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April 1, 2026 - June 30, 2026

Supplementary Briefing on Financial Results

ID Holdings Corporation
(TSE Prime Market Code: 4709)
President, Representative Director and Group CEO
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August 7, 2026

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Performance Overview for Q1

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[Reference]
AI-Driven Changes in the Business Environment and the Strengths of the ID Group

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Net Sales ¥9,652 million (-0.2% YoY)

⊖ Some projects in system management were wrapped up.

⊕ Performance in the focus areas of IT infrastructure, cybersecurity, and consulting and training trended firmly.

Operating Income ¥812 million (-19.5% YoY)
Operating Income Margin 8.4% (-2.0P YoY)

⊖ Strategic investment expenses increased, as the ID Group returned value to employees (through increases in base salary) and conducted training and hiring of personnel.

Financial Results (Consolidated)

ID GROUP

(¥ million)	2025.6		2026.6			
	Results	(% of net sales)	Results	(% of net sales)	Diff.	YoY
Net sales	9,672	-	**9,652**	**-**	-19	-0.2%
Cost of sales	7,086	73.3%	**7,047**	**73.0%**	-39	-0.6%
Gross profit	2,585	26.7%	**2,604**	**27.0%**	19	+0.7%
SG&A expenses	1,576	16.3%	**1,792**	**18.6%**	216	+13.7%
EBITDA[1]	1,104	11.4%	**905**	**9.4%**	-199	-18.0%
Operating income	1,009	10.4%	**812**	**8.4%**	-196	-19.5%
Ordinary income	1,012	10.5%	**852**	**8.8%**	-159	-15.8%
Net income attributable to owners of parent	622	6.4%	**505**	**5.2%**	-116	-18.8%
Earnings per share (EPS) (¥)	18.51	-	**14.88**	**-**	-3.63	-
EPS before amortization of goodwill[2] (¥)	20.01	-	**16.37**	**-**	-3.64	-

1 EBITDA = Operating income + Depreciation + Amortization of goodwill
2 EPS before amortization of goodwill = (Net income attributable to owners of parent + Amortization of goodwill) ÷ Interim average number of shares
3 On April 1, 2026, the Company conducted a two-for-one split of common shares. Earnings per share and EPS before amortization of goodwill are calculated as if the share split had been conducted at the beginning of the previous consolidated fiscal year.

