Financial Results for the Three Months Ended June 30, 2026

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

August 7, 2026

Q1 FY3/2027 Financial Highlights

■ Net sales came in at 6,538 million yen and operating profit at 187 million yen, with revenue and profit falling year-on-year due to the drop of last year's high-margin large projects.

Actual Results

Net sales	**: 6,538 million yen**	**(YoY-1.1%)**
Operating profit	**: 187 million yen**	**(YoY-43.9%)**
Operating profit margin	**: 2.9%**	**(YoY-2.2ppt)**
Quarterly Net profit attributable to owners of the parent	**: 85 million yen**	**(YoY-63.5%)**

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PCI Group Business Introduction

PCI Group Business Introduction

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 SDV[1] in the mobility sector, we are particularly focused on promoting the development of AD/ADAS[2] using platforms such as AUTOSAR[3].

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, testing, and 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.

Major Releases

Q1 FY3/2027 Major Releases

Release Date	Classification	Description
2026, April/1	Other	Merged with NSR Co., Ltd., with PCI Solutions INC. as the surviving company.
April/1	Other	PCI Group Introduces Work-Nursing Care Balance Support Service.
April/7	PR	SORD Corporation exhibited Embedded PC "SR-s350" at JUMBO BIKKURI FAIR 2026.
May/14	Timely Disclosure	Notice Regarding Financial Results for the Fiscal Year Ended March 2026, Briefing Materials, and Revision (Increase) of Dividend Forecast.
May/14	Timely Disclosure	Notice Concerning Agreement with Controlling Shareholder Restar Corporation and Change in Consolidated Subsidiary (Transition to an Equity-Method Affiliate)
May/20	Timely Disclosure	Notice Concerning Dividend of Surplus, Notice Regarding Amendments to Articles of Incorporation (Changes to Trade Name and Business Purposes)
May/20	Timely Disclosure	Notice Concerning Change of Representative Director and Election of Director Candidates, Notice Regarding Change of Accounting Auditor.
May/20	Timely Disclosure	Notice Regarding Decision on Basic Policy for Transition from Pure Holding Company to Operating Holding Company via Merger with Consolidated Subsidiary.
May/25	PR	PCI Solutions INC. Launched "Voice AI Agent Implementation Support Service for Amazon Connect“.
May/27	PR	PCI Solutions INC. Exhibited "ExaGrid" at Interop Tokyo 2026.
Jun/1	PR	PCI Solutions INC. Exhibited at "AWS Summit Japan 2026" Held at Makuhari Messe
Jun/12	IR	SESSA Partners issued a sponsored research report on PCI Holdings.
Jun/29	Other	PCI Solutions INC. Employees Selected as "2026 Japan AWS All Certifications Engineers" and "2026 Japan AWS Jr. Champions"

