



Financial Results for the Six Months Ended September/30/2025

PCI Holdings, INC.
(TSE Standard Market: 3918)

November/13/2025

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PCI Group Business Overview

PCI Group Business Overview



Engineering Business

Providing software technology solutions for challenges across a wide range of industries, including social infrastructure (finance, logistics, healthcare) and sectors like automotive, telecommunications, manufacturing, and government/public agencies.

In recent years, driven by the growth of SDV¹ in the mobility sector, we are particularly focused on promoting the development of AD/ADAS² using platforms such as AUTOSAR³.

Products /Devices Business

Designing, developing, and selling hardware products and devices for specific industries, including embedded PCs and edge computers for the medical, printing, and retail sectors, as well as semiconductor design and testing (LSI turnkey services).

ICT Solutions Business

Solving challenges across a broad range of fields by providing comprehensive ICT consulting services, which include AI implementation, cloud integration, and the development of IoT platforms.

※1 SDV (Software Defined Vehicle): The concept of a vehicle whose functions and features are defined and controlled by software, enabling performance to be enhanced through updates even after purchase.

※2 AD/ADAS (Autonomous Driving/Advanced Driver-Assistance Systems): Systems that support driver safety and convenience, such as autonomous driving (AD) and advanced driver-assistance systems (ADAS).

※3 AUTOSAR (AUTomotive Open System Architecture): A standardized platform specification aimed at improving the efficiency of software development in the automotive industry and standardizing the development of in-vehicle software.

Q2 FY3/2026 Major Releases

Q2 FY3/2026 Major Releases



| Release Date | Classification | Description |
|--------------|-------------------|---|
| Jul.8 | PR | PCI Solutions exhibited at "Medical Healthcare Fair 2025 in TOKYO" |
| Jul.8 | IR | Sponsored Research Report by Sessa Partners Inc. |
| Aug.8 | PR | PRIVATECH began sales of "Sigasi® Visual HDL™", a development support tool from Sigasi. |
| Aug.8 | Timely Disclosure | Consolidated Financial Results for the Three Months Ended June/30/2025 |
| Aug.8 | Timely Disclosure | Briefing Materials of Financial Results for the Three Months Ended June/30/2025 |
| Aug.22 | IR | Financial Results Briefing Video for the Three Months Ended June/30/2025 |
| Aug.22 | IR | Script of Briefing Materials of Financial Results for the Three Months Ended June/30/2025 |
| Sep.22 | PR | PCI Solutions exhibited at the "Industry Expo" of "Alife 2025" |
| Sep.24 | PR | Notice Concerning Change of Representative Director of a Consolidated Subsidiary and Change in Management Structure |

Exhibit Details for "Industry Expo" of "Alife 2025:

Presented a technology developed to solve the issue of AI losing track of people when they hide behind objects. By using multiple cameras, the AI remembers and identifies a person's features even after they have hidden, enabling continuous tracking over a wide area.



Q2 FY3/2026 Financial Highlights

Q2 FY3/2026 Financial Highlights

- Net sales were 13,611 million yen and operating profit was 766 million yen, increase in both revenue and profit year-on-year.
- Both net sales and operating income achieved the first-half plan, showing steady progress.

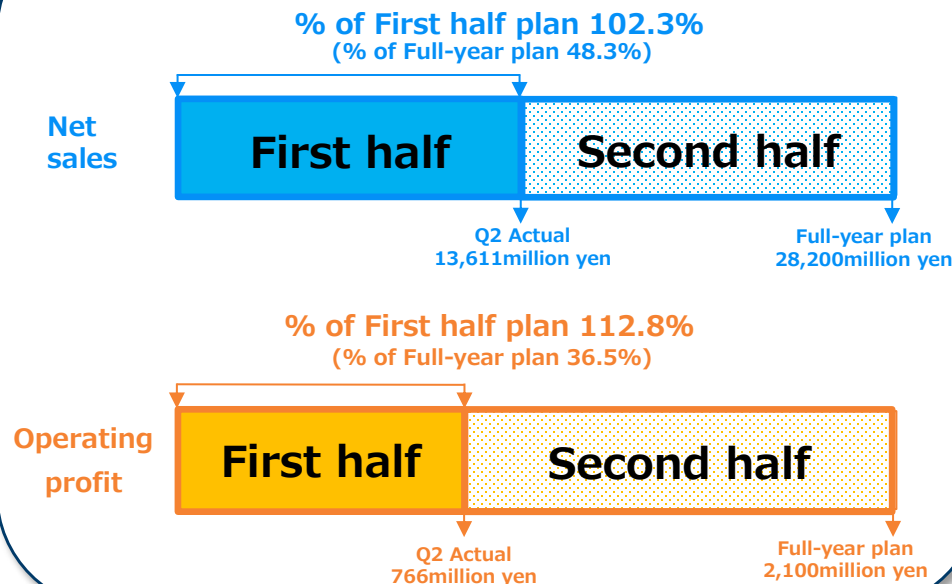
Actual Results

Net sales :
13,611 million yen
(YoY +9.2%)

Operating profit :
766 million yen
(YoY +62.6%)

Operating profit margin :
5.6%
(YoY + 1.8p)