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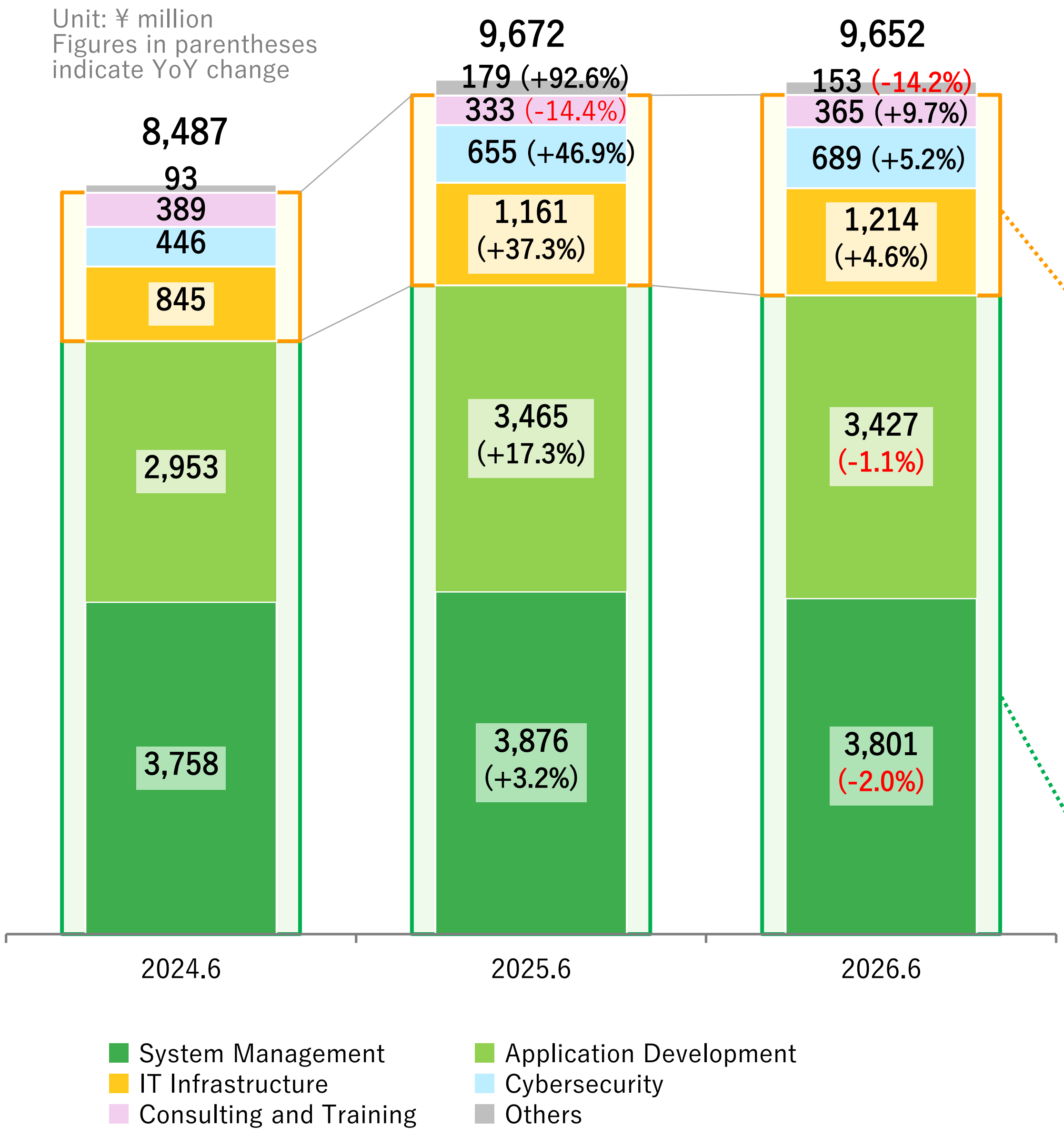
Net Sales by Service



Focus areas

¥2,200 million
(% of net sales: 23.5%
YoY: +5.6%)

Consulting and Training (Share of net sales: 3.8%)
- ⊕ Orders received for consulting expanded with several customers.
- ⊖ Some high-revenue projects were wrapped up.

Cybersecurity (Share of net sales: 7.1%)
- ⊕ New projects were secured and transactions expanded through partnerships with major IT vendors.
- ⊖ Some high-revenue projects were wrapped up.

IT Infrastructure (Share of net sales: 12.6%)
- ⊕ New projects were secured with customers related to manufacturing, energy, and transportation.

Base areas

¥7,200 million
(% of net sales: 74.9%
YoY: -1.6%)

Application Development (Share of net sales: 35.5%)
- ⊕ Orders received expanded through partnerships with major IT vendors.
- ⊖ Projects with customers related to manufacturing decreased.

System Management (Share of net sales: 39.4%)
- ⊖ Some projects with major IT vendors drew to a close.
- ⊕ Projects with existing customers expanded.

