Financial Report

2Q of FY27.3

Digital Garage

2026.11.10

I. Consolidated Financial Highlights

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Financial Results Summary for 2Q FY27.3 (Year to Date)

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Results Summary (YTD)

Consolidated Profit before tax

¥1.4 B → **-¥4.1 B** (-¥5.5 B)

(YoY)

PS PMT TXN Vol.

¥4.1 T → **¥5.8 T** (+42.0%)

(YoY)

PS Profit before tax

¥4.5 B → **¥3.8 B** (-13.9%)

(YoY)

LTI Profit before tax

¥1.3 B → **¥1.9 B** (+46.8%)

(YoY)

GII Investment business income

Total: ¥16.4 B

(FY24.3~FY27.3 2Q)

Consolidated / Segment Highlights

Consolidated

- We aim to announce our new Medium-Term Plan within the fiscal year ending March 2027, taking into account the progress of ongoing corporate action
- FY27.3 is a transition year for us ahead of the new Medium-Term Plan. We are currently driving group-wide efforts to improve cost efficiency and optimize operations

Platform Solution

- Payment transaction volume grew significantly, driven by contributions from the large-scale project for the KDDI Group
- QR code payment transaction volume continues to outperform broader market growth, reaching an annual volume of ¥1.5 trillion
- We are leveraging our patented Cloud Pay series to win further market share

Long-Term Incubation

- Strategic businesses such as our out-of-app payment service, AppPay, and our real estate DX service, Musubell, are scaling well, turning business profit positive on a 2Q standalone basis
- We have initiated the commercial rollout of stablecoin payments to support next-generation payment infrastructure. And we accelerate their adoption in the real world with Memorandum of Understanding with Circle.

Global Investment Incubation

- Our partnership with a major secondary fund manager is accelerating asset sales and off-balancing, as we work toward our current Medium-Term Plan target of ¥30 billion in investment business income
- Over the medium to long term, we are transitioning from on-balance investments to a fund investment model to minimize earnings volatility and stabilize consolidated performance

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Consolidated Financial Highlights – Segment Profit (Year to Date)

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(Unit: M JPY)	FY26.3 2Q YTD	FY27.3 2Q YTD	YoY	Change (%)	Summary
Consolidated profit before tax	1,416	**-4,091**	-5,506	-	• Posted a loss due to lower profit in the PS segment and valuation losses in the investment business, among other factors
PS	4,462	**3,844**	-618	-13.9%	• Marketing remained flat, but lower profit in the Payment business pulled the segment down
Payment	3,607	**2,997**	-609	-16.9%	• Churn and contract revisions from major customers from FY26.3 continued to cut into profit • Gradual recovery expected starting in 2H, once these effects have fully cycled through
Marketing	855	**847**	-8	-1.0%	• Sustained momentum in the payment and financial advertising markets continued to provide a tailwind
LTI	1,288	**1,891**	+603	+46.8%	• Growth and monetization of strategic businesses such as out-of-app payments and real estate DX
GII	-1,210	**-5,299**	-4,089	-	• Driven by a decline in the fair value of operational investment securities for some portfolio investees
HQ/Adjustments	-3,124	**-4,527**	-1,403	-	• Costs increased due to financial advisory fees and office optimization expenses

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Basic Business Revenue and Profit* (Year to Date)

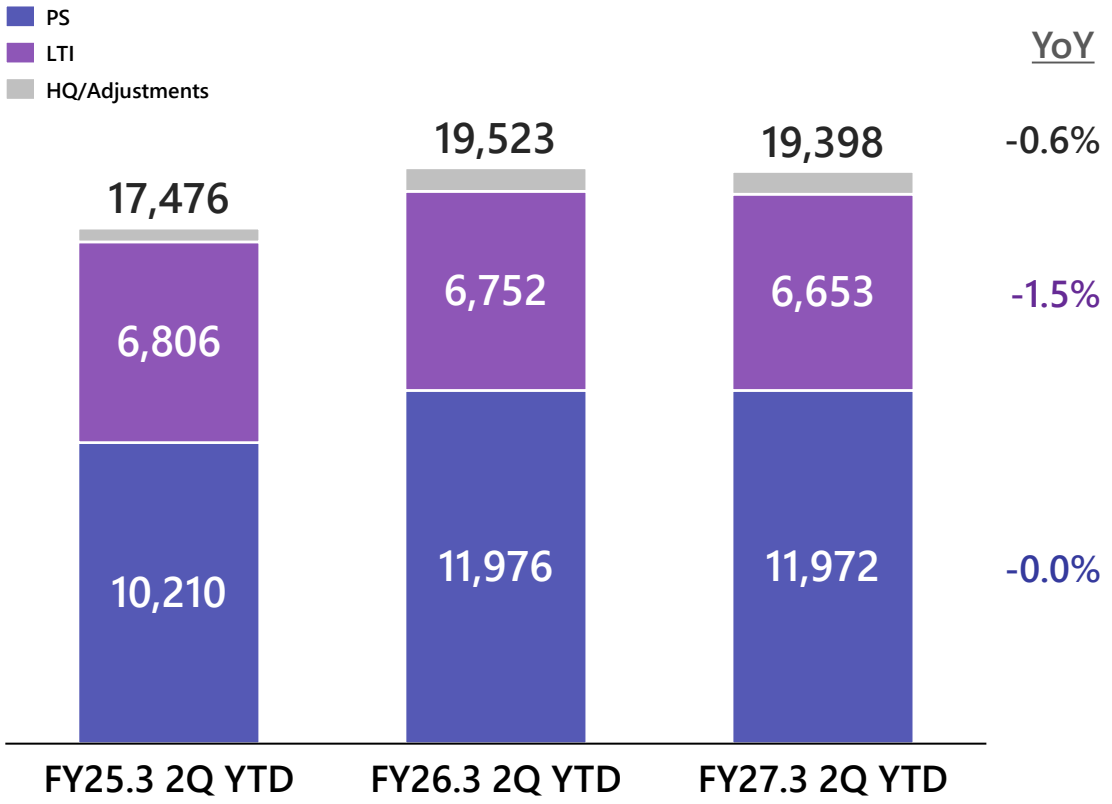
*Recurring business revenue and profit excluding investment-related and one-time gains/losses

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- Basic Business Profit declined due to lower profit in the core PS segment, as well as office optimization costs and Kakaku.com TOB-related expenses
- We are using this transition year ahead of the new Medium-Term Plan to drive cost efficiency and optimization across the Group

