



Medium-Term Management Plan

“PCI-VISION2027”

(FY3/2026 - FY3/2027)

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

May 13, 2025

Agenda

1. **Revision of the Medium-Term Management Plan**
2. **Plan Review of “PCI-VISION2026”** FY9/2024 – FY3/2025 (1.5 years)
3. **Business Environment Analysis**
4. **Medium-Term Management Plan “PCI-VISION2027”**
5. **Sustainability Management**
6. **(Reference) Long-Term Vision “PCI X-formation2032”** (PX2032)

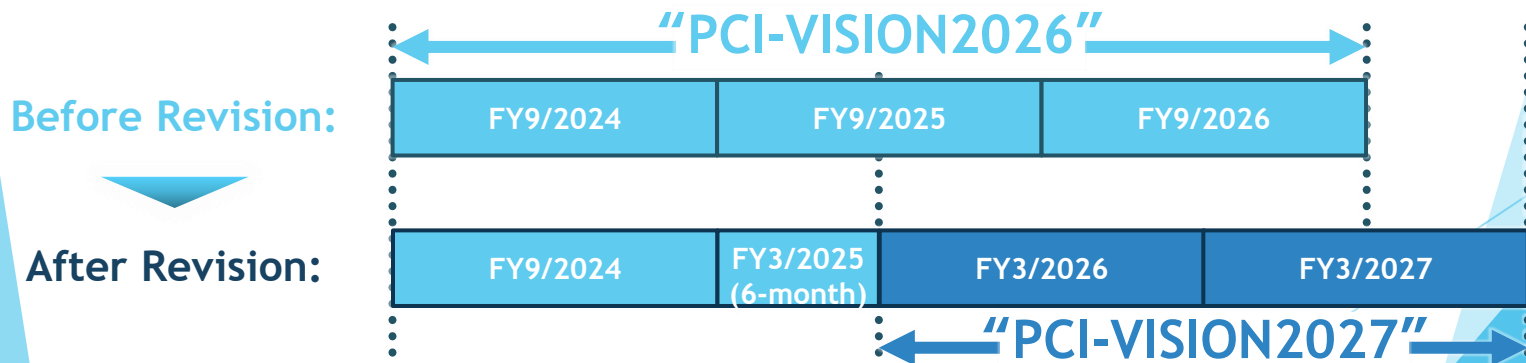
1. Revision of the Medium-Term Management Plan



Revision of medium-term management plan due to change in fiscal year end

The Company's fiscal year previously ran from October 1 to September 30. Following its consolidation as a subsidiary of Restar on September 27, 2024, the Company changed its fiscal year-end to March 31. This change, effective from the fiscal year beginning April 1, 2025 and approved at the 20th Regular General Meeting of Shareholders, aims to improve operational efficiency and management transparency by aligning with Restar's fiscal year.

Concurrently, due to this fiscal year change and to enhance collaboration with Restar, the medium-term business plan “PCI-VISION2026” (announced November 15, 2023, originally for FY9/2024 – FY9/2026) has been revised to “PCI-VISION2027,” a two-year plan covering the period up to the fiscal year ending March 2027



2. Plan Review of "PCI-VISION2026" FY9/2024 – FY3/2025 (1.5 years)



Plan Review of “PCI-VISION2026” FY9/2024 – FY3/2025 (1.5 years)

- For the fiscal year ended September 2024 (FY9/2024), sales and all profit levels fell short of targets. However, investment for future growth continued despite the challenging external environment.
- For the fiscal year ended March 2025 (FY3/2025), targets for sales and all profit levels were achieved, with profits significantly exceeding the plan. As negative external factors diminish, the effects of ongoing structural reforms and growth investments are beginning to materialize.

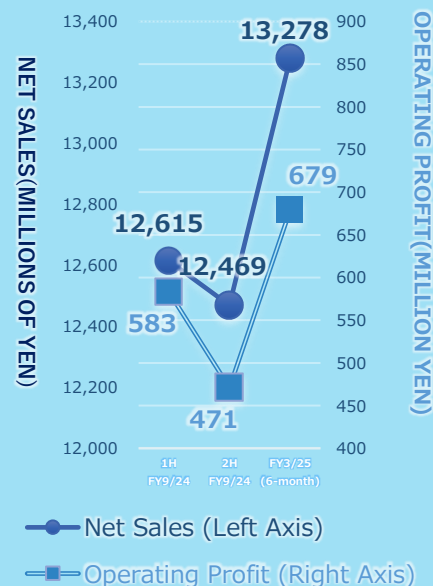
(Millions of Yen)	FY9/2024 (12-month period results)			FY3/2025 (6-Month period financial results)		
	Plan	Result	v.s.Plan	Plan	Result	v.s.Plan
Net Sales	26,300	25,084	-4.6%	12,700	13,278	+4.6%
Operating Profit	1,510	1,054	-30.1%	590	679	+15.2%
Operating Profit Margin	5.7%	4.2%	-1.5pt	4.6%	5.1%	+0.5pt
Net profit attributable to shareholders of the parent company for the current period	880	817	-7.1%	365	489	+34.0%

Review Comments

- ✓ The Engineering business and ICT Solutions business were each relatively steady. However, the Product/Device business was impacted by adjustments in procurement, production, and inventory, etc. Net sales did not meet the plan.
- ✓ In addition to sluggish sales, strategic expenditures, primarily in the ICT Solutions business—such as increased personnel costs, facility-related expenses, recruitment and training costs, and R&D expenses—were expanded. All profit levels fell short of the plan.

- ✓ The Engineering business (mainly mobility-related) and the ICT Solutions business (mainly cloud-related) were both steady. Furthermore, in the Product/Device business, while some customer adjustments related to procurement lingered, business related to customer-provided PCs showed a recovery trend. Net sales achieved the plan.
- ✓ In addition to strong sales, profitability improved due to structural reforms including shifting resources to high-margin projects and cost management. All profit levels also achieved the plan.

