

**Translation**

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on IFRS)

May 9, 2024

Company name: Digital Garage, Inc.  
 Stock exchange listing: Tokyo  
 Securities code: 4819 URL <https://www.garage.co.jp/en/>  
 Representative: Representative Director, Kaoru Hayashi  
 President, Executive Officer and Group CEO  
 Corporate Officer Deputy Head of Corporate  
 Inquiries: Hiroyuki Nozaki TEL 03-6367-1111  
 Div.  
 Scheduled date of ordinary general meeting of shareholders: June 21, 2024  
 Scheduled date to file Securities Report: June 21, 2024  
 Scheduled date to commence dividend payments: June 24, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts are rounded off to the nearest million yen)

### 1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

#### (1) Consolidated operating results

Percentages indicate year-on-year changes

	Revenue		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	37,853	25.9	6,298	–	5,551	–	5,806	–	6,187	–
Year ended March 31, 2023	30,070	(58.8)	(13,881)	–	(9,315)	–	(9,051)	–	(9,539)	–

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2024	126.77	125.31	6.9	2.8	16.6
Year ended March 31, 2023	(193.13)	(193.13)	(10.3)	(6.2)	(46.2)

(Reference) Share of profit of investments accounted for using equity: Year ended March 31, 2024: 3,657 million yen

Year ended March 31, 2023: 925 million yen

(Note) Due to the application of IAS 12, "Income Taxes" (revised in May 2021), the figures for the fiscal year ended March 31, 2023, have been retrospectively applied.

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	231,431	92,138	89,251	38.6	1,883.73
As of March 31, 2023	216,275	81,972	80,030	37.0	1,737.03

(Note) Due to the application of IAS 12, "Income Taxes" (revised in May 2021), the figures for the fiscal year ended March 31, 2023, have been retrospectively applied.

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	(11,032)	(8,763)	15,931	49,571
Year ended March 31, 2023	13,473	1,628	(5,214)	53,335

## 2. Cash dividends

	Annual dividends per share					Total cash dividends	Dividend payout ratio	Ratio of dividends to equity attributable to owners of parent
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	0.00	–	37.00	37.00	1,705	–	2.0
Year ended March 31, 2024	–	0.00	–	40.00	40.00	1,895	31.6	2.2
Year ending March 31, 2025 (Forecast)	–	0.00	–	53.00	53.00		–	

(Note) Breakdown of year-end dividend for the fiscal year ending March 31, 2025 (forecast): Ordinary dividend: 43.00 yen  
Special/commemorative dividend: 10.00 yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

In the Platform Solution segment, the Group's earnings base, profit before tax from the payment business, which is expected to expand steadily, is forecast to increase by 20% compared to the previous consolidated fiscal year. For the entire Platform Solution segment, profit before tax is expected to increase by 20 to 25%.

The Company does not disclose its consolidated financial results forecast, because it is difficult to reasonably estimate the fair value of securities, which the Group holds through investments primarily in startup companies, at the end of the period.

### \* Notes

- (1) Changes in significant subsidiaries during the year ended March 31, 2024  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies and changes in accounting estimates
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|--|-----|
| Changes in accounting policies required by IFRS:     | Yes |
| Changes in accounting policies due to other reasons: | No  |
| Changes in accounting estimates:                     | No  |

### (3) Number of issued shares (ordinary shares)

Total number of issued shares at end of period (including treasury shares)

As of March 31, 2024	47,619,100 shares	As of March 31, 2023	47,607,500 shares
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Number of treasury shares at end of period

As of March 31, 2024	239,371 shares	As of March 31, 2023	1,534,826 shares
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Average number of shares during period

Year ended March 31, 2024	45,798,803 shares	Year ended March 31, 2023	46,867,530 shares
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### (Reference) Summary of non-consolidated financial results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [JGAAP] (April 1, 2023 - March 31, 2024)

#### (1) Non-consolidated operating results

	Revenue		Operating profit		Ordinary profit		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	8,114	6.2	(6,576)	-	2,905	(37.8)	2,655	(62.8)
Year ended March 31, 2023	7,642	(3.7)	(4,684)	-	4,672	903.1	7,141	-

	Net profit per share	Diluted net income per share
	Yen	Yen
Year ended March 31, 2024	57.96	57.30
Year ended March 31, 2023	152.37	136.94

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	101,387	31,844	29.8	638.13
As of March 31, 2023	84,335	27,046	30.4	557.12

(Reference) Net assets: As of March 31, 2024: 30,235 million yen

As of March 31, 2023: 25,668 million yen

#### <Reasons for Differences between Non-Consolidated Financial Results for the Fiscal Years ended March 31, 2023 and 2024>

In the fiscal year ended March 31, 2024, ordinary profit decreased due to a decrease in dividend income from subsidiaries. Also, net profit decreased due to the absence of the extraordinary gains from the sale of shares in affiliates recorded in the previous fiscal year, and the recording of a loss on the valuation of shares in subsidiaries.

