



FY2025 Q1 Financial Results Materials

August. 7, 2025



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**Operating income, ordinary income, and net income
reached record highs for the first quarter.**

Although revenue declined due to the continued strategic selection of orders in Technology Consulting business in response to the impact of U.S. tariffs since Q4 of FY2024, the progress remained within the expected budget range. In the current fiscal year, we are accelerating growth investments in Medical business centered on our M&A strategy, expanding customer touchpoints more rapidly, and working to diversify monetization opportunities.

(Unit: million yen)	1Q of FY2024 (Accumulated)		1Q of FY2025 (Accumulated)		YoY Comparison	Variance
	Amount	Sales Ratio	Amount	Sales Ratio		
Sales	1,568	100.0%	1,484	100.0%	94.7%	-84
Operating Income	299	19.1%	313	21.1%	104.8%	+14
Ordinary Income	296	18.9%	316	21.3%	106.6%	+20
Net Income attributable to shareholders of the parent company	199	12.7%	271	18.3%	136.2%	+72

Medical Business

Medical Business : FY2025 1Q Segment Performance Overview



By implementing the following measures, the company achieved **record highs** in both sales and operating income through the stock expansion of the Mighty series using the AI × subscription model and increased average user unit price. The medical business has maintained its high profitability and continued to grow steadily.

(unit : million yen)	FY 2024 1Q (accumulated)		FY 2025 1Q (accumulated)		YoY Comparison	Variance
	Amount	Sales Ratio	Amount	Sales Ratio		
Sales	417	100.0%	448	100.0%	107.4%	+31
Operating income	265	63.5%	297	66.4%	112.4%	+32

Workstyle reforms for doctors and medical fee revisions starting in April 2024 have accelerated DX investments in medical institutions.

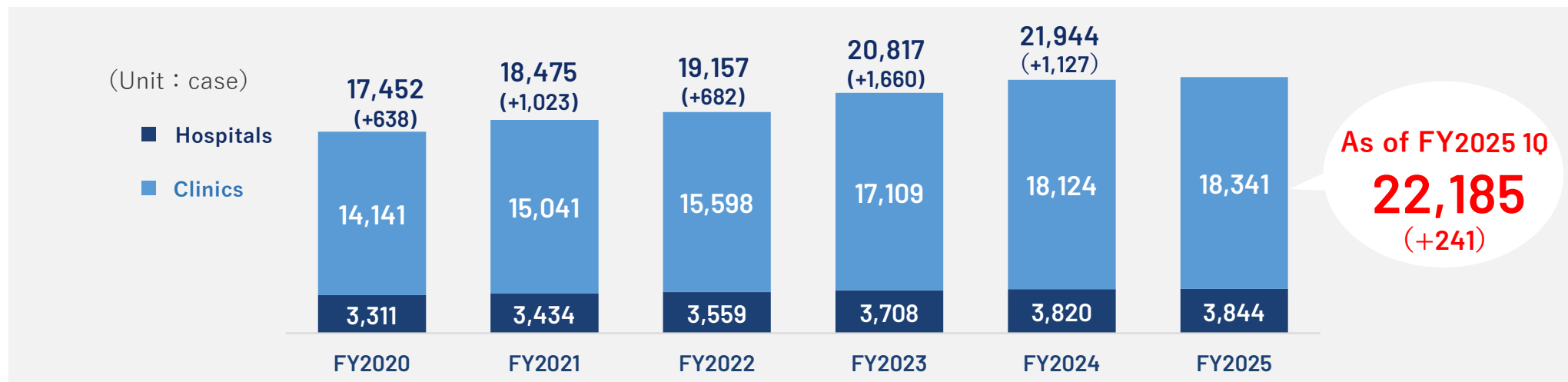
- ① The integration of ISM Coporation the distributor of the “MightyChecker” series, into the group has been completed (July 2025).
- ② Implemented measures to expand orders for MightyChecker® EX, increasing unit prices and growing revenue.

Transitioned existing users from the old products (MightyChecker® for ORCA / former MightyChecker® PRO) to MightyChecker® EX.

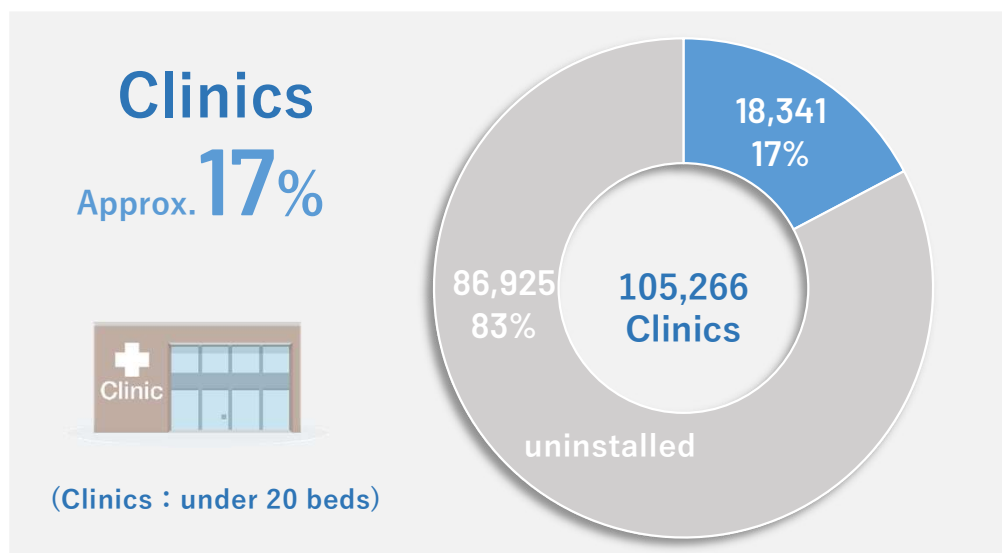
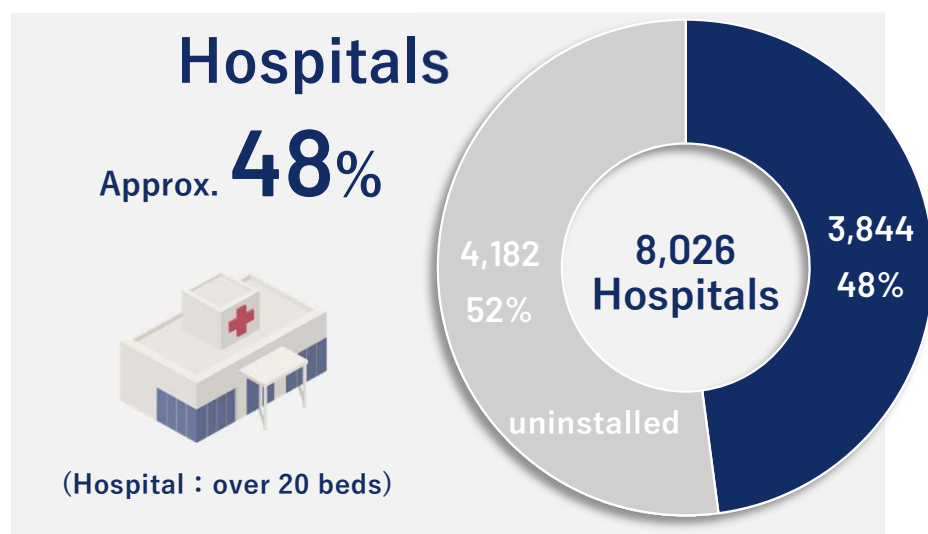
- ③ Expanded the number of users through cross-selling of ‘Mighty QUBE® Hybrid’.