Each 6-month Results



Basic Strategies by Major Business, Progress of Measures, and Future Initiatives

■ Major Businesses Driving Growth: Basic Strategies, Progress, and Initiatives under the Mid-Term Management Plan

Business Segment	Major Business	Basic Strategies	Status of FY3/2025 (October 2024 - March 2025)	Initiatives from FY3/2026 onwards (April 2025 -)
Engineering Business	Mobility	-Deepening the Automotive (AD/ADAS) Field -Expansion to control systems for construction equipment, etc.	Progressing smoothly, increasing the number of engineers for control systems.	Continue shifting engineering resources to automotive and construction machinery fields, particularly promoting orders for high-level domestic projects.
	Industry and Distribution	-Expanding SCM and ERP business -Entering the Out-car field	Progressing smoothly, increasing the number of engineers.	Continue training engineers for SCM/ERP business, especially promoting orders for contract-based projects.
	Network	-Improved profit margin through consolidation -Differentiation through AI, etc.	Progressing smoothly, proposal-based DX projects utilizing generative AI are also progressing.	Promote consolidation, especially promoting orders in proposal-based DX fields utilizing generative AI.
	Infrastructure	-Expansion of the cloud business (particularly AWS), the network construction business, migration of mainframe systems to open systems.	Cloud and network are progressing smoothly. Mainframe modernization field is facing some challenges.	Continue training engineers (cloud/infrastructure/virtual environments), promote order acquisition.
Product / Device Business	LSI Turnkey Services	-Narrowing down and capturing target customers -Strengthen sales, development, and product management systems	Progressing smoothly, multiple ordered projects are underway. Proposal activities also progressing.	Strengthen proposals with Restar. Continue strengthening development and quality systems.
	New Hardware Products	-Development and expand sales of sensing platform infrastructure -Develop and expand sales of PC peripherals	Progressing smoothly, launched two new products.	Promote orders by concentrating on target customers for new products.
	Dedicated PCs	-Renewal projects for existing customers -Product development and sales channel development and expansion	Progressing smoothly, received large orders for new products.	Promote new product development, especially promote new customer acquisition in the medical industry.
ICT Solution Business	Digital Innovation Solution	-Solution development with cloud technology at its core (including AI and other advanced technologies)	Progressing smoothly, increasing the number of engineers. Launched and received orders for proprietary solutions utilizing image recognition AI.	Increase personnel. Promote training of cloud-based full-stack engineers. Functional expansion and sales promotion of proprietary solutions.
	Original Design Manufacturing Service	-Creation of projects through stakeholder collaboration -Intragroup synergies	Progressing smoothly, launched co-development type solutions. Multiple PoC (Proof of Concept) projects are in progress.	Promote full-scale implementation from PoC projects, sales promotion through agencies.

3. Business Environment Analysis



External environment: domestic IT services market trend

- While domestic IT investment appetite is on a recovery trend, reflecting the reopening of economic activities in various countries, headwinds geopolitical risks and delays in IT investment decisions by management persist. On the other hand, corporate investment appetite in the DX market remains strong, creating a robust business environment in this sector.

The overall trend of the domestic IT services market

- The market size of domestic IT services is projected to expand steadily at an annual average growth rate of 4-7% for the foreseeable future.^{*1*3}
- The proportion of companies increasing their IT budgets year-on-year exceeds 40% of the total, a level approaching the highest in approximately the past 20 years.)^{*2}



Trend by sector, industry, and company size

- By sector : Investment in "offensive IT" areas such as DX, AI, and IoT-driven automation is expanding. Notably, there is a significant rise in investment appetite for AI-related fields due to the emergence of Generative AI.^{*1*2*4}
- By Industry : The manufacturing sector (especially automobiles and semiconductors) shows high levels of both IT investment value and growth rate. Particularly in the automotive industry, there is a significant trend of increasing software investment ratios accompanying the advancement of SDV^{※1}. The proportion of costs accounted for by software and semiconductor electronic components per finished product (e.g., an automobile) is trending upwards.^{*1*3*6*7}
- By Company Size : Large enterprises are emphasizing investment in intangible assets such as software, which are key to value creation and DX for strengthening future revenue bases. Small and medium-sized enterprises (SMEs) show a strong appetite for IT investment, particularly to address urgent issues like labor shortages.^{*1*3*5*7*10}



Supply and demand outlook for IT human resources market

- While IT demand is expanding, the declining labor force is leading to a widening supply-demand gap for human resources, and the IT talent shortage is expected to continue.^{*8*9}
- There is a prominent shortage of personnel capable of handling IT services that utilize advanced technologies such as AI and IoT.^{*2*3*9*10}



References

*1: IDC Japan, "Japan IT Services Market Spending Forecast: 2024-2029" (March 2025)

*3: Fuji Chimera Research Institute, Inc., "IT Investment by Industry / Digital Solution Market 2024 Edition" (August 2024)

*5: Development Bank of Japan Inc., "Survey on Planned Capital Spending for Fiscal Year 2024" (August 2024)

*7: Ministry of Economy, Trade and Industry (Japan), etc., "2024 White Paper on Manufacturing Industries (Monodzukuri)" (May 2024)

*9: Ministry of Economy, Trade and Industry (Japan), "Survey on IT Human Resource Supply and Demand" (March 2019)

*10: Information-technology Promotion Agency, Japan (IPA), "Survey Analysis of DX Promotion Status in Companies, etc. (DX Trends Survey 2024)" (August 2024)

*2: ITR Corporation, "Japan IT Investment Trend Survey Report 2025" (November 2024)

*4: Japan Users Association of Information Systems (JUAS), "Corporate IT Trends Survey 2025" (February 2025)

*6: Yano Research Institute Ltd., "Automotive Software Market: Realities and Prospects 2024 vol.2" (September 2024)

*8: Cabinet Office (Japan), "Annual Report on the Aging Society: 2024 (Reiwa 6)" (August 2024)

Terminology

※1: An abbreviation for Software-Defined Vehicle. It refers to the concept of vehicles whose functions and value are defined by software, allowing for continuous updates to performance and features via network connectivity even after purchase.