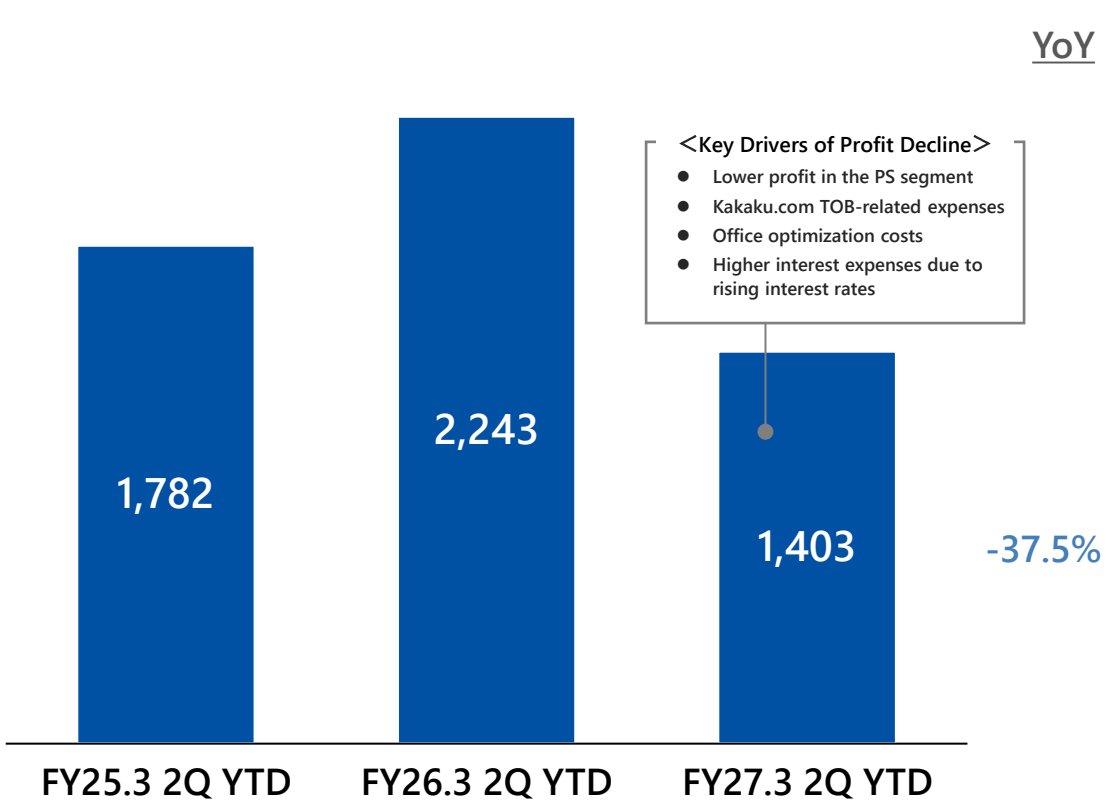
Basic Business Revenue

(Unit: M JPY)



Basic Business Profit

(Unit: M JPY)



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II. Segment Performance Highlights

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Business Highlights and Overview

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II LTI segment

＜KPIs＞

New business revenue growth	Pre-tax profit growth
+63%	+47%

Business Highlights

kakaku.com
- While equity-method profits declined, payment transaction volume reached a record high

Strategic businesses
- Several strategic businesses, including AppPay and Musubell, have entered the monetization phase, driving a reduction in business losses

Group Synergies

- Payment transaction volume from the Kakaku.com Group continues to grow
- Transaction volumes from new businesses also maintained strong growth, up 43% YoY

I PS segment

＜KPIs＞

Payment TXN volume (TTM)	Payment TXN vol. growth	Pre-tax profit growth
¥10.8 T	+42%	-14%

Business Highlights

Cloud Pay
- QR code payment transaction volume surpassed ¥1 trillion for the first time in 2025, and has scaled to ¥1.5 trillion over the trailing twelve-month period
- We are leveraging our Cloud Pay series to drive adoption in cash-heavy sectors and businesses still relying on fragmented, manual systems

au Financial Service
- Our next-generation payment platform, NESTA, is now fully operational
- We are scaling adoption across the broader au economic zone, including KDDI Group companies, while actively driving deployment to enterprise clients outside the KDDI Group

Resona Holdings
- We deepened our capital and business alliance in July 2025 to fast-track our goal of hitting ¥1 trillion in payment transaction volume
- We are co-developing a new BaaS and digital finance business for SMEs, slated for rollout later this fiscal year

III GII segment

＜KPIs＞

Investment business income (MTP cumulative)	Operational investment securities (End of FY27.3 2Q)
¥16.4 B	¥50.0 B

Business Highlights

Fair value
- Our portfolio value fluctuated, impacted by valuation losses on select investments and movements in FX

Investment business income
- Recorded a cumulative total of ¥16.4 billion
- Aiming to establish a stable business foundation through our strategic partnership with a leading fund

Group Synergies

- We established the Business Co-Creation Department to serve as a cross-functional hub for global tech startups, driving the implementation of cutting-edge Fintech
- We are partnering with a U.S. startup in our portfolio to co-develop an AI search optimization (GEO) solution

*All figures pertain to FY27.3 2Q results

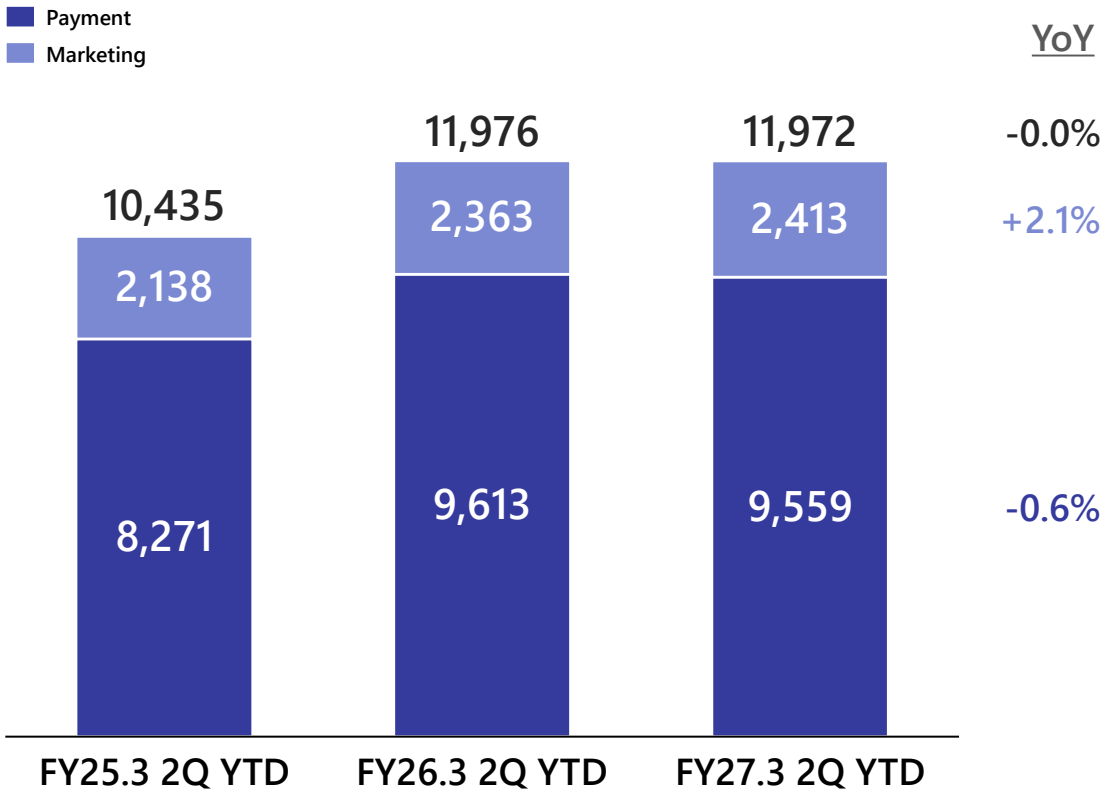
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IPS Segment Performance

- Profit in the Payment business declined throughout 1H, heavily impacted by churn and contract revisions from major customers in FY26.3 2Q
- Marketing profit remained flat in 1H, despite a consistently favorable environment in the payment and financial services markets