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

The implementation of workstyle 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 Jun. 2025 / ^{*2} Estimated users as of Apr. 2025



Technology Consulting Business

Technology Consulting Business : Overview by Segment for 1Q of FY2025 (Business Performance)



Due to the following factors, Technology Consulting business recorded a YoY decline in both sales and operating income.

However, progress remained within the expected budget range.

(Unit: million yen)	1Q of FY2024 (Accumulated)		1Q of FY2025 (Accumulated)		YoY Comparison	Variance
	Amount	Sales Ratio	Amount	Sales Ratio		
Sales	1,151	100.0%	1,036	100.0%	90.0%	-115
Operating Income	134	11.7%	117	11.3%	87.2%	-17

- Since Q4 of FY2024, the impact of U.S. tariffs has led to a continued strategic selection of orders with a focus on profitability (e.g., suspension of new orders for automobile-related projects), resulting in a decline in revenue.
This impact is expected to continue through Q2.
- Due to structural reforms at the China site, a one-time cost of approximately 15 million yen was incurred in Q1, putting pressure on profits. The impact was limited to Q1.
- In Q1, cost overruns occurred in certain consignment projects (costs exceeded initial estimates), resulting in approximately 10 million yen in additional expenses that squeezed profits.
This impact is expected to continue through Q2.
- While these are temporary factors, stable project operations, improved profitability, and productivity enhancements, along with the restructuring of the China site, are expected to contribute to a steady recovery from Q3 onward.

Beginning in FY2025, investments will be initiated the aim of reinforcing its mid-to long-term profitability.

External Environment

U.S. tariffs have increased price pressure from some clients, mainly in manufacturing

Discount negotiations were initiated

Changes in Supply Chain originating from U.S.-China relations
China's domestic economic downturn

Japanese and global companies downsizing or withdrawing from China

01

Building an organizational structure to strengthen price negotiation capabilities

Developing
Advanced
IT personnel



Strengthen
Sales and PM
Structure in
Japan



- Strengthen training of sophisticated IT personnel, especially those with advanced skills, including AI, in order to avoid price competition.
- Strengthen collaboration with offshore partners outside of the Philippines.
- Enhancing PM/PMO hiring to boost profitability through better project selection and proposals.

02

Structural Reform of China Base

Downsizing
of the base



Personnel
reduction



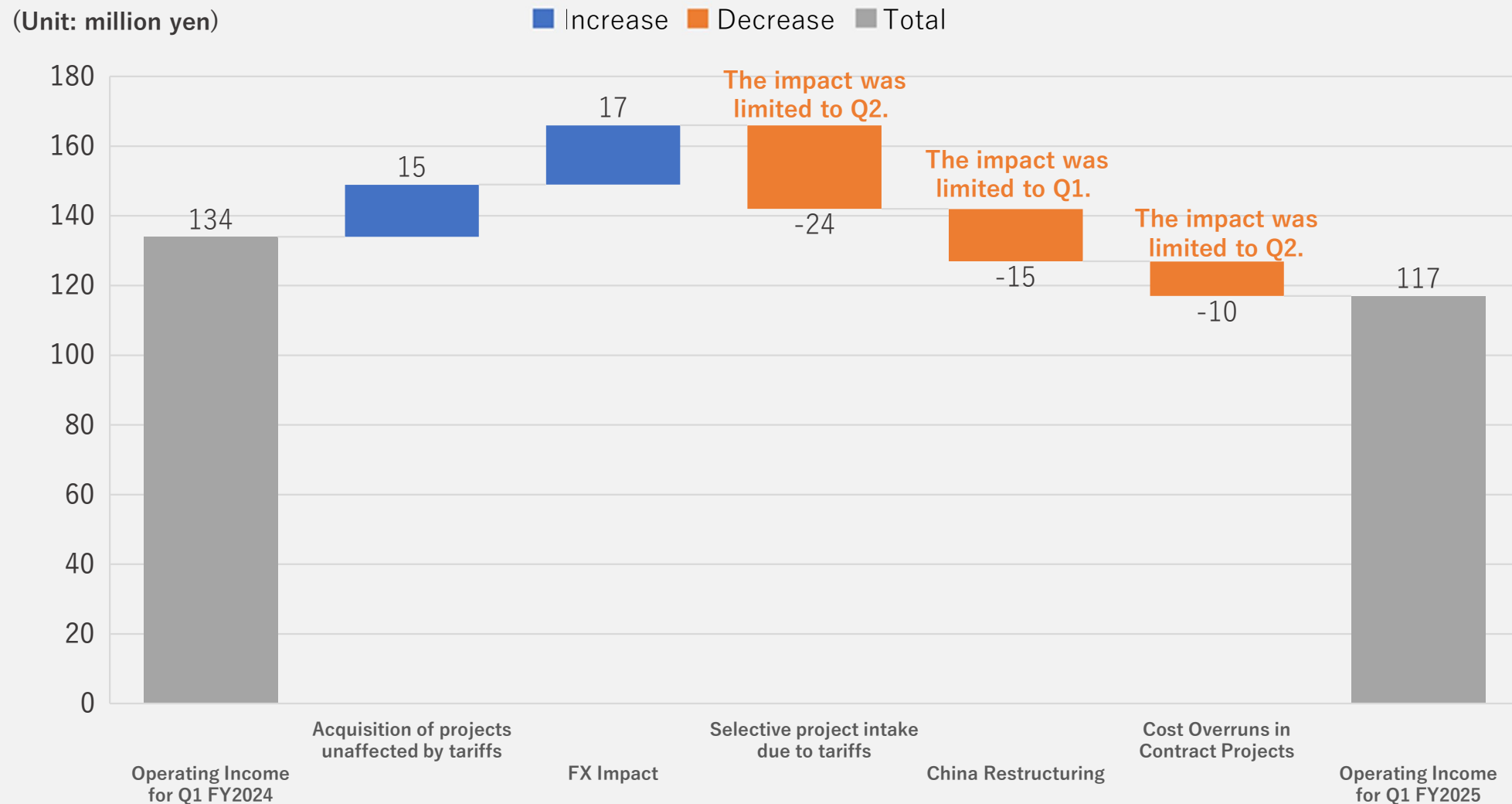
- Downsize the Kunshan office and consolidate operations at the Hefei office.
- Continue to maintain contracts with major global PC makers, reduce fixed costs, and build a structure to secure operating profit.
- Temporary expenses incurred as losses due to headcount reduction and relocation. In addition, temporary costs arose from order suspensions by some clients.

