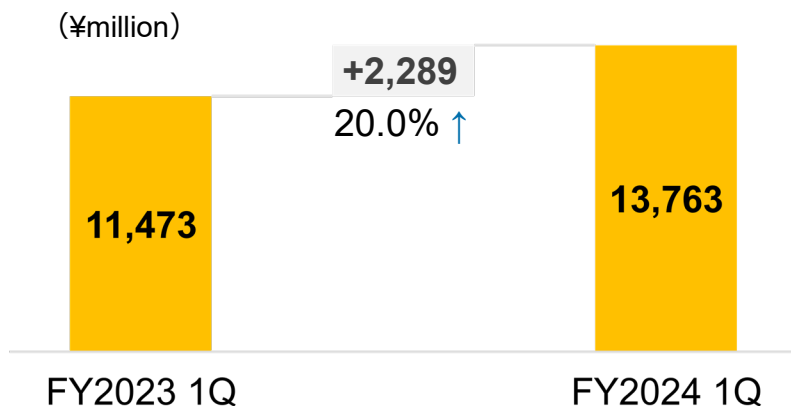
	FY2023 1Q			FY2024 1Q			YoY	
	Results	%	Profit ratio	Results	%	Profit ratio	change	Change %
Revenue	11,473	100.0%		13,763	100.0%		+2,289	+20.0%
Information Infrastructure	7,478	65.2%		9,606	69.8%		+2,128	+28.5%
Application Service	1,883	16.4%		2,102	15.3%		+219	+11.6%
Medical System	2,112	18.4%		2,054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



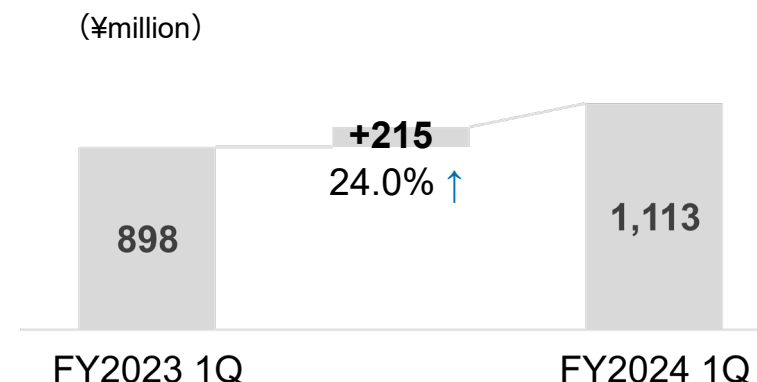
Business Highlights for FY2024 1Q (Consolidated)

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

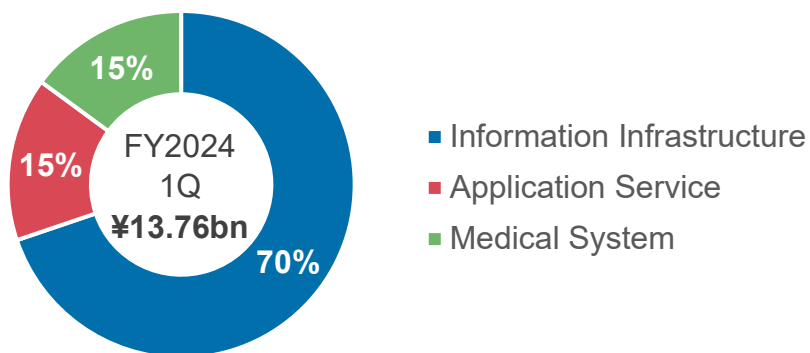
Revenue



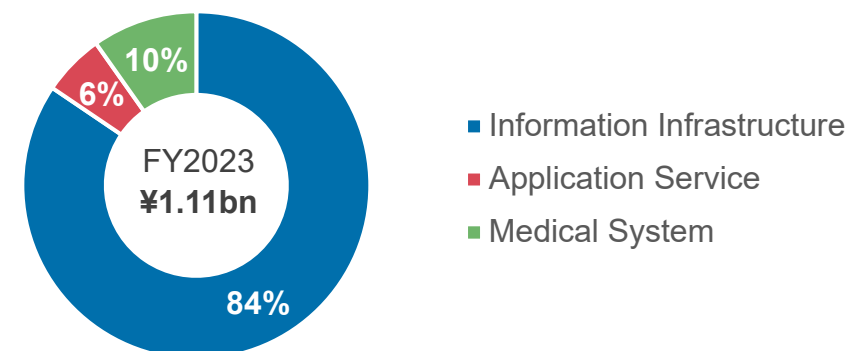
Operating profit



Revenue breakdown



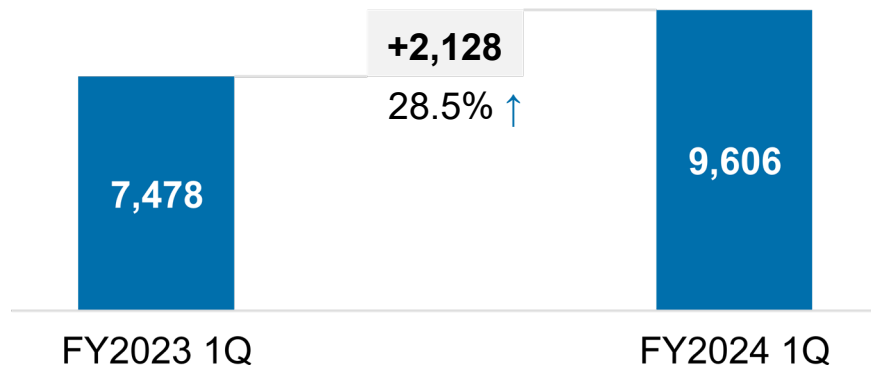
Operating profit breakdown





Revenue

(¥million)



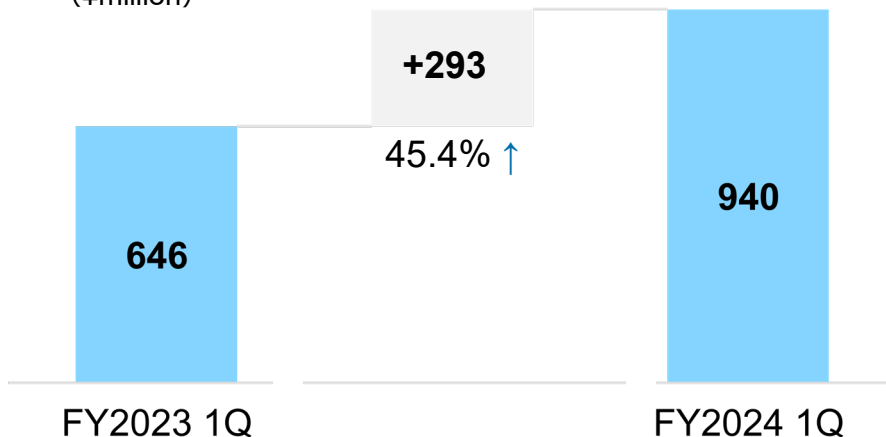
The **highest** for 1Q consolidated revenue and Operating profit.

- **Revenue**

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

Operating profit

(¥million)

