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Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under IFRS)

February 12, 2026

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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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 nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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	%
Nine months ended December 31, 2025	32,284	17.1	4,559	—	3,669	—	3,883	—	4,351	—
December 31, 2024	27,580	0.1	(7,592)	—	(5,345)	—	(5,241)	—	(4,493)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	84.63	83.47
December 31, 2024	(112.82)	(112.82)

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets ratio
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2025	228,247	80,038	77,923	34.1
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 an increase 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)

② Number of treasury stock at the period end

③ Average number of shares (quarterly period-YTD)

As of December 31, 2025	47,714,532 shares	As of March 31, 2025	47,650,900 shares
As of December 31, 2025	1,799,638 shares	As of March 31, 2025	1,818,338 shares
Nine months ended December 31, 2025	45,875,216 shares	Nine months ended December 31, 2024	46,457,873 shares

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

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : None

* Proper use of earnings forecasts, and other special matters

(Method of obtaining supplementary financial results materials)

The Supplementary materials for financial results are available on the Company's website.

Condensed quarterly consolidated financial statements

(1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	56,354	55,565
Trade and other receivables	30,538	30,063
Inventories	376	354
Operational investment securities	54,940	55,474
Other financial assets	292	288
Income taxes receivable	575	994
Other current assets	1,370	1,374
Total current assets	144,446	144,112
Non-current assets		
Property, plant and equipment	13,163	12,012
Goodwill	8,030	8,030
Intangible assets	7,316	10,286
Investment property	1,872	1,955
Investments accounted for using equity method	37,643	37,222
Other financial assets	12,896	13,945
Deferred tax assets	517	187
Other non-current assets	461	498
Total non-current assets	81,899	84,135
Total assets	226,344	228,247

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	27,676	24,792
Trade and other payables	62,532	63,392
Other financial liabilities	1,787	1,797
Income taxes payable	1,001	41
Other current liabilities	4,562	4,289
Total current liabilities	97,558	94,310
Non-current liabilities		
Bonds and borrowings	33,956	37,102
Other financial liabilities	5,976	5,045
Retirement benefit liability	372	361
Provisions	519	521
Deferred tax liabilities	9,737	10,414
Other non-current liabilities	531	456
Total non-current liabilities	51,091	53,899
Total liabilities	148,649	148,210

Equity		
Share capital	7,888	8,014
Capital surplus	5,229	5,426
Treasury shares	(5,108)	(5,060)
Other components of equity	1,112	1,797
Retained earnings	66,296	67,746
Total equity attributable to owners of parent	<u>75,417</u>	<u>77,923</u>
Non-controlling interests	<u>2,278</u>	<u>2,114</u>
Total equity	<u>77,695</u>	<u>80,038</u>
Total liabilities and equity	<u><u>226,344</u></u>	<u><u>228,247</u></u>

(2) Condensed quarterly consolidated statements of income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Revenue		
Revenue in recurring business	23,134	25,856
Revenue in operational investment securities	—	1,775
Other income	1,170	888
Finance income	57	585
Share of profit of investments accounted for using equity method	3,219	3,180
Total	27,580	32,284
Expenses		
Cost of sales	9,395	9,780
Loss in operational investment securities	5,078	—
Selling, general and administrative expenses	15,748	17,217
Other expenses	377	257
Finance costs	4,574	470
Total	35,172	27,725
Profit (loss) before tax	(7,592)	4,559
Income tax expense	(2,247)	890
Profit (loss)	(5,345)	3,669
Profit (loss) attributable to		
Owners of parent	(5,241)	3,883
Non-controlling interests	(104)	(214)
Earnings (loss) per share		
Basic earnings (loss) per share	(112.82)	84.63
Diluted earnings (loss) per share	(112.82)	83.47

(3) Condensed quarterly consolidated statements of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit (loss)	(5,345)	3,669
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	313	40
Share of other comprehensive income of investments accounted for using equity method	2	(12)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	537	649
Share of other comprehensive income of investments accounted for using equity method	1	5
Other comprehensive income, net of tax	853	682
Comprehensive income	(4,493)	4,351
Comprehensive income attributable to		
Owners of parent	(4,391)	4,564
Non-controlling interests	(102)	(213)

(4) Condensed quarterly consolidated statement of changes in equity

Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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				315	535		851
Comprehensive income	—	—	—	315	535	—	851
Issuance of new shares	34	34					—
Changes in ownership interest in subsidiaries		1					—
Change in scope of consolidation							—
Dividends							—
Share-based payment transactions		133	299				—
Purchase of treasury shares		(9)	(4,500)				—
Disposal of treasury shares		7	55				—
Transfer from other components of equity to retained earnings				1			1
Other		(36)					—
Total	34	130	(4,146)	1	—	—	1
Balance at end of period	7,879	5,515	(5,121)	(807)	3,272	(0)	2,465