Implemented between 1Q and 2Q FY2025 a structure will be established to secure operating profit from 3Q onward. (approx. 80 million yen planned investment)
Due to mid-term uncertainty from tariffs, a conservative plan is developed for this term.

Technology Consulting Business : Overview by Segment for 1Q of FY2025 (Business Performance)



Factors Behind the Decline in Operating Income Due to One-Time Costs and Structural Reform (YoY Comparison)



Although operating income declined YoY due to temporary expenses, these were structural reform and strategic selection of orders aimed at strengthening medium- to long-term profitability, and improvement is expected in the second half and beyond.

With a view to further growth in FY2025 3Q and beyond, measures to strengthen profitability over the medium to long term, while anticipating short-term cost increases, will be implemented.

01 Continue strategic order selection with a focus on profitability (started in FY2024 4Q).

02 Strengthen domestic sales and PM structure in Japan as well as develop advanced IT personnel.

03 Downsize the China base and reduce personnel count.

04 Address cost overruns from contract projects (started in FY2024 4Q).

Growth Strategies

Medical Business

～Growth Strategies～

■ Growth Pillars

"Stable recurring revenue" × "Non-linear growth through M&A"

- Stable growth of stock-type revenue through existing cloud-based solutions (organic growth)
- Accelerated growth through expansion of direct sales model via M&As with sales agencies (inorganic growth)

■ Objectives of M&A Strategy

- M&A targets: Distributors with regionally rooted medical networks
 - Target number of M&A deals: 8 to 10 companies
 - Objectives:
 - Improve profitability by integrating sales agencies into our group
 - Acquire regionally embedded sales talent and channels
 - Gain access to networks of medical institutions and physician associations
- Maximize proposal opportunities and cross-sell potential

■ Successful M&A Case: ISM Corporation

- Reached local medical networks such as "Tobiumenet" in Fukuoka
- Revenue Scenario: Newly captured addressable market worth approximately 600 million yen

Impact of M&A Strategy Execution (KPI Changes)

Over the five years from 2025 to 2030, we will execute 8 to 10 M&A deals with the aim of **increasing the group's direct sales ratio.**

< Factors contributing to LTV ※1 improvement >

Content	Measurement details
Increase of unit price	①Inclusion of agency profits in group earnings ②Switching to new products (MightyChecker®EX) and cross-selling (Mighty QUBE® Hybrid)
Improving continuity rates	Reflecting the feedback of medical institutions and strengthening customer support to prevent cancellations. (The continuity rate of the Mighty series is already high at 99.6%; therefore, we remain committed to above measures.)
CAC※2 Efficiency Improvement	Obtained the acquired agency's 'existing customer base (medical institutions),' 'medical network,' and 'sales channels (human resources).'

< Mid- to Long-Term KPIs for M&A Strategy >

KPI	Current(2025)	Target(2030)	Notes
Ratio of Direct Sales by Group	4.8%	35%	Transitioning from distributor-based to hybrid direct sales model
LTV(Life Time Value)	¥1.28 million	¥1.97 million (+54%)	Cross-sell, increase in unit price, etc.
CAC(Customer Acquisition Cost)	—	▲15%	Utilize acquired channels
LTV/CAC Ratio	9.3x	14.2x	Efficiency improvement

LTV/CAC ratio of 3.0-5.0x or higher is considered investment efficient. (Source: Harvard Business School Online, "What Is the LTV:CAC Ratio?", 2023)

※1 LTV (Life Time Value) : Total profit obtained from the beginning to the end of the relationship with a medical institution.

※2 CAC (Customer Acquisition Cost) : Average cost to acquire a new medical institution as a customer.

Key measures for the current fiscal year in the medical business

- M&A strategy (acquiring distributors nationwide)
- Strengthening OEM supply of Mighty QUBE® Hybrid
- Developing new solutions

From this fiscal year onwards, we will accelerate growth investment with a focus on M&A strategy. We aim to diversify revenue sources through the development of new solutions, including remote service platforms.

Short-term strategy

- **Strengthening OEM supply of Mighty QUBE® Hybrid**
 - Expansion in the clinic market (e.g., Provision to "medicalforce" and "homis")
- **Replacement from legacy products**
 - Increase in unit price per user