Q1 FY3/2027
Financial Results

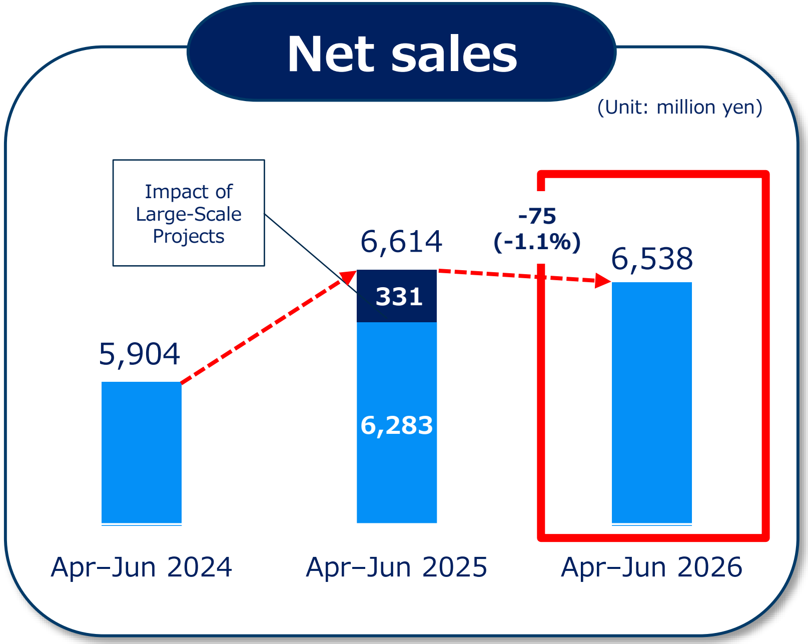
Q1 FY3/2027 Financial Results

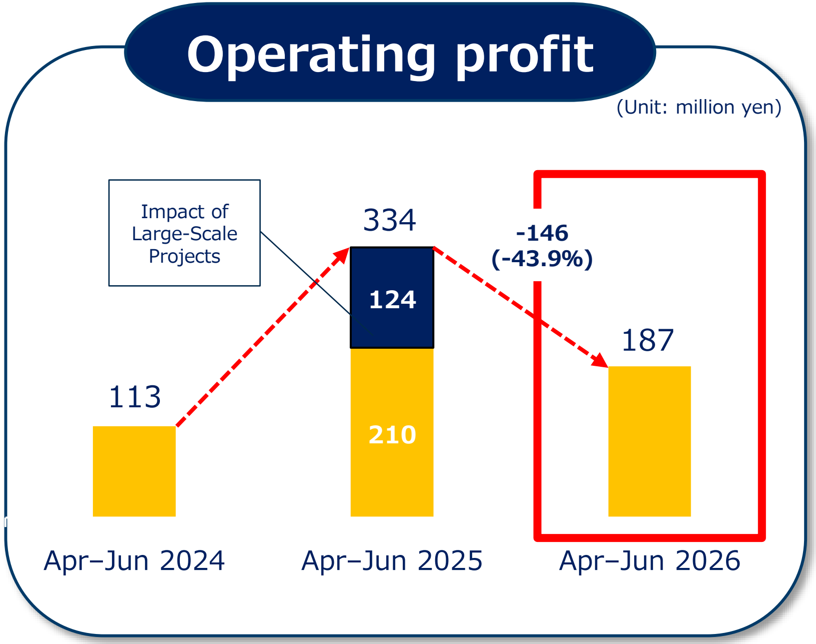
■ Net sales were flat year-on-year, while operating profit declined significantly.

(Unit: million yen)	①Apr–Jun 2025	②Apr–Jun 2026	Change (②-①)	YoY Change (%)
Net sales	6,614	6,538	-75	-1.1%
Gross profit	1,607	1,477	-129	-8.1%
Gross profit margin	24.3%	22.6%	-1.7p	–
SG&A expenses	1,273	1,290	+16	+1.3%
Operating profit	334	187	-146	-43.9%
Operating profit margin	5.1%	2.9%	-2.2p	–
Ordinary income	337	166	-170	-50.7%
Quarterly Net profit attributable to owners of the parent	234	85	-149	-63.5%
EBITDA	416	271	-144	-34.8%
EBITDA margin	6.3%	4.2%	-2.1p	–

Three-Year Comparison for Q1 FY3/27

- Net sales remained flat year-on-year, but operating profit declined significantly due to the drop-off of last year's high-margin, large-scale projects.