(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)	(5,241)	(5,241)	(104)	(5,345)
Other comprehensive income		851	2	853
Comprehensive income	(5,241)	(4,391)	(102)	(4,493)
Issuance of new shares		67		67
Changes in ownership interest in subsidiaries		1	9	10
Change in scope of consolidation		—	6	6
Dividends	(1,895)	(1,895)	(7)	(1,902)
Share-based payment transactions		432		432
Purchase of treasury shares		(4,509)		(4,509)
Disposal of treasury shares		62		62
Transfer from other components of equity to retained earnings	(1)	—		—
Other		(36)		(36)
Total	(1,896)	(5,878)	8	(5,869)
Balance at end of period	68,244	78,982	2,793	81,775

Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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				28	654		681
Comprehensive income	—	—	—	28	654	—	681
Issuance of new shares	32	32					—
Changes in ownership interest in subsidiaries		1					—
Change in scope of consolidation							—
Dividends							—
Share-based payment transactions	95	208					—
Disposal of treasury shares		21	48				—
Transfer from other components of equity to retained earnings				3			3
Other		(65)					—
Total	127	197	48	3	—	—	3
Balance at end of period	8,014	5,426	(5,060)	(1,469)	3,215	51	1,797

(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)	3,883	3,883	(214)	3,669
Other comprehensive income		681	1	682
Comprehensive income	3,883	4,564	(213)	4,351
Issuance of new shares		63		63
Changes in ownership interest in subsidiaries		1	0	1
Change in scope of consolidation		—	49	49
Dividends	(2,429)	(2,429)		(2,429)
Share-based payment transactions		303		303
Disposal of treasury shares		69		69
Transfer from other components of equity to retained earnings	(3)	—		—
Other		(65)		(65)
Total	(2,433)	(2,058)	49	(2,008)
Balance at end of period	67,746	77,923	2,114	80,038

(5) Condensed quarterly consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities		
Profit before tax	(7,592)	4,559
Depreciation and amortization	3,091	3,070
Impairment losses	102	—
Interest and dividend income	(57)	(91)
Interest expenses on borrowings and bonds	266	457
Share of loss (profit) of investments accounted for using equity method	(3,219)	(3,180)
Loss (gain) on investment securities	4,202	(404)
Loss (gain) on sales of shares of subsidiaries and associates	—	10
Decrease (increase) in trade and other receivables	3,148	74
Decrease (increase) in investment securities for sale	8,585	(300)
Decrease (increase) in inventories	21	22
Increase (decrease) in trade and other payables	42,436	1,738
Increase (decrease) in accrued consumption taxes	(401)	143
Other	(136)	(279)
Subtotal	50,445	5,817
Interest and dividends received	1,758	2,914
Interest paid	(254)	(449)
Income taxes refund (paid)	218	(527)
Net cash provided by (used in) operating activities	52,167	7,754
Cash flows from investing activities		
Purchase of property, plant and equipment	(507)	(172)
Purchase of intangible assets	(2,854)	(4,126)
Purchase of investment securities	(1,512)	(986)
Proceeds from sale of investment securities	1	15
Proceeds from dividend of investment partnership	—	163
Payments for acquisition of subsidiaries	(1,008)	—
Purchase of investments accounted for using equity method	(2,278)	(500)
Proceeds from sale of investments accounted for using equity method	—	587
Payments for acquisition of businesses	(642)	—
Other	174	(152)
Net cash provided by (used in) investing activities	(8,626)	(5,171)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,875)	(3,300)
Proceeds from long-term borrowings	10,500	9,000
Repayments of long-term borrowings	(12,714)	(5,433)
Repayments of lease liabilities	(1,325)	(1,383)
Capital contribution from non-controlling interests	10	50

Purchase of treasury shares	(4,512)	—
Proceeds from disposition of treasury shares	62	69
Dividends paid	(1,893)	(2,427)
Other	(65)	29
Net cash provided by (used in) financing activities	<u>(12,812)</u>	<u>(3,395)</u>
Effect of exchange rate changes on cash and cash equivalents	49	23
Net increase (decrease) in cash and cash equivalents	<u>30,777</u>	<u>(789)</u>
Cash and cash equivalents at beginning of period	49,571	56,354
Cash and cash equivalents at end of period	<u><u>80,348</u></u>	<u><u>55,565</u></u>