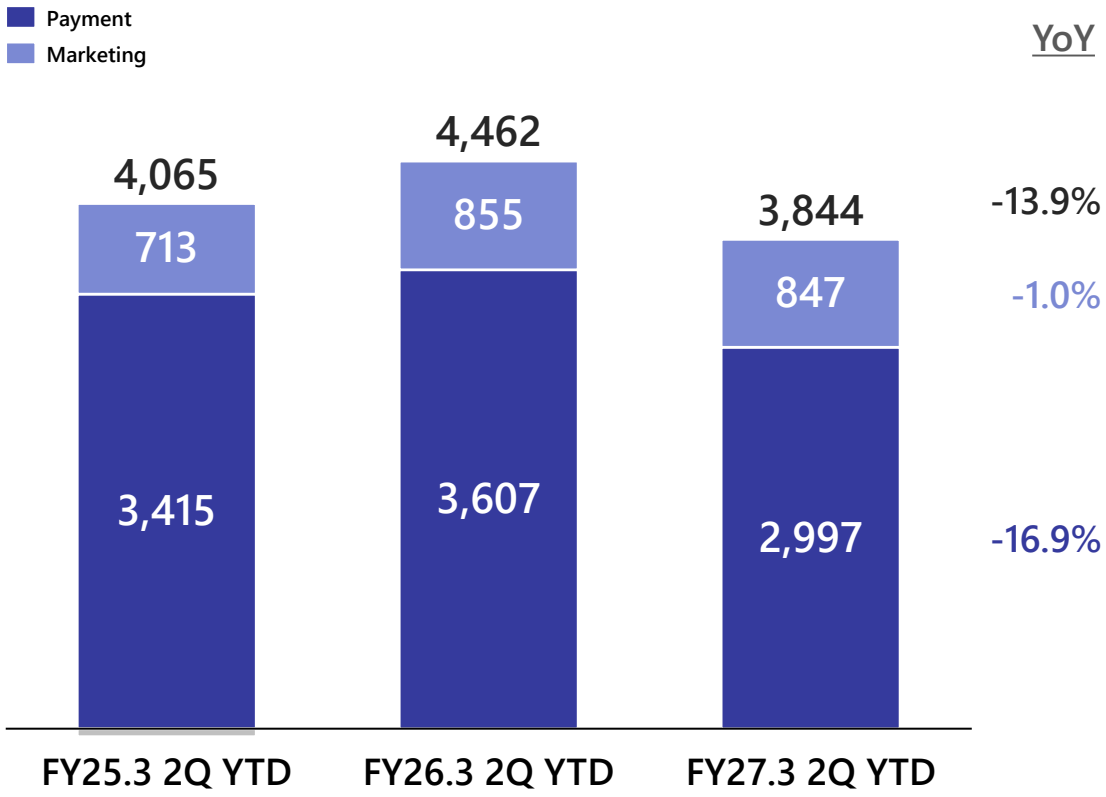
Segment Revenue

(Unit: M JPY)



Segment Profit

(Unit: M JPY)



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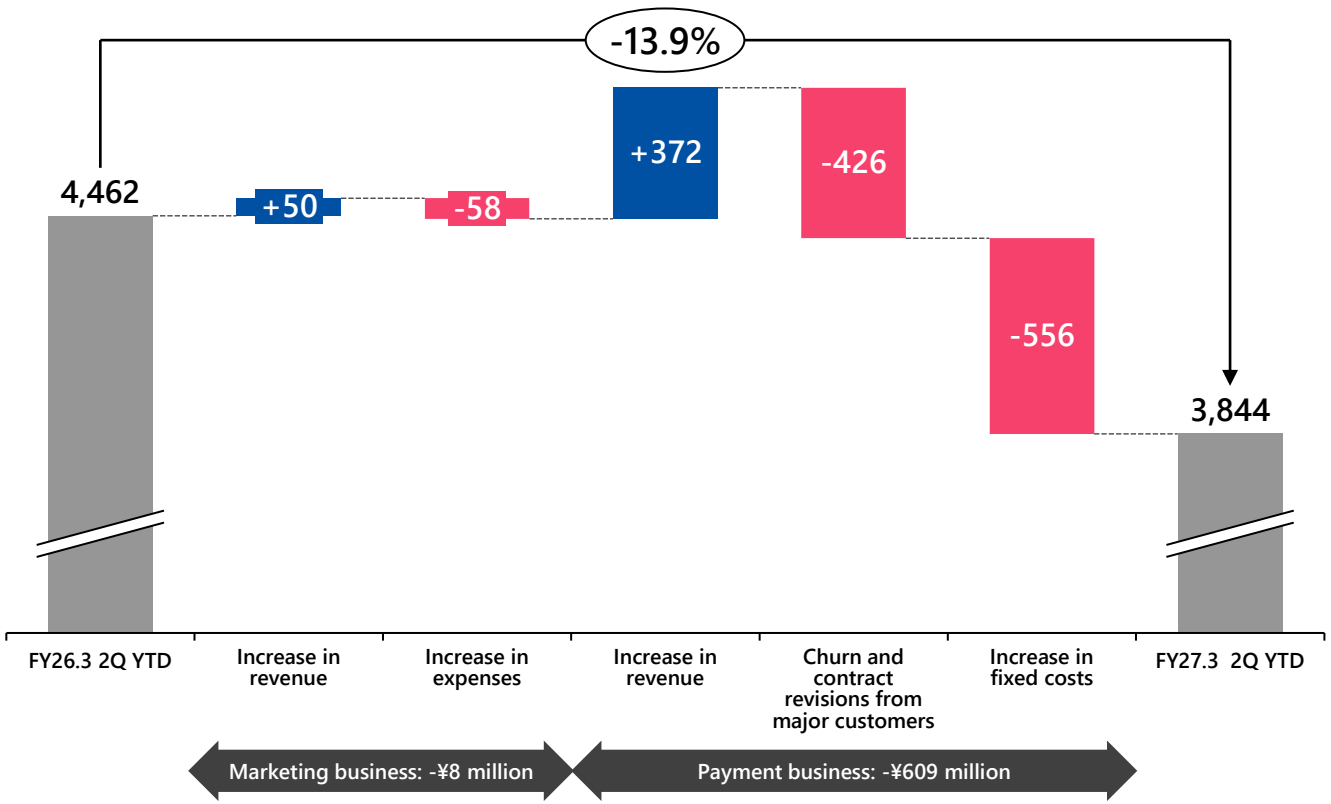
IPS Breakdown of Increase/Decrease in Segment Profit (Year to Date)

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- Marketing tracked largely in line with expectations, but segment profit fell 14%, weighed down by headwinds in the Payment business, namely customer churn, contract revisions, and higher fixed costs
- Headwinds from customer churn and contract revisions are expected to cycle through in 2H. To secure medium- to long-term growth, we are driving structural reforms, including an overhaul of our sales and development teams

Breakdown of Increase/Decrease in Segment Profit

(Unit: M JPY)



Drivers of 1H Profit Decline & Outlook

Marketing Business

Profit before tax: ¥847 M (-1.0%)

- 1H profit tracked our initial projections. We also expect the business climate to remain stable through 2H

Payment Business

Profit before tax: ¥2,997 M (-16.9%)