Progress

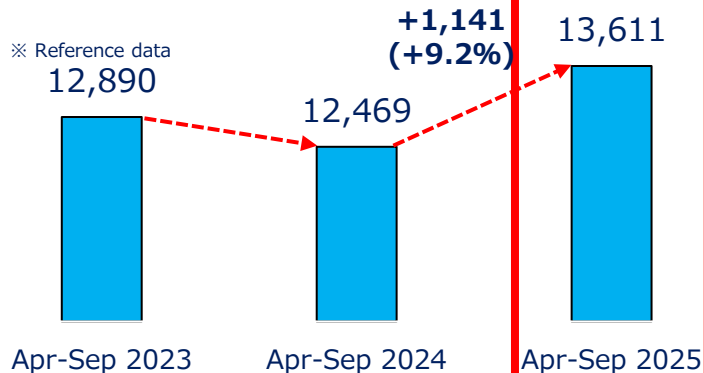


Q2 FY3/2026 Financial Highlights

- Both net sales and operating income, which bottomed out in the same period last year, have recovered to levels exceeding the same period two years ago, similar to the first quarter.

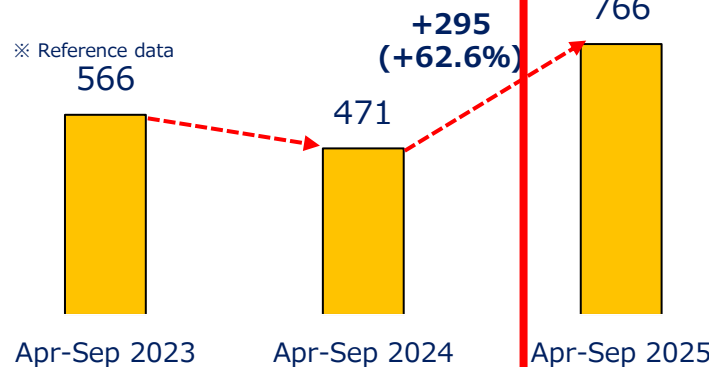
Net sales

(Unit: millions yen)



Operating profit

(Unit: millions yen)



For a year-on-year performance comparison, the results from April to September 2024 are used as the comparative period.

*Reference data: This figure is calculated excluding the performance of leafnet Co., Ltd. (and its subsidiaries), which were transferred in September 2023.



Q2 FY3/2026 Financial Results

Q1 FY3/2026 Consolidated Financial Results

- Achieved year-on-year increases in both sales and profit and met all first-half plan targets.

| (Unit: millions yen) | ①Apr-Sep 2024 | ②Apr-Sep 2025 | Amount Increase/Decrease (②-①) | % of Increase/Decrease | First Half Plan | First Half Plan Achievement Rate |
|---|---------------|---------------|--------------------------------|------------------------|-----------------|----------------------------------|
| Net sales | 12,469 | 13,611 | +1,141 | +9.2% | 13,300 | 102.3% |
| Gross profit | 2,813 | 3,217 | +404 | +14.4% | — | — |
| Gross profit margin | 22.6% | 23.6% | +1.0p | — | — | — |
| SG&A expenses | 2,342 | 2,451 | +109 | +4.7% | — | — |
| Operating profit | 471 | 766 | +295 | +62.6% | 680 | 112.8% |
| Operating profit margin | 3.8% | 5.6% | +1.8p | — | 5.1% | 109.8% |
| Ordinary income | 371 | 791 | +420 | +113.3% | 680 | 116.5% |
| Profit attributable to owners of parent (interim) | 487 | 528 | +41 | +8.6% | 425 | 124.4% |
| EBITDA | 634 | 930 | +295 | +46.6% | — | — |
| EBITDA margin | 5.1% | 6.8% | +1.7p | — | — | — |