Internal environment: Strengths of the Group



Technical capabilities

Technologies with extensive track records such as,

- embedded software development
- designing, manufacturing, and maintenance of embedded PCs
- designing and testing of semi-conductors
- AI-based image analysis



Relationships

Strong customer base including the automotive and semiconductor industries

Extensive partner network including platform holders, package vendors, software houses, and electronics trading firms



Swiftness and high added-value

Swift system integration using cloud platforms such as AWS

In-house manufactured products that apply AI-based image analysis and cloud technologies

4. Medium-Term Management Plan “PCI-VISION2027”



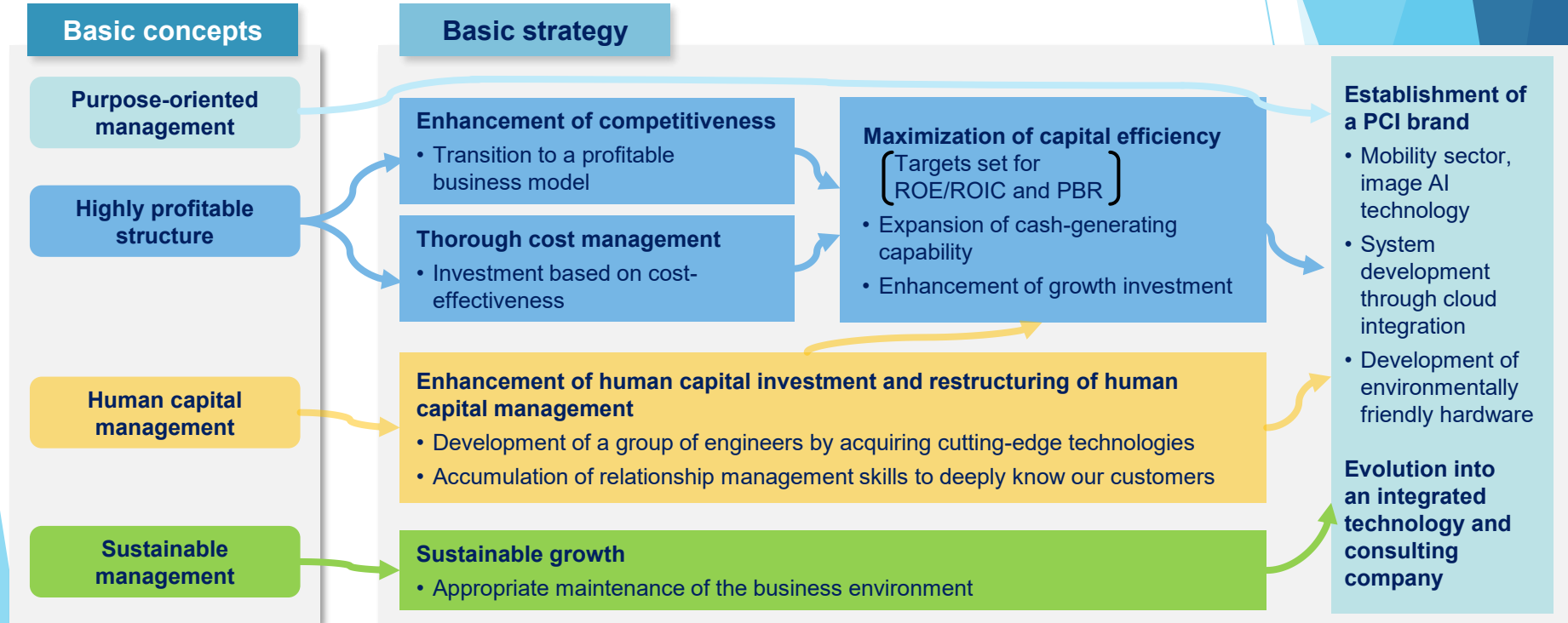
(Reference) Matrix between Business Companies and Business Segments

	PCI Solutions	SORD	PRIVATECH
	<ul style="list-style-type: none"> Software engineering company that provides technical capabilities for any industry or field Particularly strong in embedded systems development 	<ul style="list-style-type: none"> The first PC manufacturer in Japan 50 years in business and highly reliable technology Embedded PC manufacturer 	<ul style="list-style-type: none"> System engineering company with strengths in semiconductor design and testing technologies Testing house located near the Tokyo metropolitan area
Engineering Business Information technology services that meet customer requirements and specifications in a wide range of industries	<ul style="list-style-type: none"> Embedded software development (Manufacturers: mainly for automotive, telecommunications, information appliances, etc.) Enterprise software development (System integrators: mainly for finance, distribution, manufacturing, government, etc.) 	<ul style="list-style-type: none"> 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	—	<ul style="list-style-type: none"> Development of embedded computers (Manufacturers: for medical equipment, printing machines, etc.) Computer development for edge computing (System integrators: for medical, retail, etc.) 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Solutions using AI Cloud service Integration 	—	<ul style="list-style-type: none"> IoT solutions Solutions using AI

Mutual collaboration by topic and by project


Basic strategy

- The period of the new medium-term management plan is defined as the second founding phase. Through the period, We **1) build a foundation for further growth and 2) conduct proactive and strategic investment to improve the quality of revenue.**




