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Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under IFRS)

November 13, 2025

Stock exchange listings:
Tokyo Prime

Company name Digital Garage, Inc.

Securities code 4819 URL <https://www.garage.co.jp/en/>

Representative (Title) Representative Director, President Executive Officer and Group CEO (Name) Kaoru Hayashi

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Semi-annual statement filing date (as planned) November 13, 2025 Dividend payable date (as planned) —

Supplemental material of results : Yes

Convening briefing of results : Yes (for institutional investors and analysts)

(Yen amounts are rounded to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(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	%
Six months ended September 30, 2025	20,013	13.8	1,416	—	1,730	—	1,841	—	1,912	—
September 30, 2024	17,581	(21.4)	(12,530)	—	(8,674)	—	(8,582)	—	(9,136)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	40.14	39.58
September 30, 2024	(183.45)	(183.45)

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets ratio
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2025	220,402	77,507	75,294	34.2
March 31, 2025	226,344	77,695	75,417	33.3

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	53.00	53.00
Fiscal year ending March 31, 2026	—	0.00			
Fiscal year ending March 31, 2026 (Forecast)			—	47.00	47.00

Note: Revisions to the forecast of cash dividends most recently announced : None

3. Consolidated financial forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

The Platform Solutions segment, which serves as the Company Group's earnings base, is expected to show more than 20% growth in profit before tax compared to the previous fiscal year. This increase comes from the expanding payment business, particularly driven by increased QR code payments and strategic business partnerships with alliance partners.

The Company does not disclose consolidated financial results forecasts due to the difficulty of reasonably estimating the fair value of securities—particularly its investments in startup companies—at period end.

* Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(3) Number of issued shares (ordinary shares)

① Number of issued and outstanding shares at the period end (including treasury stock)	As of September 30, 2025	47,701,132 shares	As of March 31, 2025	47,650,900 shares
② Number of treasury stock at the period end	As of September 30, 2025	1,806,738 shares	As of March 31, 2025	1,818,338 shares
③ Average number of shares	Six months ended September 30, 2025	45,858,390 shares	Six months ended September 30, 2024	46,781,003 shares

Note: Treasury shares include the Company shares held by the trust for the Digital Garage Employee Stock Ownership Plan.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Supplementary Materials and Financial Results Briefing Information)

A recording of the financial results briefing will be available in both Japanese and English on the Company's website (<https://ir.garage.co.jp/en/>). The presentation materials from the financial results briefing will be published on TDnet and the Company's website on the same day.

Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	56,354	55,180
Trade and other receivables	30,538	26,778
Inventories	376	382
Operational investment securities	54,940	53,511
Other financial assets	292	289
Income taxes receivable	575	365
Other current assets	1,370	1,320
Total current assets	144,446	137,825
Non-current assets		
Property, plant and equipment	13,163	12,040
Goodwill	8,030	8,023
Intangible assets	7,316	9,216
Investment property	1,872	1,863
Investments accounted for using equity method	37,643	37,080
Other financial assets	12,896	13,738
Deferred tax assets	517	182
Other non-current assets	461	434
Total non-current assets	81,899	82,576
Total assets	226,344	220,402

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	27,676	25,115
Trade and other payables	62,532	61,043
Other financial liabilities	1,787	1,726
Income taxes payable	1,001	44
Other current liabilities	4,562	4,253
Total current liabilities	97,558	92,181
Non-current liabilities		
Bonds and borrowings	33,956	34,719
Other financial liabilities	5,976	5,176
Retirement benefit liability	372	364
Provisions	519	520
Deferred tax liabilities	9,737	9,433
Other non-current liabilities	531	502
Total non-current liabilities	51,091	50,714
Total liabilities	148,649	142,895

Equity		
Share capital	7,888	7,996
Capital surplus	5,229	5,371
Treasury shares	(5,108)	(5,078)
Other components of equity	1,112	1,296
Retained earnings	66,296	65,709
Total equity attributable to owners of parent	<u>75,417</u>	<u>75,294</u>
Non-controlling interests	<u>2,278</u>	<u>2,212</u>
Total equity	<u>77,695</u>	<u>77,507</u>
Total liabilities and equity	<u><u>226,344</u></u>	<u><u>220,402</u></u>

(2) Condensed Interim Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Revenue		
Revenue in recurring business	14,884	17,029
Other income	843	617
Finance income	33	491
Share of profit of investments accounted for using equity method	1,821	1,876
Total	17,581	20,013
Expenses		
Cost of sales	6,237	6,429
Loss in operational investment securities	8,736	169
Selling, general and administrative expenses	10,277	11,517
Other expenses	275	165
Finance costs	4,587	317
Total	30,112	18,597
Profit (loss) before tax	(12,530)	1,416
Income tax expense	(3,857)	(314)
Profit (loss)	(8,674)	1,730
Profit (loss) attributable to		
Owners of parent	(8,582)	1,841
Non-controlling interests	(92)	(110)
Earnings (loss) per share		
Basic earnings (loss) per share	(183.45)	40.14
Diluted earnings (loss) per share	(183.45)	39.58

(3) Condensed Interim Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit (loss)	(8,674)	1,730
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	218	265
Share of other comprehensive income of investments accounted for using equity method	1	(14)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(681)	(72)
Share of other comprehensive income of investments accounted for using equity method	(1)	2
Other comprehensive income, net of tax	(463)	182
Comprehensive income	(9,136)	1,912
Comprehensive income attributable to		
Owners of parent	(9,039)	2,027
Non-controlling interests	(98)	(115)