Results by Business Segment

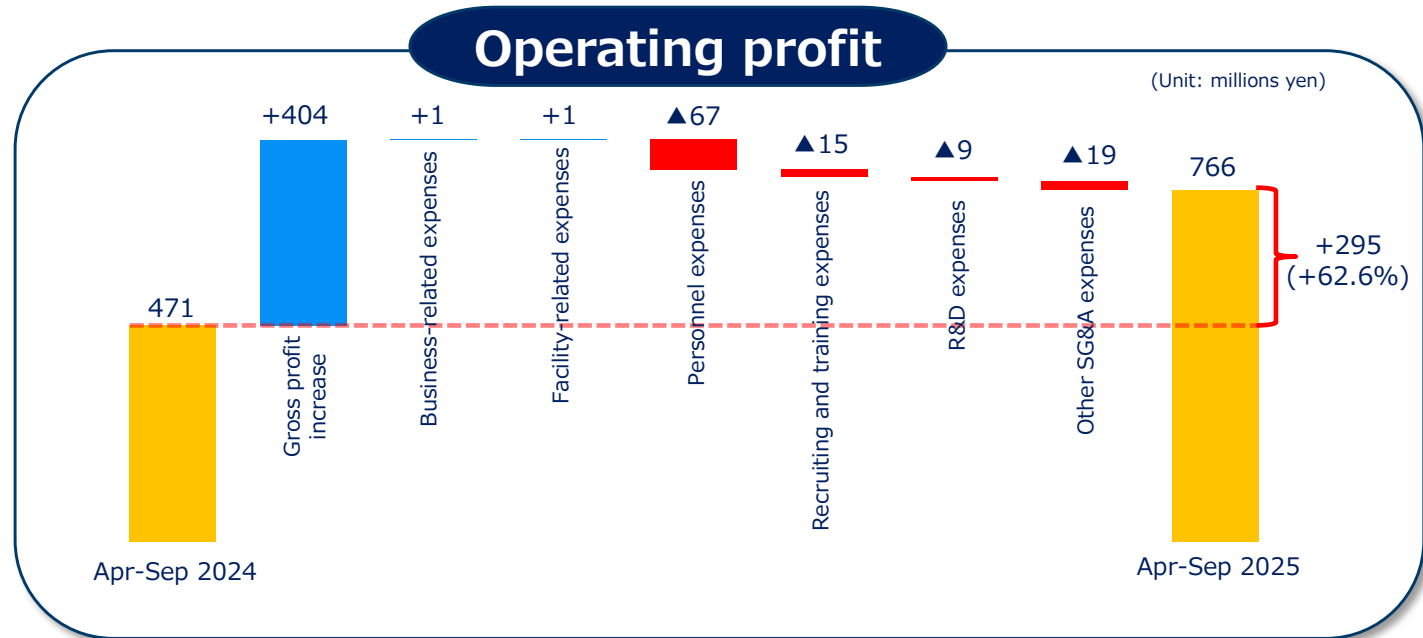
- Engineering: Mobility sector performed steadily, and combined with large-scale system development projects, the business driving overall segment growth.
- Product / Device: While the semiconductor business experienced sluggish growth, large-scale projects for embedded PCs (for government and public agencies) contributed to performance and drove overall growth.
- ICT Solution: Significant growth driven by steady Cloud/ERP-related business and large-scale software license deals for financial institutions.

| (Unit: millions yen) | FY3/26 Q2 Net sales | | FY3/26 Q2 Gross Profit (Profit Margin) | | FY3/26 Q2 Segment Profit (Profit Margin) | | |
|---------------------------------|---------------------|-------------------|--|------------------|--|-------------------|------------------------|
| | | YoY※ | | YoY※ | | YoY※ | |
| Engineering Business Segment | 7,008 | +205 (+3.0%) | 1,552 (22.2%) | +139 (+9.8%) | 471 (6.7%) | +17 (+3.8%) | Stable Core Businesses |
| Product/Device Business Segment | 4,487 | +454 (+11.3%) | 961 (21.4%) | +167 (+21.1%) | 320 (7.1%) | +217 (+210.7%) | |
| ICT Solutions Business Segment | 2,189 | +515 (+30.8%) | 756 (34.5%) | +122 (+19.4%) | 355 (16.2%) | +62 (+21.4%) | Growth Drivers |
| Consolidated Financial Results | 13,611 | +1,141 (+9.2%) | 3,217 (23.6%) | +404 (+14.4%) | 766 (5.6%) | +295 (+62.6%) | |

※ For a year-on-year performance comparison, the results from April to September 2024 are used as the comparative period

Analysis of Year-on-Year Change in Operating Profit

- Driven by an increase in gross profit, operating profit grew by 295 million yen (an increase of 62.6% YoY).
- Absorbed cost increases from strategic investments aimed at strengthening human capital (personnel, recruitment, and training costs) and higher R&D expenses.



(Reference) Consolidated Balance Sheet



- Total assets amounted to 15,931 million yen, a decrease of 30 million yen from the end of FY3/2025
- Total liabilities stood at 6,192 million yen, down 255 million yen, as repayment of borrowings progressed.
- Net assets totaled 9,738 million yen, a decrease of 286 million yen.




The equity ratio was 58.2% (Equity: 9,273 million yen).

| (Unit: millions yen) | | FY3/2025 | Q2 FY3/2026 | (Unit: millions of yen) | | FY3/2025 | Q2 FY3/2026 |
|----------------------|-------------------------------|----------|-------------|----------------------------------|--------------------------------|----------|-------------|
| Current assets | | 12,123 | 12,303 | Current liabilities | | 5,438 | 5,232 |
| | Cash and deposits | 4,085 | 3,474 | | Trade payables | 2,521 | 2,248 |
| | Trade receivables | 6,117 | 6,124 | | Borrowings and bonds payable | 195 | 101 |
| | Other | 1,921 | 2,705 | | Other | 2,722 | 2,883 |
| | Non-current assets | 3,776 | 3,627 | Non-current liabilities | | 1,009 | 960 |
| | Property, plant and equipment | 830 | 790 | | Borrowings and bonds payable | 315 | 265 |
| | Goodwill | 1,507 | 1,417 | | Retirement benefit liabilities | 133 | 134 |
| | Other | 1,439 | 1,420 | | Other | 561 | 561 |
| | Total assets | 15,900 | 15,931 | Total liabilities | | 6,448 | 6,192 |
| | | | | Total net assets | | 9,452 | 9,738 |
| | | | | Total liabilities and net assets | | 15,900 | 15,931 |



