



FY2024 Q3 Financial Results Materials

February 6, 2025



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Sales · Operating income · Ordinary income · Net income

All sections reached record highs in the third quarter.

Net income reached 694 million yen in the fiscal year, achieving approximately 70% of the 1,000 million yen budget.

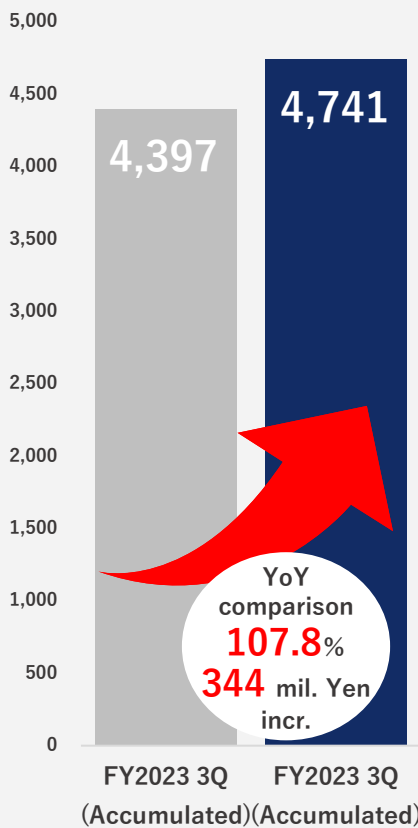
This improvement in net income contributed to a higher ROE, driving steady progress in enhancing management efficiency and maximizing shareholder value.

(Unit : million yen)	3Q of FY2023(Accumulated)		3Q of FY2024(Accumulated)		YoY Comparison	Variance
	Amount	Sales ratio	Amount	Sales ratio		
Sales	4,397	100.0%	4,741	100.0%	107.8%	+344
Operating Income	773	17.6%	997	21.0%	129.0%	+224
Ordinary Income	716	16.3%	991	20.9%	138.3%	+275
Net income attributable to shareholders of the parent company	461	10.5%	694	14.7%	150.6%	+233

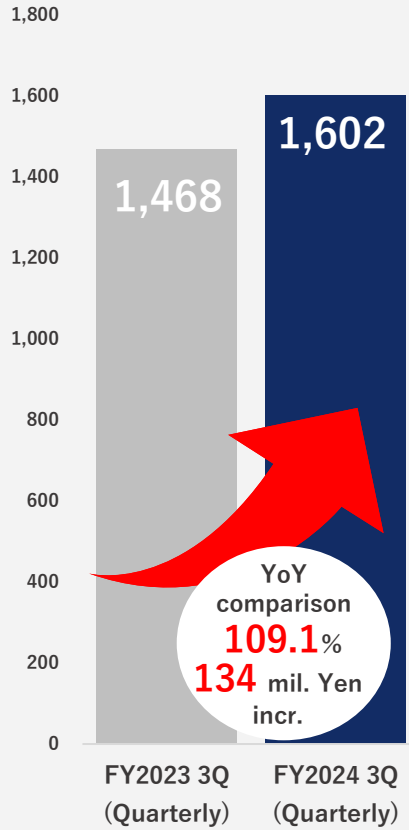
3Q of FY2024 (Sales)

Accumulated

(Unit : million yen)



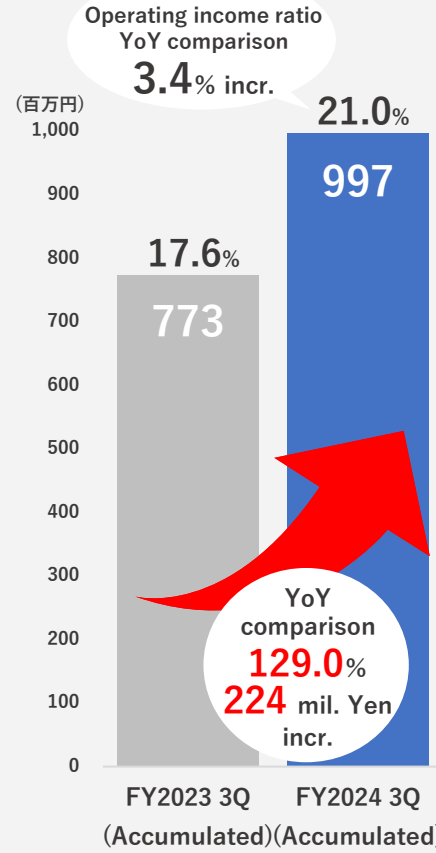
Third Quarter



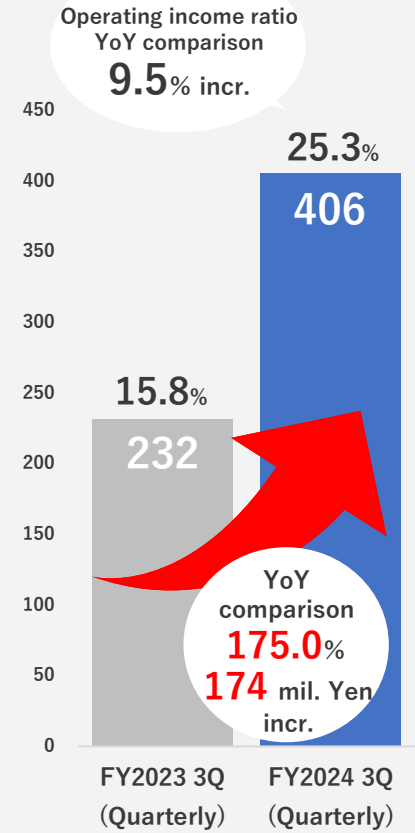
3Q of FY2024 (Operating Income)