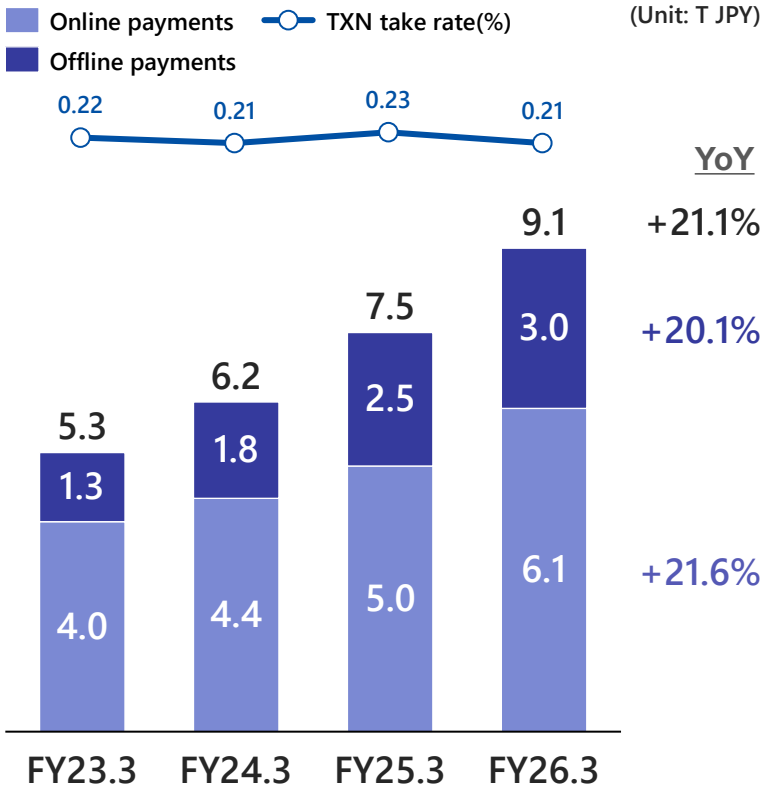
- We anticipated a profit decline in 1H, as we continued to absorb the impact of churn and contract revisions from major customers in FY26.3. While 1Q performed in line with expectations, 2Q fell short, partly due to a drop in transaction volume from certain customers
- Despite growth in payment volume, profit declined as the increase was insufficient to offset higher fixed costs, including depreciation, personnel expenses, and security measures
- Payment transaction volume in 2Q—excluding a large-scale project—grew 10%, maintaining growth toward our full-year target of ¥11.5 trillion. Moving forward, we aim to improve profit margins by diversifying revenue streams, including through marketing offerings, and optimizing fixed costs
- In response to the sharp rise in security risks, we have conducted extensive system testing and implemented countermeasures to ensure the robustness of our infrastructure as an essential part of society

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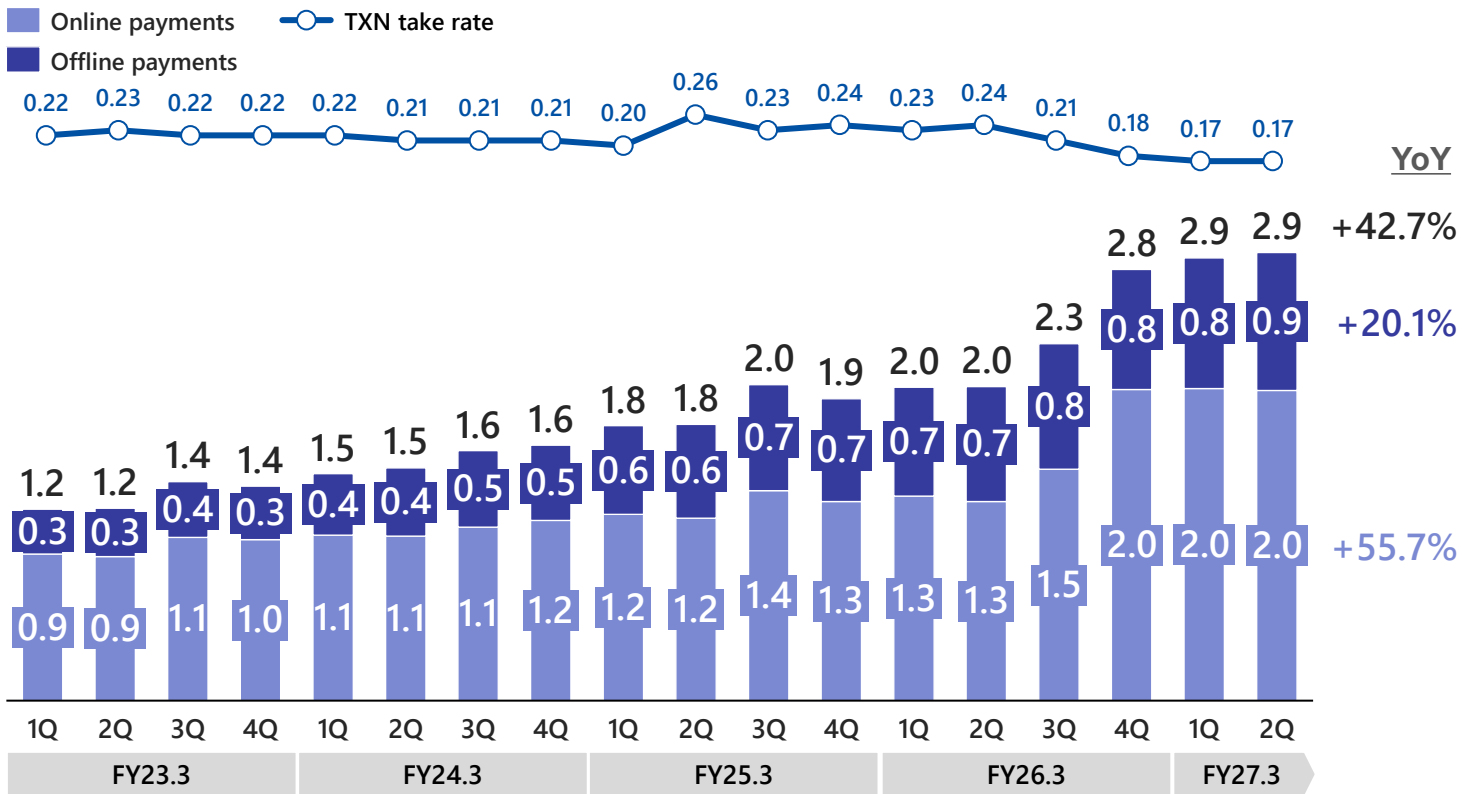
IPS Payment Transaction Volume

- Payment transaction volume rose sharply, driven by the large-scale project for the KDDI Group. Volume over the trailing 12 months has grown to approximately ¥10.8 trillion
- Our take rate compressed as expected in FY26.3 4Q following the project's full-scale launch, but has held steady since

Payment Transaction Volume (by FY)



Payment Transaction Volume (Quarterly)



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IPS Breakdown of Increase/Decrease in Transaction Volume (Quarterly)

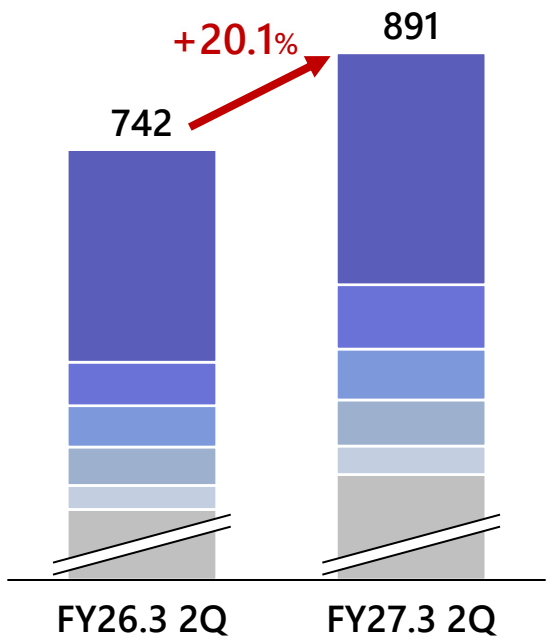
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- Offline payment volume sustained over 20% growth, absorbing headwinds like the ongoing slowdown in inbound tourism spending
- The large-scale project for the KDDI Group drove a significant increase in online payment volume, offsetting the lingering impact of churn among major customers

