

Financial Results Briefing

FINDEX Inc.

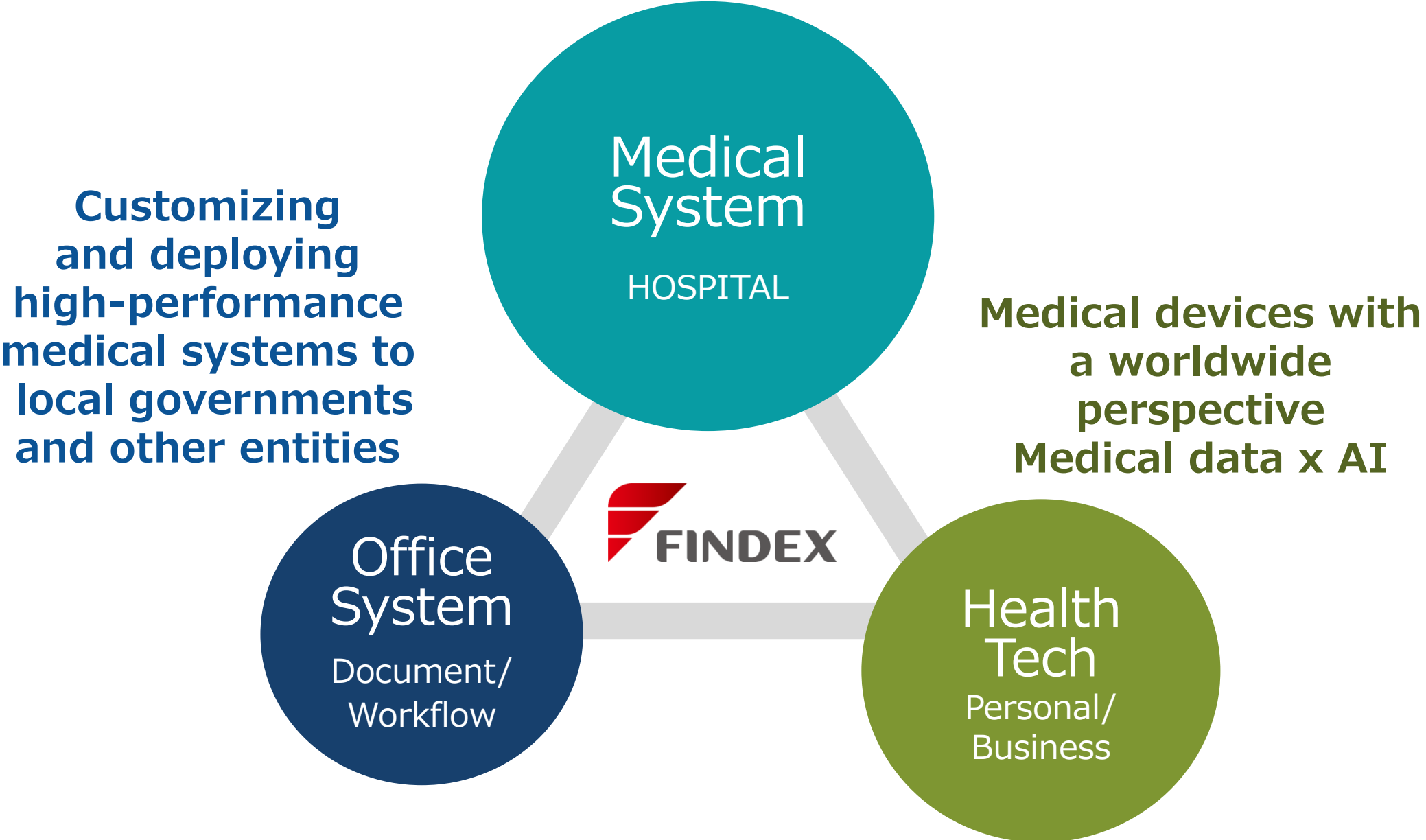
Fiscal Year Ending December 2020 Financial Results
March, 2020