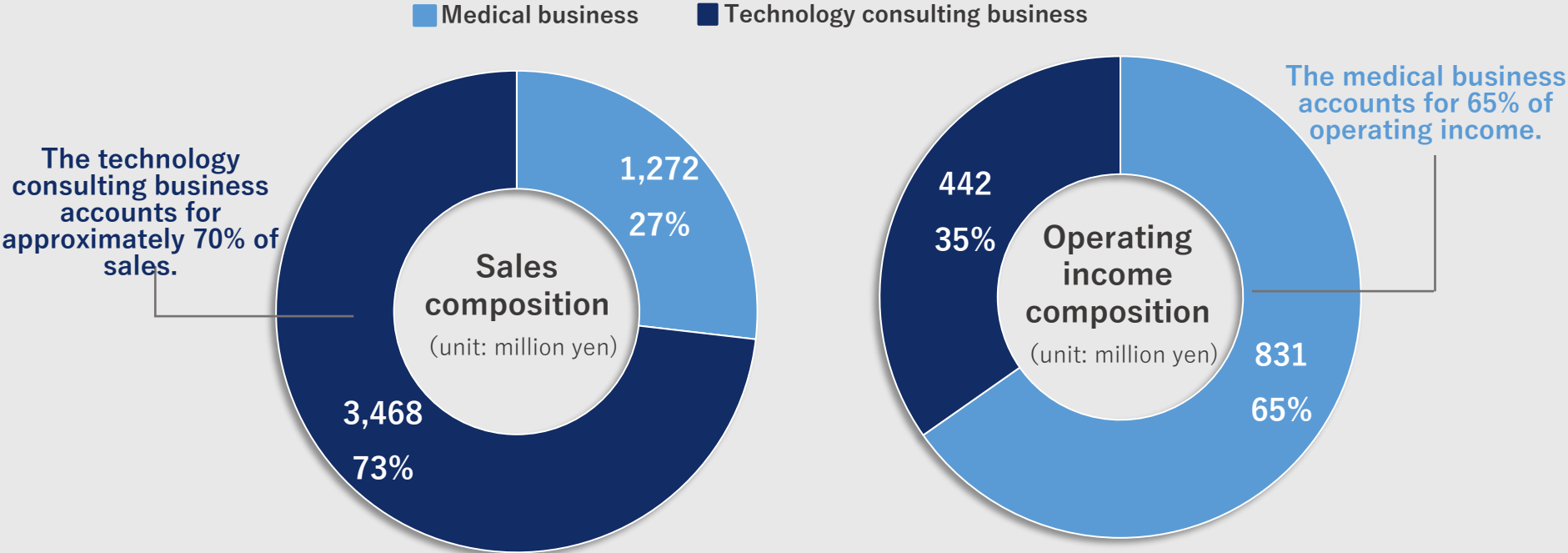
Accumulated

(百万円)



Third Quarter





※The difference between segment profit and consolidated performance mainly arises from adjustments of general administrative costs not attributed to any reportable segment.

01 Medical Business



Reforming the workstyle of medical professionals
Improving the profitability of medical institutions
Improving medical safety and quality

Mission

02 Technology Consulting Business

Addressing the shortage of **787,000*** IT engineers by 2030
Developing Overseas Advanced IT Human Resource



Business Model

AI × Subscription model
Operating income margin of 60% or higher

Offshore development center (ODC) partnership
Offshore transfer consulting

Strengths

Medical database cultivated over **30 years**
Owning numbers of AI engines

30 years of trust and proven track record in offshore development
Over **900** young sophisticated engineers

More than **21,000** medical institutions
Healthcare-related businesses

Clients

- Technology: AI, IOT, etc.
- Strategic markets: Healthcare, finance/public, automobiles (EVs), mobile, real estate, etc.

Medical Business

Medical Business : Overview by Segment for 3Q of FY2024 (Business Performance)



Both sales and operating income **reached record highs** due to the expansion of stock related to the package sales of the Mighty series utilizing the AI × Subscription model, as well as the increase in average user spending due to the transition from the old to the new products in the "MightyChecker" series. The operating income ratio increased by **4.3%** compared to the previous year.

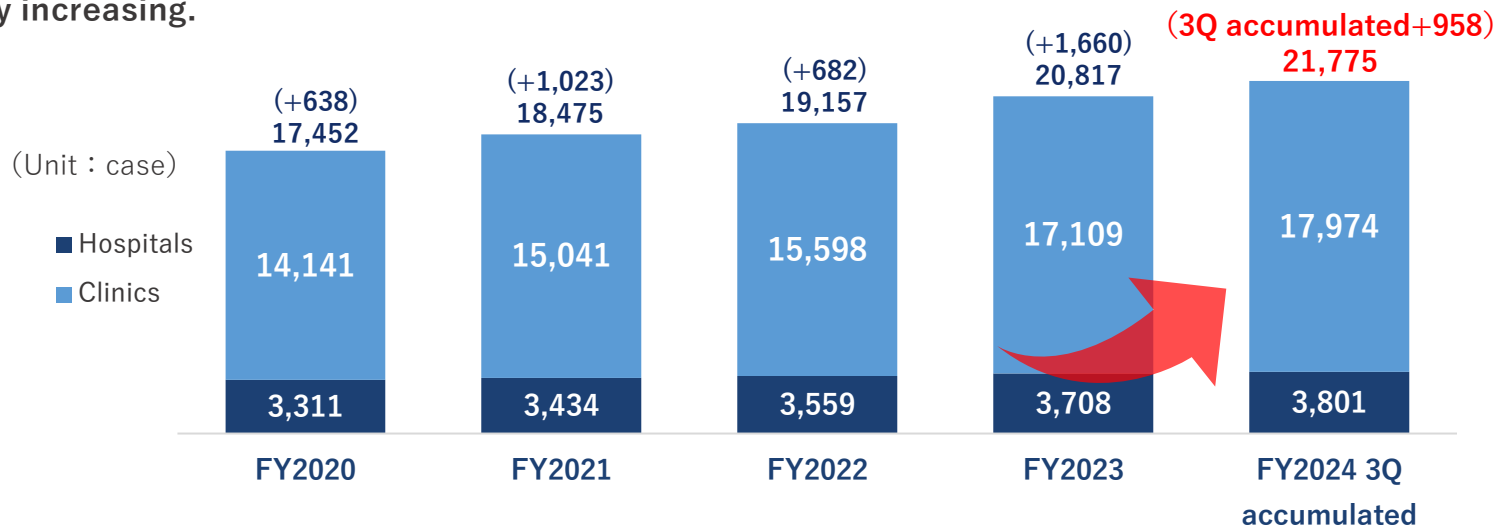
(Unit: million yen)	3Q of FY2023 (Accumulated)		3Q of FY2024 (Accumulated)		YoY Comparison	Variance
	Amount	Sales Ratio	Amount	Sales Ratio		
Sales	1,214	100.0%	1,272	100.0%	104.8%	+58
Operating Income	740	61.0%	831	65.3%	112.3%	+91

Medical institutions accelerated the investment in DX in response to The Workplace Reform related laws, which became applicable to medical doctors in April 2024, and medical fee revisions.

- ① Operation of the Remote Service Platform has begun through alliances with a major medical staffing company.
- ② Continue to promote the transition of existing customers from the old product to the enhanced new products (MightyChecker® EX), achieving higher prices and increased revenue.
- ③ Expanded sales of "Mighty QUBE® Hybrid" in the clinic market by starting OEM supply to cloud-based electronic medical records, specializing in home medical care.
- ④ Increase in the number of users through cross-selling measures for "Mighty QUBE® Hybrid"

AI × Subscription Model User's Trend of the Core Solution 「Mighty」 Series

The application of work style reforms for medical doctors in April 2024 has led to an acceleration of digital transformation in the medical industry. While focusing on converting existing users, the number of users is steadily increasing.