Medium to long-term strategy

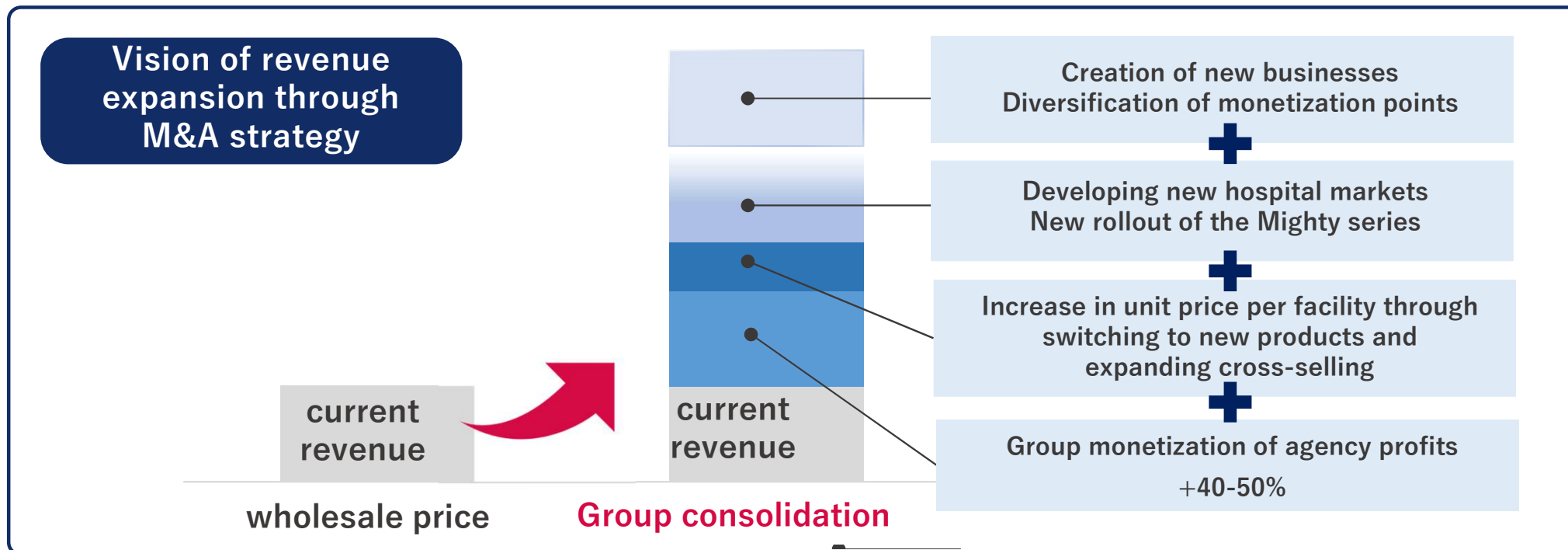
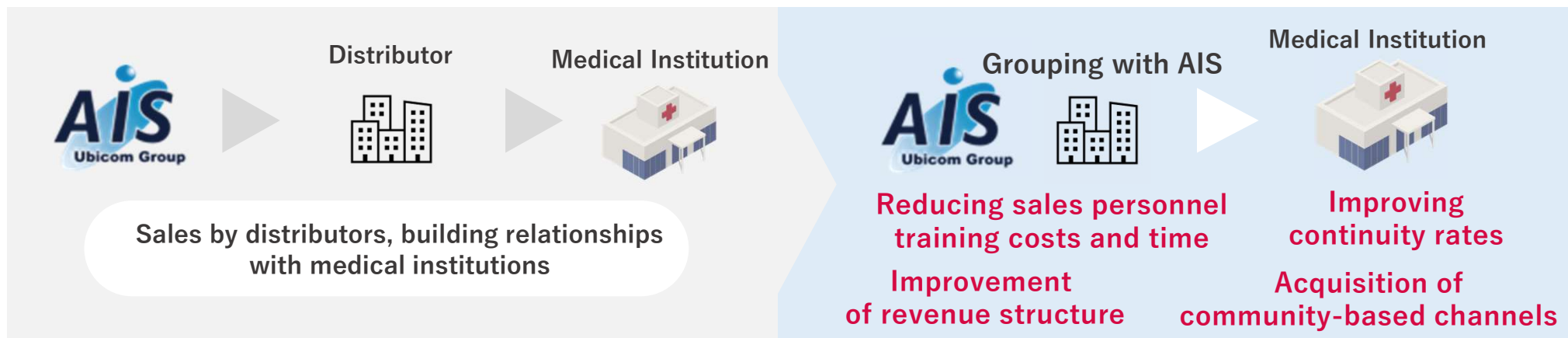
- Expansion of business foundation through M&A
- Development and diversification of new solutions for medical institutions
- Cultivation of next-generation revenue sources such as remote service platforms

Target : Stable recurring revenue × Non-linear growth through M&A



Strengthening the Revenue Structure through M&A of Sales Agencies

By acquiring sales distributors through M&A, we are shifting from a distributor-based model to a direct sales model within the Group, thereby enhancing our revenue structure.

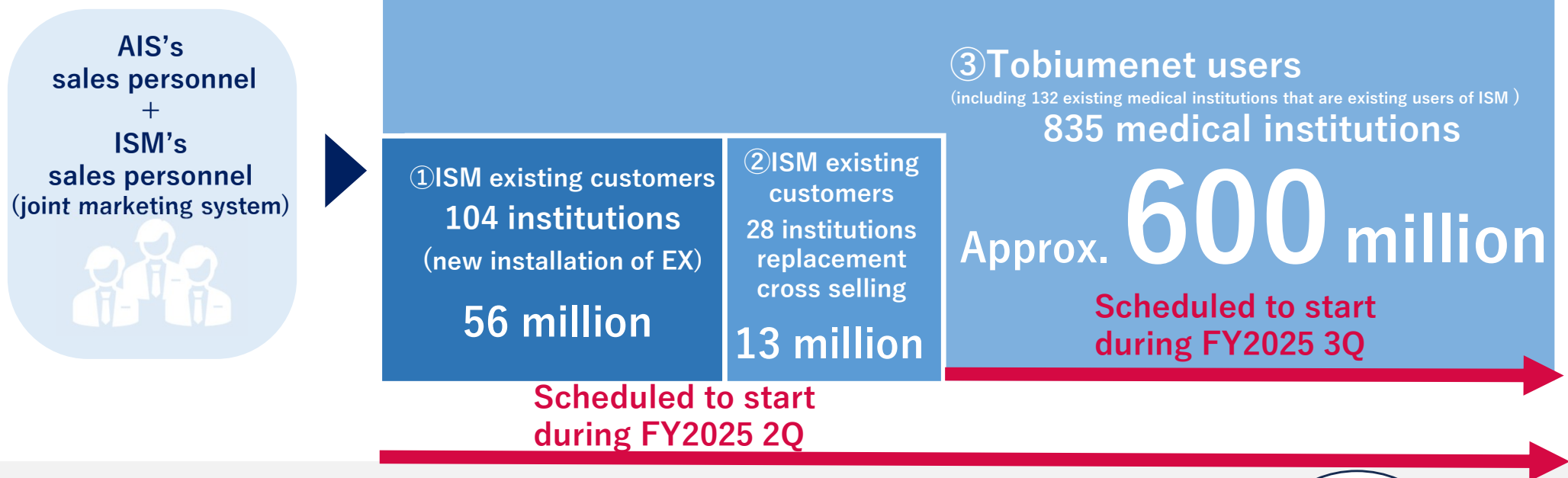


Utilizing ISM's solid customer base.

Fukuoka Prefecture's regional medical network, “Tobiumenet” ※includes 835 affiliated medical institutions

Conducting new business development through a ‘Group In Commemorative Campaign’ targeting a total of 835 medical institutions, including 132 existing ISM medical institutions.

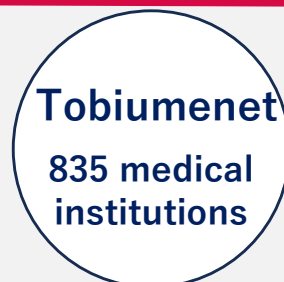
After the acquisition of ISM Corporation, the accessible market size is approximately 600M yen.



‘Tobiumenet’ is a regional medical information sharing network operated mainly by the Fukuoka Prefectural Medical Association. It is a system for hospitals, clinics, nursing care facilities, etc. to safely share patient medical information, prescription history, and test results.



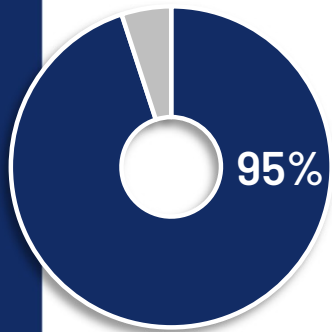
responsible for setting up the computer environment for use of ‘Tobiumenet’



To maximize profitability in medical business between 2025 and 2030,
We will promote a shift to a direct sales model through group-wide M&A initiatives.