FY2020 Financial Results

Our Business: Now and Future

High market share in large hospitals & stable sales and profits



Corporate Profile

Company Name	FINDEX Inc.
Representative	President & CEO Teruo Aibara
Head Office	Asahiseimei-Otemachi 2-6-1, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan TEL: +81-3-6271-8958 FAX: +81-3-6271-8959
Other Branch Offices	Shikoku, Osaka, Fukuoka, Sapporo, Naha, Niigata, Kyoto (starting April 1, 2021)
Subsidiary	Eagle Matrix Consulting Co. Ltd. • Fitting Cloud Inc.
URL	https://findex.co.jp/en/index.html
Capital	254 million yen
Employees	278 (Consolidated: 285 As of December 2020) *includes 9 part-time (9 consolidated)

FY2020 Year to year Comparison (consolidated)

- As feared in the two factors, the initial forecast for 2020 was severe, with a decrease in both sales and profits compared to the previous year, but through efficient management, each profit far exceeded the budget.
- Decreased IT investment in clinics and delayed medical device production due to COVID-19
- 2020 was the gap in the system renewal cycle for large medical institutions

(million yen)

	FY2019 Actual (consolidated)	FY2020 Actual (consolidated)	Year-on-year ratio	Relative to budget (%)
Net Sales	4,281	4,004	93.5%	△4.9%
Operating Income	743	636	85.6%	9.7%
Ordinary Income	746	643	86.2%	10.4%
Profit Attributable to Shareholders of Parent	499	430	86.2%	13.9%
Earning per Share (yen)	19.50	16.81	—	—

Results by Segment (consolidated)

(million yen)

	Reportable Segment			
	System Development	Health-tech Business	Adjustment (*1)	Total (consolidated) (*2)
Sales to external customer	3,983	21	—	4,004
Intersegment sales / transfer amount	2	-	△ 2	—
Total	3,986	21	△ 2	4,004
Segment Profit or Loss (△) (operating income)	843	△ 206	—	636

*1. Adjustment amount is due to elimination of intersegment sales

*2. Segment profit or loss is matched with operating income in the consolidated statement of income.

- **Despite the situation caused by COVID-19, large medical institutions have installed the system firmly without any delays. New system installations and renewals were decided prior to the COVID-19 pandemic, so there was no extremely large impact on sales in 2020.**
- **Both hospitals and municipalities were not in a situation to actively engage in sales activities, but the need for hospital systems remained steady with the With COVID-19 work style, and inquiries for municipal systems increased with the trend of telework and paperless seals.**
- **As for the medical equipment, there was a significant delay in the arrival of parts in China, and the market launch was delayed by more than a year, but we were able to move up the additional research on the AI part that we had planned to do after the launch, so we were able to take our time in preparing.**

FY2021 Full Year Outlook

Growth of new segments
on the background of stable growth
in medical system development

Generate Steady Profit from HealthTech Business Formed All Medical Systems into a Cloud

Medical System

- The fee for health care service (Medical department) was increased in this year 2020.
 - ⇒ As a result of the spread of Covid-19, the existence of the system will change in the future.
- Formed all our products into a cloud
- Selling quality monthly model system

HealthTech

- Scheduled to start selling GAP in March and launch the business of visual field test officially
- Enhancing the strategy which analyzing medical data and assisting AI diagnosis
 - ⇒ Linking up with Fitting Cloud to develop a new business utilizing health data

Office System

- Focus on “Selection and Concentration” to be utilized limited resource maximumly
- Selling our office system efficiently by using existing vender and medical institution user.
 - ⇒ For back office in hospital and mid-sized government