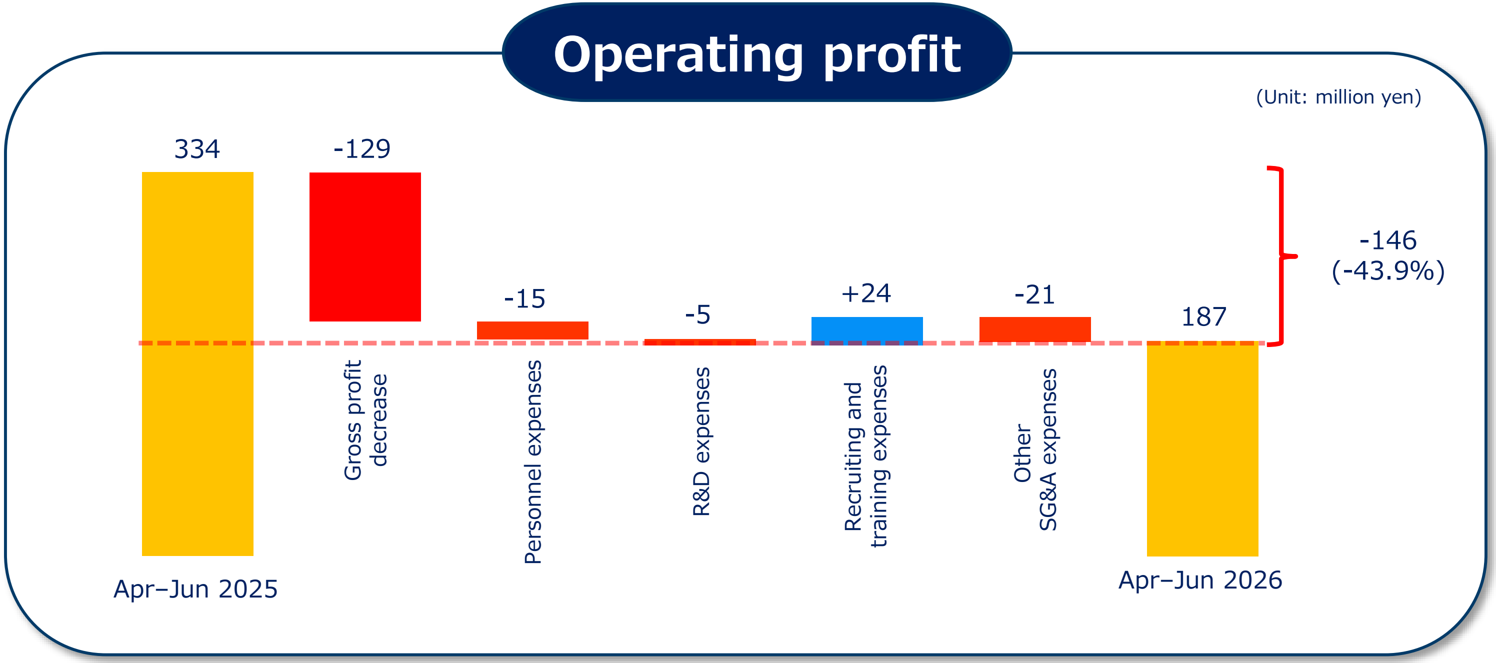
Financial Results by Business Segments

- Engineering : Operating profit declined as the mobility sector remained weak and gross profit growth was insufficient to absorb SG&A expenses.
- Product/Device : Net sales grew, but profit remained flat year-on-year, as cost increases for memory and other components since last year could not be passed on or absorbed in time.
- ICT Solution : Cloud and AI remained solid, but revenue and profit fell sharply due to the drop-off of last year's high-margin large projects.

(Unit: million yen)	FY3/27 Q1 Net sales	YoY	FY3/27 Q1 Gross Profit (Profit Margin)	YoY	FY3/27 Q1 Segment Profit (Profit Margin)	YoY	
Engineering Business Segment	3,488	+26 (+0.8%)	814 (23.3%)	+18 (+2.3%)	169 (4.9%)	-47 (-21.8%)	Stable Core Businesses
Product/Device Business Segment	2,305	+361 (+18.6%)	420 (18.2%)	-7 (-1.7%)	110 (4.8%)	+0 (+0.5%)	
ICT Solutions Business Segment	812	-424 (-34.3%)	268 (33.0%)	-140 (-34.4%)	99 (12.3%)	-103 (-51.0%)	Growth Drivers
Consolidated Financial Results	6,538	-75 (-1.1%)	1,477 (22.6%)	-129 (-8.1%)	187 (2.9%)	-146 (-43.9%)	

Analysis of Year-on-Year Change in Operating Profit

- Operating profit dropped by 146 million yen (down 43.9% year-on-year), impacted by the decrease in gross profit.
- Continued strategic investments in personnel and R&D expenses.



(Reference) Consolidated Balance Sheet

- Total assets stood at 14,727 million yen, down 1,295 million yen from the end of FY3/26, mainly due to making PRIVATECH Inc. an equity-method affiliate.
- Total liabilities came to 5,271 million yen, down 563 million yen from the end of FY3/26.
- Net assets came to 9,456 million yen, down 732 million yen from the end of FY3/26 (dividends paid were 377 million yen, and non-controlling interests decreased by 429 million yen). The equity ratio was 64.1% (shareholders' equity: 9,434 million yen).

(Unit: million yen)	FY3/2026	FY3/2027 Q1
Current assets	12,396	10,987
Cash and deposits	4,606	3,884
Trade receivables	5,307	4,055
Other	2,482	3,048
Non-current assets	3,627	3,739
Property, plant and equipment	806	748
Goodwill	1,326	1,280
Other	1,495	1,711
Total assets	**16,023**	**14,727**