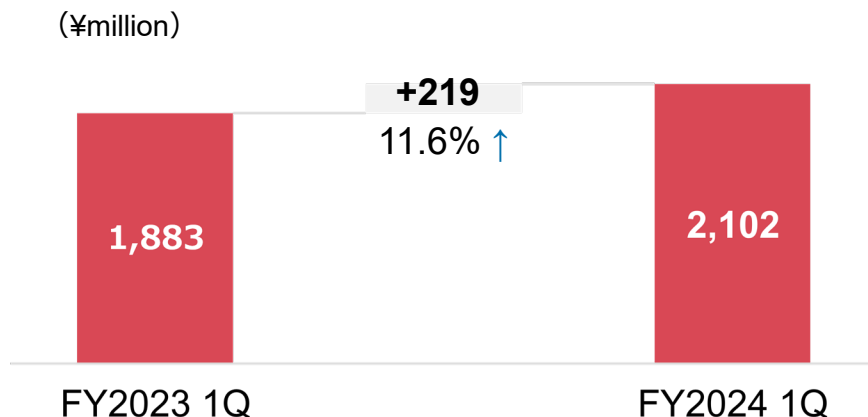


- **Operating profit**

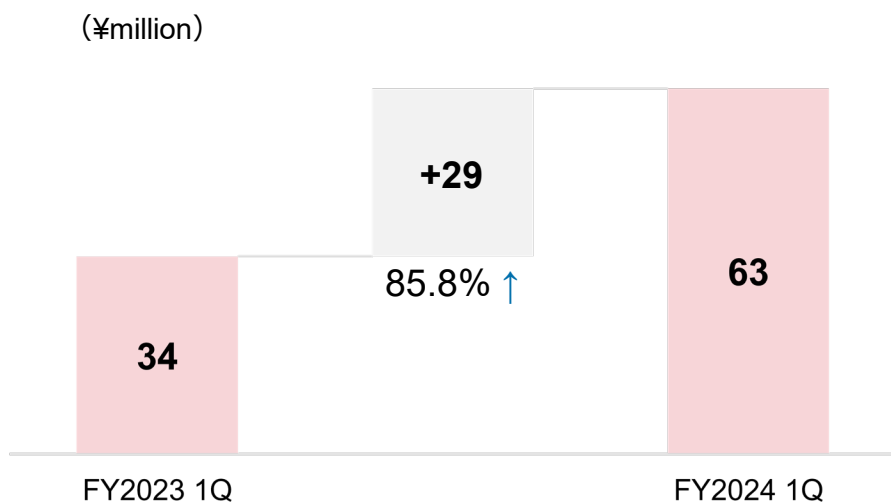
- (+) SG&A expenses less increased compared to Revenue growth.
- (+) Operating Profit of CROSS HEAD improved YoY.
- (+) Thoroughly conducted sales activities with profitability in mind.



Revenue



Operating profit



Revenue and Operating profit increased YoY.

• Revenue

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

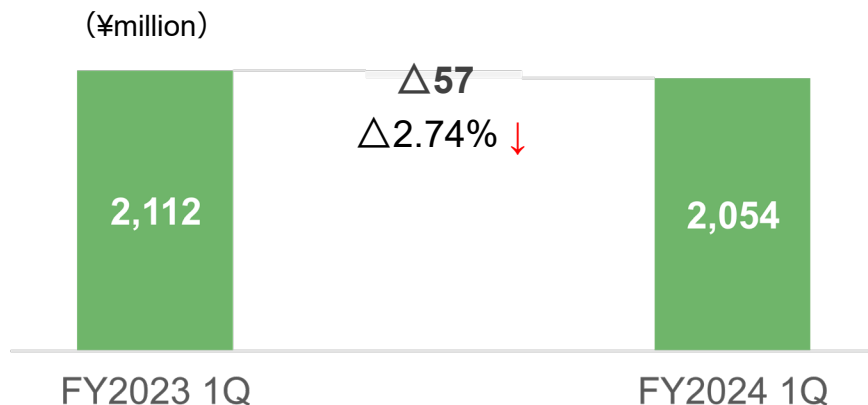
• Operating profit

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

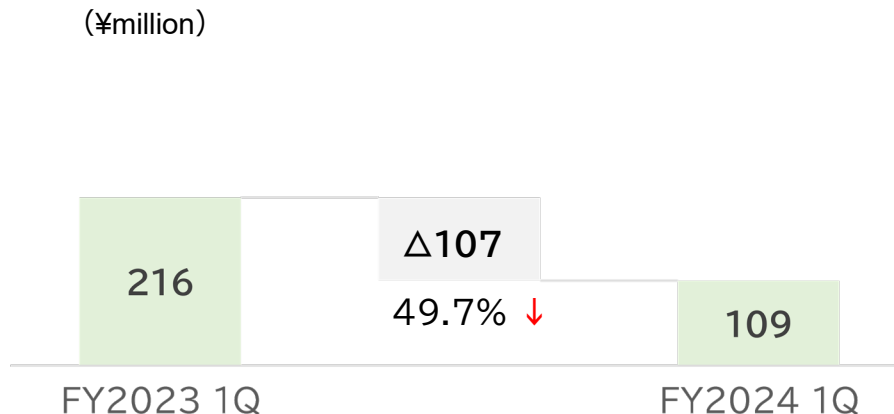
※ Division name abbreviation
 CRM: Contact center / Call center
 SE: Software quality assurance
 BS: Business solution
 EdTech: Education



Revenue



Operating profit



Revenue and Operating profit decreased YoY.

- **Revenue**

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

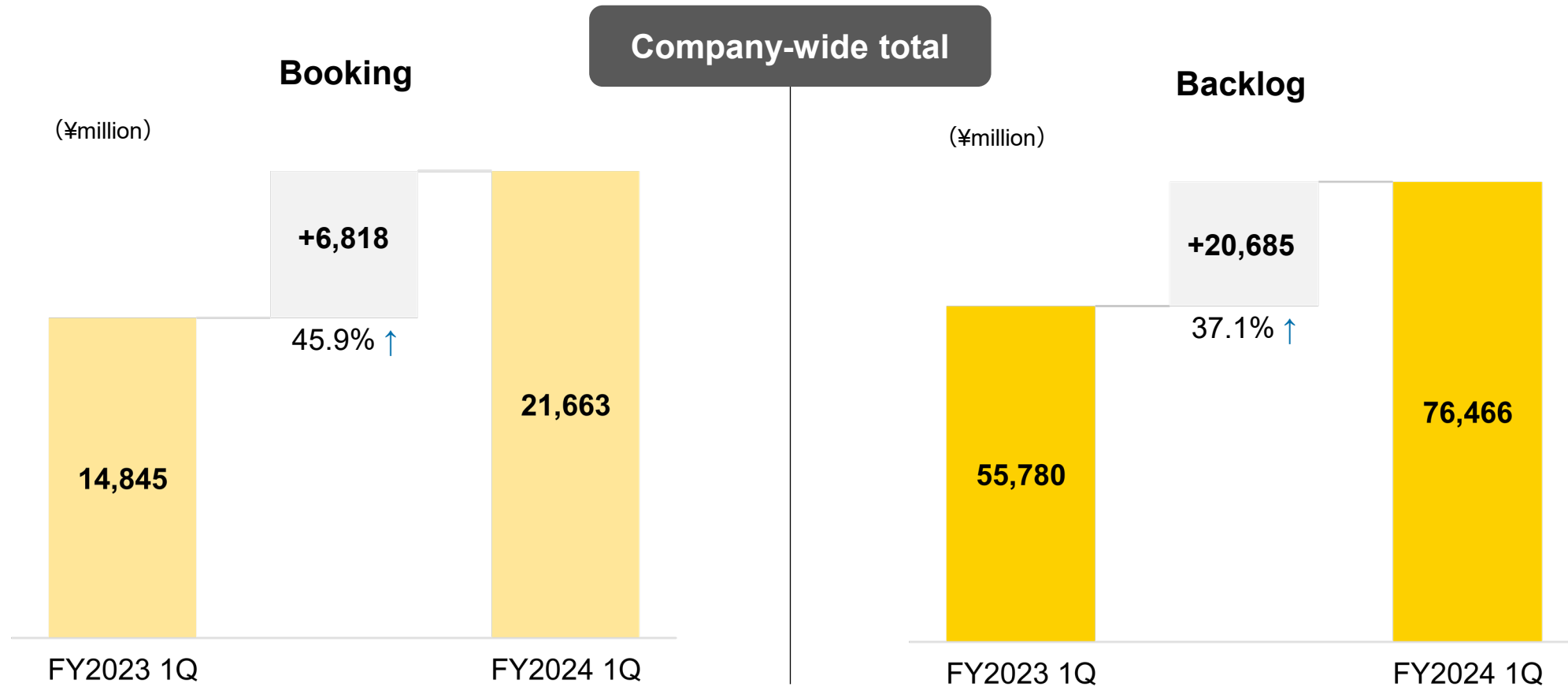
- **Operating profit**

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



Booking and Backlog for FY2024 1Q (Consolidated)

