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(Stock Exchange Code 4709)
November 26, 2026
(Start date of measures for electronic provision: November 20, 2026)

To Shareholders with Voting Rights:

Masaki Funakoshi
President, Representative Director
and Group CEO
ID Holdings Corporation
12-1, Goban-cho, Chiyoda-ku, Tokyo

NOTICE OF AN EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby give notice of an Extraordinary General Meeting of Shareholders of ID Holdings Corporation (the "Company"). The meeting will be held as described below.

For the convocation of this General Meeting of Shareholders, the Company has taken measures for the electronic provision of the information contained in the Reference Materials for the General Meeting of Shareholders, etc. (matters for electronic provision), and has posted them to the following websites on the Internet. Please access one of the websites and confirm the contents of the notice.

Company website:
https://www.idnet-hd.co.jp/english/ir/stockholder.html

Tokyo Stock Exchange website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

Access the above TSE website, enter "ID Holdings" in the "Issue name (company name)" field or the stock exchange code "4709" in the "Code" field and click on Search. Select "Basic information" and then "Documents for public inspection/PR information," and check the "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" in the "Filed information available for public inspection" section.

Please note that if you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or by mail. In this case, please exercise your voting rights by 5:30 p.m. on Monday, December 14, 2026 (Japan time).

1. **Date and Time:** Tuesday, December 15, 2026 at 10:00 a.m. Japan time

2. **Place:** Hikari no ma on the third floor, Hotel Grand Arc Hanzomon
1-1, Hayabusa-cho, Chiyoda-ku, Tokyo

3. **Meeting Agenda:**

Proposals to be resolved:

Proposal 1: Approval of the Absorption-Type Merger Agreement

Proposal 2: Partial Amendments to the Articles of Incorporation

4. **Decisions Regarding this Convocation**

- If you exercise your voting rights both via the Internet and by mail, the vote exercised via the Internet shall be deemed valid. If you exercise your voting rights more than once via the Internet, the last vote exercised shall be deemed valid.
- If you do not indicate your approval or disapproval of any of the proposals on the voting form that you have returned, we will assume that you have indicated your approval of the proposal.

* If any revisions are made to the matters for electronic provision, we will post a statement to that effect along with the items before and after the revision on the Company's website and on the TSE website on the Internet.

Reference Materials for the General Meeting of Shareholders

Proposal 1: Approval of the Absorption-Type Merger Agreement

The Company and its wholly owned subsidiary, INFORMATION DEVELOPMENT CO., LTD. (hereinafter referred to as "ID"), agreed to carry out an absorption-type merger effective April 1, 2027, with the Company as the surviving company and ID as the disappearing company, and entered into the merger agreement on July 31, 2026.

This proposal seeks shareholders' approval regarding the terms of the merger agreement pertaining to this absorption-type merger.

1. Reasons for the absorption-type merger

Since transitioning to a holding company structure in April 2019, the Group has worked to strengthen its management foundation through promotion of M&A, expansion of service businesses, development of management talent, and other measures, and has established a foundation for the Group's growth. Meanwhile, rapid advances in AI technologies and their increasing adoption in society have brought about significant changes in industrial structures and customer needs, requiring companies to make decisions and implement transformation more swiftly than ever before.

In light of these changes in the business environment, the Company has decided to carry out this merger in order to further accelerate management decision-making, optimize the allocation of management resources, and strengthen business execution capabilities by integrating strategic planning and business execution functions, while leveraging the management foundation cultivated under the holding company structure.

Through this merger, the Group will accelerate its transformation into a proactive management structure oriented toward business growth. By seizing growth opportunities in the AI era, the Company aims to create new value and achieve sustainable enhancement of corporate value.

2. Details of the merger agreement

The contents of the merger agreement entered into between the Company and ID on July 31, 2026, are as follows.

Copy of Merger Agreement
(English Translation)

ID Holdings Corporation (hereinafter referred to as "Party A") and INFORMATION DEVELOPMENT CO., LTD. (hereinafter referred to as "Party B") hereby enter into a merger agreement as follows.