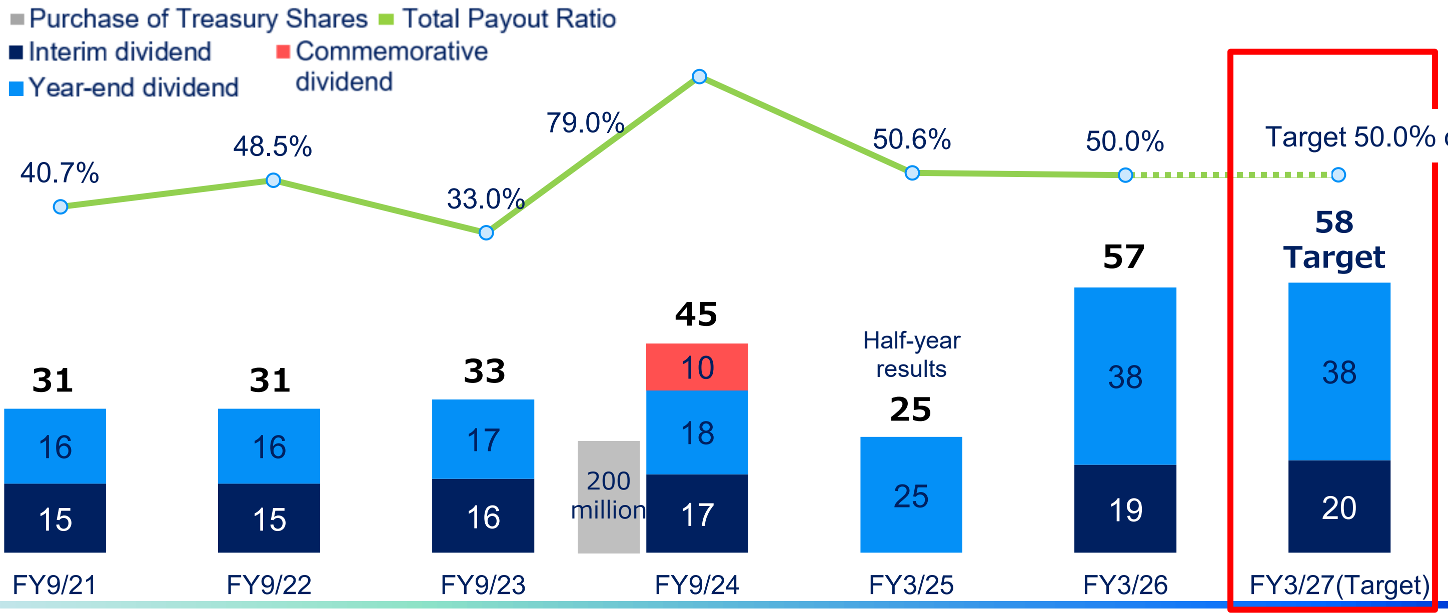
(Unit: million yen)	FY3/2026	FY3/2027 Q1
Current liabilities	4,938	4,431
Trade payables	2,016	2,155
Borrowings and bonds payable	101	86
Other	2,821	2,190
Non-current liabilities	895	839
Borrowings	214	196
Retirement benefit liabilities	139	109
Other	542	534
Total liabilities	5,834	5,271
Total net assets	10,189	9,456
Total liabilities and net assets	**16,023**	**14,727**

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.
- FY3/27 Dividend Forecast: 58 yen per annum (Interim: 20 yen / Year-end: 38 yen)

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

PCI Holdings, INC.

Corporate Philosophy

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

<u>The meaning of PCI</u>
Positively, **C**hange, **I**nnovate

Corporate Name	PCI Holdings, Inc.	**Capital**	2,091 million yen
Established	April 2005	**Net sales (Consolidated)**	26,835 million yen (FY3/2026 results)
Listing	Tokyo Stock Exchange Standard Market (Securities code: 3918)	**Operating profit (Consolidated)**	1,558 million yen (FY3/2026 results)
Location	1-21-19 Toranomon, Minato-ku, Tokyo, 105-0001	**No. of employees (Consolidated)**	1,647 (As of March 31, 2026)
Representatives	Atsushi Watanabe, President	**Major Group Companies**	PCI Solutions INC. SORD CORPORATION PRIVATECH Inc. (Made an equity-method affiliate as of June 30, 2026)