Business strategy: Engineering Business Segment

- The Engineering Business Segment is the backbone of our revenue. Our first priority is to generate sustainable profit, and we will refine our ability to respond to market changes and technical readiness based on these for steady growth with little fluctuation

Themes	Goals	Approaches	Specific measures
Enhancement of competitiveness	Increase business profitability and create a capital-efficient business model  “Win” by technical capabilities	<ol style="list-style-type: none"> 1. Shift human resources to highly profitable areas through the selection and concentration of business segments 2. Secure technical capabilities for the future (by developing them and through collaboration with cutting-edge startups) 3. Reconfigure engineers' knowledge and skills to business and technological segments of focus 	<ul style="list-style-type: none"> • Increase emphasis on the mobility sector (automobile, construction machinery, etc.) • Increase presence in areas requiring extensive advanced technologies such as the “out-car” sector • Promote reskilling through educational investment using an industry-government-academia scheme • Promote diversity in human resources through partnerships with overseas (especially in Asia)
Thorough cost management	Aim for lean business operations and build resilience to changes in the business environment	<ol style="list-style-type: none"> 1. Optimize the ratio of direct and indirect costs 2. Reduce SG&A expenses by streamlining indirect functions 	<ul style="list-style-type: none"> • Revitalize by reorganization based on a reconsideration of technical and managerial job classifications • Promote labor-saving and streamlining through digital transformation


Business strategy: Product/Device Business Segment

- The Product/Device Business Segment is our stable core business based on hardware (goods). We will achieve sustainable growth by improving our technical capabilities and building a good customer base including medical device and semiconductor manufacturers. In addition, we will differentiate ourselves and add high value through a comprehensive value proposition by enhancing services around “goods”

Themes	Goals	Approaches	Specific measures
Enhancement of competitiveness	Increase business profitability and create a capital-efficient business model  “Win” by relationships	<ol style="list-style-type: none"> 1. Provide comprehensive value covering multiple steps in the customers’ value chain through a combination of products and services 2. Leverage product development and mass production capabilities to develop and market new products in sectors such as IoT and Edge-AI 	<ul style="list-style-type: none"> • Enhance services related to existing businesses such as PC kitting, installation, and maintenance • Provide comprehensive services such as LSI turn-key (from circuit design to prototyping and mass production of LSI)
Thorough cost management	Aim for lean business operations and build resilience to changes in the business environment	<ol style="list-style-type: none"> 1. Optimize procurement and purchasing 2. Reduce SG&A expenses by streamlining indirect functions 	<ul style="list-style-type: none"> • Promote labor-saving and streamlining through digital transformation

Business strategy: ICT Solutions Business Segment

- The ICT Solutions Business Segment is a growth driver of PCI Group, and we will proactively invest our management resources to enhance competitiveness
- Platform business: Focus on areas of strength such as cloud-related and AI-related and provide swift and high value-added solutions
- Main frame business and others: Aim for expanded business opportunities through cross-selling with other businesses based on a good customer base

Themes	Goals	Approaches	Specific measures
Enhancement of competitiveness	Increase business profitability and create a capital-efficient business model  “Win” by swiftness and high added-value	<ol style="list-style-type: none">1. Focus on services of strength (cloud integration, AI-based image analysis, etc.) and concentrate engineer resources2. Package and commercialize solutions provided to customers and expand sales to customers with similar needs3. Keep monitoring the expansion of needs through customer contacts at all times to explore new service areas and proactively acquire necessary technologies	<ul style="list-style-type: none">• In cloud integration, swiftly provide added value to customers by combining platform services such as AWS and other applications/in-house developed software• In AI, provide solutions to various needs in anomaly detection-related or smart-cities centered on our strength in image analysis technology
Thorough cost management	Aim for lean business operations and build resilience to changes in the business environment	<ol style="list-style-type: none">1. Promote efficiency through the selection and concentration of platform services handled2. Compress indirect functions and convert them to a customer contact function or a customer needs-capturing function within the Group	<ul style="list-style-type: none">• Revitalize by reorganization based on a reconsideration of technical and managerial job classifications• Promote labor-saving and streamlining through digital transformation

Key Strategy: Collaboration with Restar

- By strengthening our partnership with Restar, which has a solid management foundation and an excellent and extensive customer base, we aim to accelerate the achievement of our group's medium-term management plan.

1. Expansion of business for the manufacturing industry

- ✓ Deepening of markets in which both companies have strengths, such as "in-vehicle", "industrial machinery", and "ICT"
- ✓ Capture of markets in which the two companies can complement each other (overseas, consumer, construction machinery, security, etc.)
- ✓ Business expansion through approaches to Restar's high-quality customer base, etc.

2. Expansion of the quality and quantity of engineer resources

By utilizing PCI Group's engineers, Restar will

- ✓ Expand the scale of their existing businesses
- ✓ Expand the scope of their technical fields (system development, AI, image processing, communications, etc.)

