Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under IFRS)

August 13, 2026

Company name	Digital Garage, Inc.		Stock exchange listings: Tokyo Prime
Securities code	4819	URL https://www.garage.co.jp/en/	
Representative	(Title)	Representative Director, President Executive Officer and Group CEO	(Name) Kaoru Hayashi
Inquiries	(Title)	Corporate Officer, Deputy Head of Corporate Div.	(Name) Hiroyuki Nozaki Tel 03-6367-1111

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 three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Revenue		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	9,432	(1.4)	(428)	—	(592)	—	(587)	—	(321)	—
June 30, 2025	9,569	(23.0)	(1,345)	—	(759)	—	(673)	—	(1,000)	—

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	(12.75)	(12.75)
June 30, 2025	(14.69)	(14.69)

(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	%
June 30, 2026	213,121	75,578	73,006	34.3
March 31, 2026	218,703	77,696	75,584	34.6

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	0.00	—	47.00	47.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		—	—	—	—

Note: 1. Revisions to the forecast of cash dividends most recently announced : None
2. The dividend forecast for the fiscal year ending March 2027 has not yet been determined.

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

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 June 30, 2026	47,888,274 shares	As of March 31, 2026	47,714,532 shares
② Number of treasury stock at the period end	As of June 30, 2026	1,777,033 shares	As of March 31, 2026	1,789,265 shares
③ Average number of shares (quarterly period-YTD)	Three months ended June 30, 2026	46,004,099 shares	Three months ended June 30, 2025	45,835,678 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 of results will be published 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, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	40,469	40,805
Trade and other receivables	35,695	29,792
Inventories	316	346
Operational investment securities	53,505	52,780
Other financial assets	285	331
Income taxes receivable	784	947
Other current assets	1,419	1,454
Total current assets	132,472	126,455
Non-current assets		
Property, plant and equipment	11,997	11,064
Goodwill	7,844	7,846
Intangible assets	11,390	12,240
Investment property	1,990	2,017
Investments accounted for using equity method	37,356	37,414
Other financial assets	14,761	15,118
Deferred tax assets	181	182
Other non-current assets	711	785
Total non-current assets	86,231	86,666
Total assets	218,703	213,121

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	26,366	26,545
Trade and other payables	54,364	52,861
Other financial liabilities	1,869	1,663
Income taxes payable	387	83
Other current liabilities	4,882	5,094
Total current liabilities	87,868	86,246
Non-current liabilities		
Bonds and borrowings	35,687	34,308
Other financial liabilities	4,927	4,407
Retirement benefit liability	341	319
Provisions	522	495
Deferred tax liabilities	10,985	11,099
Other non-current liabilities	677	668
Total non-current liabilities	53,139	51,297
Total liabilities	141,007	137,543

Equity		
Share capital	8,014	8,285
Capital surplus	5,457	5,054
Treasury shares	(5,033)	(5,002)
Other components of equity	1,999	2,268
Retained earnings	65,146	62,401
Total equity attributable to owners of parent	75,584	73,006
Non-controlling interests	2,112	2,573
Total equity	77,696	75,578
Total liabilities and equity	218,703	213,121

(2) Condensed quarterly consolidated statements of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Revenue		
Revenue in recurring business	8,342	8,481
Other income	313	301
Finance income	53	48
Share of profit of investments accounted for using equity method	861	602
Total	9,569	9,432
Expenses		
Cost of sales	3,137	3,293
Loss in operational investment securities	1,866	105
Selling, general and administrative expenses	5,613	6,054
Other expenses	78	178
Finance costs	221	231
Total	10,914	9,860
Profit (loss) before tax	(1,345)	(428)
Income tax expense	(586)	163
Profit (loss)	(759)	(592)
Profit (loss) attributable to		
Owners of parent	(673)	(587)
Non-controlling interests	(86)	(5)
Earnings (loss) per share		
Basic earnings (loss) per share	(14.69)	(12.75)
Diluted earnings (loss) per share	(14.69)	(12.75)

(3) Condensed quarterly consolidated statements of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit (loss)	(759)	(592)
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	207	123
Share of other comprehensive income of investments accounted for using equity method	(1)	(7)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(448)	154
Share of other comprehensive income of investments accounted for using equity method	1	1
Other comprehensive income, net of tax	(241)	271
Comprehensive income	(1,000)	(321)
Comprehensive income attributable to		
Owners of parent	(911)	(318)
Non-controlling interests	(89)	(3)

(4) Condensed quarterly consolidated statement of changes in equity

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(Millions of yen)