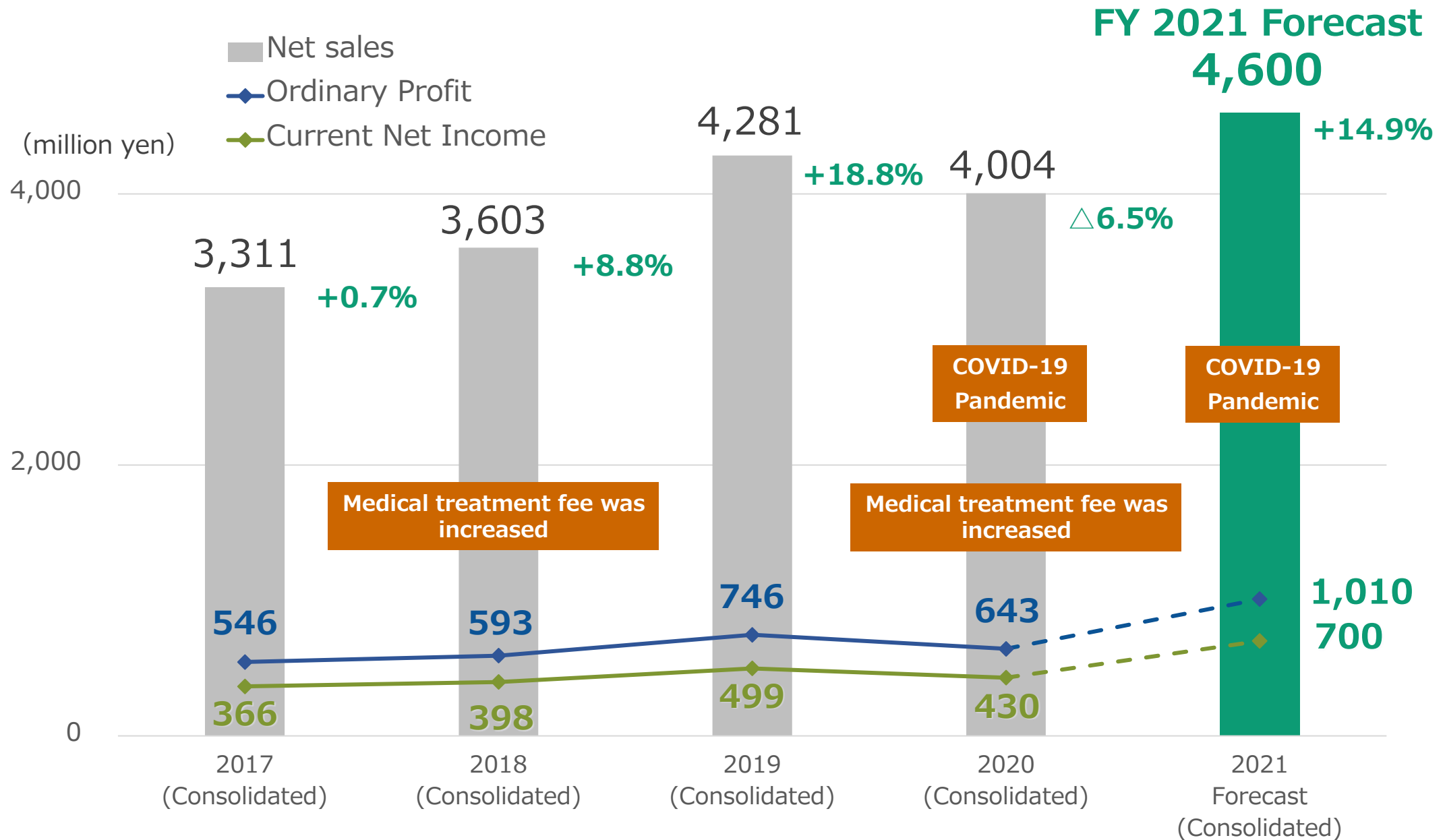
2021 Forecast (Consolidated)

- 2021 will see a concentration of system renewals from large clients.
- Expected to start full-scale sales of GAP in March, with sales of 200 million-yen
- Plans to establish two new offices and invest in business expansion over the next year

(million yen)

	2020 Actual (Consolidated)	2021 Forecast (Consolidated)	
	Amount	Amount	YoY ratio
Net Sales	4,004	4,600	+14.9%
Operating Income	636	1,010	+58.7%
Ordinary Income	643	1,010	+57.0%
Profit Attributable to Owners of Parent	430	700	+62.6%
Earning per Share (yen)	16.81	27.34	—
Dividend per Share (plan)			
Interim Dividend (yen)	2.50	2.50	—
Year end Dividend (yen)	5.50	5.50	—
Full year Dividend (yen)	8.00	8.00	—

Net Sales, Ordinary Profit and Net Income Trends



※Medical treatment fee is revised every 2 years.