Business Overview and Strategic Progress

Medium-term Management Plan Progress : Basic Strategies, Status, and Future Initiatives by Business Segment

| Segment | Over view | Key Basic Strategies | Status | Future Initiatives |
|--------------------------|---|--|---|--|
| Engineering Business |  | <p>①Improve profitability through selection and concentration, and by developing and strategically reallocating engineers.</p> <p>②Cultivate technological capabilities for the future.</p> | <p>①Mobility engineer shift is progressing; realized advanced development capabilities.</p> <p>②Developed Generative AI prototype for manufacturing. Strengthening organization for AI projects.</p> | <p>① Promote participation in high-level technological fields.</p> <p>②Strengthen manufacturing DX sales using Generative AI.</p> |
| Product/ Device Business |  | <p>①Provide value by combining products/services to support customer processes.</p> <p>②Promote new product development & sales leveraging mass-production capabilities.</p> | <p>① Received prototype orders for LSI turnkey services. Currently developing new customers.</p> <p>② Released new embedded PC products, and shipments have started smoothly.</p> | <p>①Strengthen LSI turnkey sales & mass-production via group co-creation.</p> <p>②Maximize profit for embedded PCs via resource concentration.</p> |
| ICT Solutions Business |  | <p>①Commercialize solutions and expand sales to customers with similar needs.</p> <p>②Identify customer needs and explore new services. Strengthen necessary technologies and develop engineering resources.</p> | <p>① Commercialized image-recognition AI solutions; customer adoption is expanding.</p> <p>② Selected AI solutions for manufacturing sites, along with the establishment of the development environment and delivery structure.</p> | <p>① Enhance functions and sales of proprietary solutions.</p> <p>② Expand AI solution lineup and strengthen sales.</p> |

Medium-term Management Plan Progress : Synergies from Collaboration with Restar

- Acquired customers via business expansion. Co-created Generative AI solutions and accumulated experience. Promoted optimization of business environment for cost benefits.

| Business | Technology | Cost |
|--|--|---|
| <ul style="list-style-type: none">• PCI Perspective: Using Restar's 7,000-client base for joint proposals. Expand collaboration with Restar's high-touch sales.• Restar Perspective: Promote cross-selling. Joint proposals in Generative AI & Manufacturing DX. Access new business areas via group collaboration. | <ul style="list-style-type: none">• PCI Solutions built Restar's internal AI infrastructure. Rolling out for external sales based on those experiences.• Incorporate SORD's original boards into Restar's broadcast solutions to reduce evaluation load and ensure stable supply. | <ul style="list-style-type: none">• Consolidated operations across multiple areas (kitting operations) to improve efficiency and achieve cost reductions.• Utilized Restar's buying power for SORD's material procurement to drive down costs. |

Medium-term Management Plan Progress : AI Utilization Promotion Status

- Internal AI use is advancing; current focus is on "Creating New Businesses." Expanding Image Recognition and Generative AI lineups through in-house development and co-creation.

AI Utilization Measures

Status



Creating New Businesses



Image Recognition

- Exhibited advanced behavior recognition technology at "Alife 2025"
- Built object detection AI for manufacturing; aiming to expand to human detection
- Launched sales of AI defective product detection system via co-creation



Generative AI

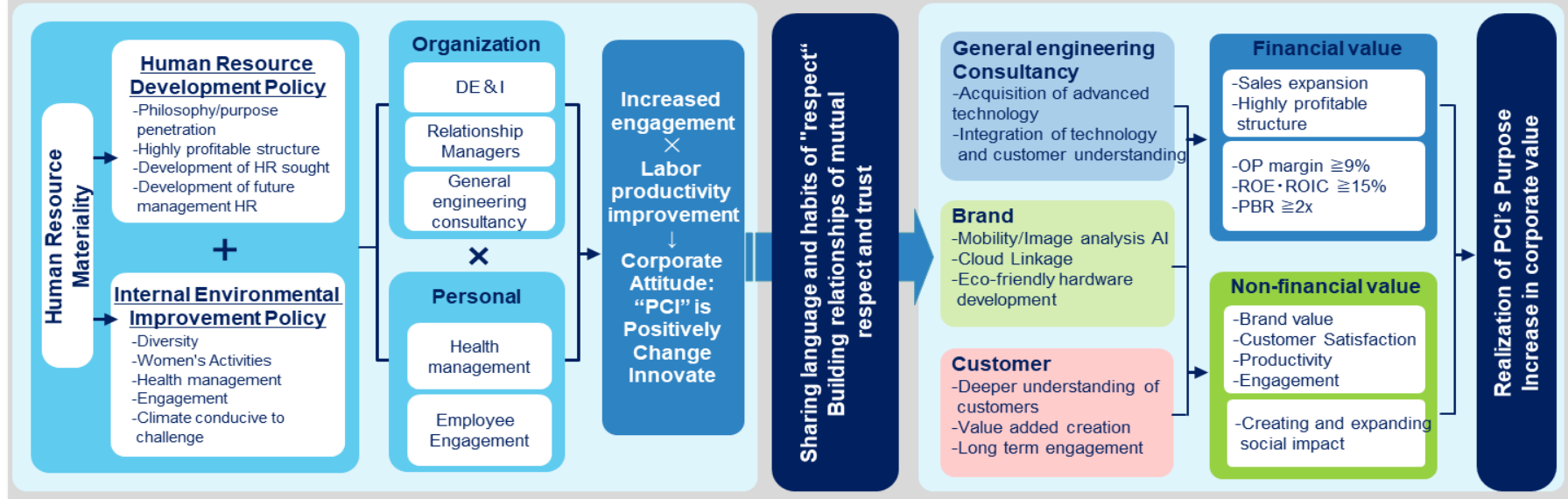
- Built cloud-based Generative AI infrastructure for Restar's internal use
- Started agency sales of servers equipped with Generative AI
- Built Generative AI for product development support in manufacturing; promoting proposals to new customers