	Equity attributable to owners of parent						
				Other components of equity			
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	Total
Balance at beginning of period	7,888	5,229	(5,108)	(1,500)	2,561	51	1,112
Profit (loss)							—
Other comprehensive income				206	(444)		(238)
Comprehensive income	—	—	—	206	(444)	—	(238)
Issuance of new shares	5	5					—
Change in scope of consolidation							—
Dividends							—
Share-based payment transactions		29					—
Disposal of treasury shares		9	13				—
Transfer from other components of equity to retained earnings				(2)			(2)
Other		(50)					—
Total	5	(6)	13	(2)	—	—	(2)
Balance at end of period	7,893	5,223	(5,095)	(1,296)	2,117	51	872

(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)	(673)	(673)	(86)	(759)
Other comprehensive income		(238)	(4)	(241)
Comprehensive income	(673)	(911)	(89)	(1,000)
Issuance of new shares		10		10
Change in scope of consolidation		—	0	0
Dividends	(2,429)	(2,429)		(2,429)
Share-based payment transactions		29		29
Disposal of treasury shares		22		22
Transfer from other components of equity to retained earnings	2	—		—
Other		(50)		(50)
Total	(2,427)	(2,418)	0	(2,418)
Balance at end of period	63,195	72,088	2,189	74,277

Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(Millions of yen)

	Equity attributable to owners of parent						
				Other components of equity			
	Share capital	Capital surplus	Treasury shares	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Remeasurements of defined benefit plans	Total
Balance at beginning of period	8,014	5,457	(5,033)	(1,513)	3,434	78	1,999
Profit (loss)							—
Other comprehensive income				116	153		269
Comprehensive income	—	—	—	116	153	—	269
Issuance of new shares	271	271					—
Changes in ownership interest in subsidiaries		(170)					—
Dividends							—
Share-based payment transactions		(507)					—
Purchase of treasury shares			(0)				—
Disposal of treasury shares		(6)	31				—
Other		8					—
Total	271	(404)	31	—	—	—	—
Balance at end of period	8,285	5,054	(5,002)	(1,397)	3,587	78	2,268

(Millions of yen)

	Equity attributable to owners of parent		Non-controlling interests	Total
	Retained earnings	Total		
Balance at beginning of period	65,146	75,584	2,112	77,696
Profit (loss)	(587)	(587)	(5)	(592)
Other comprehensive income		269	2	271
Comprehensive income	(587)	(318)	(3)	(321)
Issuance of new shares		541		541
Changes in ownership interest in subsidiaries		(170)	464	294
Dividends	(2,158)	(2,158)		(2,158)
Share-based payment transactions		(507)		(507)
Purchase of treasury shares		(0)		(0)
Disposal of treasury shares		26		26
Other		8		8
Total	(2,158)	(2,260)	464	(1,797)
Balance at end of period	62,401	73,006	2,573	75,578

(5) Condensed quarterly consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before tax	(1,345)	(428)
Depreciation and amortization	970	1,156
Interest and dividend income	(30)	(27)
Interest expenses on borrowings and bonds	156	226
Share of loss (profit) of investments accounted for using equity method	(861)	(602)
Loss (gain) on investment securities	62	(12)
Loss (gain) on sales of shares of subsidiaries and associates	10	—
Decrease (increase) in trade and other receivables	4,338	5,689
Decrease (increase) in investment securities for sale	2,520	723
Decrease (increase) in inventories	(9)	(29)
Increase (decrease) in trade and other payables	(6,995)	(1,670)
Increase (decrease) in accrued consumption taxes	89	71
Other	165	314
Subtotal	(932)	5,410
Interest and dividends received	1,975	979
Interest paid	(152)	(223)
Income taxes refund (paid)	(605)	(296)
Net cash provided by (used in) operating activities	287	5,870
Cash flows from investing activities		
Purchase of property, plant and equipment	(79)	(121)
Purchase of intangible assets	(1,463)	(1,481)
Purchase of investment securities	(906)	(33)
Proceeds from sale of investment securities	13	—
Proceeds from dividend of investment partnership	6	—
Purchase of investments accounted for using equity method	(500)	(562)
Proceeds from sale of investments accounted for using equity method	587	—
Other	21	145
Net cash provided by (used in) investing activities	(2,320)	(2,051)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(150)	200
Proceeds from long-term borrowings	300	300
Repayments of long-term borrowings	(1,311)	(1,700)
Repayments of lease liabilities	(452)	(461)
Capital contribution from non-controlling interests	0	294
Purchase of treasury shares	—	(0)
Proceeds from disposition of treasury shares	22	26
Dividends paid	(2,411)	(2,140)

Other	5	(2)
Net cash provided by (used in) financing activities	(3,997)	(3,483)
Effect of exchange rate changes on cash and cash equivalents	(36)	1
Net increase (decrease) in cash and cash equivalents	(6,066)	336
Cash and cash equivalents at beginning of period	56,354	40,469
Cash and cash equivalents	50,288	40,805