Medical Market Size

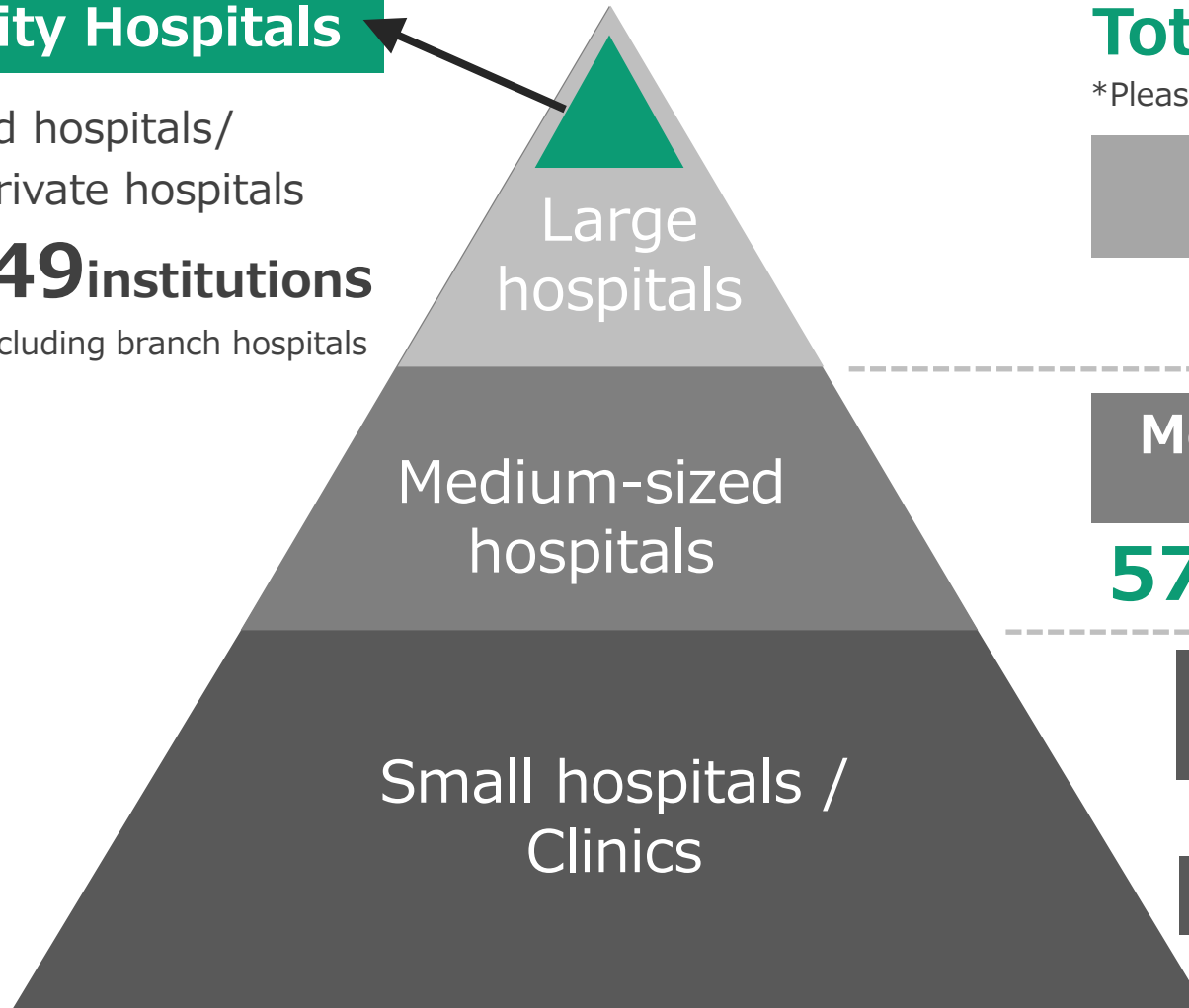
Implementation rate at university hospitals becomes the benchmark for FINDEX!

University Hospitals

Implemented hospitals/
public and private hospitals

116 / 149 institutions

*including branch hospitals



Total users **2,124**

*Please see our home page for user details.