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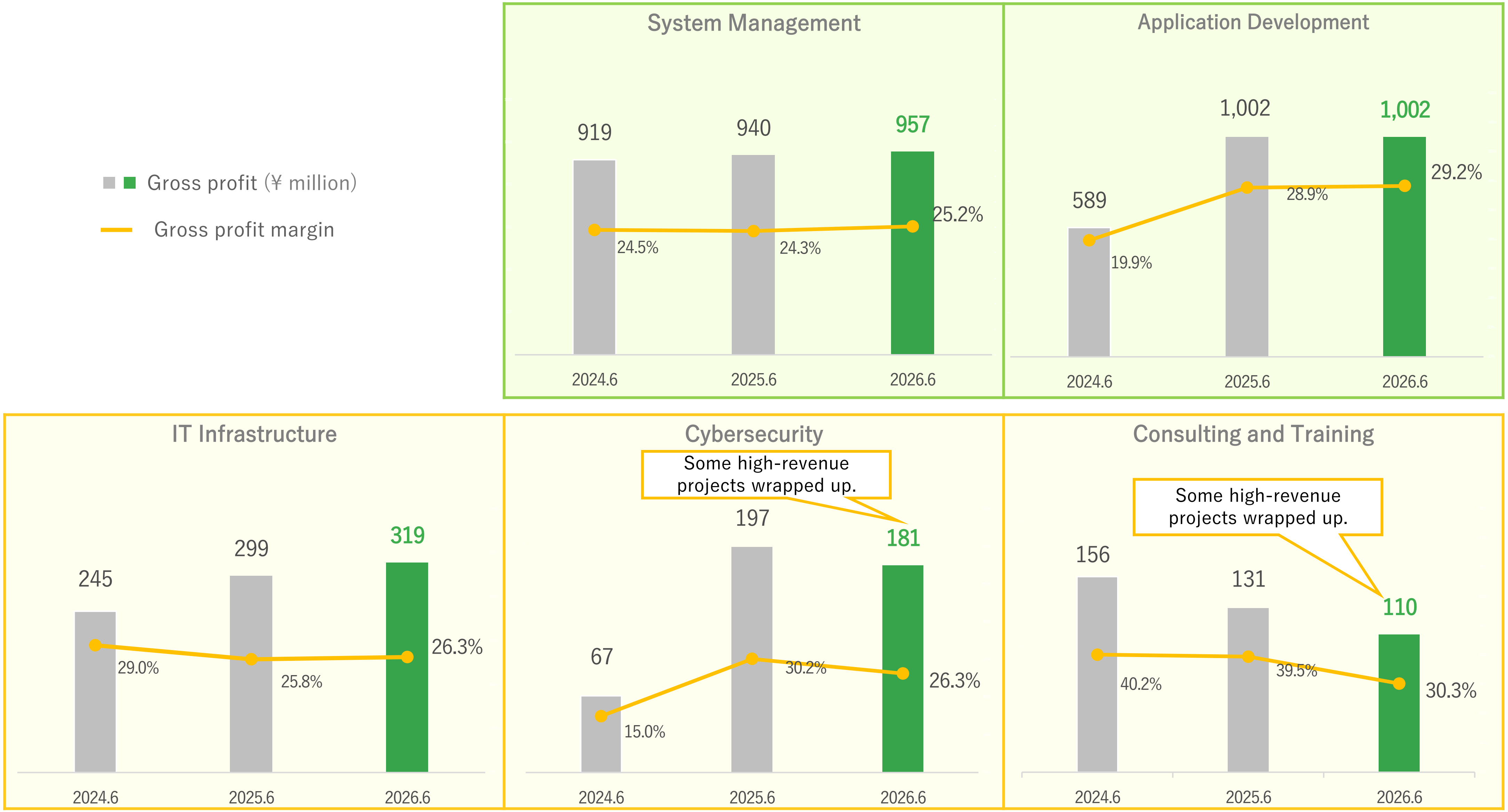
Gross Profit by Service