\* The summary of financial results is not subject to review by a certified public accountant or auditing firm.

\* Explanation of the appropriate use of financial results forecasts and other special notes

(Means of obtaining supplementary information on financial results and the contents of financial results meeting)

As for the financial results meeting, the briefing video will be available on the Company's website(<https://ir.garage.co.jp/en/>) in Japanese and English. The presentation materials used in the video will be available on TDnet on the same day and will also be posted on the Company's website.

**Consolidated financial statements**  
**Consolidated statement of financial position**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	53,335	49,571
Trade and other receivables	20,765	30,154
Inventories	357	428
Operational investment securities	67,676	69,569
Other financial assets	281	279
Income taxes receivable	1,384	1,204
Other current assets	979	890
Total current assets	144,776	152,094
Non-current assets		
Property, plant and equipment	16,613	14,990
Goodwill	6,415	6,964
Intangible assets	4,548	5,625
Investment property	3,400	1,912
Investments accounted for using equity method	25,922	33,965
Other financial assets	14,245	14,974
Deferred tax assets	25	509
Other non-current assets	331	397
Total non-current assets	71,498	79,337
Total assets	216,275	231,431

	(Millions of yen)	
	As of March 31, 2023	As of March 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	38,745	55,706
Trade and other payables	48,877	42,568
Other financial liabilities	1,691	1,669
Income taxes payable	1,388	365
Other current liabilities	4,080	4,092
Total current liabilities	94,780	104,401
Non-current liabilities		
Bonds and borrowings	13,957	11,633
Other financial liabilities	9,127	7,426
Retirement benefit liability	477	460
Provisions	476	479
Deferred tax liabilities	14,717	14,312
Other non-current liabilities	767	582
Total non-current liabilities	39,522	34,892
Total liabilities	134,303	139,293
Equity		
Share capital	7,830	7,846
Capital surplus	6,229	5,385
Treasury shares	(6,293)	(975)
Other components of equity	1,650	1,613
Retained earnings	70,614	75,382
Total equity attributable to owners of parent	80,030	89,251
Non-controlling interests	1,942	2,887
Total equity	81,972	92,138
Total liabilities and equity	216,275	231,431

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Revenue		
Revenue in recurring business	25,128	26,620
Revenue in operational investment securities	–	4,758
Other income	3,518	1,079
Finance income	499	1,740
Share of profit of investments accounted for using equity method	925	3,657
Total	30,070	37,853
Expenses		
Cost of sales	10,094	10,676
Loss in operational investment securities	7,926	–
Selling, general and administrative expenses	16,175	17,861
Other expenses	1,190	2,773
Finance costs	8,567	245
Total	43,952	31,555
Profit (loss) before tax	(13,881)	6,298
Income tax expense	(4,566)	747
Profit (loss)	(9,315)	5,551
Profit (loss) attributable to		
Owners of parent	(9,051)	5,806
Non-controlling interests	(264)	(255)
Earnings (loss) per share		
Basic earnings (loss) per share	(193.13)	126.77
Diluted earnings (loss) per share	(193.13)	125.31

## Consolidated statements of comprehensive income

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit (loss)	(9,315)	5,551
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(668)	15
Remeasurements of defined benefit plans	8	(8)
Share of other comprehensive income of investments accounted for using equity method	(16)	(2)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	453	631
Share of other comprehensive income of investments accounted for using equity method	0	1
Other comprehensive income, net of tax	(224)	636
Comprehensive income	(9,539)	6,187
Comprehensive income attributable to		
Owners of parent	(9,277)	6,436
Non-controlling interests	(262)	(249)

## Consolidated statement of changes in equity

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			Total
				Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	
Balance at April 1, 2022	7,692	6,147	(1,409)	613	1,660	0	2,273
Cumulative effect of accounting change							–
Restated balance	7,692	6,147	(1,409)	613	1,660	0	2,273
Profit (loss)							–
Other comprehensive income				(685)	452	8	(226)
Comprehensive income	–	–	–	(685)	452	8	(226)
Issuance of new shares	138	138					–
Changes in ownership interest in subsidiaries		13					–
Dividends							–
Share-based payment transactions		(9)	116				–
Purchase of treasury shares		(47)	(5,000)				–
Transfer from other components of equity to retained earnings				(397)			(397)
Other		(12)					–
Total	138	83	(4,884)	(397)	–	–	(397)
Balance at March 31, 2023	7,830	6,229	(6,293)	(469)	2,111	8	1,650
Profit (loss)							–
Other comprehensive income				13	625	(8)	630
Comprehensive income	–	–	–	13	625	(8)	630
Issuance of new shares	16	16					–
Changes in ownership interest in subsidiaries		(3)					–
Change in scope of consolidation							–
Dividends							–
Share-based payment transactions		228	137				–
Purchase of treasury shares		(57)	(5,000)				–
Disposal of treasury shares		(1,031)	10,181				–
Transfer from other components of equity to retained earnings				(668)			(668)
Other		4					–
Total	16	(844)	5,318	(668)	–	–	(668)
Balance at March 31, 2024	7,846	5,385	(975)	(1,124)	2,737	(0)	1,613