95% of Mighty series sales are made via sales agents

By positioning the M&A with ISM Co. as a model case,
we will continue to build strategic partnerships nationwide.



【M&A Targets】

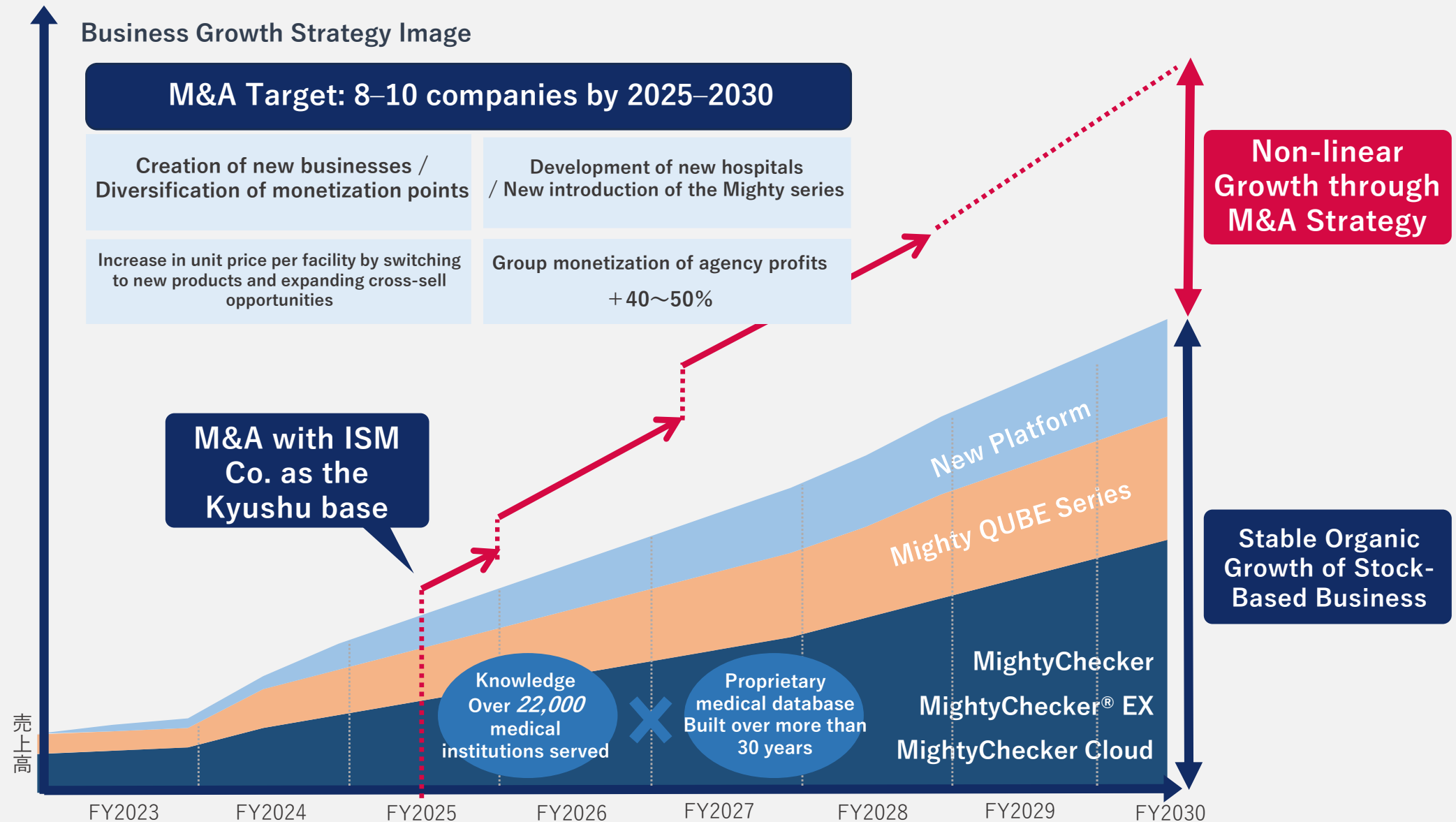
- Number of deals: 8 to 10 companies between 2025 and 2030.
- Sales scale: A locally rooted medical network company with up to 1 billion yen in sales revenue.
- Investment recovery period: Within 3 years
- Capital Policy: Leverage a solid financial foundation, with a basic policy of conducting M&A using internal funds.

Kyushu base
ISM Co.

Image of Scale Expansion through M&A Strategy

Scenario for Mid-to-Long-Term Growth in the Medical Business

To achieve mid-to-long-term growth, we will combine the organic growth of stable stock-type businesses with the Non-linear growth through M&A strategies.



Start OEM supply to “medicalforce” cloud-based EMR system for private clinics provided by medicalforce Inc.

Promoting sales expansion of Mighty QUBE® Hybrid in the clinic market.

This OEM is the second partnership following the provision of ‘homis,’ which specializes in home healthcare, and will continue to expand the scope of provision in the future.

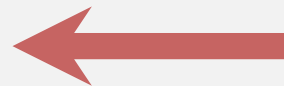


Using our medical database and AI, developed over more than 30 years, we prevent medication errors and missed diagnoses by generating candidate diagnoses on a real-time basis when prescriptions and test orders are made.

Benefits for AIS

Promote expanded sales of “Mighty QUBE® Hybrid” in the clinic market, targeting existing and new users of “medicalforce”. Aim for average annual sales growth of 116% from FY2025 to FY2027 in this OEM contract segment.

OEM supply



Engine usage fee
per clinic



Number of clinics

medicalforce Inc.

As of 2025, it has been installed in more than 600 clinics. In February 2024, insurance medical service functions significantly enhanced. With the increase in medical institutions offering both insurance and self-pay medical services, further expansion of installation is expected.

Benefits for medicalforce

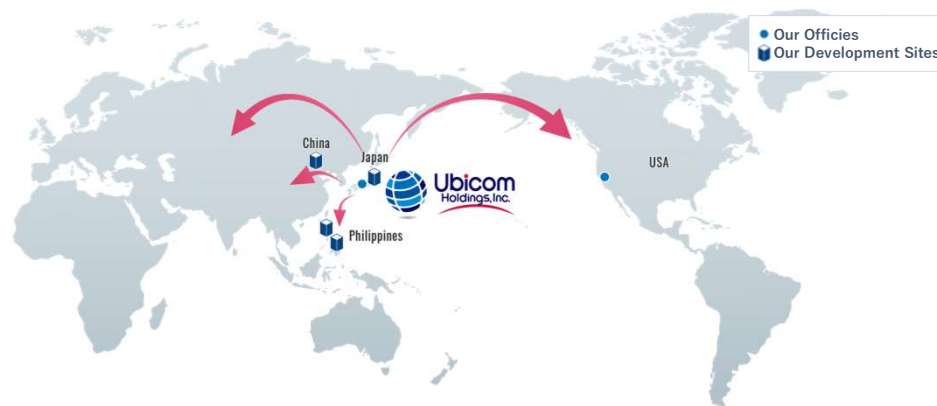
- Insurance medical service functions have been greatly enhanced. Product competitiveness has improved, leading to expanded installation.
- Directly linked to reforms in doctors' working styles, improved medical safety, and optimisation of clinic management.