Large hospitals
(More than 500 beds)

256 / 401 institutions

Medium sized hospitals
(100~499 beds)

570 / 4,954 institutions

Small hospitals
(20~99 beds)

132 / 2,945 institutions

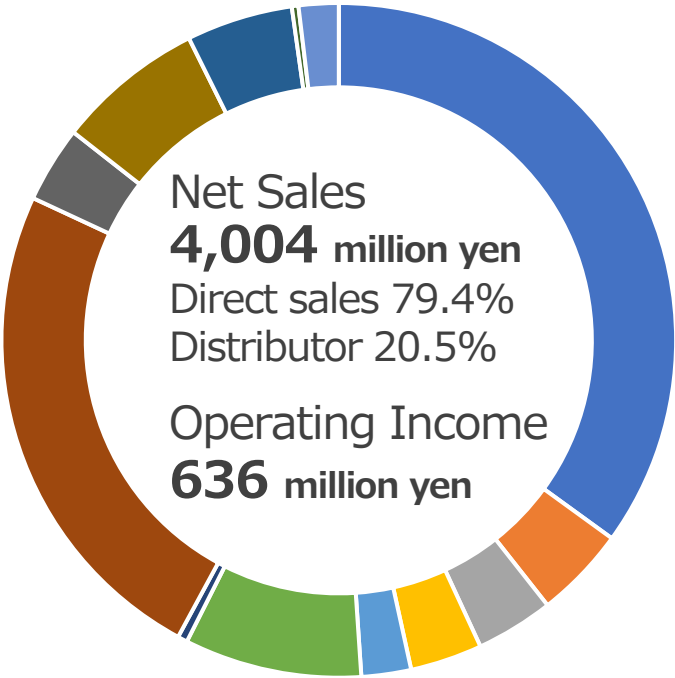
Clinics

1,166 / 102,616 institutions

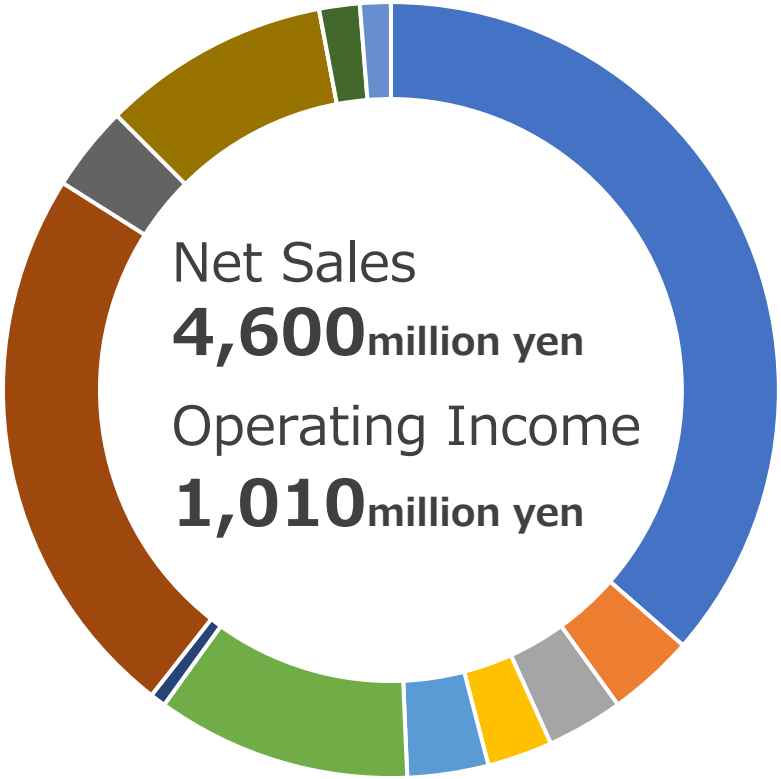
Integrated community care product : 18

Sales by Product

2020 Consolidated



2021 Consolidated (Forecast)



- Claio
- DocuMaker
- C-Scan
- MoveBy
- REMORA
- Radiology
- OEM
- Maintenance
- License
- Hardware
- Others
- Non-medical
- EMC

New service launched considered with Covid-19

Started providing web-based services for the cases where patients do not go to hospitals, such as online medical care.