Offline Payments

(Unit: B JPY)

- General Retail: Growth remained in the single digits. A continued slowdown in inbound tourism spending drove a double-digit YoY decline in overseas QR code payment volume
- Strategic Alliances: Maintained steady growth momentum with key partners including Toshiba Tec, Recruit, and Square

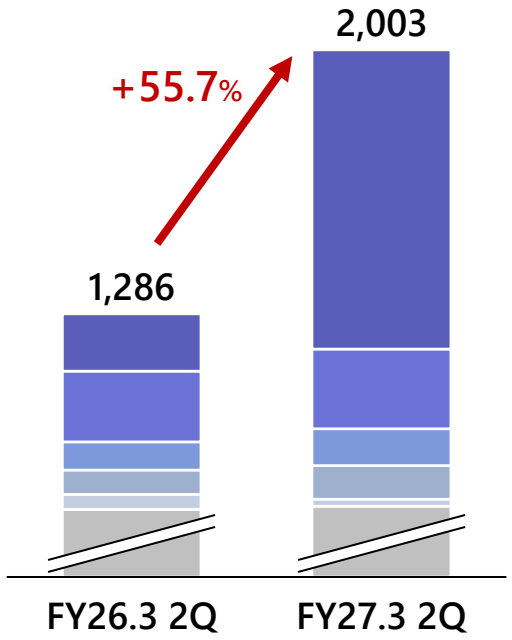


	YoY
General retail	+9.1%
Travel-related	+48.2%
Food & B. / alcohol	+23.4%
Food service	+19.1%
Professional services	+20.6%
Others	

Online Payments

(Unit: B JPY)

- Telecommunications/SaaS surged following the full-scale rollout of the KDDI Group project
- Food Service sustained high growth fueled by rising mobile and table orders
- Securities/FX Trading: Volume fell sharply, weighed down by the lingering impact of churn from a large customer in FY26.3 2Q



	YoY
Telecom & SaaS	+424.9%
Travel-related	+12.2%
Food service	+31.2%
Entertainment / Hobby	+39.2%
Securities / FX	-54.4%
Others	

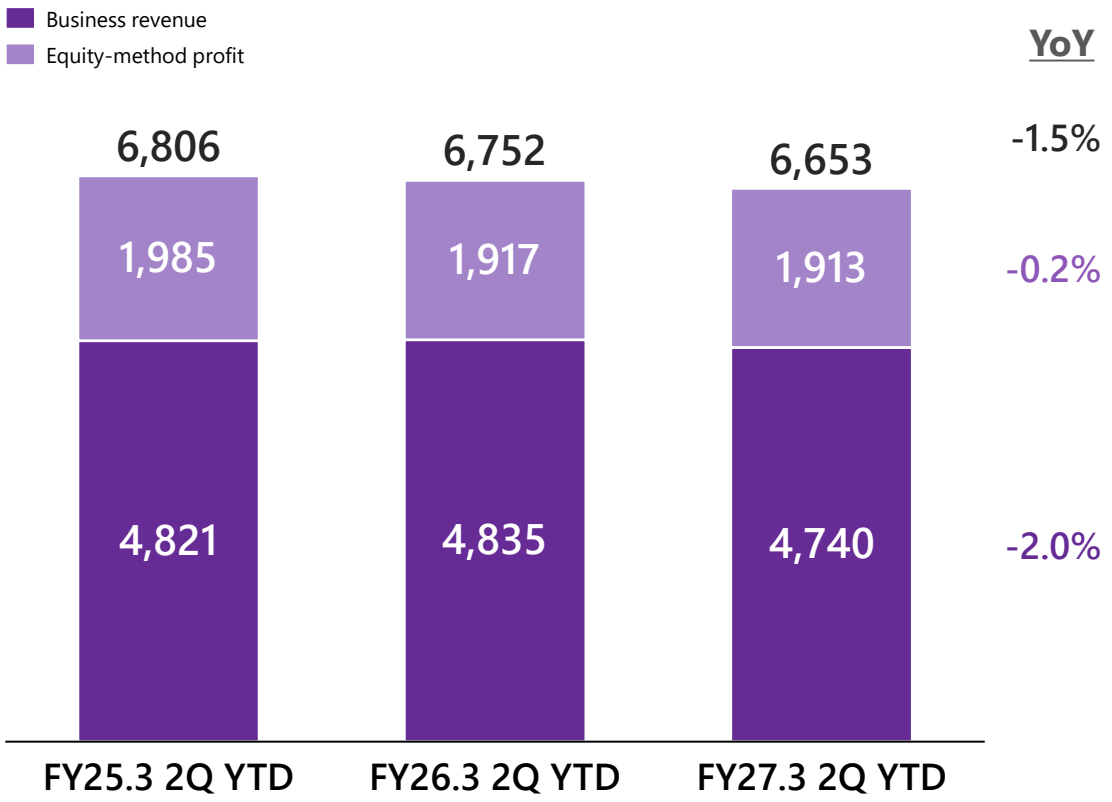
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Segment Performance

- Growth in strategic businesses, including out-of-app payments and real estate DX services, drove a reduction in operating losses (turning profitable on a 2Q standalone basis)
- Payment transaction volume via Kakaku.com continued to grow, even as equity-method profits from Kakaku.com and other affiliates declined (See p.18)

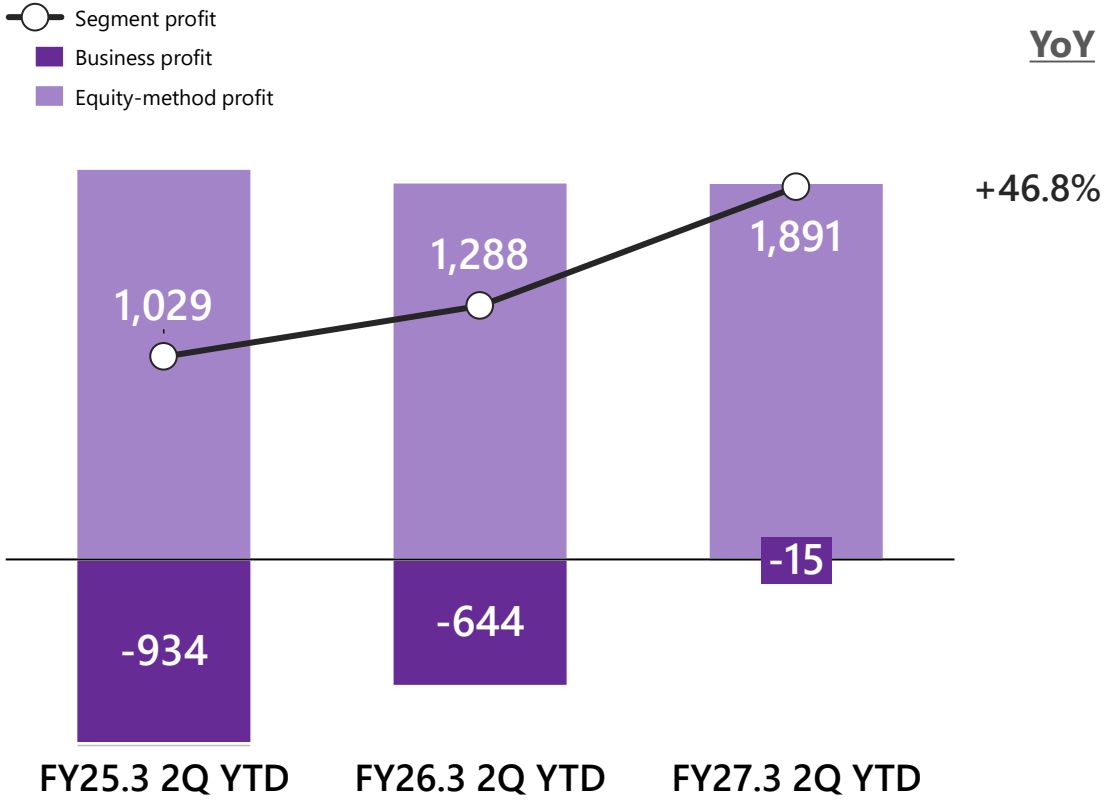
Segment Revenue

(Unit: M JPY)