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



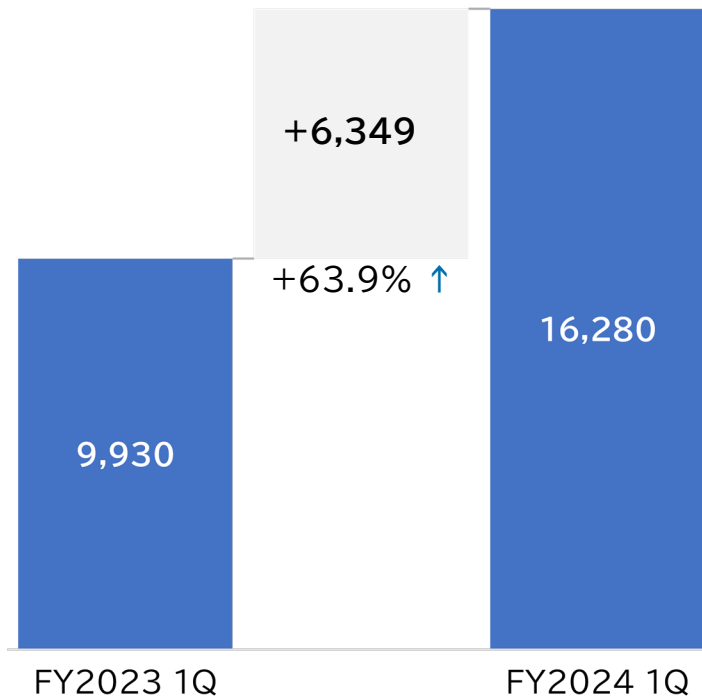


Booking by Segment for FY2024 1Q (Consolidated)

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

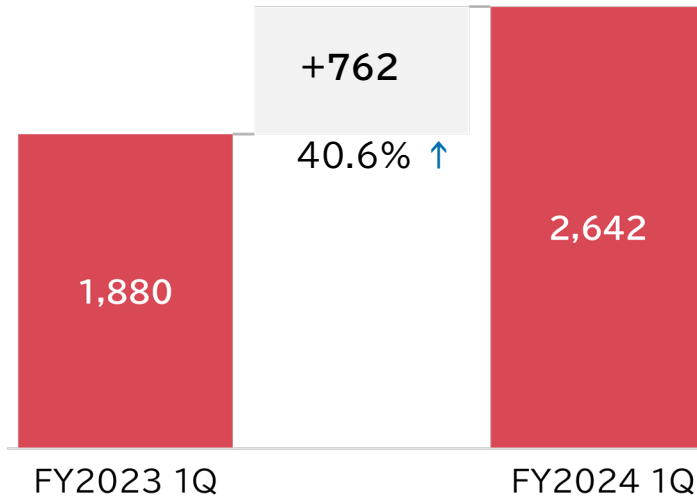
Information Infrastructure Business

(¥million)



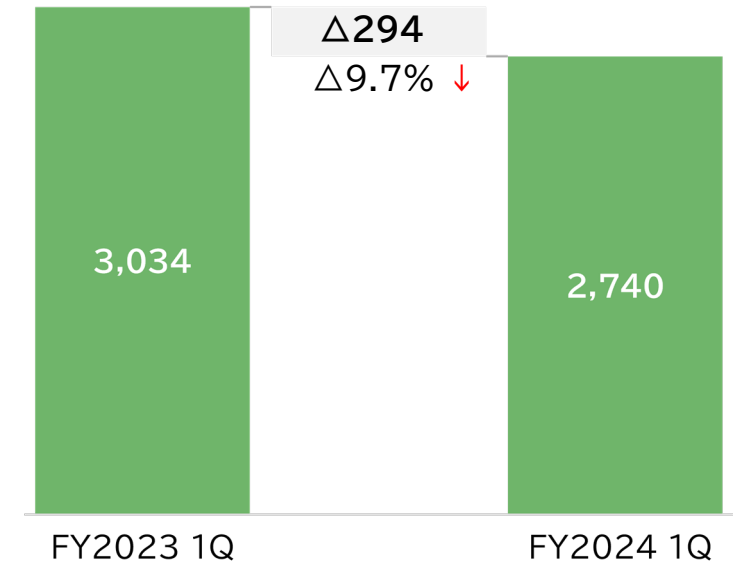
Application Services Business

(¥million)



Medical System Business

(¥million)



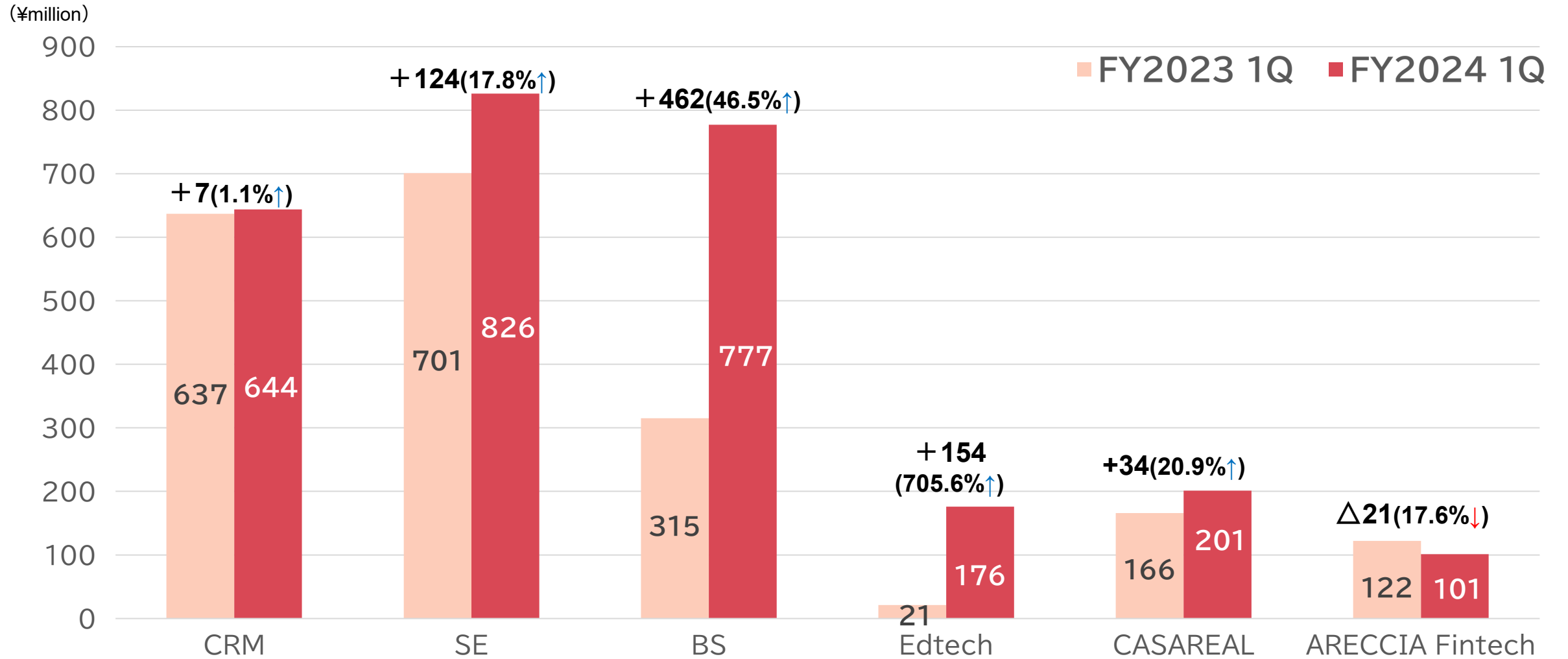
※ Division name abbreviation

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



Booking for FY2024 1Q by Field (Consolidated)

Application Service Business



※ Figures before consolidation adjustments between divisions

※ Division name abbreviation

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

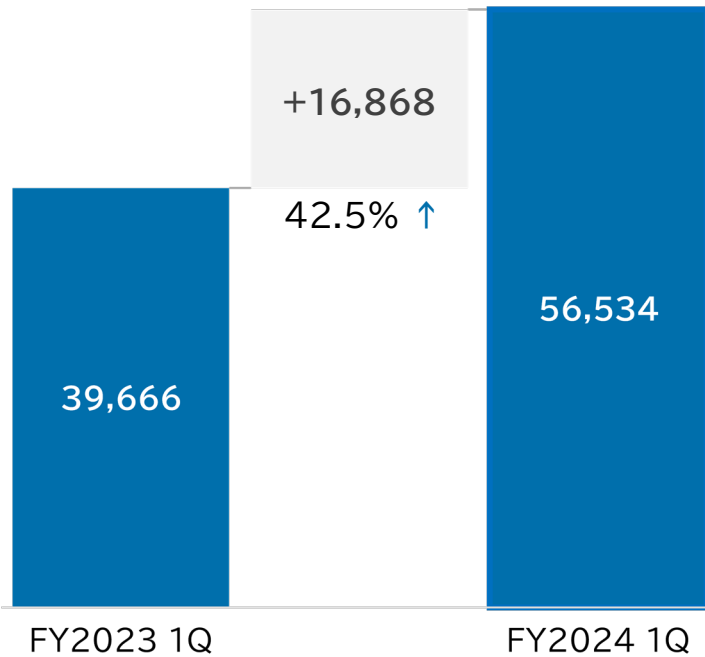


Backlog by Segment for FY2024 1Q (Consolidated)