Article 1 (Method of Merger)
Party A and Party B shall merge. Party A shall continue to exist, and Party B shall be dissolved.

Article 2 (Trade Names and Addresses)
The trade names and addresses of the parties to this Agreement are as follows.
Party A: Company surviving the absorption-type merger
Trade Name: ID Holdings Corporation
Address: 12-1, Goban-cho, Chiyoda-ku, Tokyo
Party B: Company disappearing in the absorption-type merger
Trade Name: INFORMATION DEVELOPMENT CO., LTD.
Address: 12-1, Goban-cho, Chiyoda-ku, Tokyo

Article 3 (Effective Date)
The effective date shall be April 1, 2027. However, if necessary depending on the progress of the procedures, the effective date may be changed through consultation between Party A and Party B.

Article 4 (Delivery of Merger Consideration)
Since Party A owns all of the shares of Party B, no consideration whatsoever shall be delivered.

Article 5 (Amounts of Share Capital and Legal Capital Surplus to Be Increased, etc.)
As this merger is a merger without consideration as set forth in the preceding article, Party A shall not increase the amount of its share capital or legal capital surplus.

Article 6 (Resolution for Approval of the Merger)
1. Party A shall, no later than the day prior to the effective date, pass a resolution at a general meeting of shareholders approving this agreement and matters necessary for this merger.
2. Pursuant to the provisions of Article 784, Paragraph 1 of the Companies Act, Party B shall carry out this merger without obtaining the approval at a general meeting of shareholders.

Article 7 (Succession of All of the Rights and Obligations)
On the effective date, Party A shall succeed to all employees, assets, liabilities, and all other rights and obligations of Party B.

Article 8 (Duty of Care regarding Company Assets)
From the date of execution of this Agreement until the effective date, Party A and Party B shall conduct their respective businesses and manage and administer all of their assets with the care of a prudent manager. In addition, with respect to any matter that may have a material impact on their assets or rights and obligations, Party A and Party B shall consult with each other in advance before taking any action.

Article 9 (Amendment of Merger Terms and Conditions; Termination of the Merger Agreement)
If, during the period from the date of execution of this Agreement until the effective date, any material change occurs in the assets or business conditions of either Party A or Party B due to natural disasters or any other cause, Party A and Party B may, upon mutual consultation, amend the terms and conditions of the merger or terminate this Agreement.

Article 10 (Effectiveness of the Merger Agreement)
This Agreement shall become null and void if the approval of the lawful decision-making bodies of the respective parties hereto is not obtained.

Article 11 (Consultation)
Any matters necessary in connection with the merger that are not provided for in this Agreement shall be determined upon consultation between Party A and Party B in accordance with the purpose and intent of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement in one (1) original counterpart. Party A shall retain the original, and Party B shall retain a copy thereof.

July 31, 2026

Party A　Masaki Funakoshi　Seal
President, Representative Director and Group CEO
ID Holdings Corporation
12-1, Goban-cho, Chiyoda-ku, Tokyo

Party B　Takuya Miyazawa　Seal
President and Representative Director
INFORMATION DEVELOPMENT CO., LTD.
12-1, Goban-cho, Chiyoda-ku, Tokyo

3. Summary of the details of the matters prescribed in Article 191 of the Regulations for Enforcement of the Companies Act

(1) Matters related to adequacy of the consideration

The Company and ID are in a wholly owned parent-subsidiary relationship. Accordingly, no shares, cash, or other consideration will be delivered in connection with this absorption-type merger. In addition, the amounts of the Company's share capital and legal capital surplus will not increase as a result of this absorption-type merger.

(2) Matters related to adequacy of provisions relating to share acquisition rights

Not applicable.

(3) Details of the financial statements, etc. for the most recent fiscal year of ID

The financial statements, etc. for the most recent fiscal year of ID, the disappearing company in the absorption-type merger, are presented in (5) below.

(4) Events occurring after the end of the most recent fiscal year of the Company and ID that have a material impact on the status of company assets

(i) The Company: Not applicable.

(ii) ID: Not applicable.