Segment Profit

(Unit: M JPY)



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Segment Performance (Breakdown of Operational Investment Securities)

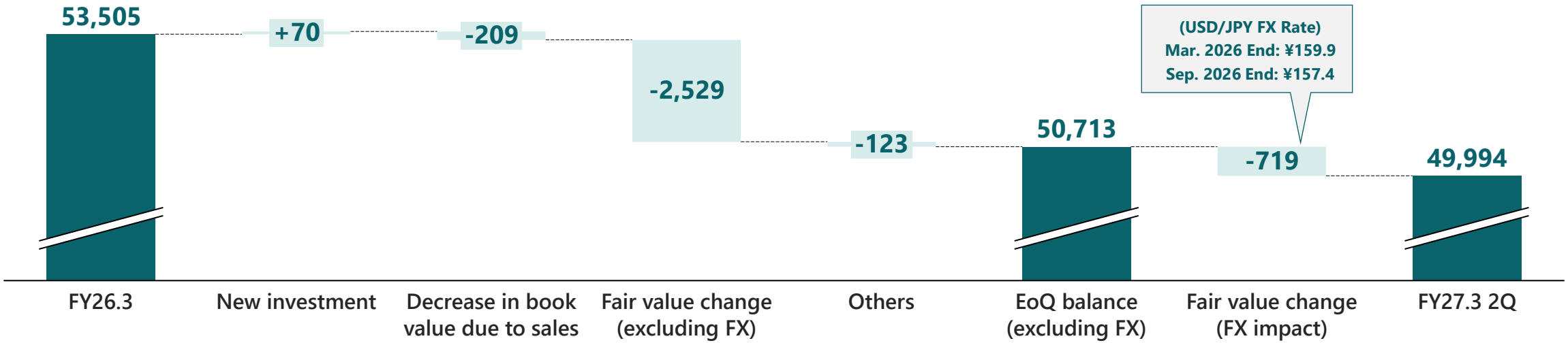
- Strategic Partnership: Reached a basic agreement in May 2026 on a strategic partnership with a leading secondary fund manager; final discussions are currently underway
- Portfolio Optimization: Establish a stable business foundation with reduced earnings volatility by selling the majority of our investment portfolio

Operational Investment Securities – Waterfall Chart

(Unit: M JPY)

Investment business income (MTP) 5-year (cumulative): ¥30.0 B (FY24.3 ~ FY28.3)

Investment business income (Actual) cumulative: ¥16.4 B (FY24.3 ~ FY27.3 2Q)

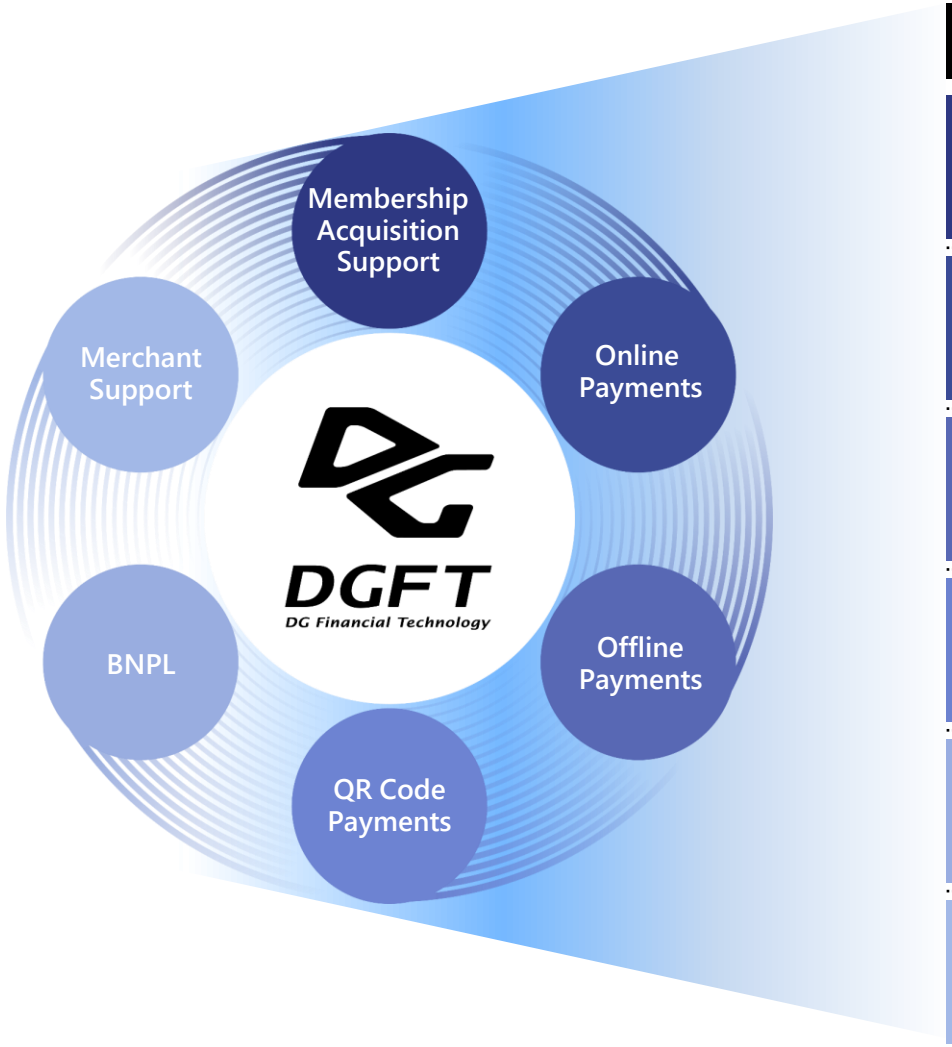


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III. Segment Topics

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PS Platform Solution – Business Overview



Business Domain	Growth Engine	Results
Membership Acquisition Support	Affiliate advertising consulting capabilities & technology utilization	Annual Revenue ¥24.4 B
Online Payments	Further expansion through collaboration with Resona/KDDI Group, etc.	Annual GMV ¥6.1 T
Offline Payments	Collaboration with Toshiba Tec Corporation, ANA Group, Square & Recruit etc.	Annual GMV ¥3.0 T
QR Code Payments	Growth acceleration by Cloud Pay series	3y CAGR +45%
BNPL (Buy Now Pay Later)	Business growth through SCORE's expansion into the B2B BNPL	3y CAGR +38%
Merchant Support (Website creation, cybersecurity, etc.)	Marketing talents collaboration and unified data infrastructure development	Annual Revenue ¥6.5 B