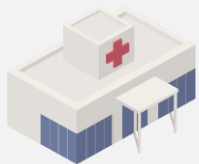


Share in users of Mighty series ^{*1}

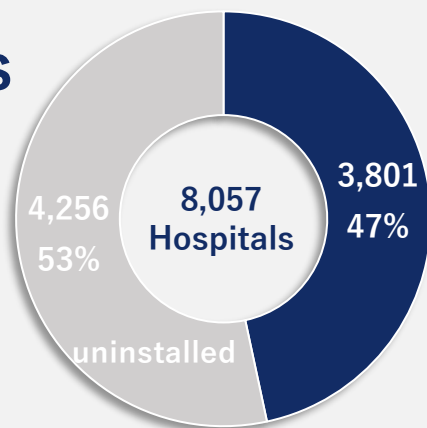
Users as of Dec. 2024 / Estimated users as of Oct. 2024 ^{*2}

Hospitals

Approx. **47%**



(Hospital : over 20 beds)

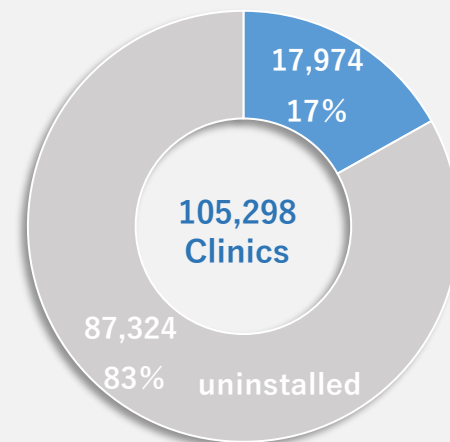


Clinics

Approx. **17%**



(Clinics : under 20 beds)



*1 These figures are calculated under certain conditions based on our actual transactions.

*2 Reference: "2024 Survey of Medical Facilities, Ministry of Health, Labor and Welfare of Japan"

Acquire new users for the “Mighty” series and promote the **replacement of the new product to current users.**

1 Acquiring New Users



■ Strengthening the Sales Operation

In response to customer requests, we are enhancing our team by hiring consulting sales personnel.


■ Remote Service Platform

Business alliance with a major medical staffing company.
Expanding sales by providing the MCEX engine to the client's contracted medical institutions.

2

Replacement of the new product for Current Users

Expanding earnings through two strategies



Replace target
16,775 inst.
77%

Mighty series users
21,775
institutions

N/A
(MCEX · Cloud)
5,000 inst.
23%

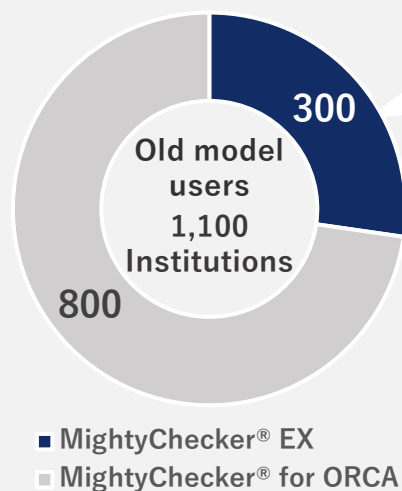


Increase in the **unit price** by switching to the new product and continuous accumulation from the next fiscal year onward due to **the leveling of license fees.**

Enhancing MightyChecker® EX Sales and Accelerating the Second Growth Phase Through Strengthened Collaboration with the Japan Medical Association

Switching Existing Users from the Old Model (MightyChecker® for ORCA) to the New Model (MightyChecker® EX)

Replacement Status (as of 3Q)



The number of medical institutions using API connection between "WebORCA"*¹ and "MightyChecker® EX" provided by the ORCA Management Organization Co., Ltd. **Exceeded 300 institutions**, and replacement continues.

Switching to EX increased the average spending per user about **1.5 times**.

Switching to EX enables compatibility with both on-premise and cloud services, contributing to an increase in the number of users.

Operation Status of ORCA Project
(Total of In-Hospital and Cloud-Based Models)
Medical institutions using the software: 19,193 ^{*2}(as of December 15, 2024)

**「Mighty QUBE[®] Hybrid」
「MightyChecker[®] EX」
Measures to Expand Orders**

Electronic Medical Record (EMR) Linked System



System for supporting medical doctors in inputting disease names in electronic medical records and checking inputted items by utilizing AI

Mighty QUBE[®] Hybrid

- Linked with electronic medical records, AI retrieves candidate disease names from the medical database we have accumulated for over 30 years based on the information on prescriptions, injected medicines, and ordered specimen examinations inputted by medical doctors at the time of diagnosis.
- By preventing the incorrect administration of medicines and the omission of disease names on a real-time basis at the time of diagnosis, this system contributes to the workstyle reforms of doctors, medical safety, cost reduction at hospitals, the reduction of working hours and labor of medical doctors, pharmacists, and medical workers.
- Return on investment: 1,154% (e.g. Sales^{*1} growth in a medium-sized hospital with 300 beds: approximately 62 million yen/year)

System for Checking Health Insurance Claims



Next-generation health insurance claim inspection software based on AI

Mighty Checker[®] EX

- Streamline the operations of medical professionals by AI inspecting health insurance claims, linked with a health insurance claim system.
- Improving the profitability of hospitals by preventing incorrect claims and omission of claims.
- Return on investment: 411% (e.g. Sales growth in a medium-sized hospital with 300 beds: approximately 9 million yen /year)

Marketing strategy: Measures for the increase of orders for "Mighty QUBE® Hybrid"

MightyChecker® **Cross-Selling Initiative** for EMR Manufacturers Serving Existing Small and Medium-sized Hospitals

We will target small and medium-sized hospitals, which make up 91%(7,403 Inst.) of all hospitals.

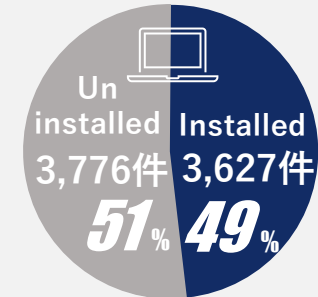
① **Small and Medium sized Hospitals with EMR(49%: 3,627 inst.)**

- Started a negotiation with 4 major EMR manufacturers.
- Alliance partners : **ACS Co., Ltd, Pacific Medical, Inc.**

② **Installation to Small and Medium sized Hospitals without EMR(51%: 3,776 Inst.)**

- Projected based on the Ministry of health, Labor and Welfare’s indicators to 2030.

< Installation of EMR (estimated) >



Reference: "Japan Ministry of Health, Labour and Welfare 2022 Medical Facilities (Dynamic) Survey and Summary of Hospital Reports"

Expanding the Clinic Market via OEM Supply to EMR Manufacturers Specializing in Home Healthcare

- We start supplying products as an OEM for the cloud-type electronic medical record for home healthcare “homis” of Medical Informatics Co., Ltd. Enhancement of sale of Mighty QUBE® Hybrid in a bundle to the existing and new users of “homis” in the field of clinics.
- Facing the “The 2025 Problem,” we aim to expand sales in anticipation of growing demand for home healthcare driven by Japan’s aging population.