(5) Details of the financial statements, etc. for the most recent fiscal year of ID

Business Report

(April 1, 2025 - March 31, 2026)

1. Current Status of the Company

(1) Business Progress and Results

During the fiscal year under review (April 1, 2025 to March 31, 2026: FY2025), the Japanese economy maintained a gradual recovery trend. The employment and income environments improved, and various public policies produced effects. However, the path forward remained unclear, as fluctuations in financial and capital markets and US trade policies engendered uncertainty. The impact of conditions in the Middle East also warranted careful attention. In the information services industry, in which the Company is a participant, demand for IT investment continued on a firm footing, paced by a general trend toward digitalization. In particular, demand for AI technology and cloud solutions propelled growing needs for upgrading of internal corporate IT environments and consulting services, as companies sought to boost productivity and solve management issues. At the same time, cyberattacks targeting supply chains mounted, driving demand for investment in IT governance and security measures aimed at business continuity.

During the fiscal year under review, the Company underwent an intra-group reorganization (an absorption-type merger in which INFORMATION DEVELOPMENT CO., LTD. (the Company, hereinafter "ID") was the surviving company and ID DATA CENTER MANAGEMENT CO., LTD., DX CONSULTING CO., LTD., and ID AI Factory CO., LTD. were the disappearing companies) and transitioned to a new organizational structure.

In this environment, the Company achieved solid growth in its application development and cybersecurity businesses. Furthermore, partly because the Company succeeded to the IT infrastructure, systems management, and consulting businesses through the intra-group reorganization, net sales increased significantly to ¥37,639 million (+157.2% YoY). In terms of profitability, in addition to the impact of increases in net sales from the services that the Company succeeded to through the Group reorganization, a revision of order unit prices across all business divisions and the expansion of high-margin focus businesses (IT infrastructure, cybersecurity, and consulting) resulted in a significant increase in profits. Operating income was ¥3,550 million (+347.7% YoY), ordinary income was ¥3,582 million (+254.0% YoY), and net income was ¥2,606 million (+271.8% YoY).

(2) Issues to be Addressed by the Company

Advances in AI technology and other areas are dramatically transforming the nature of business and services. As needs for IT in society become increasingly complex and diverse, proactive transformation is required for the Company to meet such needs.

The Company's consulting division specializing in AI services gathers information on cutting-edge technologies and provides consulting and implementation support in the AI field. In addition, the Company is proactively working to achieve transformation into a human-AI co-creation-oriented business model in which the use of AI is a fundamental premise across all business divisions.

Furthermore, to establish a system that encourages employees to take up challenges and create innovative services, the Company has obtained ISO 56001 (Innovation Management System) certification. The Company is also promoting initiatives to obtain ISO 42001 (AI Management System) certification to appropriately manage the risks and opportunities associated with the development, provision, and use of AI, and to systematically ensure the responsible use of AI throughout the organization.

2. Overview of the Company

(1) Directors and Officers (as of March 31, 2026)

Chairman and Representative Director	Shizuya Nanao
President and Representative Director	Takuya Miyazawa
Director and Executive Corporate Officer	Masahiko Kagami
Director and Senior Corporate Officer	Tomoko Takehara
Director	Masaki Funakoshi
Director	Takashi Kojima
Auditor	Tsuyoshi Kato

(2) Office

Head Office	Chiyoda-ku, Tokyo

(3) Number of Employees (as of March 31, 2026)

1,836

(4) Shareholder Composition (as of March 31, 2026)

ID Holdings Corporation	1,000 shares (100%)

Non-Consolidated Balance Sheet

(As of March 31, 2026)

INFORMATION DEVELOPMENT CO., LTD.