(*Annual results: Apr. 2025 – Mar. 2026; 3Y CAGR: FY23.3 to FY26.3; QR code payment: GMV CAGR; BNPL: PBT CAGR)

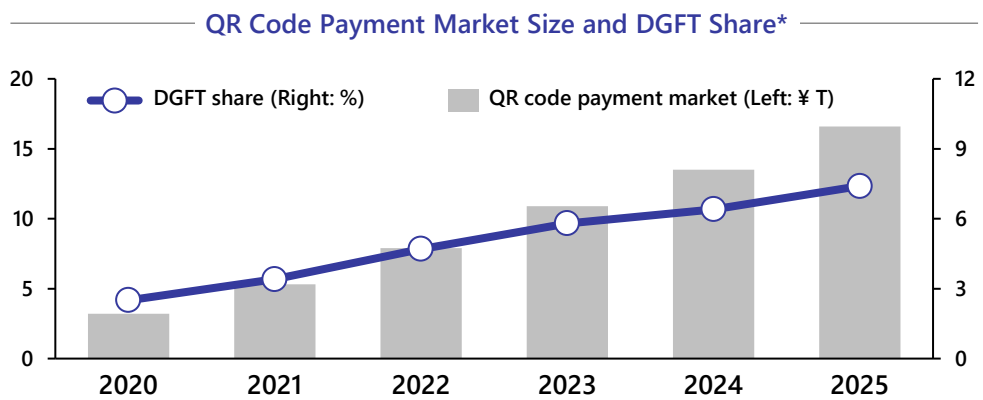
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IPS Growth in QR code payments driven by Cloud Pay

- Our QR code payment transaction volume is growing 1.7x faster than the broader market. Volume cleared ¥1 trillion in 2025 and has reached ¥1.5 trillion over the trailing 12 months
- We will drive further market share gains by leveraging our patented Cloud Pay series of bundled QR payment services

Growth in QR Code Payment Transaction Volume

Gaining QR code payment share on the strength of our Cloud Pay series



- DGFT's QR code payment transaction volume: Approximately ¥1.5 trillion on a trailing 12-month basis
- Volume grew at a 45% CAGR over the past three years (FY23.3 to FY26.3)
- That pace is 1.7x the broader market's 28% CAGR, driving consistent market share gains

Expanding into Verticals Such as Food Service and Arcades

Cloud Pay Neo built into Toshiba Tec's table and mobile ordering systems

Relax Order NS / Skip Order / Otegaru Order

Seamlessly integrates major QR payment methods without disrupting existing store operations	Accelerates the pairing of Toshiba Tec's broad food service and retail reach with DGFT's payment platform	Goes beyond payments to build solutions for in-store digital transformation and labor savings

Integrating our Cloud Pay series with PASELI, Konami's proprietary e-money service

KONAMI / PASELI / Cloud Pay / Cloud Pay Neo

Launched a service integration with PASELI, Konami's proprietary e-money service	An early leader in arcade e-money with a deeply established customer base	The integration with our Cloud Pay series modernizes the payment experience across arcade facilities

*Source: Market size based on data from METI; DGFT share based on Digital Garage estimates

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Segment Overview

Development & nurturing of strategic businesses to drive payment platform expansion for medium to long-term growth

Through initiatives to support Kakaku.com's growth and cross-Group projects, we aim to expand payment transaction volume generated by Kakaku.com Media, while building new revenue streams through the development of strategic businesses and M&A and increasing DGFT's payment transaction volume

LTI segment business domain

kakaku.com

Operating an internet media business with one of the highest traffic volumes in Japan

Media

食べログ	• Monthly users: 97M • Monthly PV: 2,460M
価格.com	• Monthly users: 31M • Monthly PV: 236M
求人ボックス	• Monthly users: 16M • Monthly PV: 173M

* As of March 2026

Traffic

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Developing strategic business initiatives and next-generation infrastructure in sectors aligned with payment services

Focus area

- Ⅰ Industry-specific DX
- Ⅱ B2B payment/finance
- Ⅲ Next-gen technologies

Payment

PS segment business domain

DGFT DG Financial Technology

Operating one of Japan's largest payment processing businesses / Designated as critical infrastructure in Japan

Payment

Payment TXN volume	¥10.8 T
Payment Location	1.40 M
Supported payment methods	40 + types

* Data is based on the trailing 12 months (TTM).

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Update on Strategic Businesses

- Several strategic businesses that complement our payment business have entered the growth phase, driving a steady expansion in both revenue and payment transaction volume
- Payment transaction volume via Kakaku.com maintained steady growth. We are also promoting joint business initiatives that leverage the assets of both companies

Key Business Topics

Wider rollout of Musubell Smart Identity Verification

Musubell®

- Enables identity verification for real estate transactions using IC chips in My Number Cards and other identification documents
- Adoption has steadily expanded among large and small to medium-sized companies since the service launch
- Expanding through partnerships with National Federation of Real Estate Transaction Associations and the All Japan Real Estate Association, whose members make up about 80% of Japan's real estate agencies

Growth of AppPay (out-of-app PMT service)

App Pay

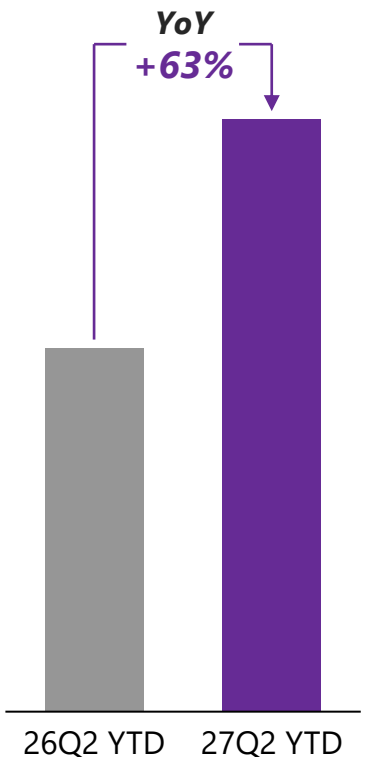
- Global Expansion: Payment volume surged approx. 3x YoY
- Regulatory Tailwinds: Expanding business scale, driven by the Mobile Software Competition Act (effective Dec. 2025)
- Steady growth in contracted titles secured our position as Japan's No. 1 out-of-app payment platform*1

Pocket Change's "Pokepay" adopted by Kita Ward, Tokyo

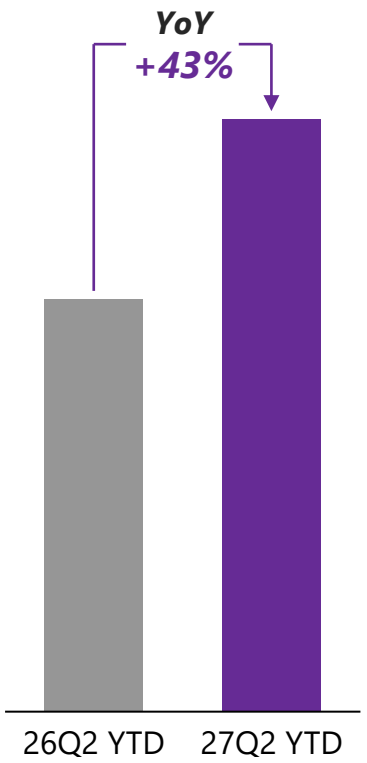
pokepay

- Selected as the engine for Kita Citys local digital currency, "Hoku-Pay"
- Officially launched in October 2026: Powered by Pokepay, the proven platform behind Shibuya's "Hachi-Pay"