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

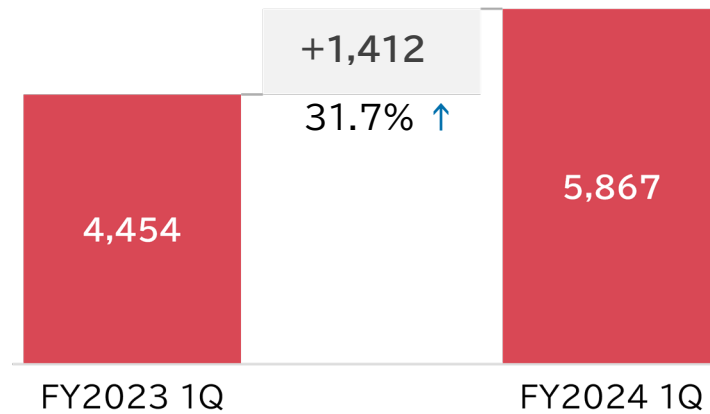
Information Infrastructure Business

(¥million)



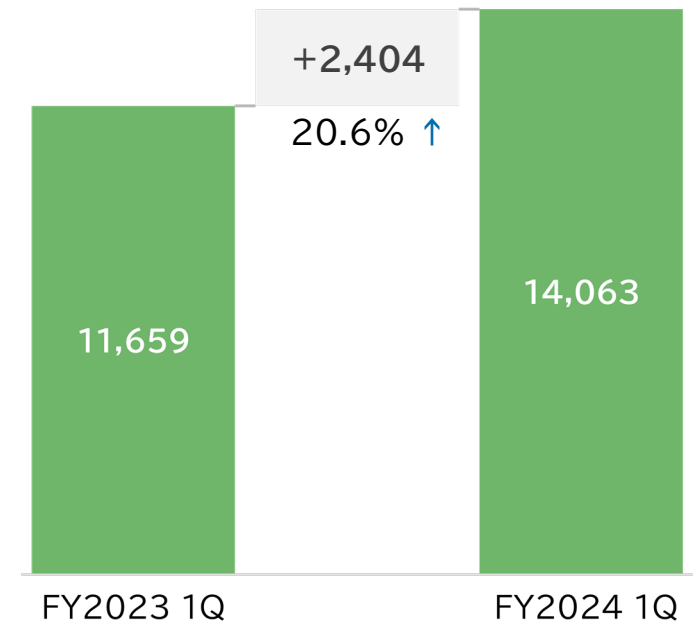
Application Services Business

(¥million)



Medical System Business

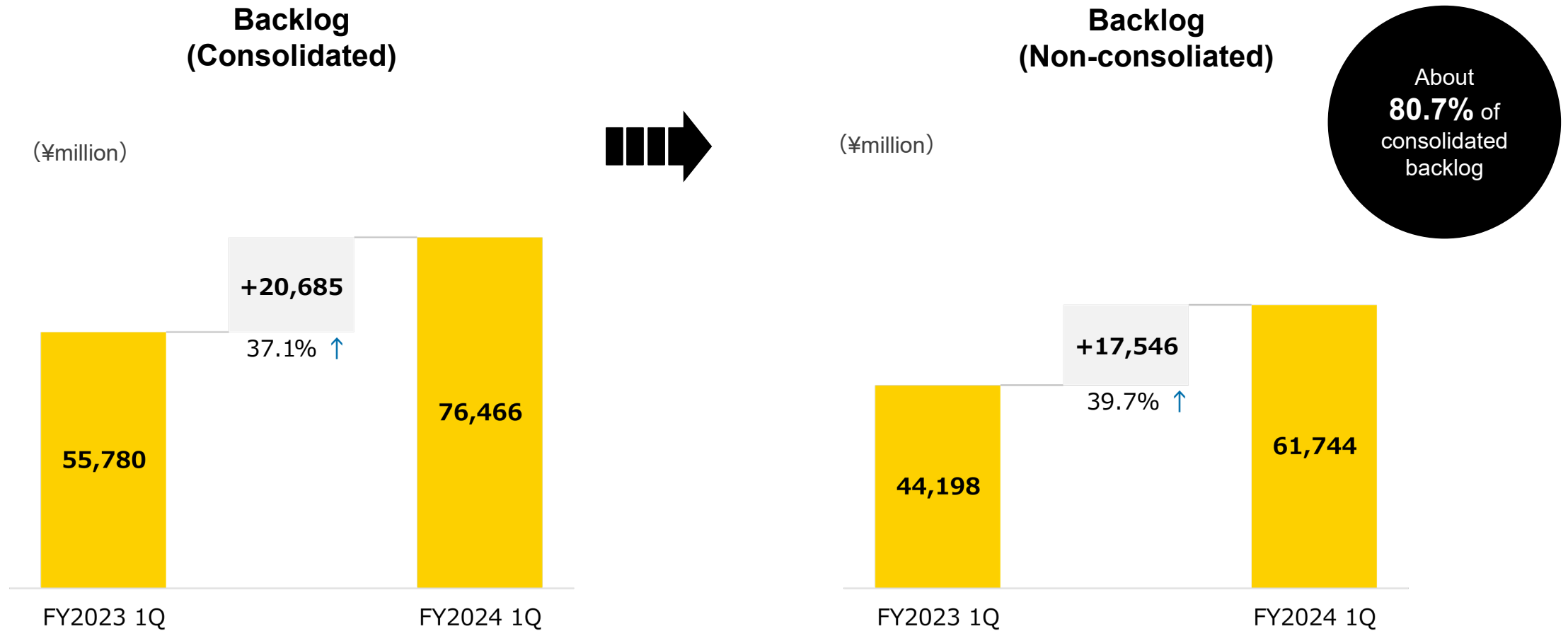
(¥million)





Backlog for FY2024 1Q (Non-Consolidated)

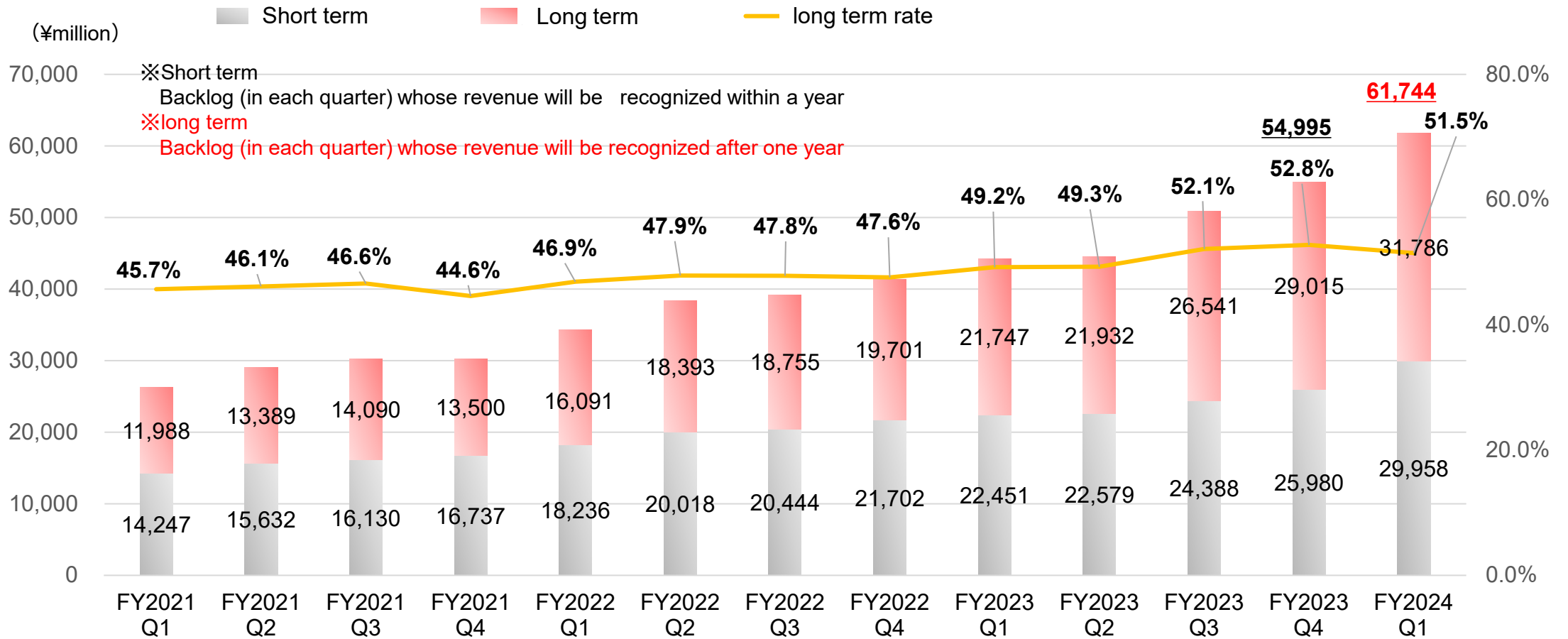
- Consolidated and non-consolidated (TechMatrix only) backlogs are as follows.





