

March3, 2026

Company Name Kudan Inc.  
Representative CEO Daiu Ko  
(Securities code: 4425 TSE Growth)  
Inquiries Head of Administration Tatsuhiro Ishii  
(Tel. 03-6892-7333)

**Notification of revision of annual earnings forecast  
for the fiscal year ending March 2026**

Kudan Inc. (henceforth in this document as “Kudan”) has revised its consolidated earnings forecast for the fiscal year ending March 2026 (April 1, 2025 to March 31, 2026) that was announced on October 31, 2025.

1. Revision to the consolidated earnings forecast for the fiscal year ending March 2026

(April 1, 2025 – March 31, 2026)

	Net Sales	Operating profit	Adjusted Operating Profit*1	Ordinary Profit	Profit attributable to owners of parent	Basic earnings per share
Previously released forecast (A)	Million yen 920~1,020	Million yen △770 ~△730	Million yen △720 ~△680	Million yen —	Million yen —	yen —
Revised forecast (B)	1,100	△680	△620	—	—	—
Discrepancy (B-A)	80~180	50~90	60~100	—	—	—
Rate of change (%)	7.8~19.6	—	—	—	—	—
Reference: Previous FY results (FY2025)	517	△800	△753	△743	△801	△72.85

(\*1) Adjusted Operating Profit: Operating profit plus recurring government research and development subsidies, which serves as an indicator of business profitability. Please refer to the supplementary documentation to the financial report for the FY2026 Q3.

## 2. Reason for the revision

Regarding net sales, business opportunities are expanding significantly against the backdrop of accelerating public and private investment as the Physical AI market enters a phase of full-scale expansion. Recently, revenue related to digital twin applications and software/hardware (SW/HW) packages has continued to perform strongly. Furthermore, progress in finalizing revenue recognition for large-scale projects has led us to further revise upward our full-year earnings forecast for both net sales and profits. As a result, net sales are expected to reach 1,100 million yen (compared to the previous forecast of 920–1,020 million yen).

In terms of profitability, the increase in profit driven by the aforementioned business expansion is expected to narrow the deficit in both operating loss and adjusted operating profit. Consequently, we are revising our forecast for operating loss to (680) million yen (previously (770)–(730) million yen) and adjusted operating profit to (620) million yen (previously (720)–(680) million yen).

This revision demonstrates steady progress in both revenue expansion, capturing the favorable market environment, and the improvement of our earnings structure with a view toward achieving profitability from the next fiscal year onwards. We will continue to strive for the enhancement of corporate value by simultaneously accelerating business growth and maximizing cost efficiency.

The above forecasts are based on information available as of the date of publication of this document, and actual results may fluctuate due to various factors in the future.