Web communication tool for patients and hospitals

- Patients can use the Internet to process and verify the information themselves
- Hospitals automatically send information to patients about upcoming appointments and precautions
- Supporting two-way communication between large hospitals and patients to improve the quality of medical services

FAX sending and receiving management service

- Frequent use of faxes for patient referrals in community collaboration and prescription transmission in online medical care
- Manage faxes as data without printing them on paper and link them to patient IDs
- Supporting the efficiency of sending and receiving faxes, reducing the burden on medical staff and strengthening cooperation between facilities

DocuMaker Contents online publishing service

- The latest forms for medical certificates and official documents created with the DocuMaker document creation system are available online for speedy distribution
- Reducing the burden of paperwork at medical institutions and contributing to a change in the working style of medical institutions

New Segment
Health Tech & Office system



Visual Field Test

Establishing a new method of visual field test, aim for early detection of visual field abnormalities and create new business by utilizing big data.

Roll out the business from two aspects

Development of a perimetry system

- Built the world's first perimetry system
- Enabling the test not only at medical institutions but also at health checkup facilities

Collect & analyze visual field defects data

- Distribute our system as a free app
- Gathering visual field defects data from all over the world
- Use the data for disease prevention, drug discovery, and health management

Perimetry system with new test method GAP

GAP/GAP-screener
Gaze Analyzing Perimeter



1. Perimetry Test Device Market

Domestic market size of devices in Japan

■ Medical checkup facility

Approximately 1,200 facilities

No initial cost/plan to sell on a per-test basis (physical checkup ver.)

■ Hospital/Clinic

Approximately 6,000 facilities

@ ¥ 3M = Approximately **¥18 B** (medical ver.)

Sales forecast based on the market share assumption in 5 years

■ Medical checkup facility **¥600 M**

■ Hospital/Clinic **¥3.6 B**

**The Overseas market size is assumed to be approx. 90 billion yen,
just the medical institutions alone**

Overseas sales are scheduled to begin in Europe during FY 2021.

2. Collection & analysis of visual field disease data & other markets

Collect Eye Healthy Data Using the App Version

- An application has already been developed to check the eye healthy condition using the basic principle of GAP. iOS/android
- Achieve legal compliance and high security
- Plans to expand cloud services in Japan and overseas by 2023

Expanded to brain disease, mental illness, dementia, driving fitness test, etc.

Possibilities for GAP's Head Mounted Display Testing Device.

- Sophisticated gaze analysis using a built-in small high-speed camera
- AI diagnosis is implemented based on test data of over 9,000 eyes

Expanding the market as a testing device other than a visual field-testing device, aiming for medical device approval within a few years

DocuMaker Office's Markets

Mainly targeting local governments and medical institutions where Documaker's strengths can be utilized.

Local gov. / public service enterprise in any department

- Electronic approval
(drafting, receipt registration, etc.)
- Bookkeeping management
etc.

Electronic approval is recommended by the state; more local gov. are adopting a system

With the know how in medical field, we built a user-friendly system that is different from other products

Medical institutions administrative department

- Workflow
- Contract management
- Hospital evaluation correspondence
etc.

Due to changes in hospital function evaluation requirements, more hospitals is undertaking document management

We support the hospital's entire document management by extending the system well proven at clinical departments to administrative department

DocuMaker Office

Development for local governments and public service enterprises

Market

- The national promotion of DX and telework is spreading to local governments across the country.
⇒ The need for electronic decision making is growing rapidly in local governments and public service enterprises.

Our Advantage

- Product Strength : User-friendly, easy-to-understand system that utilizes know-how accumulated in the medical field. Highly evaluated for its flexibility to handle applications other than electronic decision making.
- Sales Force : Currently working with a distributor that has a nationwide sales network. Since we have already established relationships with local governments, we can conduct sales activities efficiently.
⇒ Sales: distributors, products: FINDEX for an efficient business with a selected group.

Development for local governments and public service enterprises

Outlook

- Autonomy: Lots of business negotiations until April 2022, and more business negotiations after that.
⇒ Enhance sales capability by acquiring new distributors and increase cases by realizing introduction of distributors
- Public enterprises : Several projects for 2021 are already in progress.
⇒ Build a successful case study and efficient implementation in a short period of time using the cloud.