(Yen)

Description	Amount	Description	Amount
(Assets)		**(Liabilities)**	
Current assets	**14,820,748,223**	**Current liabilities**	**9,600,700,442**
Cash and deposits	2,954,497,882	Accounts payable - trade	1,448,512,199
Accounts receivable - trade	8,056,359,162	Contract liabilities	3,649,037,149
Contract assets	3,411,737,579	Short-term borrowings	300,000,000
Work in process (excluding outsourcing expenses)	1,900,000	Accounts payable - other	544,497,662
Supplies	2,907,760	Accrued expenses	633,090,645
Advance payments to suppliers	220,562,989	Deposits received	63,096,147
Prepaid expenses	99,194,740	Accrued consumption taxes	411,368,600
Advances paid	330,650	Income taxes payable	657,717,800
Accounts receivable - other	27,930,360	Accrued business office tax	19,795,300
Accrued revenue	85,175	Provision for bonuses	1,853,957,420
Employee loans	1,450,000	Provision for bonuses for directors (and other officers)	19,627,520
Other	43,791,926	**Non-current liabilities**	**1,441,014**
Non-current assets	**1,541,924,259**	Long-term accounts payable - other	1,441,014
Property, plant and equipment	**337,065,492**		
Buildings	253,197,833		
Accumulated depreciation	(88,572,005)		
Facilities attached to buildings	141,369,378		
Accumulated depreciation	(68,388,128)		
Structures	10,706,971		
Accumulated depreciation	(10,402,871)		
Machinery and equipment	112,788,563		
Accumulated depreciation	(109,186,150)		
Tools, furniture and fixtures	56,919,834		
Accumulated depreciation	(45,400,928)		
Land	84,032,995	**Total liabilities**	**9,602,141,456**

Description	Amount	Description	Amount
Intangible assets	**3,849,948**	**(Net assets)**	
Telephone subscription right	746,301	**Shareholders' equity**	**6,563,107,522**
Software for internal use	1,163,867	**Share capital**	**400,000,000**
Software in progress	1,939,780	**Capital surplus**	**2,486,803,954**
Investments and other assets	**1,201,008,819**	Other capital surplus	2,486,803,954
Investment securities	292,160,000	**Retained earnings**	**3,676,303,568**
Investments in capital	220,000	Legal retained earnings	100,000,000
Facility membership	78,619,333	**Other retained earnings**	**3,576,303,568**
Guarantee deposits	75,529,787	Retained earnings brought forward	3,576,303,568
Long-term prepaid expenses	578,156	**Accumulated other comprehensive income**	**197,423,504**
Deferred tax assets	761,401,543	**Valuation difference on available-for-sale securities**	197,423,504
Allowance for doubtful accounts	(7,500,000)	Valuation and translation adjustments	197,423,504
		Total net assets	6,760,531,026
Total assets	16,362,672,482	**Total liabilities and net assets**	16,362,672,482

Non-Consolidated Statement of Income

(April 1, 2025 - March 31, 2026)

INFORMATION DEVELOPMENT CO., LTD.

(Yen)

Description	Amount	
Net sales		37,639,779,799
Cost of sales		27,977,830,198
Gross profit		**9,661,949,601**
Selling, general and administrative expenses		6,111,307,243
Operating income		**3,550,642,358**
Non-operating income		
Interest income	832,896	
Dividend income	2,925,000	
Foreign exchange gains	27,108,956	
Miscellaneous income	16,425,909	47,292,761
Non-operating expenses		
Interest expenses	9,254,800	
Miscellaneous losses	5,750,336	15,005,136
Ordinary income		**3,582,929,983**
Extraordinary losses		
Loss on retirement of non-current assets	319,244	
Other	11,531,266	11,850,510
Net income before income taxes		**3,571,079,473**
Income taxes-current		1,154,566,688
Income taxes-deferred		(190,046,246)
Net income		**2,606,559,031**

Non-Consolidated Statement of Changes in Equity

(April 1, 2025 - March 31, 2026)

INFORMATION DEVELOPMENT CO., LTD.

(Yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of current period	400,000,000	–	2,288,190,448	2,288,190,448	100,000,000	1,362,042,387	1,462,042,387
Changes during period							
Dividends of surplus				–		(2,473,440,000)	(2,473,440,000)
Net income						2,606,559,031	2,606,559,031
Increase by merger			198,613,506	198,613,506		2,081,142,150	2,081,142,150
Net changes in items other than shareholders' equity							–
Total changes during period	–	–	198,613,506	198,613,506	–	2,214,261,181	2,214,261,181
Balance at end of current period	400,000,000	–	2,486,803,954	2,486,803,954	100,000,000	3,576,303,568	3,676,303,568

	Shareholders' equity	Valuation and translation adjustments		Total net assets
	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	4,150,232,835	123,282,193	123,282,193	4,273,515,028
Changes during period				
Dividends of surplus	(2,473,440,000)		–	(2,473,440,000)
Net income	2,606,559,031		–	2,606,559,031
Increase by merger	2,279,755,656		–	2,279,755,656
Net changes in items other than shareholders' equity	–	74,141,311	74,141,311	74,141,311
Total changes during period	2,412,874,687	74,141,311	74,141,311	2,487,015,998
Balance at end of current period	6,563,107,522	197,423,504	197,423,504	6,760,531,026

Explanatory Notes to Non-consolidated Financial Statements

I. Notes on Significant Accounting Policies

1. Valuation standards and methods for inventories

(1) Work in process
Stated at cost using the specific identification method.
(2) Supplies
Stated using the last purchase cost method.

2. Translation of foreign currency-denominated assets and liabilities into Japanese yen

Foreign currency-denominated monetary receivables and payables are translated into Japanese yen at the spot exchange rates as of the balance sheet date, and resulting translation adjustments are recognized in profit or loss.

3. Depreciation and amortization of non-current assets

(1) Property, plant and equipment (excluding leased assets)
Depreciated using the declining balance method.
The useful lives and residual values are determined in accordance with the provisions of the Japanese Corporation Tax Act. However, buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structures acquired on or after April 1, 2016, are depreciated using the straight-line method. Assets acquired on or after April 1, 1998, with an acquisition cost of ¥100,000 or more but less than ¥200,000 are depreciated evenly over a three-year period.
(2) Intangible assets (excluding leased assets)
Amortized using the straight-line method.
The useful lives are determined in accordance with the provisions of the Japanese Corporation Tax Act.
Software for internal use is amortized using the straight-line method over the internally expected useful life (five years).
(3) Leased assets
•Leased assets under finance lease transactions that do not transfer ownership
Depreciated using the straight-line method assuming the lease periods as useful lives without residual value.
(4) Long-term prepaid expenses
Amortized using the straight-line method.
The amortization period is determined in accordance with the provisions of the Japanese Corporation Tax Act.

4. Basis for recognition of allowances and provisions

(1) Allowance for doubtful accounts
To provide for losses from bad debt, an estimated uncollectible amount is recorded using the historical rate of credit loss for ordinary receivables and based on individual consideration of collectability for specific receivables, such as highly doubtful receivables.
(2) Provision for bonuses
To prepare for payment of bonuses to employees (including executive officers who are not directors), the portion of the estimated future bonus payments attributable to the fiscal year under review is recorded.
(3) Provision for bonuses for directors (and other officers)
To prepare for payment of bonuses to directors (and other officers), the estimated amount expected to be paid as of the fiscal year-end is recorded.

5. Reversal of allowances and provisions

(1) When the event that gave rise to the recording of an allowance or a provision occurs (reversal for the intended purpose)
For example, regarding the provision for bonuses, when bonuses are actually paid to employees, the provision is reversed, and the difference between the actual expense incurred and the amount previously recorded as a provision is recognized in profit or loss for the period in which the reversal occurs.
(2) When the requirements for recording an allowance or a provision are no longer satisfied (reversal for purposes other than the original intent)
For example, regarding the allowance for doubtful accounts, this applies in cases where, at the time the allowance was recorded, it was anticipated that accounts receivable would not be collectible due to a deterioration in a customer's financial condition, but the likelihood of a loss has decreased because the

customer's situation has improved. If the likelihood of using the allowance has decreased, the allowance is reversed and treated as revenue or profit for that period.