Backlog for FY2024 1Q (Non-Consolidated)

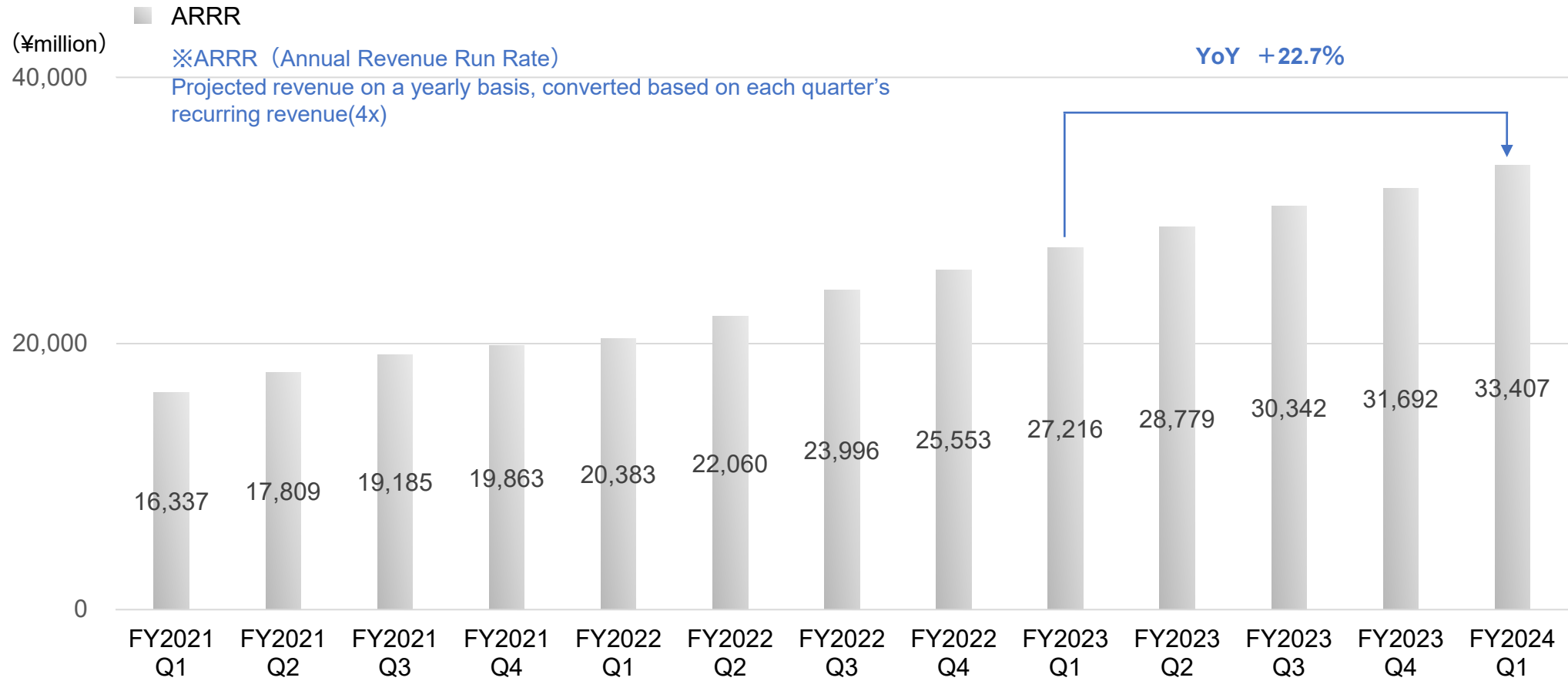
- Non-consolidated backlog (for only TechMatrix) are as follows.





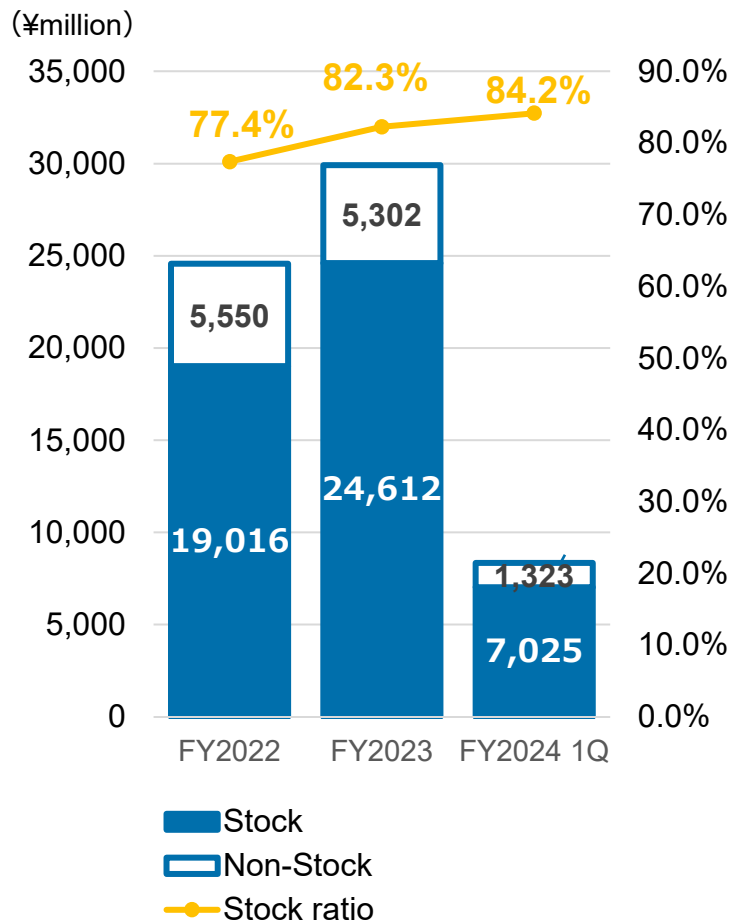
ARRR for FY2024 1Q (Non-Consolidated)