3. Expansion into the upstream processes of Sler

By achieving 1. and 2.,

- ✓ the ability of both companies to propose hardware/software solutions will improve
- ✓ through an increase in direct business opportunities for customers, the development of upstream processes such as planning proposals by PCI Group will accelerate

4. Strengthening the management base and realizing economies of scale

- ✓ Expansion of PCI Group's business backed by Restar's strong financial base
 - ⇒ Strengthening of working capital, expansion of growth investment
- ✓ Reduction and compression of PCI Group's costs based on economies of scale

Key Strategy : Promotion of AI utilization

- Promoting group-wide, multifaceted utilization of AI-related technologies.
- Empowering all employees to leverage AI technology for comprehensive cost management via streamlined operations, while also strengthening competitiveness through innovative new business creation


AI utilization measures



Creation of new businesses



Business efficiency and sophistication



Streamlining internal operations
Improving AI literacy among all employees
Preparation of an environment for utilizing AI

Customer
↕
Internal

Utilization

- DX solutions for production and logistics sites using image recognition AI and generative AI
- Products and services using locally operated generative AI
- Streamlining and upgrading the creation of requirements definitions, specifications, and design documents
- Improving programming efficiency and quality
- Streamlining and upgrading research and planning operations
- Streamlining and automating routine tasks

Expected effect

Increase in net sales

Reduction in cost of sales

Increase in gross profit

Reduction of selling, general and administrative expenses

Improvement in operating profit

Management Goals (Two-Year Plan)

- Through the implementation of business-specific strategies, the Company aims to achieve sales and profit growth and attain various management targets, based on its existing business portfolio.
- This mid-term management plan period is positioned as foundational for realizing the long-term vision, with a focus on solidifying the Company's footing while concurrently growing business performance.
- Investment in growth continued throughout the fiscal year ending September 2024, despite a challenging external environment.
- For the fiscal year ending March 2025, as negative external factors gradually diminish, profitability is improving due to structural reforms including resource allocation to high-profit projects and rigorous cost management. The positive effects of growth investments are also becoming apparent.
- Starting from the fiscal year ending March 2026, investment will be focused on the ICT Solutions business, positioned as a key growth driver, with the objective of achieving further growth.

	Actual			PCI-VISION2027 Plan	
	(Actual Value) FY9/24 (Oct.-Sep.)	(Actual Value) FY3/25 (Oct.-Mar.)	(Reference Value) FY3/25 LTM※ (Apr.-Mar.)	(Plan Value) FY3/26 (Apr.-Mar.)	(Plan Value) FY3/27 (Apr.-Mar.)
(Unit: millions of yen)					
Net sales	25,084	13,278	25,747	28,200	31,000
Operating profit	1,054	679	1,151	2,100	2,800
Operating profit margin	4.2%	5.1%	4.5%	7.4%	9.0%
Net profit attributable to owners of the parent	817	489	976	1,250	1,650
EBITDA	1,383	844	1,478	2,415	3,100
EBITDA margin	5.5%	6.4%	5.7%	8.6%	10.0%
ROIC	7.1%	—	7.9%	≥12%	≥15%
ROE	9.4%	—	11.1%	≥12%	≥15%
Total Payout Ratio	79.0%	50.6%	—	≥50%	≥50%
PBR	1.18times	0.98times	—	—	≥2times

Note (Reference): Due to the six-month transitional period for FYE March 2025, figures are calculated based on the 12-month performance from April 2024 to March 2025 for ease of comparison. * LTM (Last Twelve Months): FY9/24 Second half(April-September 2024) + FY3/25(October 2024-March 2025).

Plans by business segment

- **Engineering B.S.** : Strategically shifting human resources towards mobility fields, especially SDV, AD/ADAS, and AUTOSAR.
Developing skilled engineers is also being prioritized to deliver ERP/SCM solutions that effectively meet market demands.
- **Product/Device B.S.** : Strengthening LSI turnkey sales and business foundation via Restar Corporation collaboration, while driving new customer acquisition (e.g., medical) and product development in embedded PCs.
- **ICT Solutions B.S.** : Enhancing cloud DX solutions and accelerating development of new, customer-tailored solutions, including proprietary AI-driven products.

(Unit: millions of yen)	Net sales			Gross profit			Gross profit margin		
	FY9/24 Actual	FY3/26 Plan	FY3/27 Plan	FY9/24 Actual	FY3/26 Plan	FY3/27 Plan	FY9/24 Actual	FY3/26 Plan	FY3/27 Plan
Engineering Business Segment	13,583	15,100	16,700	2,898	3,600	4,000	21.3%	23.8%	24.0%
Product/Device Business Segment	8,571	9,600	10,300	1,805	2,130	2,400	21.1%	22.2%	23.3%
ICT Solutions Business Segment	3,030	3,500	4,000	1,085	1,270	1,480	35.8%	36.3%	37.0%
Consolidated Financial Results	25,184	28,200	31,000	5,736	7,000	7,880	22.9%	24.8%	25.4%

Capital Efficiency Targets for FY3/2027

- By steadily implementing the basic strategies listed by business segment and practicing management with an awareness of cost of capital and stock price, we aim to achieve the Mid-term Management Plan targets of [ROE \geq 15%], [ROIC \geq 15%], and [PBR \geq 2x] in the fiscal year ending March 2027.

	FY9/2024 Result	FY3/2027 Plan (Note1)	FY3/2027 Spread Plan
PBR(x)	1.18	≥ 2.00	
ROE(%)	9.4	≥ 15.0	Equity Spread (+6.0~6.5)
Net Profit Margin(%)	3.3	≥ 5.0	
Turnover of total capital used (%)	151.4	(160.0~170.0)	
Financial Leverage	1.91	(1.80~1.90)	
PER(x)	12.7	(13.3)	
Cost-Equity Ratio(%) (Note 2)	8.5~9.0	(8.5~9.0)	
Expected Growth Rate(%)	2.0~3.5	(2.0~3.5)	
ROIC(%)	7.1	≥ 15.0	EVA Spread (+7.0around)

Cost-Equity Ratio(%)

→ (8.5~9.0)

WACC(%)

→ (8.0around)