6. Basis for recognition of significant revenues and expenses

The Company recognizes revenue by applying the following five steps:

Step 1: Identify contracts with customers
Step 2: Identify performance obligations under the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the separate performance obligations in the contract
Step 5: Recognize revenue when (or as) the performance obligations are satisfied

The Company engages in system management, software development, and product sales, and recognizes revenue for each of these activities as described below.

Revenue is measured based on the consideration specified in the contract with the customer, excluding amounts collected on behalf of third parties. The Company recognizes revenue when control of goods or services is transferred to the customer. Consideration for performance obligations is received primarily within one year of satisfying the performance obligations and does not contain any significant financial components.

System Management

Transactions in which system management is a source of revenue include system engineering (SE) services, maintenance services, and provision of other services. These transactions are routine or recurring services and the Company considers that performance obligations are satisfied over time as the services are provided to customers in accordance with contracts. Accordingly, the Company recognizes revenue by allocating the amount promised in the contract with the customer on a pro-rata basis over the period during which the services are provided.

Software Development

Transactions in which software development is a source of revenue include system development and infrastructure construction transactions performed under contract-for-services or quasi-mandate-contract agreements. For transactions under contract-for-services agreements, the systems under development cannot be diverted to other customers or for other purposes, and the Company holds an enforceable right to receive payment for the work completed. Therefore, the Company considers that performance obligations are satisfied as system development and infrastructure construction progress. When the total cost required for completion can be reasonably measured, the Company recognizes revenue using the cost-to-cost method (based on the proportion of cumulative actual costs incurred to the estimated total cost as of the balance sheet date). When it cannot be reasonably measured, the Company recognizes revenue to the extent of the costs incurred that are expected to be recoverable. Revenue recognized prior to the date of invoicing to the customer is recognized as contract assets. For transactions under quasi-mandate-contract agreements, services that are generally constant in nature are provided over the contract period. Therefore, the Company considers that performance obligations are satisfied over time. Accordingly, the Company recognizes revenue by allocating the amount promised in the contract with the customer on a pro-rata basis over the period during which the services are provided.

Product Sales

Transactions in which product sales are the source of revenue include hardware and software sales. The Company considers that performance obligations for such transactions are satisfied upon fulfillment of the contractual delivery conditions, such as the delivery of hardware, software, or other products to the customer and receipt of acceptance certificates, and the Company recognizes revenue at that point in the amount promised in the contract with the customer. For transactions in which the Company acts as an agent in the provision of goods or services to customers, the Company recognizes revenue at the net amount of the total consideration received from the customer less the amount to be paid to suppliers and other parties.

7. Accounting treatment of consumption taxes

Consumption taxes are excluded.

II. Notes to the Non-Consolidated Statement of Changes in Equity

(1) Total number of shares issued by the Company as of the end of the current fiscal year

Class of shares	Number of shares issued as of the end of the current fiscal year
Common shares	1,000 shares

(2) Matters concerning dividends of surplus during the current fiscal year

The following resolution was adopted at the Annual General Meeting of Shareholders held on June 11, 2025.

Total dividends	¥2,473,440,000
Dividend per share	¥2,473,440
Record date	March 31, 2025
Effective date	June 12, 2025

Details of Property, Plant and Equipment and Intangible Assets

INFORMATION DEVELOPMENT CO., LTD.
(As of March 31, 2026)

(Yen)