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

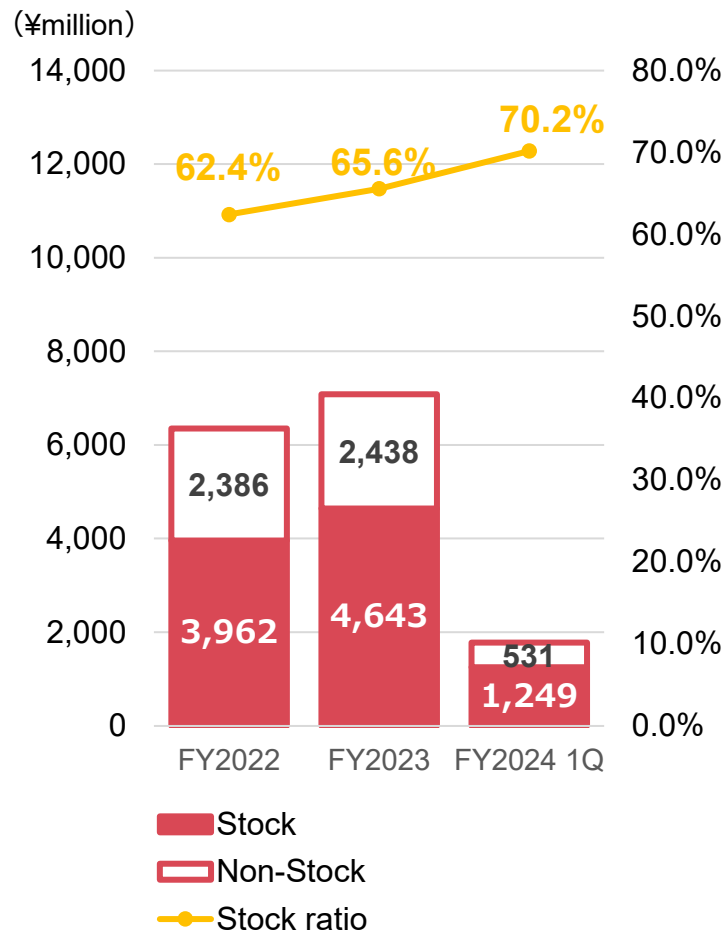




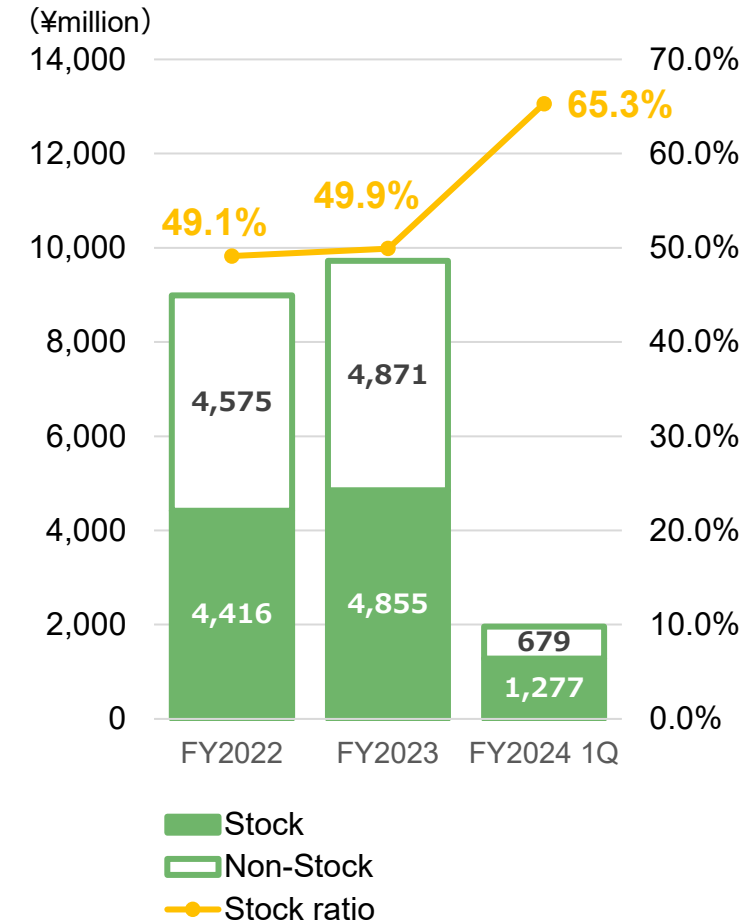
Information Infrastructure Business



Application Services Business



Medical System Business



※ FY2024 1Q excludes financial business



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

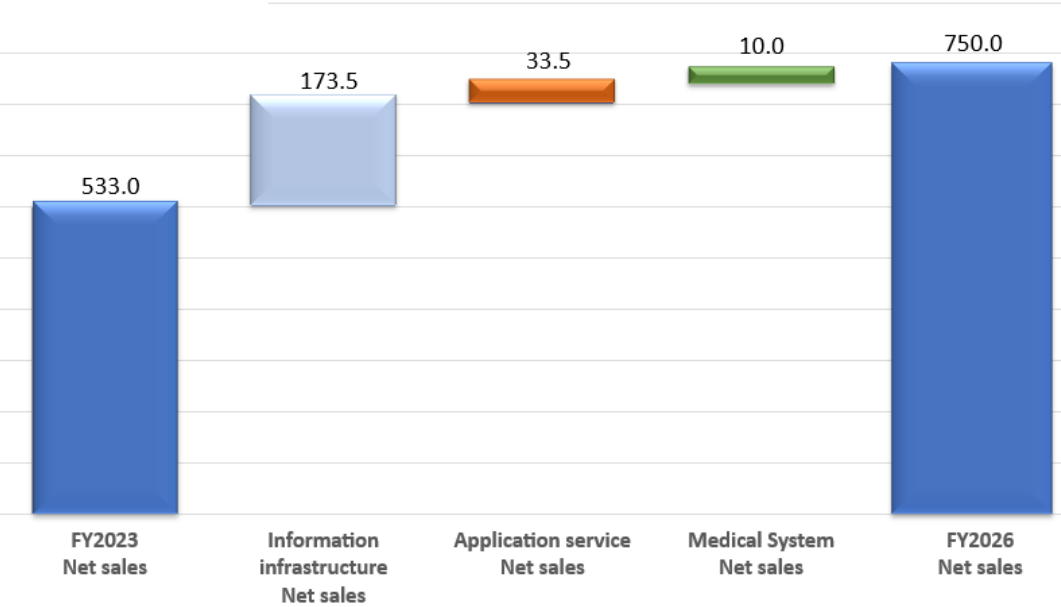
- communication platform + Integrated school affairs support system 「tsumugino」 service started
- Started providing PHR services for individuals (patients)

- Established NOBORI Ltd.

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

(100million yen)

TechMatrix consolidated net sales trends

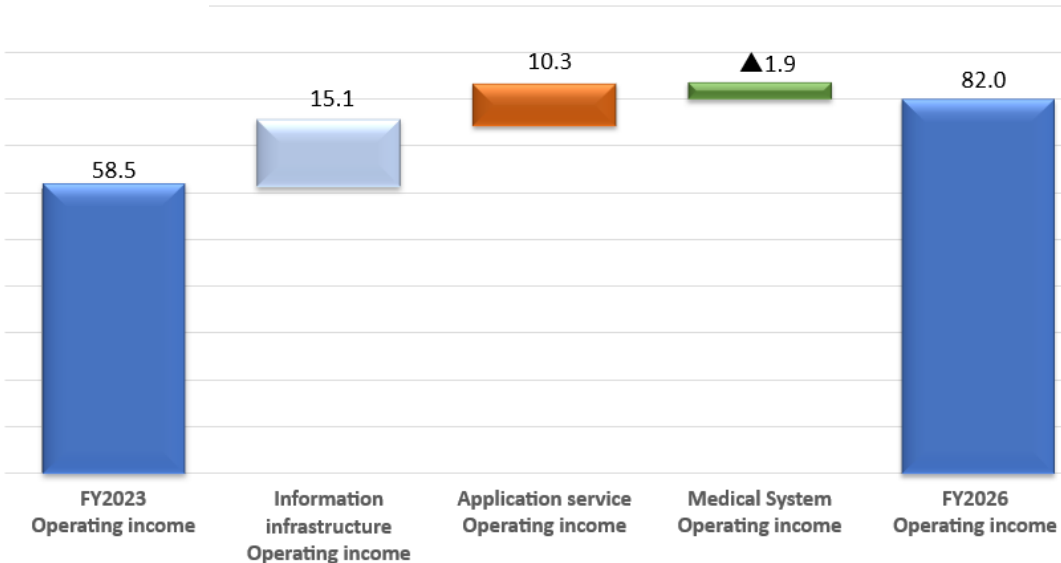


		FY2023 Actual
Net sales	Total	533.0
	Information infrastructure	350.0
	Application service	82.0
	Medical System	101.0

		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)