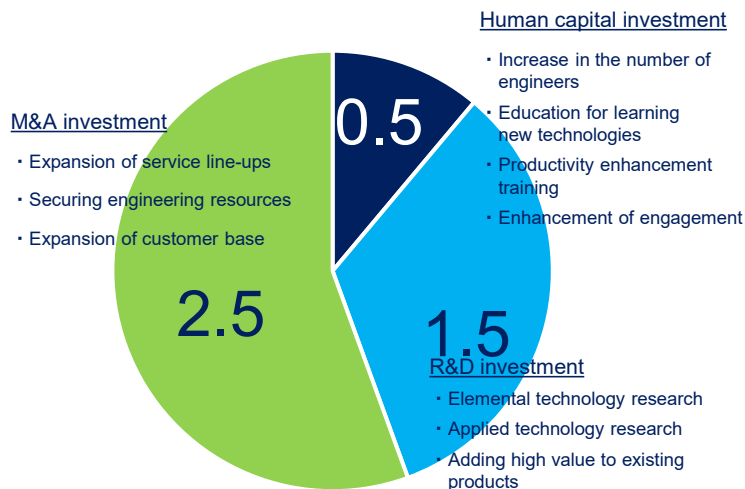
(Note 1) Figures with () indicate are company's internal targets. (Note 2) Cost-Equity Ratio is company's estimate.

Growth investment and shareholder returns

- We will effectively utilize cash generated from strengthening competitiveness and cost management, ensuring a balance between investments for growth and shareholder returns.
- Our shareholder return policy targets a total payout ratio of 50% or more through a combination of stable, continuous dividends and flexible share repurchases, as we aim to return profits to shareholders.

Growth investment

Total investment (billions of yen)
FY9/24 - FY3/27



Flexible allocation based on the progress of strategies and business performance

Shareholder returns

Dividends

- Maintain ongoing dividend growth.
- Maintain a dividend payout ratio between 30% and 50%.

Purchase of treasury shares

- Planning to continue purchasing for a certain amount each year

Maintaining a total payout ratio of at least 50%

5. Sustainability Management



Sustainability management

Basic policy for sustainability

Corporate ethos

We pursue the happiness of all of our employees and contribute to the development of society through the improvement of customer satisfaction

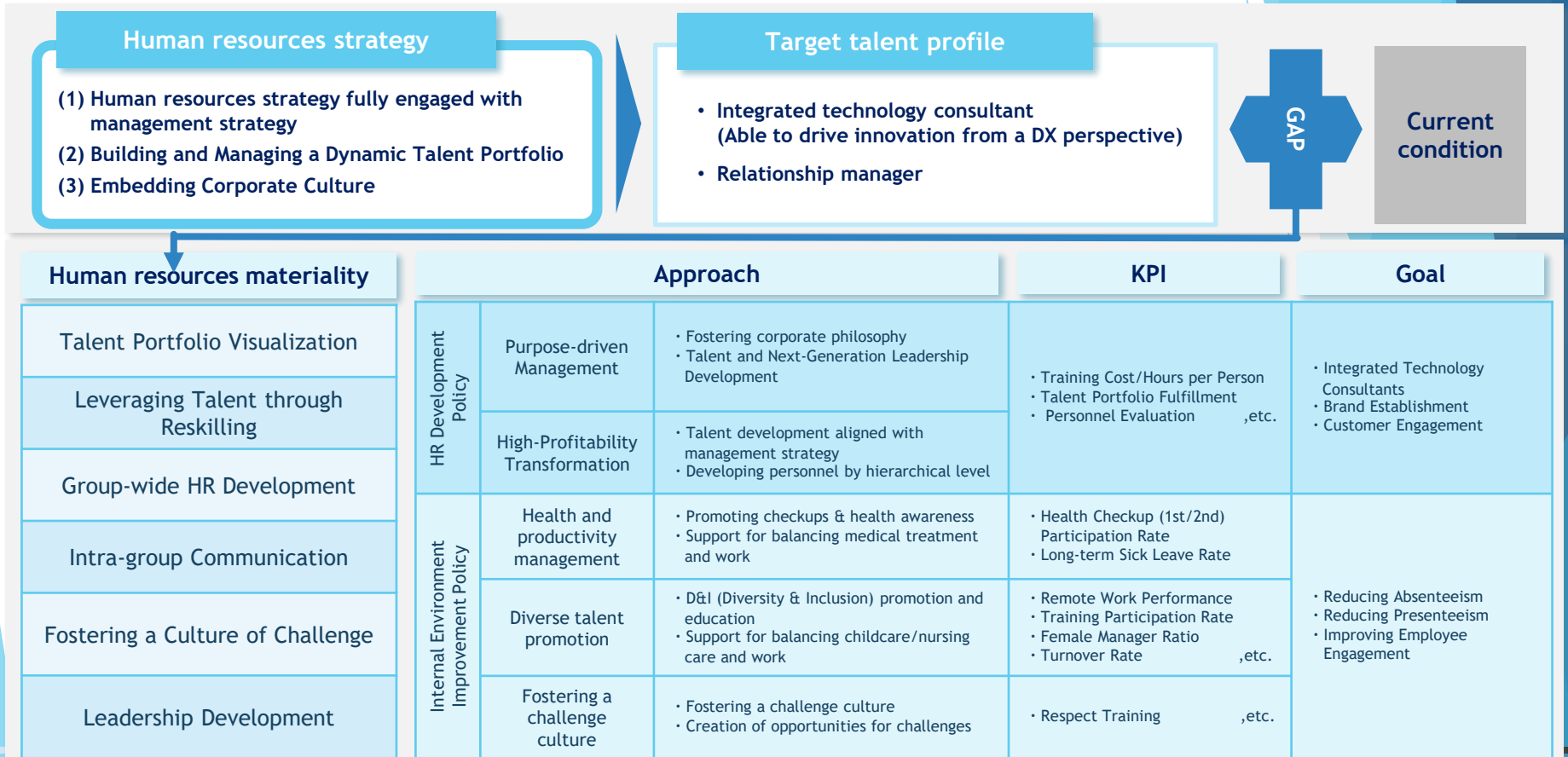
Course of conduct

1. Achieving stable business growth
2. Providing solutions tailored to users
3. Aiming to become a company supported by users
4. Positively (P) change (C) and innovate (I)
5. Striving to be a company that satisfies all stakeholders