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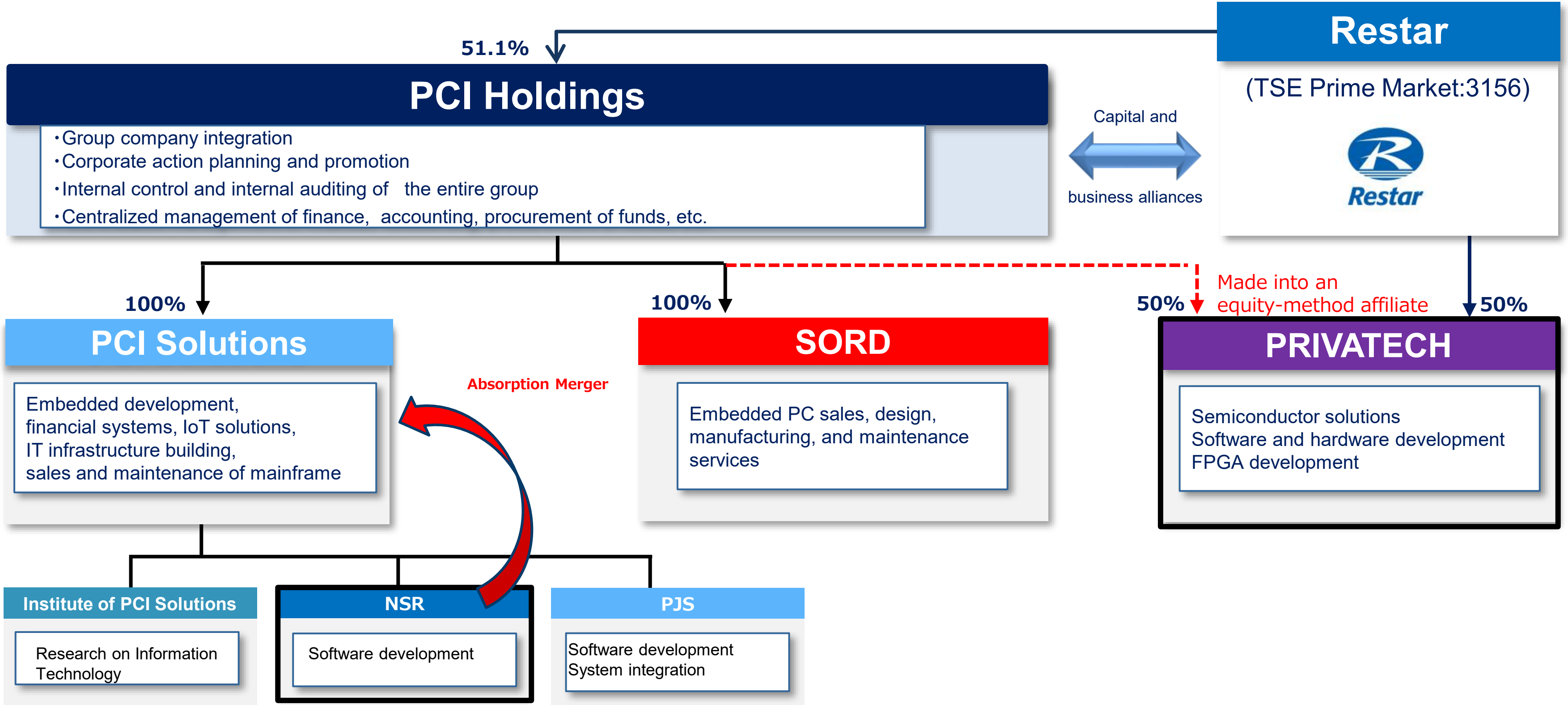
Optimization of Group Management Structure

- Absorption Merger of NSR Co., Ltd. into PCI Solutions Inc. (Effective April 1, 2026)
- Privatech became an equity-method affiliate of the Company (as of June 30, 2026).



Operating Companies and Description

		PCI Solutions	SORD	PRIVATECH
		・Software engineering company that provides technical capabilities for any industry or field ・Particularly strong in embedded systems development	・The first PC manufacturer in Japan ・50 years in business and highly reliable technology ・Embedded PC manufacturer	・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.)	Made an equity-method affiliate as of June 30, 2026
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.
President & Representative Director	Atsushi Watanabe	Executive Officer, General Manager of Cloud Business Division, CSK Company, SCSK Corporation Senior Executive Officer, Officer in Charge of DX Business Promotion, SCSK Corporation Senior Managing Executive Officer, SCSK Corporation President and Representative Director, SCSK ServiceWare Corporation Executive Officer in Charge of IT & SIer Business, Restar Corporation
Senior Managing Director	Kensaku Morishita	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.
Director	Yoshiaki Numata	Executive Officer, PCI Solutions, Inc. Director & Executive Officer, PCI Solutions, Inc. President & Representative Director, PCI Solutions, Inc.
Outside Director	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 Director (Full-time Member of A&S Committee) , PCI Holdings, INC.
Director (Full-time Member of A&S Committee)	Hiroyuki Nakamura	Managing Director, Advanced Technology & Management Japan, Ltd President & Representative Director, ATM Japan Business Services, Ltd. Full-time Auditor, SocioFuture Ltd Outside Director, PCI Holdings, INC.
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
Outside Director (Member of A&S Committee)	Hiroyuki Okayama	Managing Executive Officer, Nippon Steel & Sumikin Bussan Corporation (currently NIPPON STEEL TRADING CORPORATION) Managing Executive Officer, NIPPON STEEL TRADING CORPORATION Advisor, NIPPON STEEL TRADING CORPORATION

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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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