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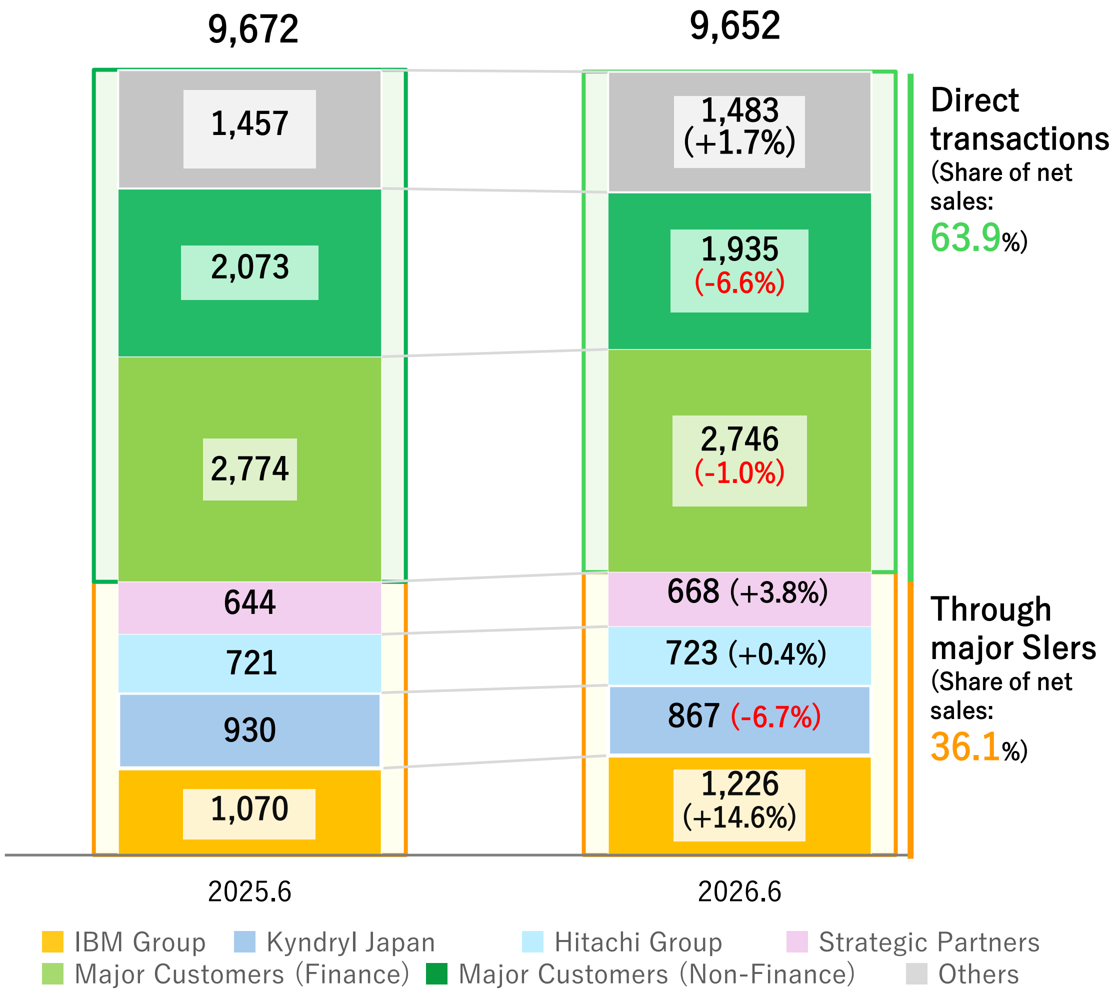
Net Sales by Strategic Alliances

The ID Group secures a stable earnings base by maintaining a balance between direct contracts (over 60%) and projects through major SIers.

Unit: ¥ million
Figures in parentheses indicate YoY change



Major Customers (Non-Finance)
(Share of net sales: 20.1%)

- ⊖ Application development projects with customers in energy and manufacturing declined.
- ⊖ Consulting projects with customers related to broadcasting wrapped up.
- ⊕ New IT infrastructure projects were secured with customers related to transportation.

Major Customers (Finance)
(Share of net sales: 28.5%)

- ⊕ Public-sector projects in system management expanded.
- ⊖ Projects in IT infrastructure decreased.

Strategic Partners
(Share of net sales: 6.9%)

- ⊕ New security projects were secured.

Hitachi Group
(Share of net sales: 7.5%)

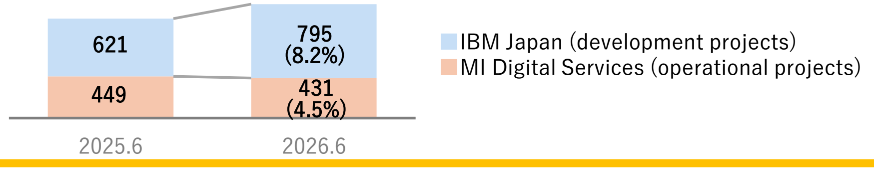
- ⊕ Orders received in security projects expanded with customers in government and municipal offices.