Sustainability

Human Capital Management

- To the company, human resource is an asset. Refining these “human assets” and making them function in an appropriate organization will directly lead to business growth.
- Employees learn and grow through their work. The Group is committed to supporting its employees regardless of age, gender, nationality, etc.
- Respecting others at all points of contact with people, including those outside the company, will lead to the realization of the PCI Purpose and increase corporate value.

Human Capital Management Policy



Human Capital Working Group Activities

- Human Resource Development: Implementing human resource development plans aligned with management strategy and strengthening the PDCA cycle for development measures utilizing KPI targets.
- Employee Engagement: All Group Employees Begin Respect Training
- Human Rights Due Diligence : Establishing the PDCA cycle, strengthening the compliance management system, and establishing the foundation for AI governance.
- Human Capital Management : Introduction of a long-term absence support system, and holding health promotion seminars and events.

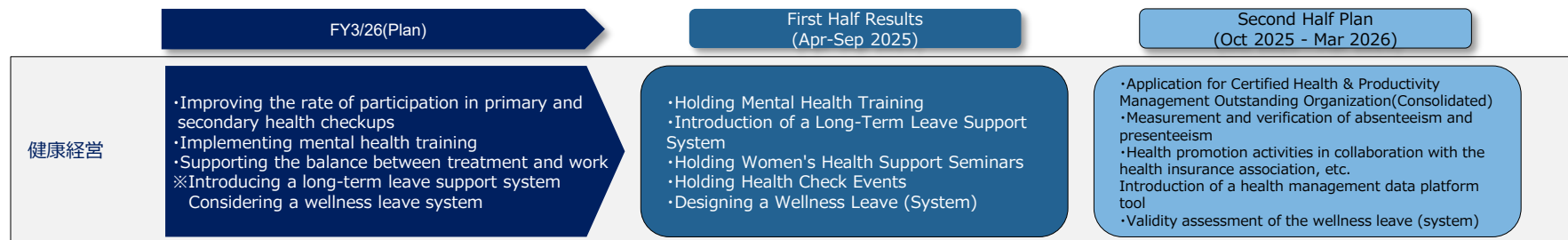
Key Initiatives

| | FY3/26(Plan) | The first Half Results (Apr-Sep 2025) | The second Half Plan (Oct 2025 - Mar 2026) |
|----------------------------|---|--|--|
| Human Resource Development | <ul style="list-style-type: none"> • Implementation of human resource development measures and KPI management • Development of management personnel (executive officers, next-generation human resources) • Establishment of monitoring infrastructure (HR-DX) | <ul style="list-style-type: none"> • Formulation of Human Capital Development Plan • Holding the Management Academy (for Executive Officers) • Requirements Definition for ESG Data Platform | <ul style="list-style-type: none"> • Holding a seminar on formulating the human capital development plan • Holding the Management Academy (for next-generation human capital) • Design of ESG data sources and data integration |
| Employee Engagement | <ul style="list-style-type: none"> • Survey tool utilization support, behavior evaluation rules • Respect training (for managers) • Support for balancing childcare/elder care and work | <ul style="list-style-type: none"> • Conduct survey and analyze scores (All employees) • Survey tool utilization training (for Managers) • Respect training (for Managers) • Awareness survey on nursing care | <ul style="list-style-type: none"> • Improvement activities based on score analysis (Promoted by each company) • Respect follow-up training (for Managers) • Briefing session on the nursing care system; establishing a support foundation for balancing work and care |
| Human Rights Due Diligence | <ul style="list-style-type: none"> • Human rights education (all employees) • Internal/business partner human rights violation risk investigation and assessment • Education on unconscious bias • Establishment of AI Governance | <ul style="list-style-type: none"> • Human Rights Education "Business and Human Rights" (All employees) • Internal survey and assessment of human rights violation risks • Implementation of unconscious bias training • Establishment of Group AI ethics policy and guideline | <ul style="list-style-type: none"> • Survey and assessment of human rights violation risks at business partners • AI provision guidelines (Operating companies) • AI literacy education (All employees) |

Health & Productivity Management

Health management:

The PCI Group formulated its Health and Productivity Management Policy in November 2024, visualizing its health management 'Strategic Story' as a map. By promoting a workplace where every employee can maintain mental and physical health and continue to work with purpose, we will link these efforts to the sustainable growth and enhanced corporate value of the PCI Group.