Technology Consulting Business ～Growth Strategies～

Business Overview

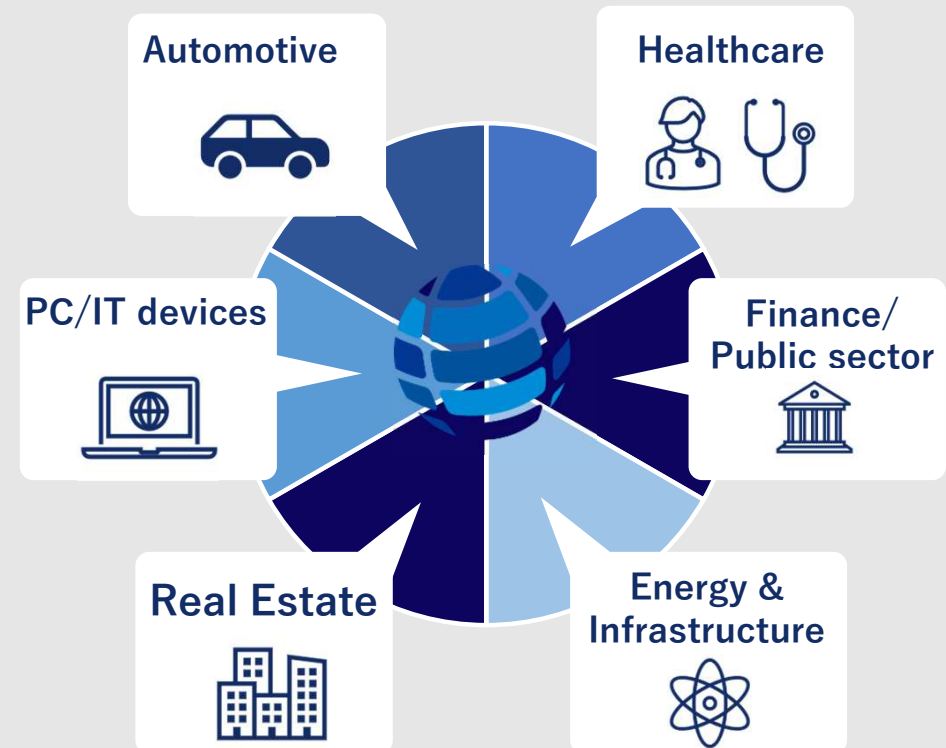
The Technology Consulting business, backed by **over 30 years** of trust and experience in offshore development in the Philippines, provides comprehensive solutions including consulting **for the introduction and utilization of offshore development, software design, development, testing, and maintenance.**

With accumulated domain knowledge and a foundation in system development, the business targets large companies primarily in the finance and manufacturing sectors.



< Strategic Market for the Technology Consulting Business >

Healthcare, Finance/Public sector,
Automotive, PC/IT devices, Real Estate,
Energy/Infrastructure etc.



【Competitive Advantages】

Human Resources

- Sales: Sales managers from major Slers and global platformer companies
- PM: **Many PMs are from IBM Japan and major manufacturers**
- Engineer: ~900 bilingual engineers proficient in Japanese and English
(Of these, ~200 are dedicated to major domestic corporate clients)

Development Structure

- Laboratory-style development
- Onsite-style development (e.g., OGIS-RI Co.,Ltd.)
(Appendix P33 for example)
- Consulting for offshore transitions

Performance

- Direct transactions with major domestic companies
- Rich experience in end-to-end support from
software **design, development, testing to maintenance**

【Business Environment & Opportunities】

- IT personnel shortage (projected shortage of 787,000^{*1} by 2030) → Necessitates offshore utilization
- Modernization market: Projected to grow to nearly 1 trillion yen^{*2} by 2028 (Migration from legacy systems to new systems. See details on P26)

We position the domestic demand for modernization among Japanese enterprises as a medium- to long-term growth driver, and aim to enhance stable growth and profitability by leveraging human resources, organizational structure, and sales capabilities.

To strengthen our current profit foundation and improve profitability, we aim to reliably achieve performance forecasts through **the expansion of existing businesses and unified group operations.**

① Deepening Collaboration with Existing Partners

- Strengthen partnerships with major Sler partners such as IBM. Expand revenue via partner channels to contribute to this term's performance goals.
- Action: Reinforce direct sales to IBM's PM-class employees by strengthening the domestic sales organization.

② Enhancement of Domestic Sales Framework

- Establish a new sales strategy department to acquire large new clients and further expand existing major client accounts.

③ Executive changes at the Philippine subsidiary

- Promote unified operations between the Japan HQ and the Philippine base to **accelerate decision-making**, enhancing the speed and effectiveness of group strategies.
- **Improve the quality of hiring, training, and retention** of Filipino engineers, thereby achieving both profitability and higher client satisfaction.

Entering the **“Modernization Market”** with mid-to-long-term preparations in anticipation of increasing demand for the renewal of social infrastructure systems due to the 2036 problem.

Background: Why Legacy System Renewal Has Not Progressed

Structural issues such as insufficient IT investment, outdated technology, black-boxed systems, and **shortage of skilled personnel** have hindered legacy system renewal, becoming a major obstacle to digital transformation (DX).

※**“Modernization”** refers not only to the renewal of legacy systems, but also to transforming business processes through the latest technologies to optimize operations and create new business value.

Modernization market expected
to reach **1 trillion yen** by 2028

(※According to our research)



Target sectors include not only **financial industry**, but also **energy and healthcare industries**.

<Mid-to-Long-Term Strategy>

- ① Entering the **“Modernization Market”** with mid-to-long-term preparations.
Develop talent from a mid-to-long-term perspective in collaboration with major Sler partners.
- ② Leverage the strong English proficiency of Filipino engineers and utilize generative AI to improve productivity at development sites. Additionally, by incorporating the latest Western technologies, we aim to achieve faster project execution compared to offshore vendors from other countries.