Expanding new platform business by utilizing Clients & Medical Data base and Intellectual properties. We aim to further develop a new recurring model to increase sales and profits.

Stable Earnings

AI × **Subscription model**

MightyChecker EX **MightyQUBE Hybrid**

MightyChecker Cloud

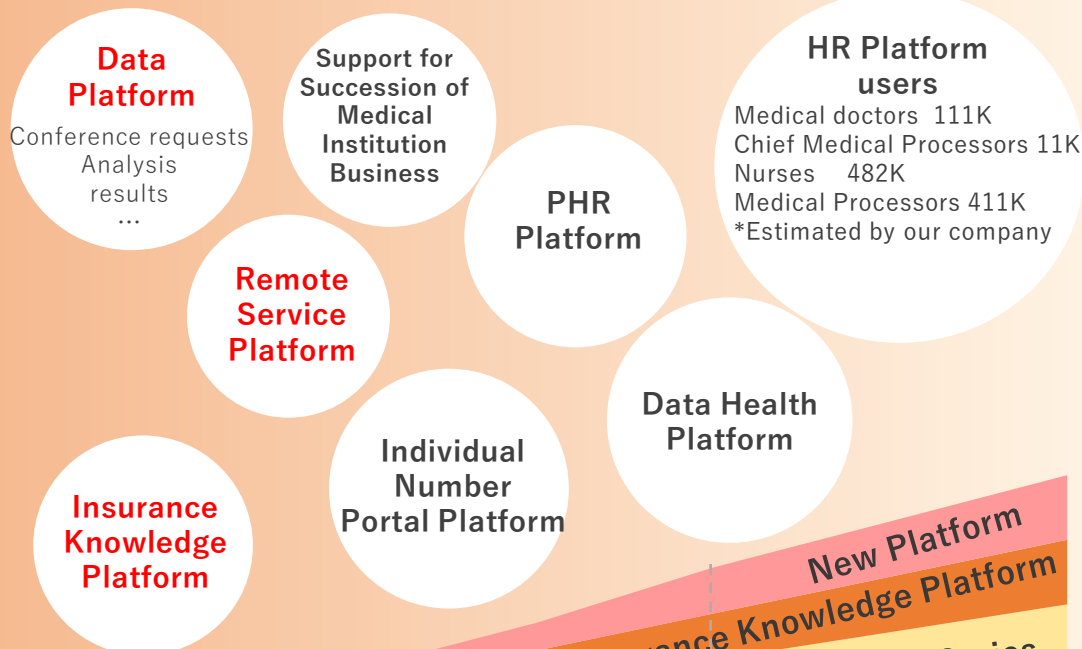
To enter a new business field by utilizing our client & medical database and intellectual properties.

Knowledge
No. of medical institutions
Over 21,000

Over 30 years of
In-house database



New target markets in the second growth phase (medium/long-term vision)



SALES

Business Growth Forecast

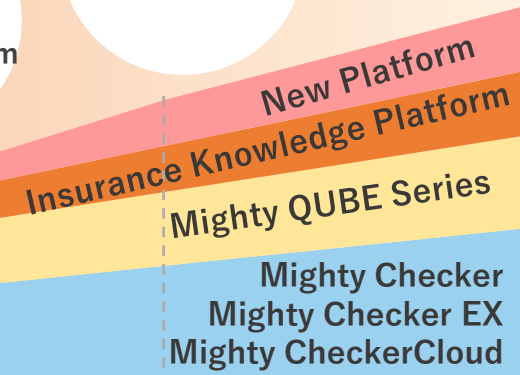
FY2022

FY2023

FY2024

FY2025

FY2026



A solution for the insurance industry to assist in improving the efficiency of claims payment operations, utilizing a proprietary medical database backed by a track record of providing services to more than 21,000 medical institution users

Life Insurance
Market
41 companies

Life insurance companies announced by
the Financial Services Agency (as of April 1, 2024)

Installed by
4 companies

- ① Zurich Life Insurance Co., Ltd. (installed on Nov. 17, 2021)
 - ② The Neo First Life Insurance Co., Ltd. (installed on Jul. 31, 2023)
 - ③ A medium-sized insurance company (unnamed for privacy)
(installed on Feb. 1, 2024)
 - ④ A medium-sized insurance company (unnamed for privacy)
(installed on Apr. 1, 2024)
- After installation, clients are considering optional service in addition

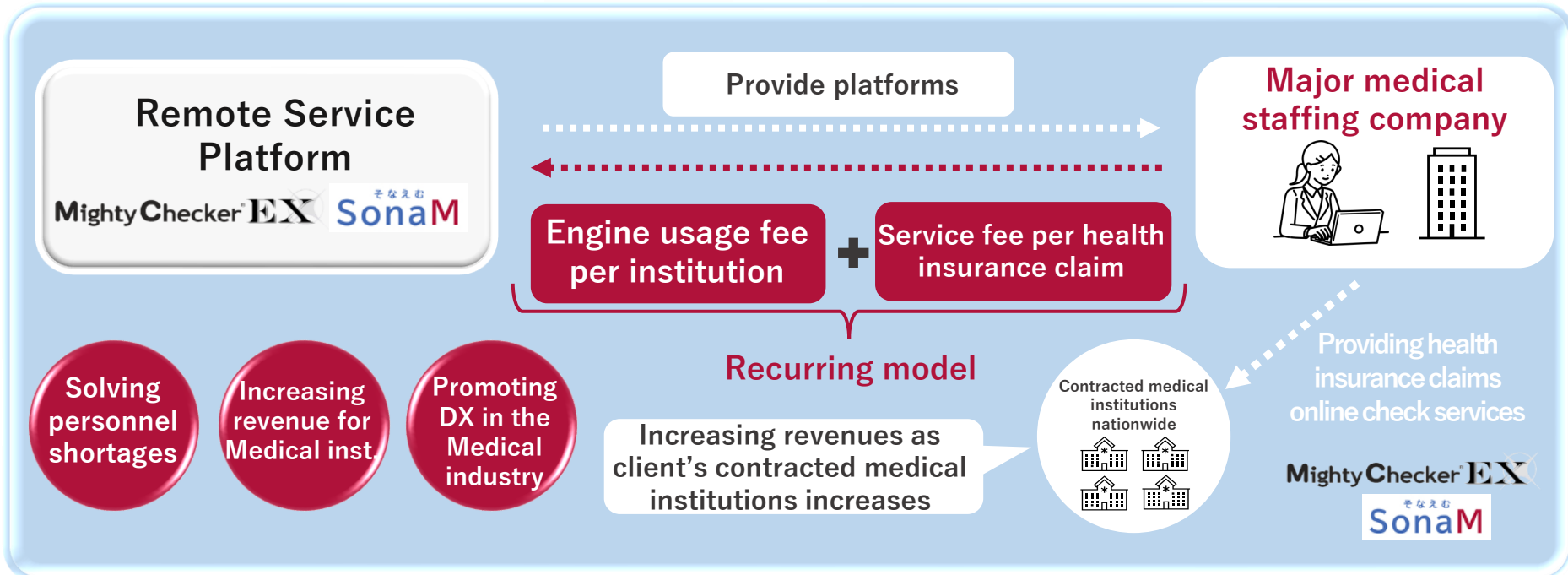
Negotiating with
3 Companies

Negotiating with companies, including a leading life
insurance company

Launched our first remote service platform as an alliance with a major medical staffing company.