Materiality (key perspectives)

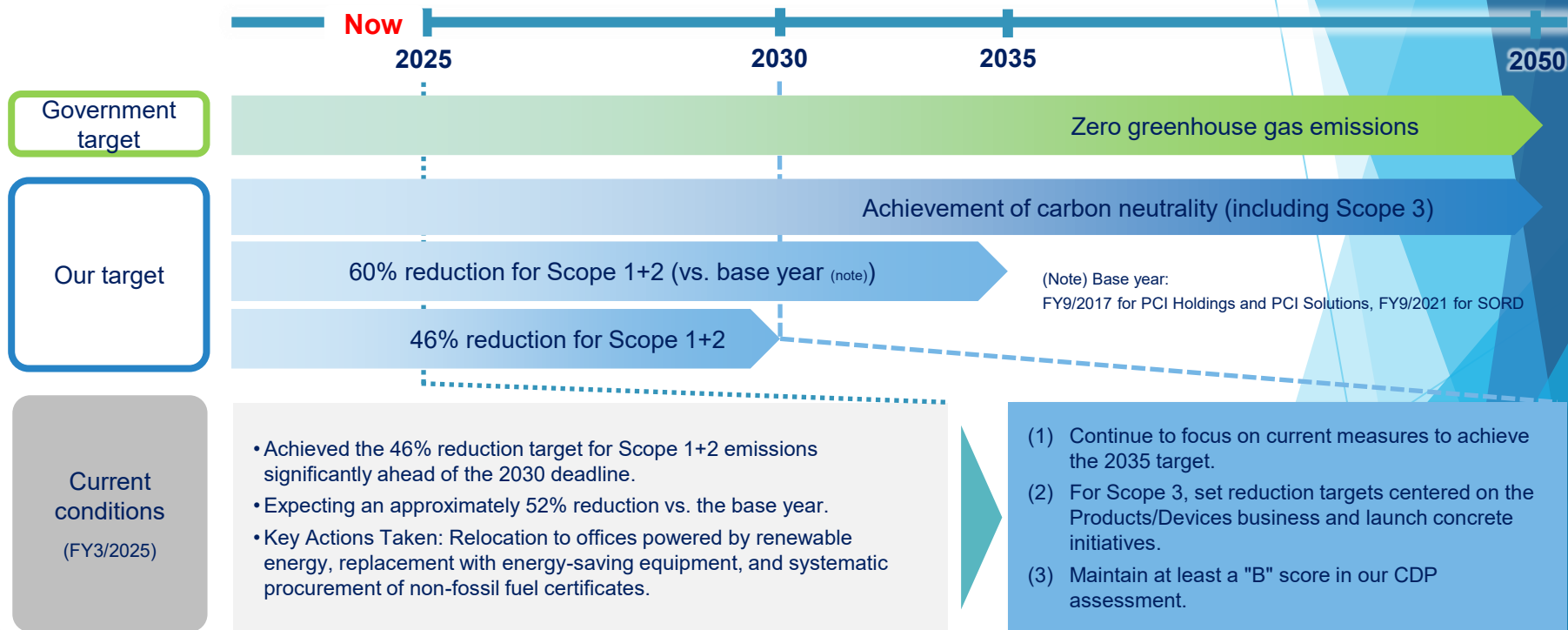
(1) Achieving a secure, safe and prosperous society through the pursuit of efforts to positively change and innovate	Business aspect (technology)
(2) Providing truly beneficial solutions to our customers	Business aspect (customers)
(3) Contributing to the creation of a sustainable global environment	Environment (E)
(4) Developing human resources who find joy in the development of society, business growth, and self-realization	Society (S) and human capital
(5) Fostering a corporate culture that values diversity, fairness, and inclusion	Society (S) and the entire society
(6) Pursuing fair and just corporate activities that can fulfill accountability	Governance (G)

Human capital management, Human resources strategy



Contribution to a Sustainable Global Environment

- A long-term commitment extending beyond the medium-term management plan.
- Continuing TCFD-aligned activities and periodically disclosing progress (TCFD endorsed in FYE Sep. 2023).



6. (Reference)
Long-Term Vision
“PCI X-formation2032”_(PX2032)



Ideal state of PCI Group in 2032

PX2032 vision statement

We aim to continuously explore the possibilities of IT, contribute to the realization of a secure, safe, and prosperous society (= sustainable society), and be a company that constantly adapts to change and seeks growth.

Ideal state

Establishment of a corporate brand

Presence in areas of mobility, AI-based image analysis, etc.

Evolution into an integrated technology and consulting company

Integration of high technological capabilities and deep understanding of customers

PCI Group's mission: Practice of corporate philosophy

Corporate philosophy

We pursue the happiness of all of our employees and contribute to the development of society through the improvement of customer satisfaction

:Achieving well-being

:Fulfilling our social responsibilities

:Closely addressing the genuine needs of our customers

PCI Group operates based on the universal mission to deeply understand the genuine needs of our customers as an IT provider and solve various social issues through our customers by utilizing our strengths related to IT. We will also contribute to the realization of a secure, safe, and prosperous society by continuing to “Positively” “Change” and “Innovate” to meet the demands of the changing ages.