Environmental responsiveness:

- FY2030 GHG Emission Reduction Target Achieved in FYE March 2025 (TCFD-based disclosure)
- Submitted Response to CDP Questionnaire (FYE September 2024)

| Scope 1 and 2 Total | Base year | FY9/24 | | FY3/25 | | FY3/30 | FY3/50 |
|---|----------------------------|----------------------------|-------------------------|----------------------------|-------------------------|-------------------------|-----------------------|
| | Target company Total | Target company Total | Base year comparison | Target company Total | Base year comparison | Base year comparison | |
| Emissions (t-CO2) | 526.802 | 341.962 | △35.1% | 126.968 (253.936) | — (△51.8%) | △46.0% | Substantially zero |
| Emission intensity (t-CO2/million yen) | 0.030 | 0.017 | △43.7% | 0.012 (0.012) | — (△60.5%) | △46.0% | Substantially zero |

Since the fiscal year ending March 2025 is a half-year period, annualized figures (doubled) are shown in parentheses for reference purposes.

Base year: September 2017

Target company : PCI Solutions ,SORD , PRIVATECH (75% of consolidated net sales)

CDP Score History

- 2022 "C"
(Covering the period ended September 2021)
- 2023 "B"
(Covering the period ended September 2022)
- 2024 "B"
(Covering the period ended September 2023)
- 2025 application in progress
(Results expected in December)





Full-Year Guidance

Full-Year Guidance

- **Achieved planned targets for the first half of the fiscal year ending March 2026. We will strive to achieve our full-year earnings targets as initially planned.**

- **Net sales : 28,200 million yen**

Engineering Business:

Foster talent to become the core of projects. Aim to increase orders for high value-added projects and further accelerate the shift of engineers.

Product/Device Business:

Aim to enhance sales expansion for LSI turnkey services through Group co-creation to promote sales. For embedded PCs, strengthen the sales system and expand sales channels.

ICT Solutions Business :

Expand the functionality of our proprietary solutions to strengthen competitiveness and further promote sales. Promote co-creation with other companies and work to expand sales of AI solutions for the manufacturing industry.

- **Operating profit : 2,100 million yen**

Continue to focus on investing in human capital for talent development.

Strive to improve gross profit by shifting engineers to high-profitability fields.

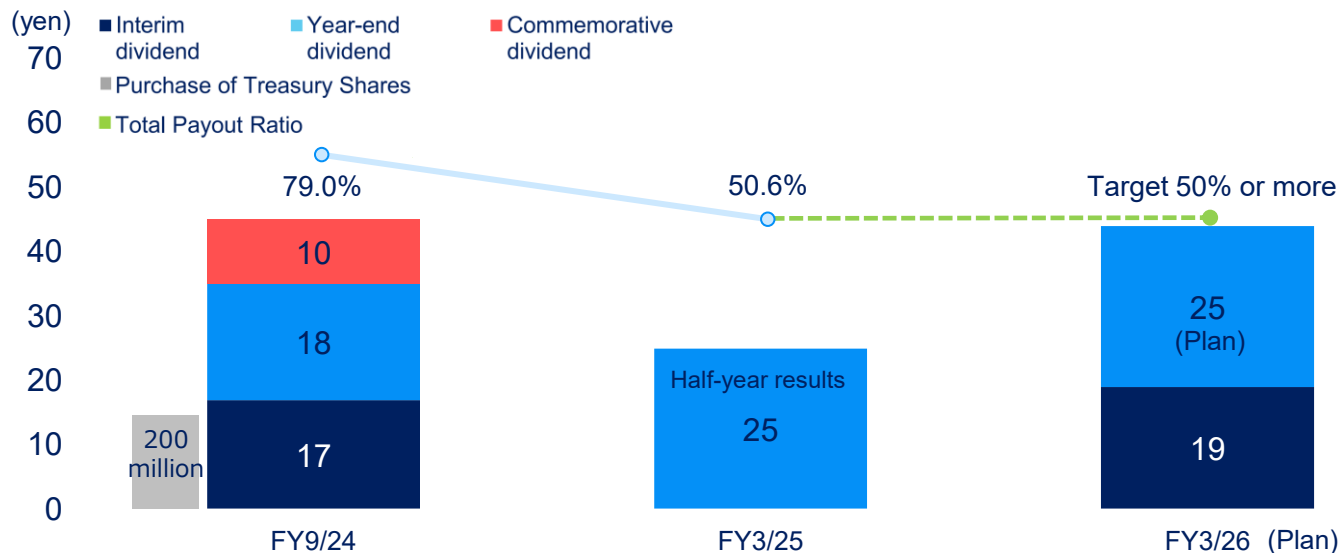
Promote the improvement and optimization of outsourcing costs and strategic investments.

Shareholder Returns

Shareholder Returns

- Shareholder Return Policy: Aiming for a total payout ratio of 50% or more, combining stable, continuous dividends with flexible share buybacks.
- For the fiscal year ending March 2026, planning a dividend of 44 yen per share, comprised of a 19 yen interim dividend and a 25 yen(plan) year-end dividend.

Note: Considering flexible share buybacks and/or cancellations of treasury stock as appropriate.



※Due to the irregular six-month fiscal year ending March 2025, no interim dividend will be paid.