Points

- Contribution to **sales expansion of MightyChecker® EX** due to an increase in the number of medical institutions contracting to the health insurance claims online check services.
- By providing our engine, we support both major medical staffing companies and medical institutions (hospitals and clinics) in addressing personnel shortage.
- Increase sales and profits through a **recurring model** based on engine usage fees and per health insurance claim service fees.



Technology Consulting Business

Technology Consulting Business : Overview by Segment for 3Q of FY2024 (Business Performance)



With the launch of new projects, including the APAMAN Group, and the resolution of delays in Sler-related projects that occurred in the previous Q3 due to external factors, operating income increased by approximately 50% YoY.

Both sales and operating income reached **record highs**.

(Unit: million yen)	3Q of FY2023 (Accumulated)		3Q of FY2024 (Accumulated)		YoY Comparison	Variance
	Amount	Sales Ratio	Amount	Sales Ratio		
Sales	3,182	100.0%	3,468	100.0%	109.0%	+286
Operating Income	290	9.1%	442	12.8%	152.4%	+152

Major companies and system integrators reconsidered their procurement sources, switching offshore development trustees from those in other countries to those in the Philippines.

- The delay in Sler-related projects that occurred in the previous Q3 has been resolved through the enhancement of the technology consulting business and the restructuring of the organization.
- Since November 2024, APAMAN-related projects have started, aiming to achieve budget targets with a second-half-weighted model.
- Moving forward, the top priority remains improving the utilization rate and operating income margin, while new mid-career hiring for engineers will be temporarily suspended.

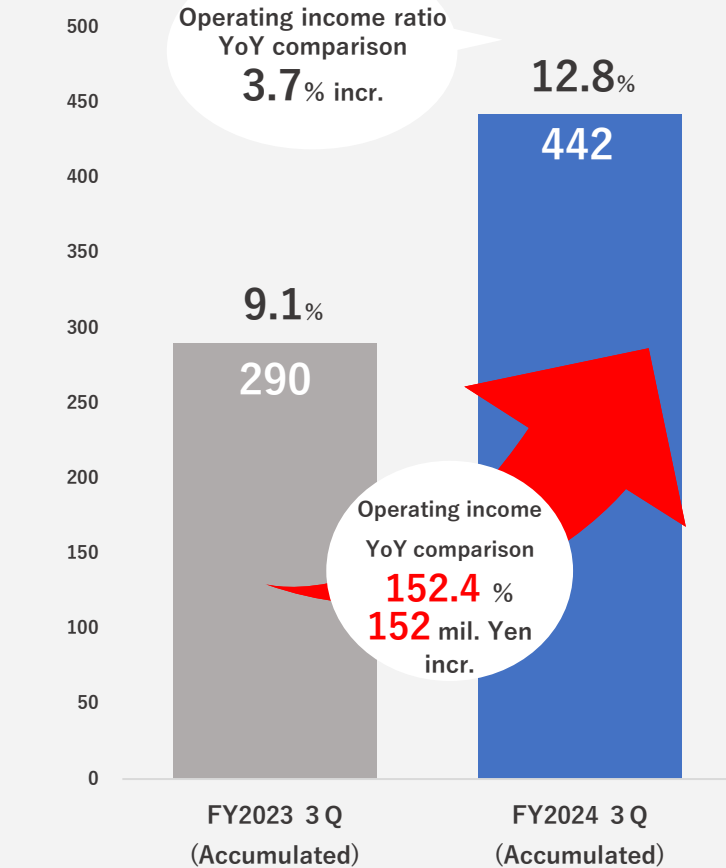
Matters Related to Changes in Reportable Segments, etc.

From the first quarter of the current fiscal year, the name of "Global Business" has been changed to "Technology Consulting Business" in accordance with the organizational change implemented on

May 1, 2024. There is no impact of this change on segment information.

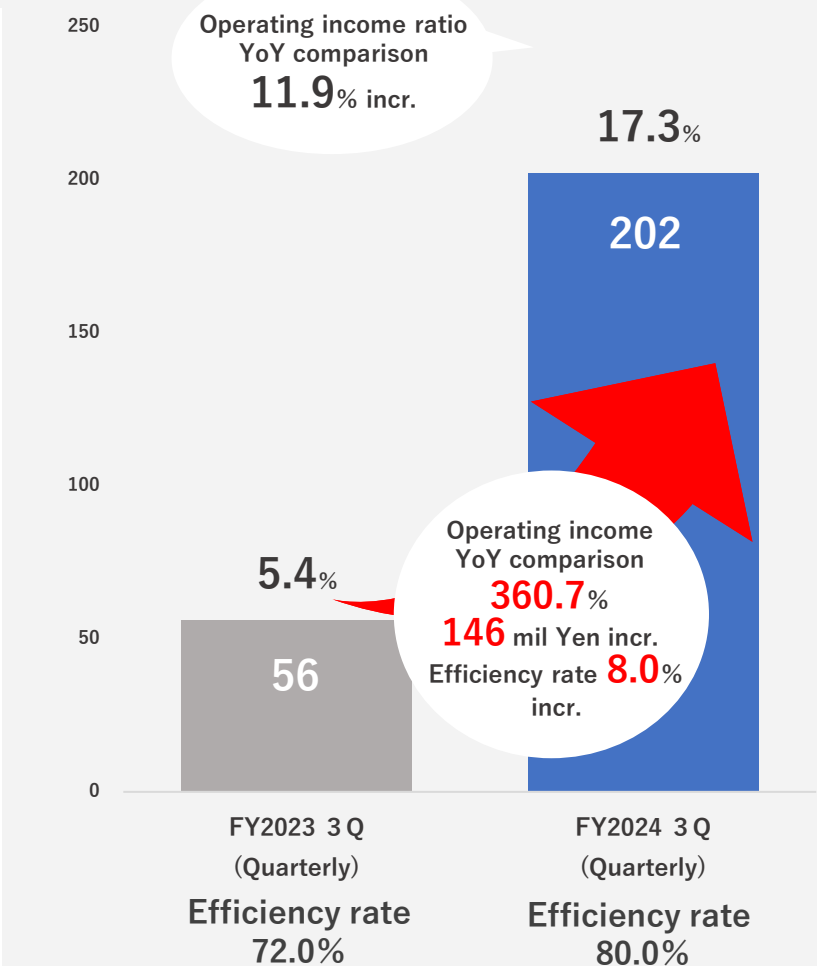
3Q of FY 2024 (Accumulated)