	(Millions of yen)			
	Equity attributable to owners of parent		Non-controlling interests	Total
	Retained earnings	Total		
Balance at April 1, 2022	81,035	95,738	1,479	97,217
Cumulative effect of accounting change	(120)	(120)	(0)	(120)
Restated balance	80,916	95,618	1,479	97,097
Profit (loss)	(9,051)	(9,051)	(264)	(9,315)
Other comprehensive income		(226)	2	(224)
Comprehensive income	(9,051)	(9,277)	(262)	(9,539)
Issuance of new shares		275		275
Changes in ownership interest in subsidiaries		13	752	765
Dividends	(1,648)	(1,648)	(27)	(1,675)
Share-based payment transactions		107		107
Purchase of treasury shares		(5,047)		(5,047)
Transfer from other components of equity to retained earnings	397	–		–
Other		(12)		(12)
Total	(1,251)	(6,312)	725	(5,587)
Balance at March 31, 2023	70,614	80,030	1,942	81,972
Profit (loss)	5,806	5,806	(255)	5,551
Other comprehensive income		630	6	636
Comprehensive income	5,806	6,436	(249)	6,187
Issuance of new shares		31		31
Changes in ownership interest in subsidiaries		(3)	853	850
Change in scope of consolidation		–	362	362
Dividends	(1,705)	(1,705)	(21)	(1,726)
Share-based payment transactions		365		365
Purchase of treasury shares		(5,057)		(5,057)
Disposal of treasury shares		9,150		9,150
Transfer from other components of equity to retained earnings	668	–		–
Other		4		4
Total	(1,037)	2,785	1,194	3,979
Balance at March 31, 2024	75,382	89,251	2,887	92,138

## Consolidated statements of cash flows

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit (loss) before tax	(13,881)	6,298
Depreciation and amortization	3,632	3,760
Impairment losses	400	2,392
Interest and dividend income	(57)	(50)
Interest expenses on borrowings and bonds	269	232
Share of loss (profit) of investments accounted for using equity method	(925)	(3,657)
Loss (gain) on investment securities	8,275	(782)
Loss (gain) on sales of shares of subsidiaries and associates	(2,631)	(1)
Decrease (increase) in trade and other receivables	3,735	(9,492)
Decrease (increase) in investment securities for sale	10,365	(2,054)
Decrease (increase) in inventories	(10)	(70)
Increase (decrease) in trade and other payables	4,383	(6,429)
Increase (decrease) in accrued consumption taxes	(112)	348
Other	637	(1,319)
Subtotal	14,078	(10,825)
Interest and dividends received	1,505	1,550
Interest paid	(102)	(158)
Income taxes refund (paid)	(2,008)	(1,598)
Net cash provided by (used in) operating activities	13,473	(11,032)
Cash flows from investing activities		
Purchase of property, plant and equipment	(342)	(697)
Purchase of intangible assets	(1,838)	(2,216)
Purchase of investment securities	(103)	(413)
Proceeds from sale of investment securities	902	1,683
Proceeds from dividend of investment partnership	94	808
Payments for acquisition of subsidiaries	–	(883)
Purchase of investments accounted for using equity method	(550)	(7,047)
Proceeds from sale of investments accounted for using equity method	3,522	58
Other	(57)	(57)
Net cash provided by (used in) investing activities	1,628	(8,763)

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,130	16,640
Proceeds from long-term borrowings	1,250	26,100
Repayments of long-term borrowings	(2,901)	(3,345)
Redemption of bonds	–	(25,000)
Repayments of lease liabilities	(1,727)	(1,718)
Capital contribution from non-controlling interests	765	899
Purchase of treasury shares	(5,068)	(5,076)
Proceeds from disposition of treasury shares	–	9,150
Dividends paid	(1,647)	(1,704)
Other	(16)	(14)
Net cash provided by (used in) financing activities	(5,214)	15,931
Effect of exchange rate changes on cash and cash equivalents	33	100
Net increase (decrease) in cash and cash equivalents	9,919	(3,764)
Cash and cash equivalents at beginning of period	43,415	53,335
Cash and cash equivalents at end of period	53,335	49,571