Kyndryl Japan
(Share of net sales: 9.0%)

- ⊖ Projects in system management drew to a close.

IBM Group
(Share of net sales: 12.7%)
Note: Figures in parenthesis in the graph indicate percentage of total net sales.

- ⊕ Large-scale application development projects with customers related to transportation continued.



Net Sales Composition by End-user Industry

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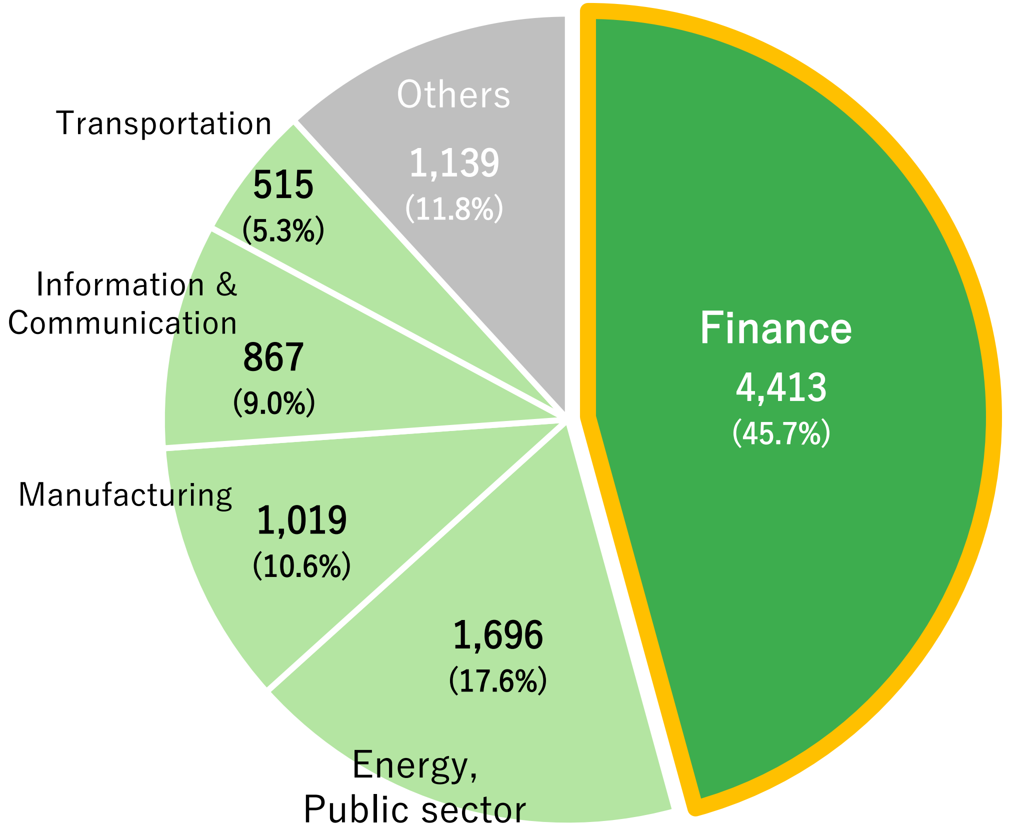
Transactions with the financial sector account for over **40%** of net sales.

(¥ million)	2026.6	(Share of net sales)	YoY	
Finance	4,413	45.7%	+15	+0.4%
Energy, Public sector	1,696	17.6%	-249	-12.8%
Manufacturing	1,019	10.6%	+70	+7.4%
Information & Communication	867	9.0%	+58	+7.3%
Transportation	515	5.3%	+176	+52.2%
Others*	1,139	11.8%	-92	-7.5%
Total	9,652	100.0%	-19	-0.2%

(¥ million)
Figures in parentheses indicate the share of net sales.



*"Media", "Healthcare", "Construction, Real estate", "Wholesale Retail, Restaurants", etc.
Note: Accounting categories may be changed according to status of corporate clients. (Net sales in the previous fiscal year are calculated based on categories after the change.)