Category	Type of assets	Balance at beginning of period	Increase during period	Decrease during period	(Reduction entry)	Balance at end of period	Accumulated depreciation or amortization at end of period	Depreciation and amortization	Net book value at end of period
Property, plant and equipment	Buildings	373,313,090	40,466,610	19,212,489	(0)	394,567,211	156,960,133	11,398,171	237,607,078
	Structures	10,706,971	0	0	(0)	10,706,971	10,402,871	94,622	304,100
	Vehicles	0	0	0	(0)	0	0	0	0
	Machinery and equipment	115,023,520	13,257,178	15,492,135	(0)	112,788,563	109,186,150	78,712,107	3,602,413
	Tools, furniture and fixtures	49,074,154	10,212,251	2,366,571	(0)	56,919,834	45,400,928	3,960,094	11,518,906
	Land	84,032,995	0	0	(0)	84,032,995	0	0	84,032,995
	Construction in progress	0	0	0	(0)	0	0	0	0
	Total	632,150,730	63,936,039	37,071,195	(0)	659,015,574	321,950,082	94,164,994	337,065,492
Intangible assets	Software	609,666,540	7,980,800	0	(0)	617,647,340	616,483,473	1,311,178	1,163,867
	Software in progress	0	1,939,780	0	(0)	1,939,780	0	0	1,939,780
	Goodwill	0		0	(0)	0	0	0	0
	Telephone subscription right	746,300	1	0	(0)	746,301	0	0	746,301
	Communication facilities	440,000	0	0	(0)	440,000	440,000	10,230	0
	Total	610,852,840	9,920,581	0	(0)	620,773,421	616,923,473	1,321,408	3,849,948
Investments and other assets	Long-term prepaid expenses	176,249,767	17,100,478	12,998,707	(0)	180,351,538	179,773,382	9,956,281	578,156

Note: The main components of “Increase during period” are as follows:

Buildings	Increase due to absorption-type merger	¥23,169,540
Machinery and equipment	Increase due to absorption-type merger	¥11,176,978
Tools, furniture and fixtures	Increase due to absorption-type merger	¥7,015,402
Telephone subscription right	Increase due to absorption-type merger	¥1
Software	Increase due to absorption-type merger	¥1,250,884
Long-term prepaid expenses	Increase due to absorption-type merger	¥12,725,068

Details of Allowances and Provisions

(April 1, 2025 - March 31, 2026)

INFORMATION DEVELOPMENT CO., LTD.

(Yen)

Category	Balance at beginning of period	Increase during period	Decrease during period		Balance at end of period
			Used for intended purpose	Other	
Allowance for doubtful accounts	7,500,000	0	0	0	7,500,000
Provision for bonuses	565,583,760	2,577,149,420	1,288,775,760	0	1,853,957,420
Provision for bonuses for directors (and other officers)	2,865,280	32,005,520	15,243,280	0	19,627,520

Notes: 1. The main components of "Increase during period" are as follows:

Provision for bonuses Increase due to absorption-type merger ¥723,192,000

Provision for bonuses for directors (and other officers) Increase due to absorption-type merger ¥12,378,000

2. The reasons for recognizing allowances and provisions and the methods used to calculate their amounts are described in Explanatory Notes I. Notes on Significant Accounting Policies, Item 4.

3. The reasons for and criteria regarding the reversal of allowances and provisions are described in Explanatory Notes I. Notes on Significant Accounting Policies, Item 5.

Details of Selling, General and Administrative Expenses

(April 1, 2025 - March 31, 2026)

INFORMATION DEVELOPMENT CO., LTD.

(Yen)

Description	Amount	Remarks
Remuneration for directors (and other officers)	91,775,594	
Provision for bonuses for directors (and other officers)	19,627,520	
Payroll and allowances	755,416,483	
Bonuses	87,098,109	
Provision for bonuses	199,032,435	
Retirement payments	2,832,000	
Welfare expenses	221,295,754	
Retirement benefit expenses	25,802,958	
Temporary staffing expenses	13,380,257	
Office supplies expenses	1,082,236	
Rent expenses on land and buildings	25,855,091	
Insurance expenses	10,021,030	
Repair expenses	154,000	
Depreciation	10,121,512	
Travel and transportation expenses	46,307,858	
Communication expenses	5,775,006	
Utilities expenses	689,664	
Taxes and dues	2,402,071	
Commission expenses	8,424,178	
Advertising expenses	35,437,440	
Entertainment expenses	38,610,572	
Donations	802,140	
Education and training expenses	88,274,571	
Recruiting expenses	33,037,110	
Newspaper and book expenses	310,313	
Meeting expenses	426,245	
Rent expenses	10,850,060	
Legal expenses	6,145,569	
Membership fees	5,902,700	
Outsourcing expenses	4,248,342,925	
Business office tax	2,511,016	
Research study expenses	1,505,456	
Maintenance fees	28,560	
Research and development expenses	19,302,908	
Miscellaneous expenses	30,000	
Royalties	17,903,893	
Enterprise tax	74,792,009	
Total	6,111,307,243	

Copy of Audit Report

Audit Report
(English Translation)

I have audited the execution of duties by the Directors for the 7th fiscal year from April 1, 2025 to March 31, 2026, and hereby report the methods and results of the audit.