Company Profile

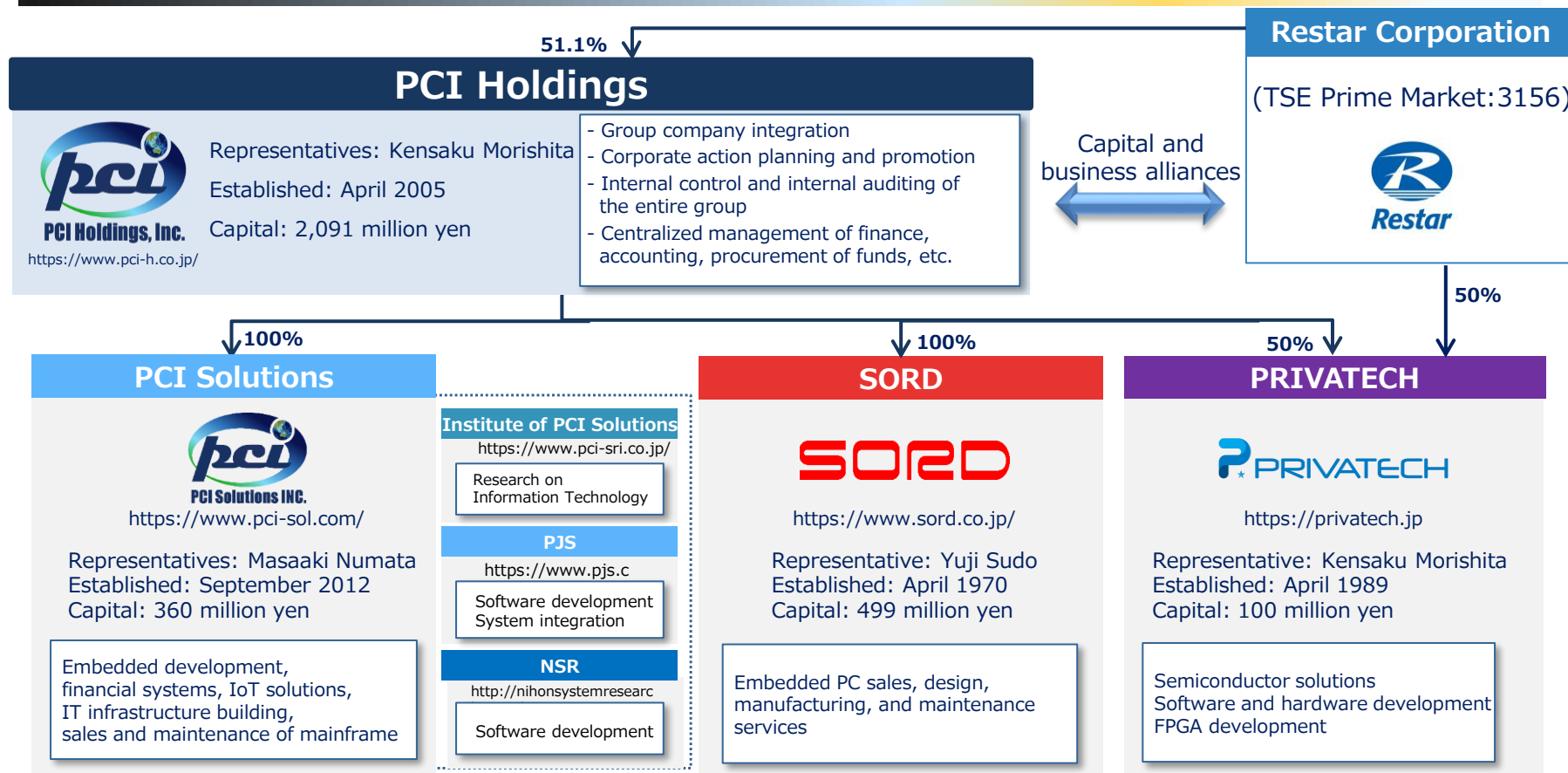
Corporate Philosophy

We pursue the happiness of all our employees through customer satisfaction, and contribution to the development of society.

PIC meaning
Positively,
Change,
Innovate

| | | | |
|------------------------|--|--|--|
| Corporate Name | PCI Holdings, Inc. | Capital | 2,091.89 million yen (As of March 31, 2025) |
| Established | April 2005 | Net sales (Consolidated) | 13,278 million yen (FY3/2025 (6 month) results) 28,200 million yen (FY3/2026 (12 month) forecast) |
| Listing | Tokyo Stock Exchange Standard Market (Securities code: 3918) | Operating profit (Consolidated) | 679 million yen (FY3/2025 (6 month) results) 2,100 million yen (FY3/2026 (12 month) forecast) |
| Location | 1-21-19 Toranomom, Minato-ku, Tokyo, 105-0001 | No. of employees (Consolidated) | 1,632 (As of March 31, 2025) |
| Representatives | Kensaku Morishita, President | Consolidated subsidiaries | PCI Solutions INC. SORD CORPORATION PRIVATECH Inc. |

PCI Group Composition (As of October 1, 2025)



Business Companies and Description

PCI Solutions

- Software engineering company that provides technical capabilities for any industry or field
- Particularly strong in embedded systems development

SORD

- The first PC manufacturer in Japan
- 50 years in business and highly reliable technology
- Embedded PC manufacturer

PRIVATECH

- System engineering company with strengths in semiconductor design and testing technologies
- Testing house located near the Tokyo metropolitan area

Engineering Business

IT services meeting customer requirements and specifications across a wide range of industries

- Embedded software development (Manufacturers: mainly for automotive, telecommunications, information appliances, etc.)
- Enterprise software development (System integrators: mainly for finance, distribution, manufacturing, government, etc.)