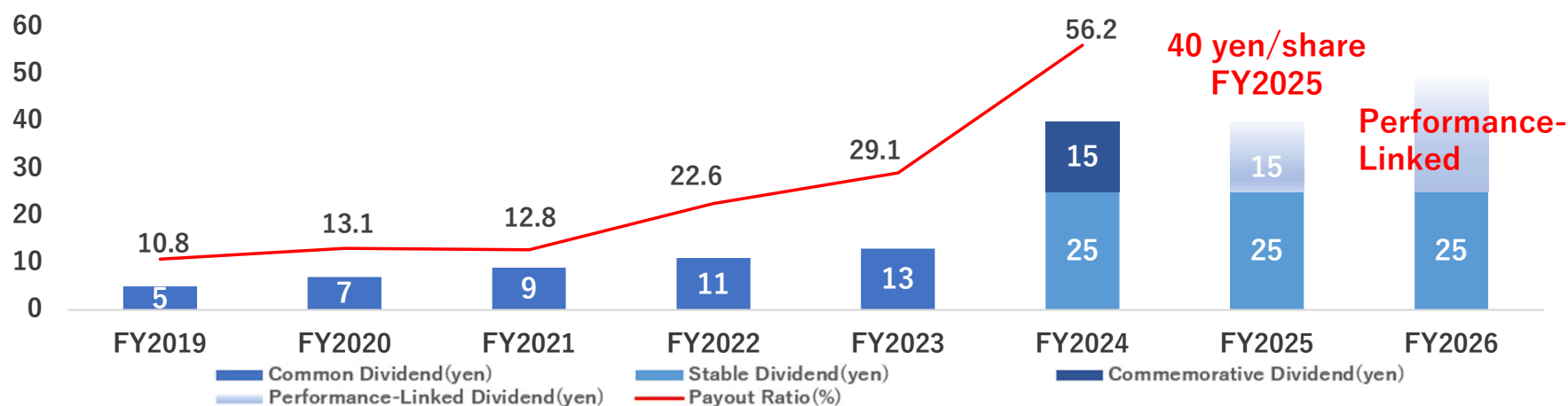
Dividend Policy

Dividend Policies to Enable Shareholders to Share in the Benefits from the Growth of Our Company



【Dividend Policies】

- ① While concerns over U.S. tariffs had been raised, their actual impact is currently expected to be more limited than initially anticipated. In light of the steady performance of our existing businesses, **we will guarantee a dividend of 40 yen per share for FY2025 as a minimum.** Going forward, we will flexibly and proactively review shareholder return measures by comprehensively taking into account business performance trends, financial condition, and stock price levels.
- ② Based on **a stable dividend of 25 yen**, we will add **a performance-linked dividend component that reflects each fiscal year's business results**, clearly indicating our commitment to sharing the fruits of business growth with shareholders through stable and continuous profit returns.
- ③ We aim for a dividend payout ratio of 50% or more over the medium to long term and position sustainable shareholder returns as a key management policy.



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)	-	-	-	-	-	-	-	-	15	(Performance-Linked)
Payout Ratio (%)	-	15.4	10.8	13.1	12.8	22.6	29.1	56.2	-	-

Business Forecast & Performance Trends

(Unit : million yen)

■ Operating income

■ Operating income from New Businesses, Alliances, and M&A

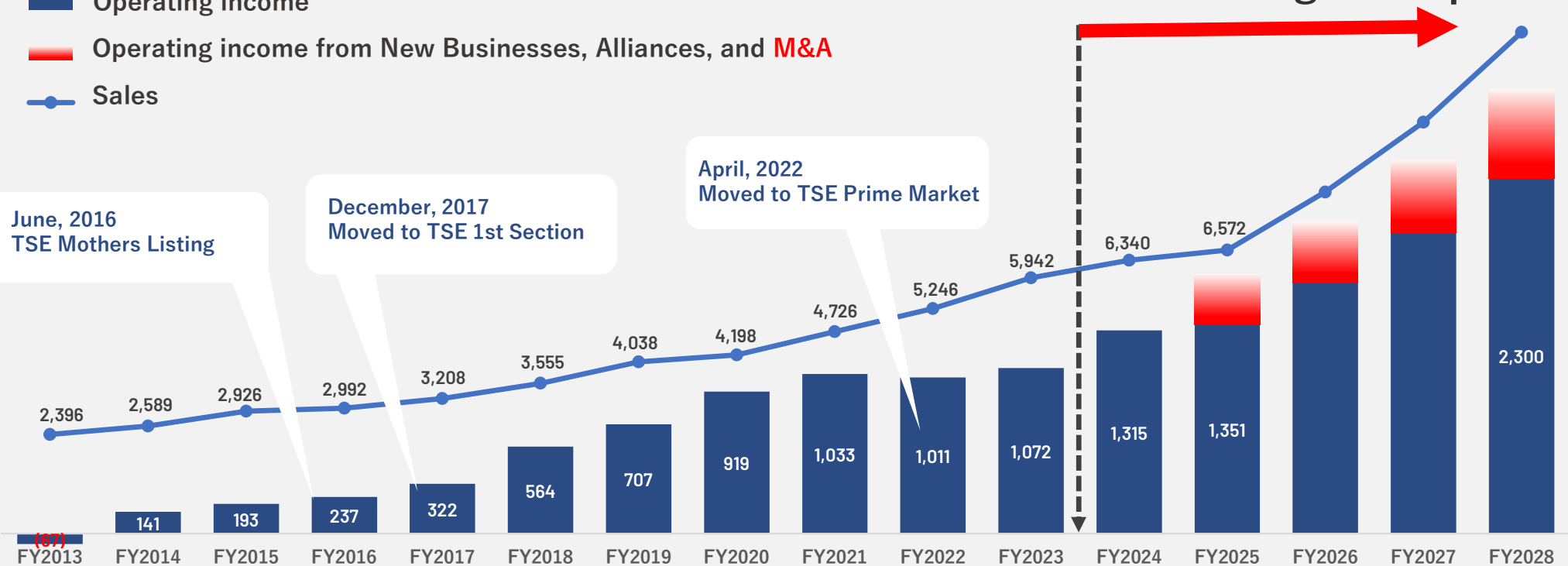
● Sales

June, 2016
TSE Mothers Listing

December, 2017
Moved to TSE 1st Section

April, 2022
Moved to TSE Prime Market

Full-scale start of
the second growth phase



(Unit: million yen)	Sales	Operating Income	Ordinary Income	Attributable to Owners of the Parent Net Income
Results in FY2024	6,340	1,315	1,341	858
Plans in FY2025	6,572	1,351	1,364	948

Appendix

Our Business Model: A Model for Resolving Social Issues in Japan, A Developed Country Facing Challenges

01

Medical Business



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

Mission

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

Business Model

Medical database cultivated over more than 30 years
Owning numbers of AI engines

Strengths

More than 22,000 medical institutions
Healthcare-related businesses

Clients

02

Technology Consulting Business

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



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

Offshore development center (ODC) partnership
Offshore transfer consulting

■ Technology: AI, IOT, etc.