(Unit : million yen)



3Q of FY 2024 (Quarterly)

(Unit : million yen)



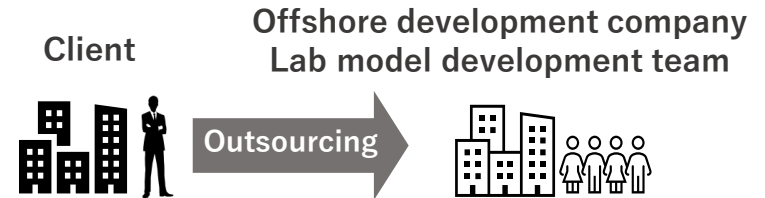
【Risks and Concerns of Usual Offshore Development】

In case the of setting up an offshore base



- × Enormous amount of cost and work for setting up
- × Communication errors due to different languages and cultures
- × Infrastructure shutdowns and project delays due to changes in the political climate

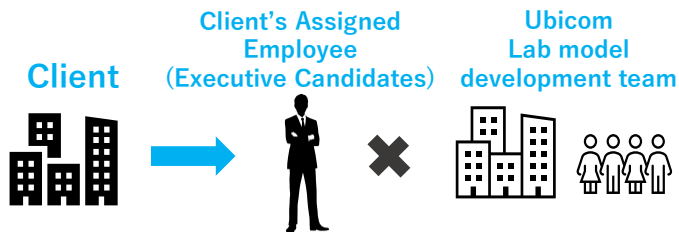
In case the of usual Lab-type development



- × Unable to store in-house technical skills
- × Communication errors due to different languages and cultures

Supporting the resolution of these risks and concerns will be...

Designed Lab-type Development



【Advantages】

- Able to implement **from upstream to downstream in a single process**
- Seconding executive candidates allows them to gain offshore development expertise and experience working with foreign engineers
- Flexible operations are possible, similar to our own offshore base
- Efficient communication enables rapid development
- The strong engineer pool enables large-scale development
- Track record : OGIS-RI Co.,Ltd.

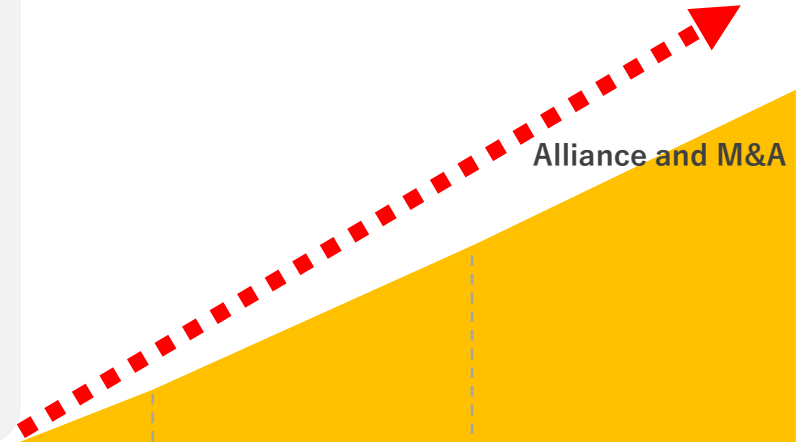
We support the offshore development of our client companies **with our 30 years of successful track record.**

We aim to build partnerships with large enterprises to obtain stable and continuous business.

Implementing Multiple Measures to Increase Operating Income (Technology Consulting Business)

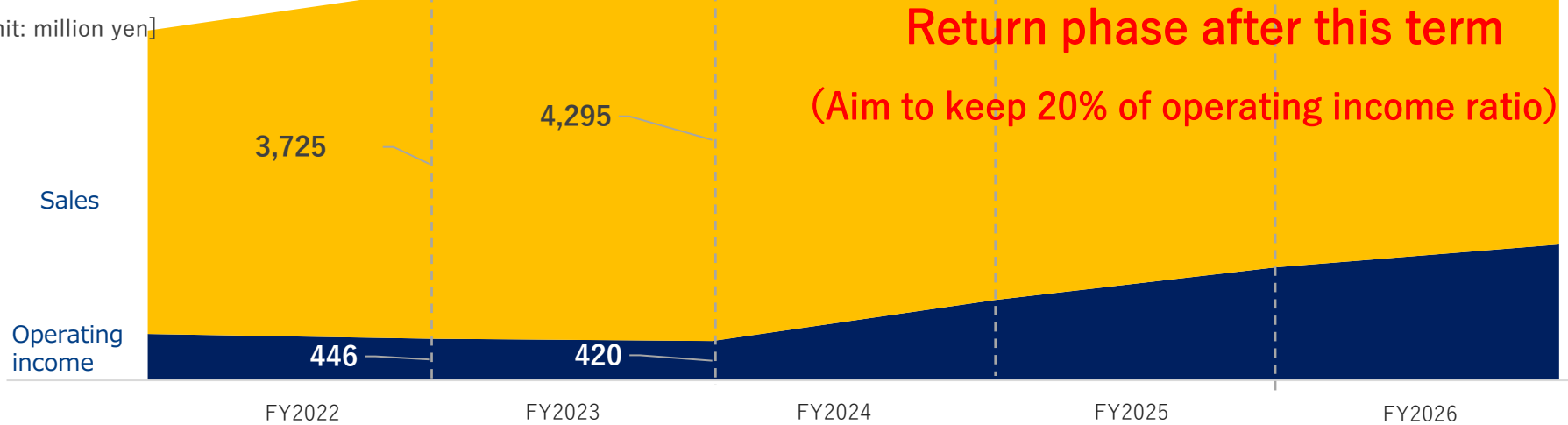
The 2nd Growth Phase (Medium/Long-term Vision)
New Market and Measures to Improve Operating Margin

- ① Up utilization rate
- ② Launch consulting business
- ③ Expansion business by highly skilled AI engineers (high unit price)
- ④ Orders from overseas major companies (Up dollar-denominated contract)
- ⑤ Cooperation with domestic and international clients