Market

- In addition to improving business efficiency, COVID-19 will accelerate the reduction of contact opportunities and the promotion of telework.

⇒ The need for electronic approval and document management is increasing.

Our Advantage

- Reliability : Know-how and a solid performance cultivated in medical systems
- Functionality : Capable of handling not only general document creation and application, but also official document management

* **Public hospitals and hospitals affiliated with independent administrative agencies are obligated to manage public documents or to make efforts to manage them.**

⇒ DocuMaker Office is the only document management system for medical institutions that includes public document management.

Outlook

- Large-scale project to start in January 2021 is in stable progress.
- Inquiries from many medical institutions

⇒ Actively developing sales together with medical treatment systems



News Release

Establishment of a New Joint Venture Company

Established a new joint venture with Kyoto University's business subsidiary, Kyoto University Original Co., Ltd.



Fitting Cloud

Fitting Cloud Inc.



Information coordination
across hospitals
Management and analysis
of medical data
New communication
between patients and hospitals




Kyoto University: Knowledge of laws and regulations related to medicine, medical care, IT, and medical information

Finindex: Knowledge of design, development, operation and management of IT services

Develop new services in the cloud!

Selling to medical institutions, medical research institutions, universities and other research organizations

Establishment of a New Joint Venture Company (Details)

Company Name	Fitting Cloud Inc.	
Head Office	85-1 Mikuracho, Karasuma-Nishiiru, Sanjo-dori, Nakagyo-ku, Kyoto city	
Representative	President & CEO Teruo Aibara (Dual role with FINDEX Inc.)	
Capital Contribution	FINDEX : 70% Kyoto University Original : 30%	
Payment Date	March 15, 2021 (Scheduled date)	
Establishment Date	April 1, 2021 (Scheduled date)	
Accounting Period	March 31	
Business start Date	April 1, 2021 (Scheduled date)	

Fitting Cloud is with its technological strength, advanced features, and alliances with various research and development institutions It aims to be a platform company that contributes to various R&D beyond the medical and Health tech fields.

Capital alliance signed with CROSS SYNC Inc.



Founded in 2019, the venture company originated from Yokohama City University and has strong relationships with the university and university-affiliated hospitals. Bringing together numerous doctors and medical professionals, as well as some of the greatest AI engineers in Japan.

The company develops and provides iBSEN, a medical data integration and analysis system equipped with AI that predicts the severity of illness in intensive care units.

Proposing a wide range of solutions for medical fields in Japan and overseas by utilizing **FINDEX's medical information systems and health solutions** and **CROSS SYNC's expertise in medical data analysis**



Health
Tech

Medical
System





Digital Entertainment Asset Pte.Ltd.

A Singapore-based blockchain entertainment business with a worldwide presence.

The company has developed and operated "PlayMining", a combination of proprietary cryptocurrency (DEAPcoin) and entertainment, which is already being used in over 100 countries.

Enhance product capabilities by leveraging DEA's experience and expertise in supporting blockchain entertainment, as well as **its advanced technical skills in managing cryptographic assets and information, for the management of medical and healthcare data,** where data management security is of utmost importance, and creating new synergies.



New Products

Installing a camera on the ceiling & Checking Sleeping position by using AI

- Check multiple children at the same time with a single camera
- No need to install or remove, set up or clean up
- No risk of accidental ingestion



BabyTech® Award Japan 2020 powered by DNP Dai Nippon Printing Co., Ltd.
Received the Excellence Award in the Safety Measures and Monitoring Category

Contactless Health Check & Identity Confirmation

- Each participant registers and manages his or her own health data in advance.
- At the event day, participants will be able to scan the QR code to confirm their identity and recent health data and take their temperature without contact.



Possible usage scenarios

- Sports and various event operators
- Restaurant and tourist industry
- Retailers
- Local governments, etc.



With COVID-19 and After COVID-19, supporting health management in public places



* Used at the Kujukuri Triathlon on October 11, 2020.

Progressive Software Creators

Always have, Always will.