Growth story

Continue to explore the potential of IT, contribute to the realization of a secure, safe, and prosperous society, and be a company that constantly adapts to change and seeks growth: PX2032

Environment surrounding us

External environment

- Development of information technology
 - Rapid revolution of AI
 - Broadening the base of digital transformation
 - Oligopolization of platform holders
- Demographic shift
- Global environmental changes

Internal environment

- Advanced technical capabilities in embedded and AI/IoT areas
- Strong customer base in areas such as automobile and semiconductors
- Low profitability

ESG

- Tightening of climate change regulations
- Spreading diversity and inclusiveness
- Growing importance of securing and developing human resources
- Engagement with shareholders and capital market

Key issues

Business perspective

- Selection and concentration of business areas - allocation of resources to areas of expertise
- Future technology selection based on a technology roadmap

Resource allocation (FY9/24-FY3/27)

- Human capital 0.5
- R&D 1.5
- M&A-related 2.5

Total of 4.5 billion yen

Management perspective

- Efforts to reduce environmental impact
- Educational enhancement, equal opportunities
- The practice of purpose-oriented management
- Increase in corporate value (ROE/ROIC)

Keywords for realization

- (1) Exploration and acquisition of advanced technologies, cooperation with platform holders
- (2) Ideation and creation of added value through a deeper understanding of customers
- (3) Improving ability to convert technology to value
- (4) Cost management, profit maximization, and increase in investment and returns
- (5) Implementation of TCFD Recommendations
- (6) Purpose, long-term vision, human resource materiality, human resource strategy
- (7) Pursuit of return on capital by spreading the ROIC tree

Ideal state

Business perspective

- Integration of high technological capabilities and deep understanding of customers
- Solving social issues by providing value to customers

Financial perspective

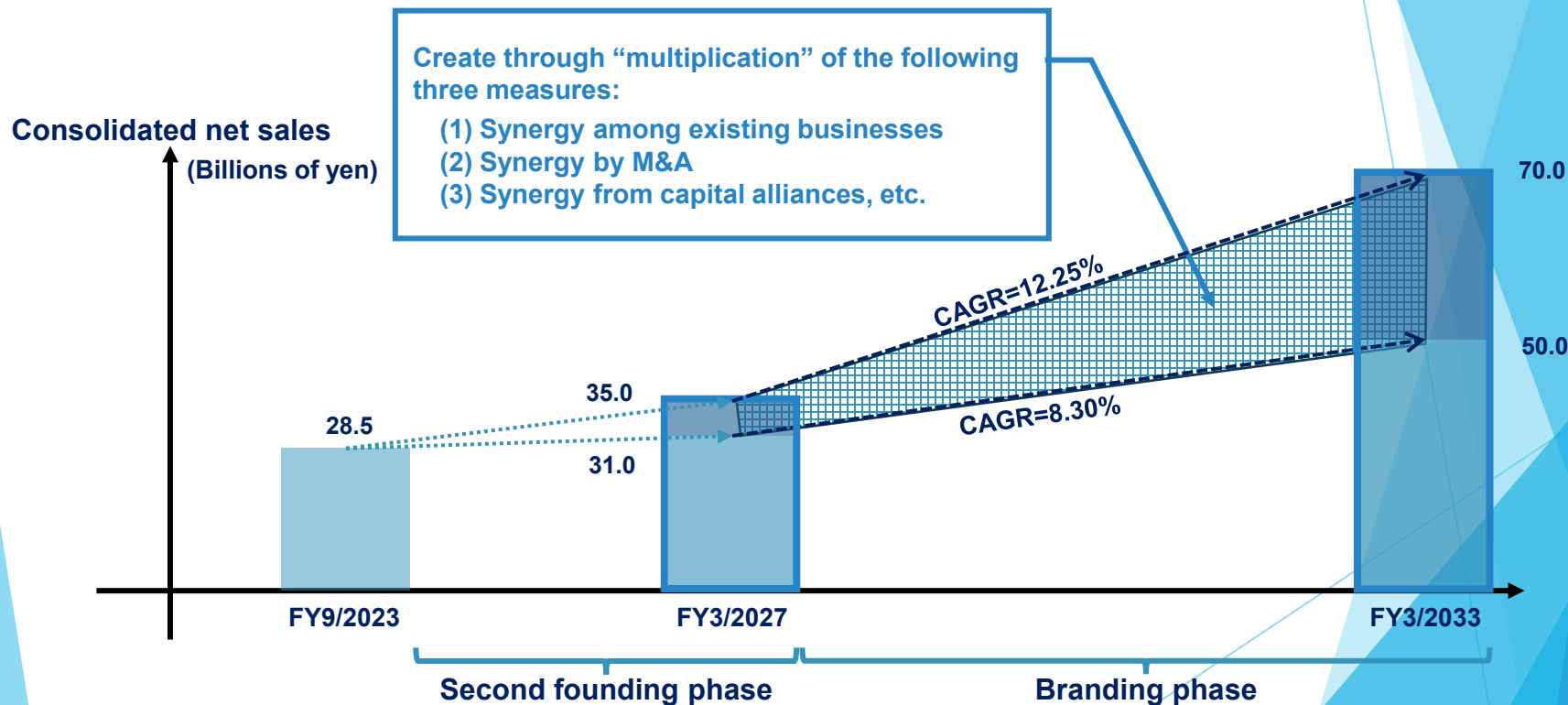
- Optimizing the balance b/w investment and shareholder return over the long term

ESG perspective

- Promotion of global warming countermeasures
- Achievement of well-being
- Thorough accountability

Management targets

- Aim for 50.0-70.0 billion yen in net sales in the long-term vision to establish a corporate brand
- Sustainably maintain ROE of around 15% to achieve growth with quality



Precautions

The information contained in these materials is not intended as a solicitation for investment or to buy or sell the Company's stock.

The forecasts and other forward-looking statements contained in these materials are based on information available to the Company at the time of preparation and are subject to potential risks and uncertainties.

Therefore, please be aware that actual results may differ materially from these forecasts due to various factors. The Company and its information providers assume no liability whatsoever for any loss or damage arising from the use of the information contained herein.

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