■ Strategic markets: Healthcare, Finance/Public sector, Automotive, PC/IT devices, Real Estate, Energy/Infrastructure etc.

A new value and differentiation strategy created by the 「Designed Lab-type Development」

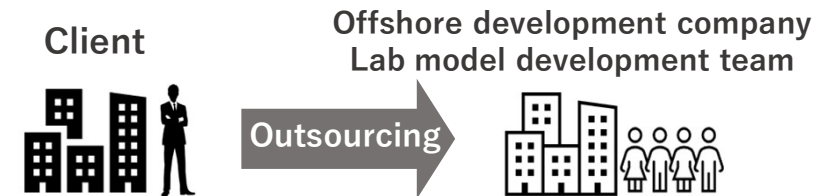
【 Risks and Concerns of Conventional Offshore Development 】

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.

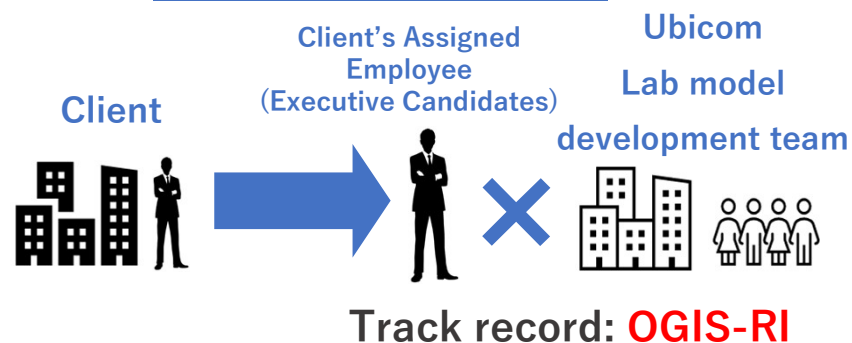
In case the of conventional Lab-type development



- × 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...

On-Site Lab-Type Development



Strengths of the On-Site Lab-Type Development Model A Win-Win Relationship between Ubicom and Clients

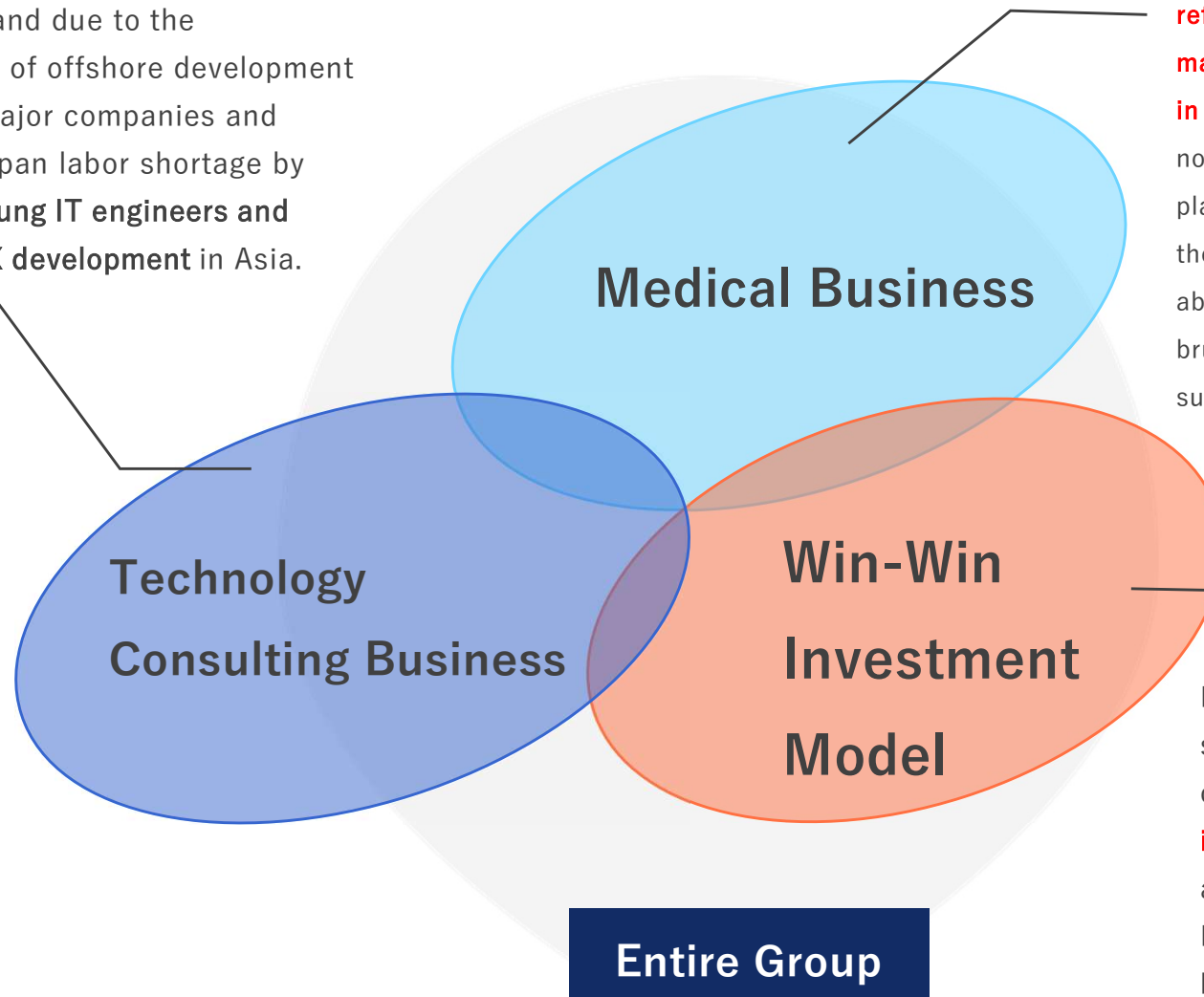
- Able to implement **from upstream to downstream in a single process.**
- Seconding executive candidates allows them to gain offshore development expertise and **experience working with foreign engineers.**
- Efficient **communication** enables rapid development.

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.

Promotion of Group Businesses Based on Social Significance

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 key areas: pressing need for **workstyles reforms for medical doctors, 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.

Driving synergistic growth through strategic alliances and M&A with companies that have strong **social impact** and **core competencies** aligned with the SDGs. Expanding resources acquisition beyond the Philippines by partnering with leading and high-growth companies.

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"> • 2 female directors • Ratio of female managers: 28.3% • 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

[Unit: million yen]	Sales	Operating income	Ordinary income	Net income
Results in FY2024	6,340	1,315	1,341	858
Plans in FY2025	6,572	1,351	1,364	948

- 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.