<Imagined Business Growth>

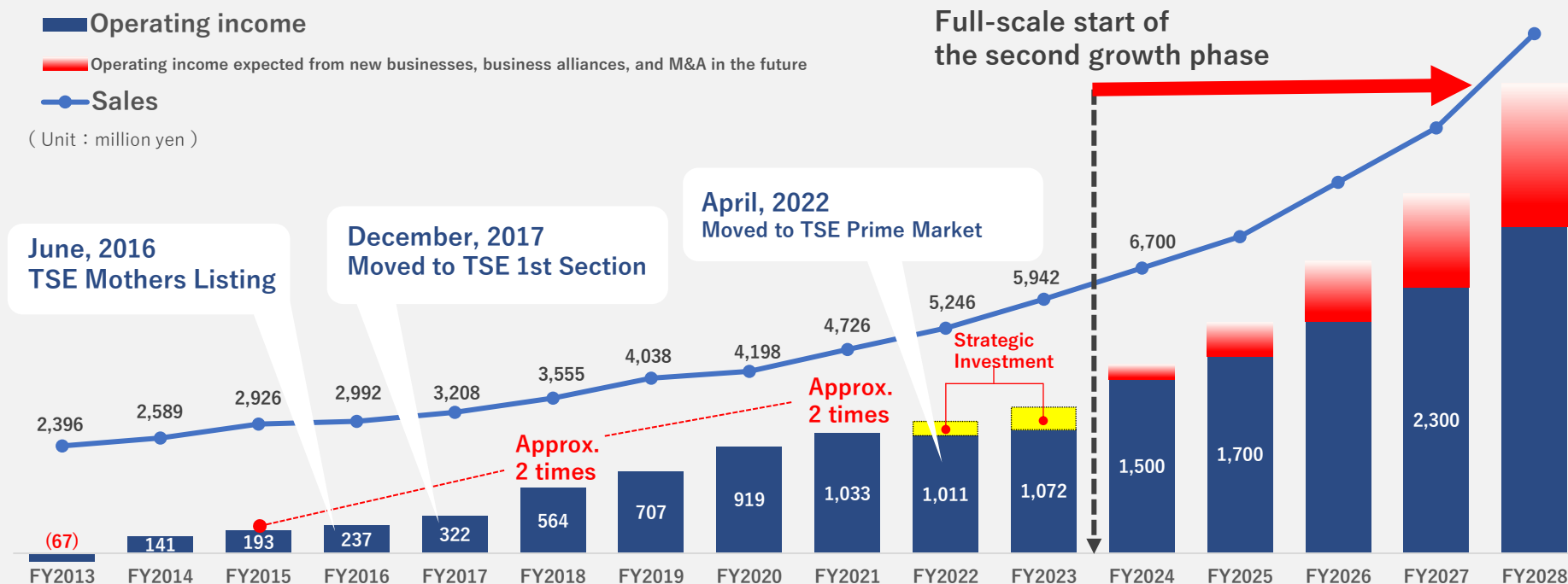
[Unit: million yen]



■ Sales ■ Operating income

Business Forecast

- ① Operation of multiple new platforms (Medical Business)
- ② Full-scale launch of Mighty QUBE® Hybrid and MightyChecker® EX's cross-selling (Medical Business)
- ③ Enhancement of sales for consulting in Japan through organizational reform (Technology Consulting Business)
- ④ Foray into the global market (Technology Consulting Business)
- ⑤ Promote acquisition of a large-scale clients (Technology Consulting Business)
- ⑥ Negotiations for M&A and capital/business alliance (for both businesses) have started.

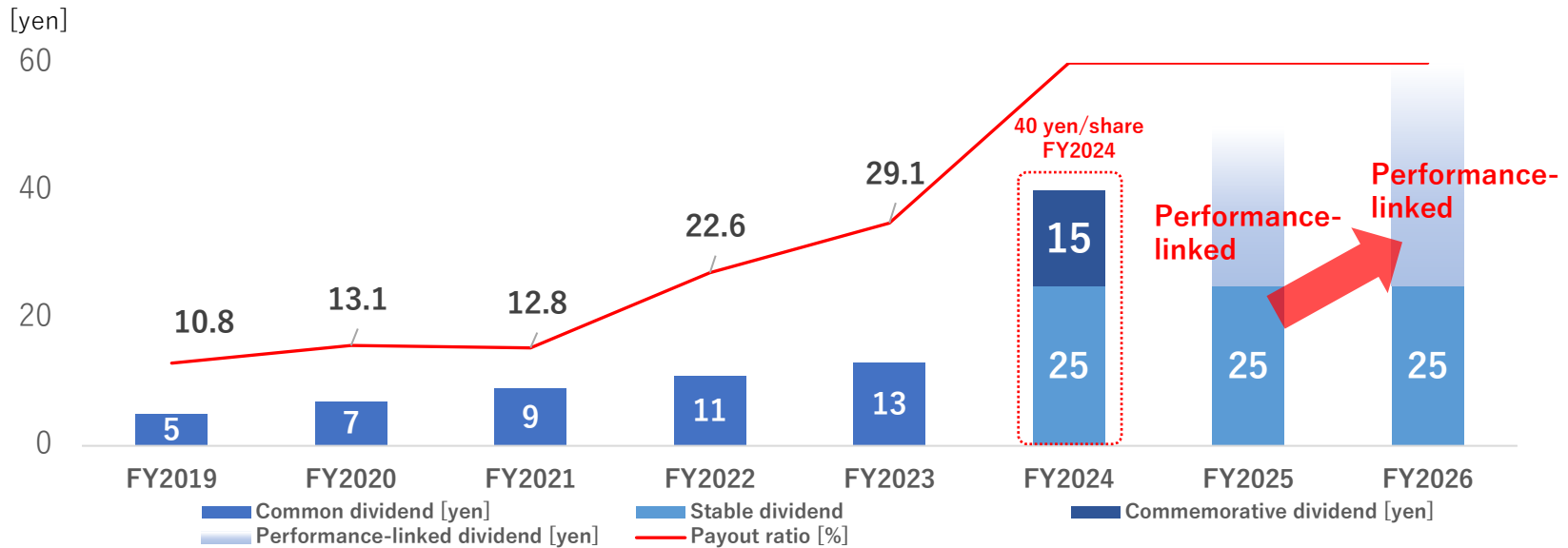


Dividend Policy

Dividend Policies for Enabling Shareholders to Share Benefits from the Growth of Our Company

【Dividend Policies】

- ① We aim to distribute profits to shareholders stably.
- ② To increase the dividend amount about three times from the previous fiscal year, while maintaining a good balance between the growth of business performance and strategic investment.
- ③ We set the dividend per share for FY2024 at 40 yen, and aim to pay high dividends with stable dividends and performance-linked dividends from this fiscal year.
- ④ Review the cash allocation policy to enhance shareholder returns through investments aimed at growth and dividend increases.