Operating Income Analysis (YoY)

(¥ million)	2025.6 Results	2026.6 Results	2026.6 Diff.
Net sales	9,672	9,652	-19 (-0.2%)
Cost of sales	7,086	7,047	-39 (-0.6%)
Gross profit	2,585	2,604	+19 (+0.7%)
SG&A expenses	1,576	1,792	+216 (+13.7%)
Operating income	1,009	812	-196 (-19.5%)

Main Factors Affecting Gross Profit

- ■ Increase in Cost of Sales -39
  - Subcontracting expenses -75
  - Labor costs -33
  - Purchases ＋53

Main Factors Affecting Operating Income

- ■ Increase in Personnel Expenses ＋20
  - Enhanced Employee Compensation
- ■ Increase in Other SG&A Expenses ＋196
  - Strategic investments in personnel development and recruitment

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Analysis of Balance-sheet Factors

(¥ million)

Main Factors

- Accounts receivable –trade decreased -1,475
- Cash and deposits decreased -828
- Contract assets increased +358

2026.3

Assets 23,992

Liabilities 8,739

Net assets 15,253

2026.6

Assets 21,937

Liabilities 6,916

Net assets 15,020

Main Factors

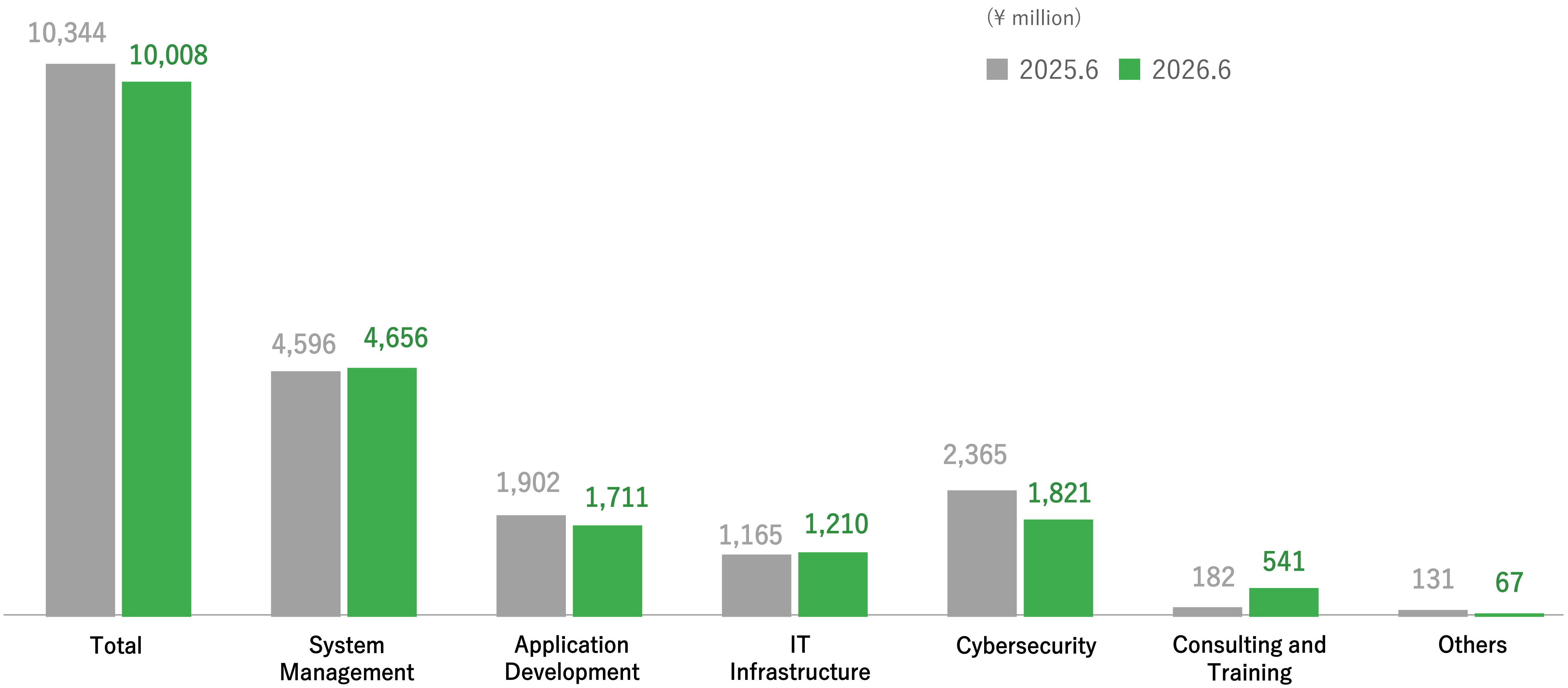
- Provision for bonuses decreased -1,332
- Income taxes payable decreased -796
- Short-term loans payable decreased -400
- Other current liabilities increased +716