1. Audit Methods and Content

I sought to communicate with Directors and employees, gather information, and establish an environment for audit, attended meetings of the Board of Directors, received reports from the Directors and employees on the execution of their duties, requested explanations as necessary, and investigated the status of operations and assets.

Using the methods above, I examined the business report for the fiscal year and the supplementary schedules thereto as well as the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, and explanatory notes to non-consolidated financial statements) and the supplementary schedules thereto.

2. Audit Results

(1) Results of audit of the business report, etc.

(i) I find that the business report and the supplementary schedules thereto accurately present the status of the company in accordance with laws and regulations and the articles of incorporation.

(ii) I do not find any misconduct concerning the execution of duties by the Directors nor any material facts constituting violations of laws and regulations or articles of incorporation.

(2) Results of audit of non-consolidated financial statements and supplementary schedules thereto

I find the non-consolidated financial statements and the supplementary schedules thereto fairly present, in all material respects, the status of the Company's assets and profits and losses.

May 13, 2026

Auditor Tsuyoshi Kato Seal
INFORMATION DEVELOPMENT CO., LTD.

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

As stated in Proposal 1 "Approval of the Absorption-Type Merger Agreement," the Company will carry out an absorption-type merger with INFORMATION DEVELOPMENT CO., LTD., a wholly owned subsidiary of the Company, effective April 1, 2027 (scheduled). Accordingly, subject to the approval and adoption of Proposal 1, the Company proposes to amend Article 1 (Trade Name) and Article 2 (Purpose) of the current Articles of Incorporation. Additionally, to respond flexibly and promptly to future changes in the business environment and the composition of the Board of Directors, the Company proposes to amend Article 23 (Person Authorized to Convene Board of Directors Meetings and Chairperson) of the current Articles of Incorporation and to establish a supplementary provision stipulating that these amendments shall take effect on April 1, 2027.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions	Chapter 1 General Provisions
(Trade Name) Article 1 The name of the Company shall be Kabushiki Kaisha ID Holdings, and its name in English shall be ID Holdings Corporation.	(Trade Name) Article 1 The name of the Company shall be Kabushiki Kaisha INFORMATION DEVELOPMENT, and its name in English shall be INFORMATION DEVELOPMENT CO., LTD.
(Purpose) Article 2 The purpose of the Company shall be to conduct the following business and to control and manage the business activities of companies and foreign companies engaged in the following businesses through the ownership of shares or equity interests in such companies:	(Purpose) Article 2 The purpose of the Company shall be to conduct the following business <Deleted>:
Chapter 4 Directors and Board of Directors	Chapter 4 Directors and Board of Directors
(Person Authorized to Convene Board of Directors Meetings and Chairperson) Article 23 Unless otherwise provided by laws and regulations, the President and Director shall convene a Board of Directors meeting and preside over it as chairperson. 2 In the event the President and Director is unavailable to act, another Director shall convene a Board of Directors meeting and preside over it in accordance with the order predetermined by the Board of Directors.	(Person Authorized to Convene Board of Directors Meetings and Chairperson) Article 23 Unless otherwise provided by laws and regulations, a Director designated in advance by resolution of the Board of Directors shall convene a Board of Directors meeting and preside over it as chairperson. 2 In the event the Director is unavailable to act, another Director shall convene a Board of Directors meeting and preside over it in accordance with the order predetermined by the Board of Directors.
(Supplementary Provision) (Newly established)	(Supplementary Provision) The amendments to Articles 1, 2, and 23 shall take effect on April 1, 2027. This Supplementary Provision shall be deleted after the effective date.