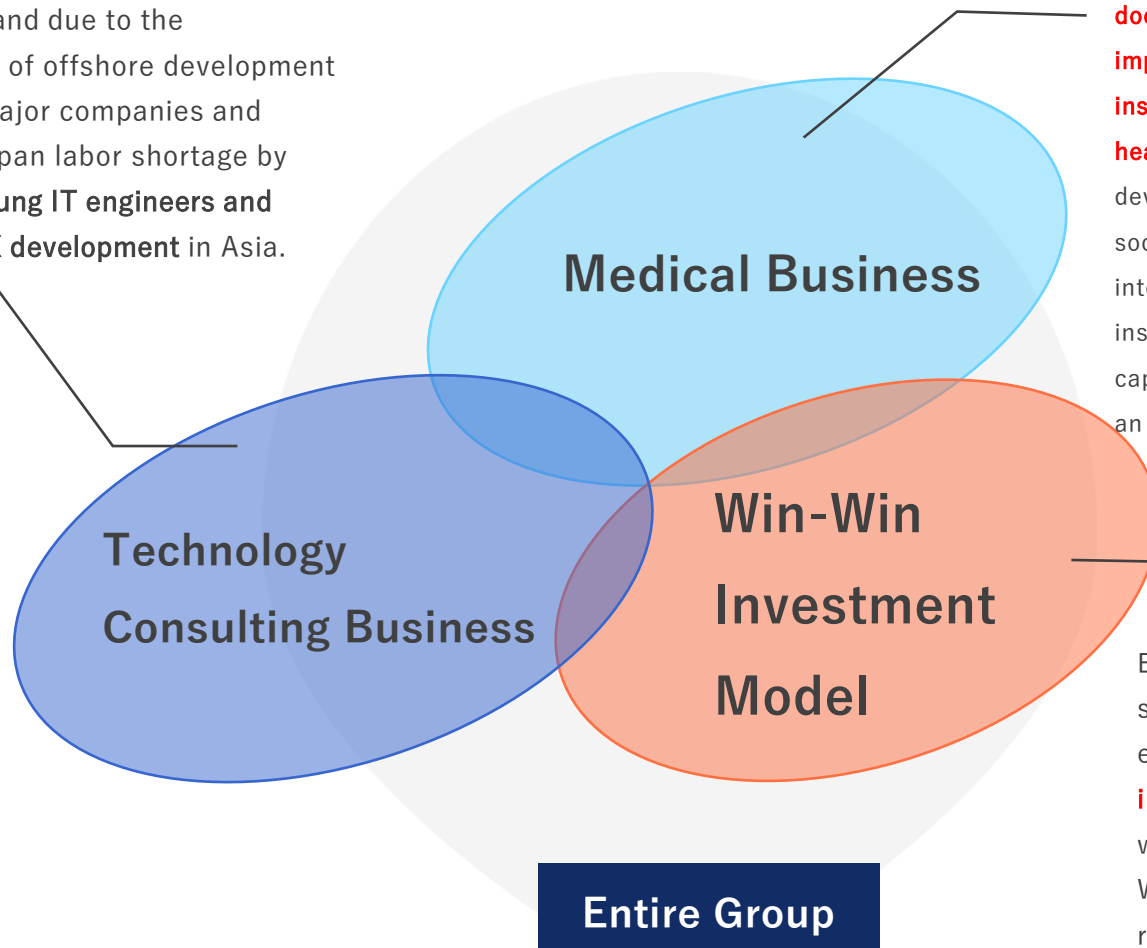


Fiscal year	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Common dividend [yen]	0	5	5	7	9	11	13	-	-	-
Stable dividend [yen]	-	-	-	-	-	-	-	25	25	25
Commemorative dividend [yen]	-	-	-	-	-	-	-	15	-	-
Performance-linked dividend [yen]	-	-	-	-	-	-	-	-	(Performance-linked)	(Performance-linked)
Payout ratio [%]	-	15.4	10.8	13.1	12.8	22.6	29.1	-	-	-

Appendix

Considering business and capital alliances with leading global companies for the second growth phase










Growing demand due to the reassessment of offshore development partners by major companies and addressing Japan labor shortage by **developing young IT engineers and supporting DX development** in Asia.



Provision of solutions that are beneficial to three things: **workstyles reforms for medical doctors**, which are becoming insufficient, **improvement in management of medical institutions, and DX in the insurance and healthcare fields**. From now on, we will develop and offer a new platform for solving social issues by utilizing the databases and intellectual property of about 20,000 medical institutions. We will brush up our earning capacity by increasing subscription models at an accelerated pace.

Business administration based on strategic alliances and M&A with enterprises that possess **social impact** and **core competence** that would help attain SDGs
We aim to obtain resources in regions other than the Philippines through cooperation and strategic alliances with leading companies and growing enterprises.

Resilient management, engineers development strategy, business synergy, and pursuit of reason to exist for continuing advancement under unstable circumstances

	Goals	Concrete Activities	Related SDGs
E	<ul style="list-style-type: none"> To reduce CO2 emissions Global partnership 	<ul style="list-style-type: none"> To make the electric power consumed at the head office 100% derived from renewable energy Investment in equipment of subsidiaries in the Philippines 	   
S	<ul style="list-style-type: none"> Initiatives for diversity 	<ul style="list-style-type: none"> 3 female directors Ratio of female managers: 33.8% Improvement in the ratios of childcare leave and maternity leave Improvement in the ratio of non-Japanese employees 	   
G	<ul style="list-style-type: none"> Fortification of the governance structure 	<ul style="list-style-type: none"> Information disclosure and securing of transparency Diversity of executives Disclosure of the commitment of top executives Hiring and training talented human resources 	

■ Corporate name: Ubicom Holdings, Inc. (Prime Market of TSE: 3937)

■ Strategic markets: healthcare, finance, public services, automobiles, manufacturing, robotics, etc.

■ Business description:

Technology Consulting Business

In order to solve the problem of shortage of IT engineers and promote digital transformation (DX) in Japan, we develop embedded software and apps by utilizing development bases in the Philippines, etc., offer services of testing, quality assurance, maintenance, 24-hour support, etc., and develop unique advanced solutions with cutting-edge technologies, including 3As (artificial intelligence [AI], analytics, and automation).

Medical Business

As a leading company that offers management support solutions to medical institutions, we provide clients with medical IT solutions, including the inspection of health insurance claims, support for medical safety, data analysis, cloud services, support for development, and consulting, to support the workstyle reform in the healthcare industry by streamlining operations, help medical institutions improve management, and support the improvement in safety and quality of healthcare. In addition, we concentrate on the Knowledge Platform Business for the insurance industry.

Win-Win Investment Model

We promote cooperation, alliances, and M&A with leading companies and growing enterprises, to accelerate the growth of our business.

Development of New Business

We will develop more businesses with high growth potential and high profitability, while considering the next generation.

■ Results

	Sales	Operating income	Ordinary income	Net income
[unit: million yen]				
Results in FY2023	5,942	1,072	935	526
Plans in FY2024	6,700	1,500	1,518	1,000
	+12.7%	+39.9%	+62.2%	+90.1%

- The materials and information provided in this announcement include forward-looking statements based on our current estimates and expectations at this point of time.
- Such forward-looking statements are subject to various risks and uncertainties, which include general industry and market conditions, domestic and international economic conditions such as exchange rate fluctuations and may cause actual results to differ from those described in the forward-looking statements.
- Our actual business activities and performance in the future may differ from the forward-looking statements described in this document.
- The forward-looking statements in this document are based on information available to us and have been made in good faith; however, we are under no obligation to update or revise any forward-looking statements, even if new information or future events occur.