(4) Condensed Interim Consolidated Statement of Changes in Equity

Six Months Ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

(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 beginning of period	7,846	5,385	(975)	(1,124)	2,737	(0)	1,613
Profit (loss)							—
Other comprehensive income				219	(676)		(457)
Comprehensive income	—	—	—	219	(676)	—	(457)
Issuance of new shares	26	26					—
Changes in ownership interest in subsidiaries		1					—
Change in scope of consolidation							—
Dividends							—
Share-based payment transactions		94	299				—
Purchase of treasury shares		(9)	(4,500)				—
Disposal of treasury shares		1	39				—
Transfer from other components of equity to retained earnings				1			1
Other		(16)					—
Total	26	97	(4,162)	1	—	—	1
Balance at end of period	7,872	5,482	(5,137)	(903)	2,061	(0)	1,157

(Millions of yen)

	Equity attributable to owners of parent		Non-controlling interests	Total
	Retained earnings	Total		
Balance at beginning of period	75,382	89,251	2,887	92,138
Profit (loss)	(8,582)	(8,582)	(92)	(8,674)
Other comprehensive income		(457)	(6)	(463)
Comprehensive income	(8,582)	(9,039)	(98)	(9,136)
Issuance of new shares		52		52
Changes in ownership interest in subsidiaries		1	9	10
Change in scope of consolidation		—	6	6
Dividends	(1,895)	(1,895)		(1,895)
Share-based payment transactions		393		393
Purchase of treasury shares		(4,509)		(4,509)
Disposal of treasury shares		40		40
Transfer from other components of equity to retained earnings	(1)	—		—
Other		(16)		(16)
Total	(1,896)	(5,934)	15	(5,919)
Balance at end of period	64,904	74,278	2,804	77,083

Six Months Ended September 30, 2024 (From April 1, 2025 to September 30, 2025)

(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 beginning of period	7,888	5,229	(5,108)	(1,500)	2,561	51	1,112
Profit (loss)							—
Other comprehensive income				252	(66)		186
Comprehensive income	—	—	—	252	(66)	—	186
Issuance of new shares	13	13					—
Change in scope of consolidation							—
Dividends							—
Share-based payment transactions	95	183					—
Disposal of treasury shares		18	30				—
Transfer from other components of equity to retained earnings				(2)			(2)
Other		(72)					—
Total	108	142	30	(2)	—	—	(2)
Balance at end of period	7,996	5,371	(5,078)	(1,250)	2,496	51	1,296

(Millions of yen)

	Equity attributable to owners of parent		Non-controlling interests	Total
	Retained earnings	Total		
Balance at beginning of period	66,296	75,417	2,278	77,695
Profit (loss)	1,841	1,841	(110)	1,730
Other comprehensive income		186	(4)	182
Comprehensive income	1,841	2,027	(115)	1,912
Issuance of new shares		27		27
Change in scope of consolidation		—	49	49
Dividends	(2,429)	(2,429)		(2,429)
Share-based payment transactions		278		278
Disposal of treasury shares		47		47
Transfer from other components of equity to retained earnings	2	—		—
Other		(72)		(72)
Total	(2,427)	(2,149)	49	(2,100)
Balance at end of period	65,709	75,294	2,212	77,507

(5) Condensed Interim Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before tax	(12,530)	1,416
Depreciation and amortization	2,017	1,968
Impairment losses	102	—
Interest and dividend income	(33)	(78)
Interest expenses on borrowings and bonds	159	309
Share of loss (profit) of investments accounted for using equity method	(1,821)	(1,876)
Loss (gain) on investment securities	4,350	(309)
Loss (gain) on sales of shares of subsidiaries and associates	—	10
Decrease (increase) in trade and other receivables	7,287	3,525
Decrease (increase) in investment securities for sale	12,193	1,405
Decrease (increase) in inventories	27	(6)
Increase (decrease) in trade and other payables	8,920	(589)
Increase (decrease) in accrued consumption taxes	(462)	95
Other	(546)	(213)
Subtotal	19,662	5,656
Interest and dividends received	870	2,024
Interest paid	(160)	(304)
Income taxes refund (paid)	833	(17)
Net cash provided by (used in) operating activities	21,206	7,359
Cash flows from investing activities		
Purchase of property, plant and equipment	(299)	(92)
Purchase of intangible assets	(1,632)	(2,615)
Purchase of investment securities	(1,095)	(951)
Proceeds from sale of investment securities	1	13
Proceeds from dividend of investment partnership	—	6
Payments for acquisition of subsidiaries	(1,008)	—
Purchase of investments accounted for using equity method	(1,503)	(500)
Proceeds from sale of investments accounted for using equity method	—	587
Payments for acquisition of businesses	(642)	—
Other	99	34
Net cash provided by (used in) investing activities	(6,080)	(3,518)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,815)	(2,180)
Proceeds from long-term borrowings	500	4,300
Repayments of long-term borrowings	(1,975)	(3,890)
Repayments of lease liabilities	(881)	(904)
Capital contribution from non-controlling interests	10	49

Purchase of treasury shares	(4,512)	—
Proceeds from disposition of treasury shares	40	47
Dividends paid	(1,893)	(2,427)
Other	29	9
Net cash provided by (used in) financing activities	<u>(11,496)</u>	<u>(4,996)</u>
Effect of exchange rate changes on cash and cash equivalents	(127)	(19)
Net increase (decrease) in cash and cash equivalents	<u>3,502</u>	<u>(1,174)</u>
Cash and cash equivalents at beginning of period	<u>49,571</u>	<u>56,354</u>
Cash and cash equivalents at end of period	<u><u>53,072</u></u>	<u><u>55,180</u></u>