- Kitting services (System integrators and manufacturers: mainly for medical, retail, etc.)
- Call center services (Manufacturers: PC help desk, etc.)

—

Product/Device Business

Design, development, and sales of hardware products and devices for specific industries

—

- Development of embedded computers (Manufacturers: for medical equipment, printing machines, etc.)
- Computer development for edge computing (System integrators: for medical, retail, etc.)

- Design and testing of semiconductors (For semiconductor manufacturers)
- LSI turnkey service (For electronic device manufacturers)

ICT Solutions Business

Problem solving through consulting and services that utilize ICT in a wide range of fields

- Solutions using AI
- Cloud service Integration

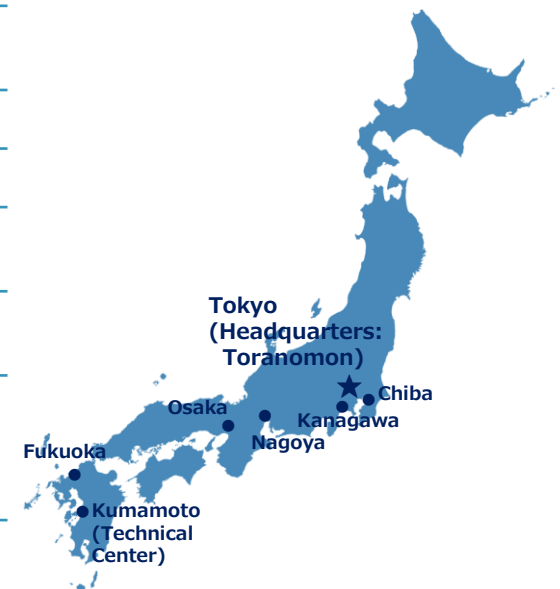
—

- ODM services (IoT solutions)
- SI services (Solutions using AI)

Mutual collaboration by topic and by project

Executive Structure and Office Location

| Position | Name | Career, etc. |
|--|-------------------|---|
| Chairman | Masato Tozawa | General Manager, Marketing Division, Fujitsu Ltd. Director & General Manager, Fujitsu Business Systems Ltd. President & Representative Director, Tsuzuki Embedded Solutions Ltd. Senior Managing Executive Officer, Restar Corporation |
| President & Representative Director | Kensaku Morisita | Division Manager, Integrated Product Strategy Division, Fujitsu Ltd. Executive Officer & Division Manager, Fujitsu Marketing Ltd. President & Representative Director, Fujitsu Coworco Ltd. |
| Director | Naohiro Iguchi | General Manager, Corporate Planning Office, Profit Cube Inc. Director & General Manager PCI Holdings, INC. |
| Director | Kazuya Sugizono | General Manager, Finance & Accounting Office, Profit Cube Inc. Executive Officer & General Manager, Finance & Accounting PCI Holdings, INC. |
| Outside Director | Hiroyuki Nakamura | Managing Director, Advanced Technology & Management Japan, Ltd President & Representative Director, ATM Japan Business Services, Ltd. Full-time Auditor, SocioFuture Ltd. |
| Director (Full-time Member of A&S Committee) | Yuji Ikuta | President & Representative Director, CLC Corporation Full-time Auditor, PCI Solutions INC. |
| Outside Director (Member of A&S Committee) | Yuji Sakakura | Nissho Iwai Corporation (now Sojitz Corporation)General Manager, Financial Markets Department GCA Corporation (now Houlihan Lokey, Inc.)Director and CFO (Chief Financial Officer) SWCC SHOWA HOLDINGS CO., LTD. (now SWCC Corporation)June 2020 - Present: Outside Director, Audit and Supervisory Committee Member |
| Outside Director (Member of A&S Committee) | Shinnosuke Maki | Representative, Maki Shinnosuke Certified Public Accountant Office President & Representative Director, MSPG Consulting Outside Auditor, EM Systems Co. Ltd. Auditor, Kagoshima Professional Sports Project |
| Outside Director (Member of A&S Committee) | Yasufumi Sakurai | Partner, Harumi Partners Law Firm Outside Director (Member of A&S Committee), Trils Inc. Representative, Org. for Promotion of Sports & Compliance Education |



No information in this material is intended as a solicitation to buy or sell our stock.

The forecasts and other forward-looking statements contained in this material are based on the information available to us at the time the material was prepared and involve potential risks and uncertainties.

Therefore, please be aware that, due to various factors, actual results may differ materially from those projected in the forward-looking statements. In the event that you suffer any loss or damage based on this information, neither our Company nor the information providers shall be liable for any loss or damage.

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Positively, Change, Innovate