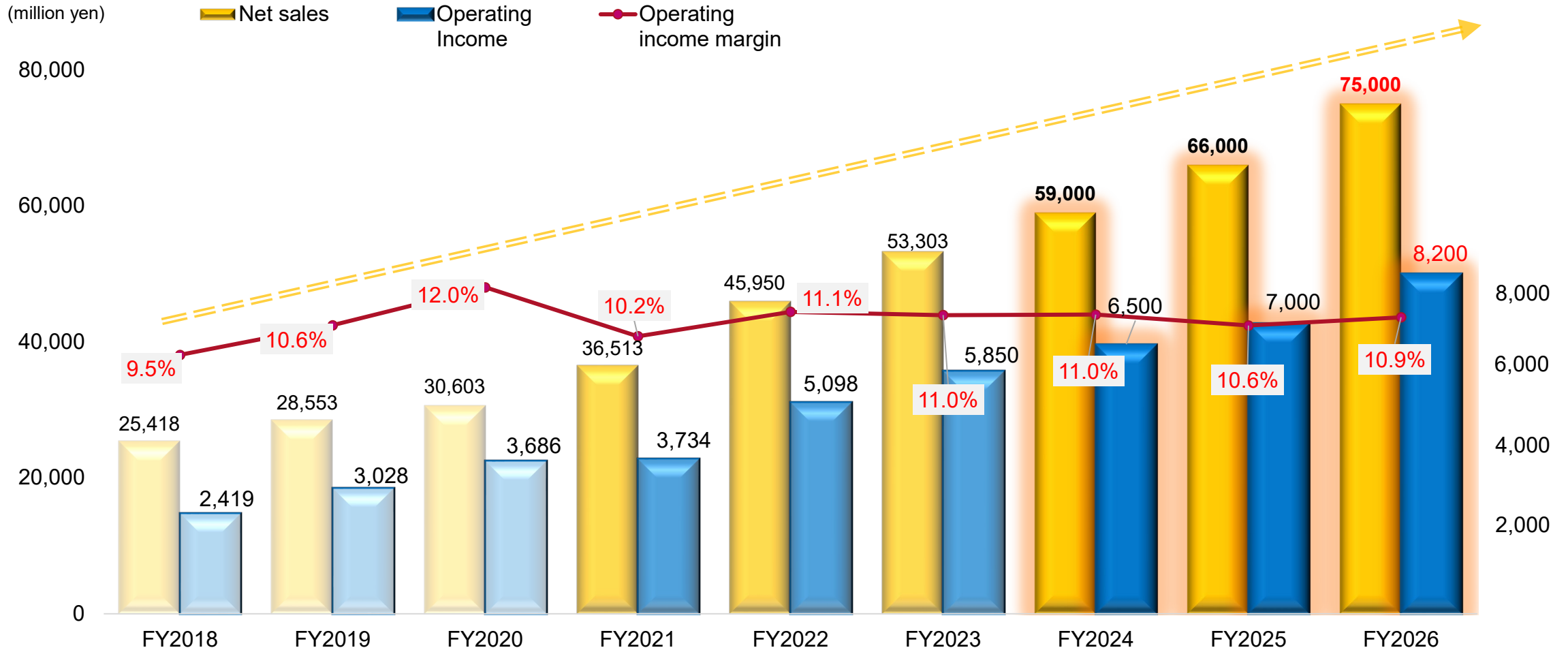
TechMatrix consolidated Operating income trends



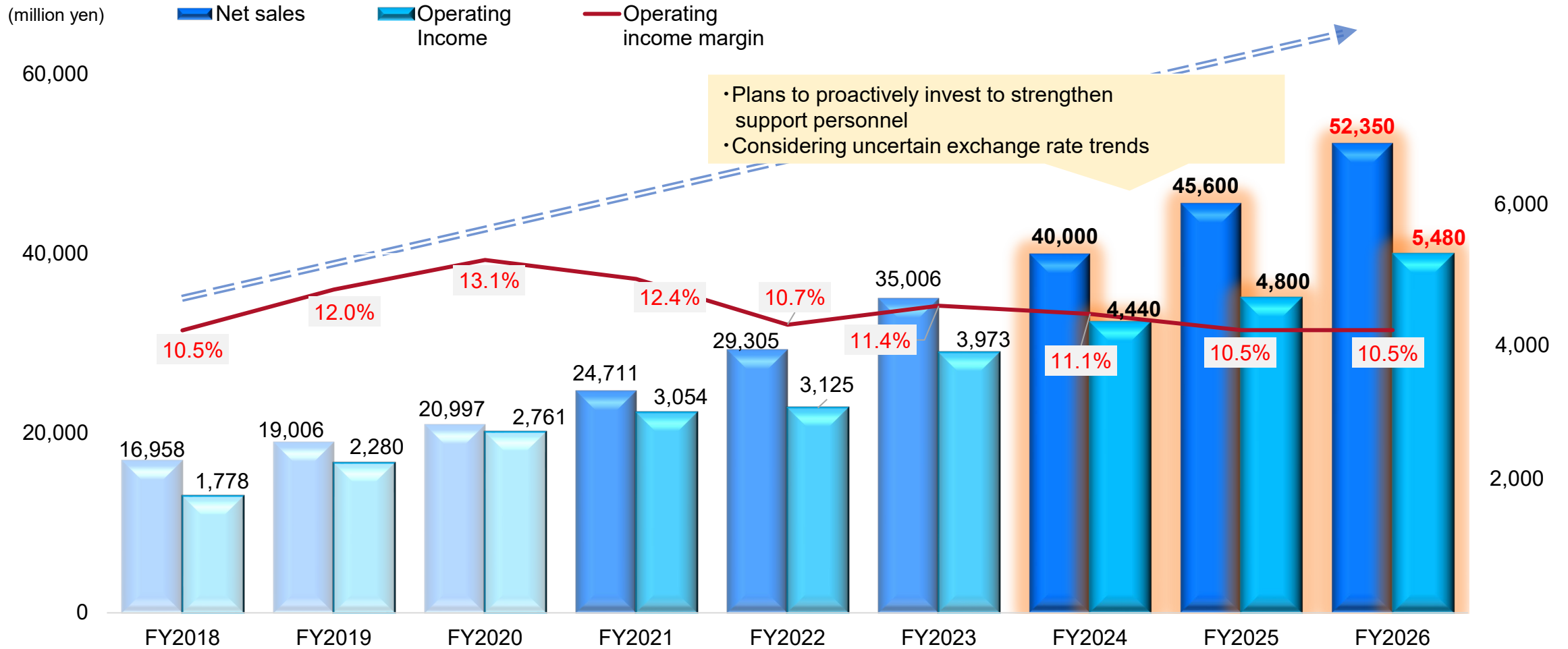
		FY2023 Actual
Operating income	Total	58.5
	Information infrastructure	39.7
	Application service	3.2
	Medical System	15.6

		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)



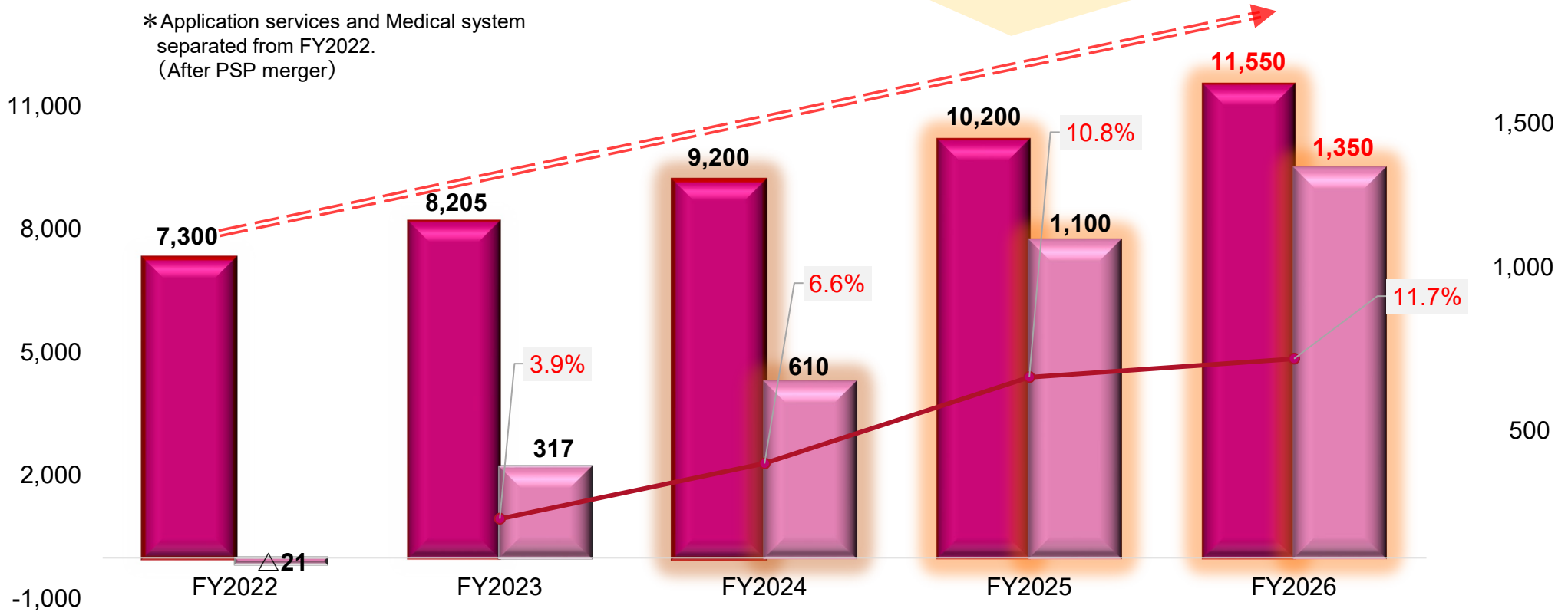
Creating Customer Value in the New Era 3-year targets (Application service)