Equity Ratio: 68.2%

Current Ratio: 238.3%

Goodwill: ¥223 million

Order Backlog by Service (Cumulative)



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Forecast of Consolidated Financial Results for FY2026 (YoY)

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(¥ million)	2026.3 Results	2026.3 (% of net sales)	2027.3 Plan	2027.3 (% of net sales)	Diff.	YoY
Net sales	39,371	-	42,000	-	+2,628	+6.7%
EBITDA	4,518	11.5%	4,850	11.5%	+331	+7.3%
Operating income	4,128	10.5%	4,500	10.7%	+371	+9.0%
Ordinary income	4,212	10.7%	4,550	10.8%	+337	+8.0%
Net income attributable to owners of parent	2,907	7.4%	3,000	7.1%	+92	+3.2%
Earnings per share (EPS)(¥)	85.93	-	88.29	-	+2.36	-
EPS before amortization of goodwill (¥)	91.90	-	92.91	-	+1.01	-
Cash flows from operating activities	3,060	-	3,200	-	+139	-

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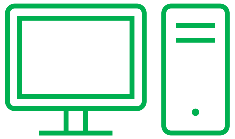
Changes in Projects Caused by Progress in AX

Rather than reduce the number and scope of projects in the IT industry, the advance of AI transformation (AX) is expected to create new demand based on the application of AI, expanding the number of projects and adding value to existing ones.

1)AX projects



AI Transformation

AX of work and systems

+

Strengthened security, increase in projects aimed at supporting governance

2)Projects previously overlooked because they were considered too costly and time-consuming

Priority

By raising efficiency and speeding up project cycles, both clients and IT vendors can free up resources to place and receive increased numbers of orders.

3)Mission-critical projects for financial systems, etc.

Social Infrastructure

Infrastructure systems that must run 24/365 are not amenable to AX, and so remain as projects that only humans can manage.

Increase in number of projects

Improvement in value of projects (technologies)

Changes to the Business Environment with AX

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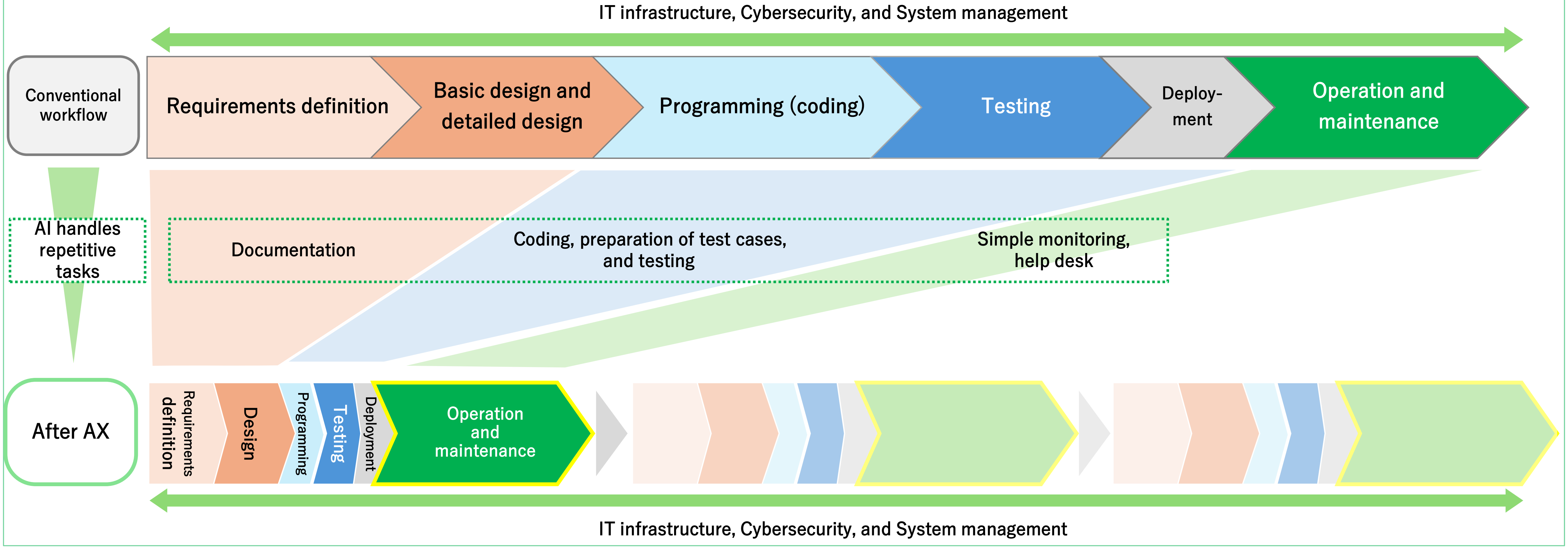
With the advance of AX, AI is taking over repetitive tasks, freeing IT vendors to stay laser-focused on real client needs and improve value in the field of operations.

Changes to the project workflow with AX



Key Points!

- Introduction of AI raises efficiency and reduce system defects (bugs), shortening the process from definition of needs to product release.
- As a result, IT vendors can better understand clients' businesses, raising the importance of IT vendors who can improve projects and define requirements from the operation and maintenance stage.

Strengths of the ID Group in the Age of AI

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Changes in the market environment from AI present opportunities for growth. The ID Group is leveraging AI to accelerate personnel education and deploy Group strengths to deliver value.

Strengths of the ID Group

Focusing on real client work
System management,
IT infrastructure, Cybersecurity

Approx. **60%**
of ID Group business

Projects directly transacting (as a primary contractor) with end-user clients

Over **60%**
of ID Group business

Business results from projects in mission-critical systems such as projects with financial clients

Over **56 years**
since the Group's foundation

Three capabilities supporting Group strength

- Technical capabilities (AI Skills)
- Human capabilities (Liberal Arts)
- Organizational capabilities (Organizational Skills)

Personnel training policy

Data-center personnel	Personnel who are experts in types of data centers expected to dominate in the future, such as container-type and modular data centers
AI technology personnel	・Personnel well-versed in container technology, automation solutions, and AI platforms (such as OpenShift, ServiceNow, IBM Bob, etc.) ・Personnel capable of handling "AI audits" and "AI-based business design" for customers
Non-AX personnel	Personnel doing work for which people cannot be replaced with AI

Organizational Changes Coming in April 2027 (Transition to an operating company)

ID GROUP

- To accelerate management decision-making, ID Holdings plans to conduct an absorption merger of INFORMATION DEVELOPMENT and transition to an operating company structure in April 2027.

Until March 2027 (pure holding company)

ID Holdings (IDHD)

- INFORMATION DEVELOPMENT (ID)
- PURAIDO
- AI FACTORY (Special subsidiary)
- ID Wuhan
- ID Singapore
- ID America
- ID Europe
- BroadBand Security (Affiliated company accounted for by the equity-method)
- Innova Software (Affiliated company accounted for by the equity-method)

- IDHD plans to merge with ID, with ID as the absorbed company
- Change IDHD's trade name

From April 2027 (operating company)

INFORMATION DEVELOPMENT

- PURAIDO
- AI FACTORY (Special subsidiary)
- ID Wuhan
- ID Singapore
- ID America
- ID Europe
- BroadBand Security (Affiliated company accounted for by the equity-method)
- Innova Software (Affiliated company accounted for by the equity-method)

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