(million yen)

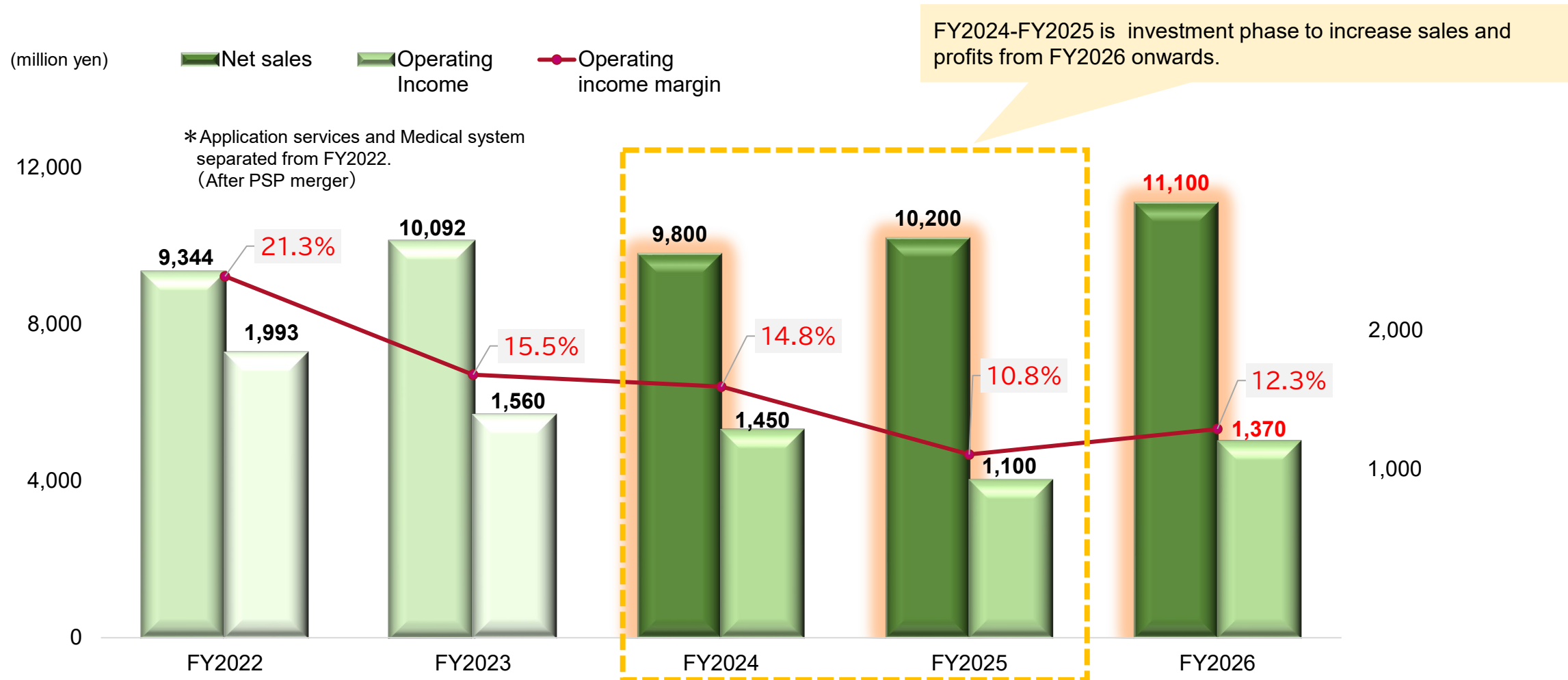
■ Net sales
 ■ Operating Income
 —●— Operating income margin

- Progress in transition to subscription-based business
- EdTech business deficit shrinks

* Application services and Medical system separated from FY2022. (After PSP merger)



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



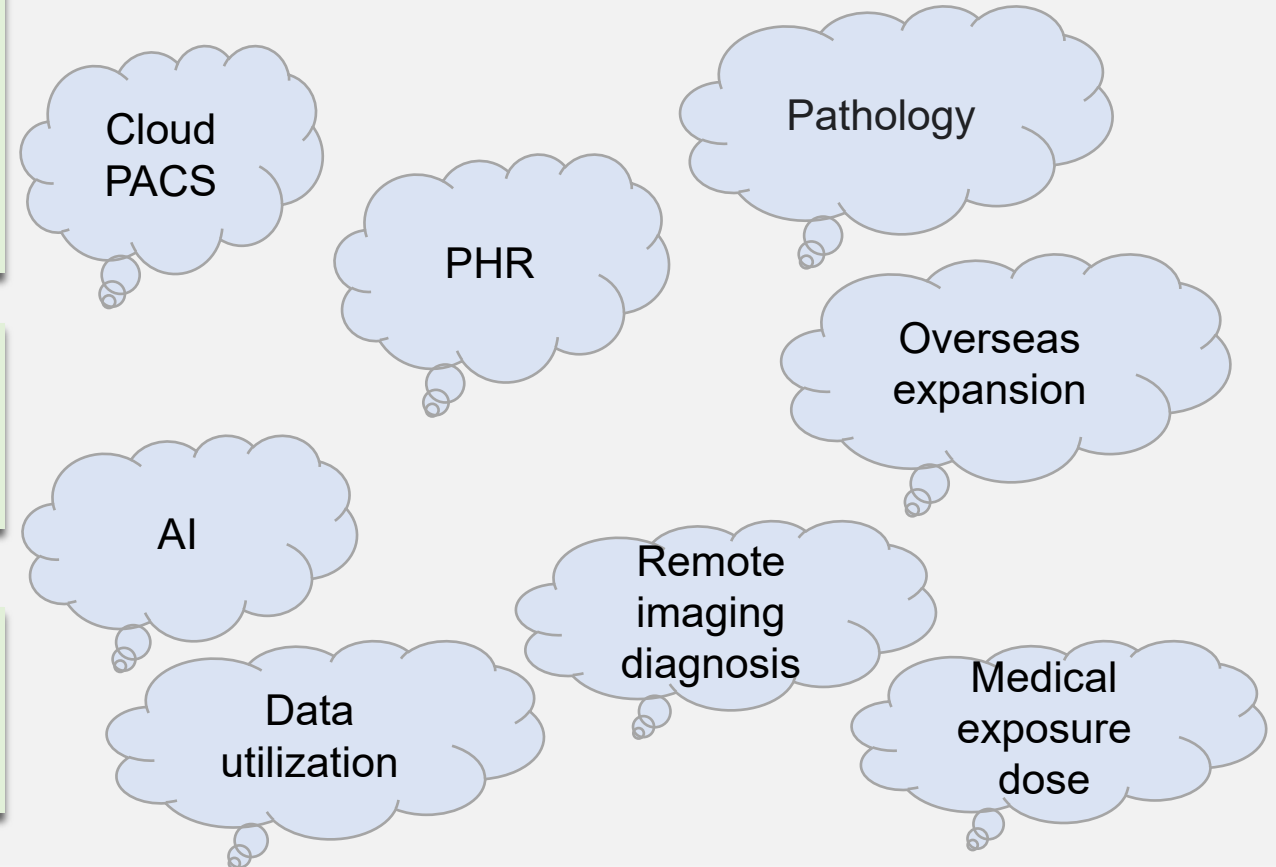
FY2024-FY2025 is investment phase to increase sales and profits from FY2026 onwards.

1) Cloud shift of PACS business

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

2) Increase in staff for business expansion

3) Aggressive development investment





<Handling of this material>

Description of future prospect contained in this material, etc. is based on current information. It may fluctuate due to Macroeconomic trends, Market environment, Our related industry trends, Other internal ・ external factors, etc.

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

<Contact>

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