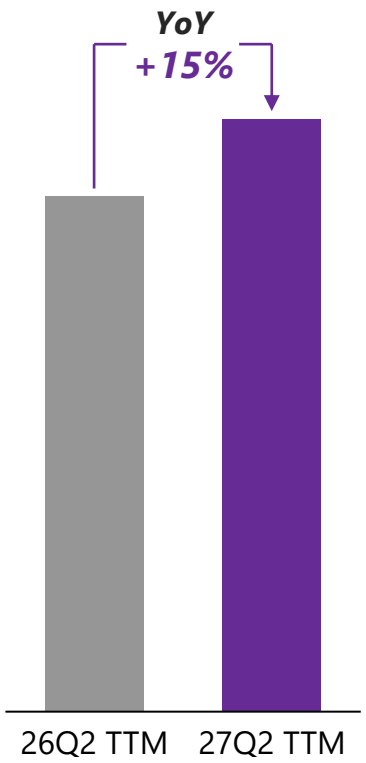
Strategic businesses - Revenue (YTD basis)



Strategic businesses – PMT TXN Vol. (YTD basis)



TXN vol from Kakaku.com (TTM)



*1) Ranks No. 1 among out-of-app PMT service platforms in Japan by number of mobile game and app integrations (October 2025 survey by Digital Garage)

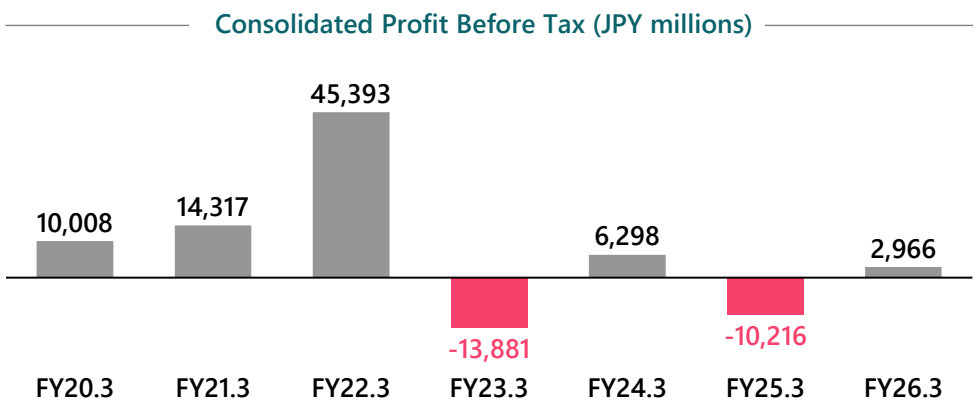
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Off-Balance Sheet Initiatives

- Executing our Medium-Term Plan to transition assets off-balance sheet, minimizing earnings volatility and securing a stable operating base
- Finalizing terms for the sale of our portfolio to a major secondary fund, with closing targeted for FY27.3

Investment Business: Challenges & Progress to Date

Earnings volatility driven by fair value fluctuations (including FX impacts)



Medium-Term Plan: Off-Balance Sheet Transition & Investment Restructuring

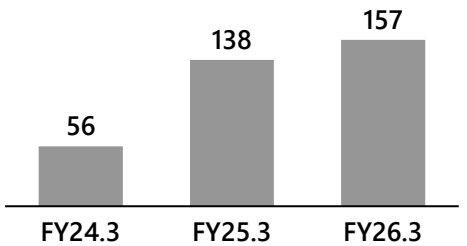
- Disciplined approach to new investments
- Accelerating direct investment exits
- Shifting to a fund-based model

Progress on Off-Balance Sheet Initiatives

Driving toward our MTP target of ¥30 billion in investment business income

Progress Through FY26.3

Cumulative investment business income (Unit: 0.1 B JPY)



Tracking well against our ¥30 billion target

FY27.3 Initiatives

1. Investment business income: +¥800 million (2Q YTD)
   Cumulative total: ¥16.4 billion
2. Negotiations with Ion Pacific:
   In final talks to close the transaction in FY27.3; expecting to divest the majority of our portfolio
3. GrubMarket IPO prep:
   Anticipating cash returns from post-IPO exit
   Fair value as of FY27.3 2Q: ¥7.1 billion

Smoothing out earnings volatility to establish a stable operating base

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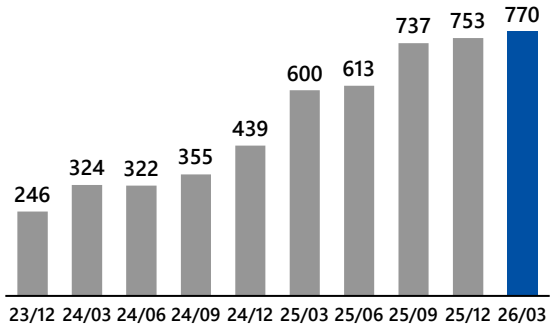
Driving Real-World Adoption of Stablecoin Payments

- Reached a basic agreement with U.S.-based Circle to add support for a dedicated stablecoin chain, aiming to expand stablecoin payments in Japan
- Leveraging the "DG SPS" platform to drive real-world adoption across JCB's and DGFT's customer bases and networks

Scaling Stablecoins and AI Agents

Mainstream adoption of stablecoins is fueling the development of AI agents

USDC Circulating Supply*1
(Unit: 0.1 B USD)



About AI Agents



- Unlike conventional chatbots, these AI agents autonomously reason and execute workflows on the user's behalf
- In e-commerce, agents manage the entire customer journey: from product discovery and comparison straight through to checkout and payments

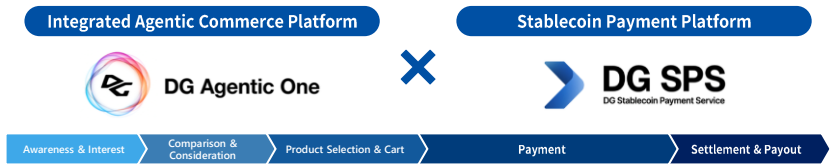
By 2030, AI agents are projected to facilitate approximately 25% of global e-commerce sales*2

We are entering an era where AI will fundamentally rewire consumer behavior and broader industry dynamics

Driving Real-World Adoption of Stablecoin Payments

Accelerating initiatives through collaboration with JCB, Resona HD, and other partners

- Jan. 2026: Partnered with JCB and Resona HD to advance the real-world adoption of stablecoin payments
- Feb. 2026: Conducted an in-store PoC using USDC and JPYC
- Aug. 2026: Launched two new services to fuel business growth in the AI era



- Aug. 2026: Partnered with JCB on a stablecoin payment PoC at Lawson stores
- Nov. 2026: Reached a basic agreement with Circle to add support for Arc, the open stablecoin-native layer-1 blockchain for payments
  - Scaling adoption via DGFT alongside the advance rollout to JCB

Forging a new payment ecosystem through the real-world adoption of stablecoin payments

*1 Compiled from Circle Internet Group, Inc. "Transparency & stability / Reserves composition" *2 Source: Deloitte, "Agentic commerce - Redefining the economics of retail"

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IV. Kakaku.com's Going-Private Transaction

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Privatization of Kakaku.com

Digital Garage

- On October 28, 2026, EQT increased its tender offer price for Kakaku.com, Inc. to ¥3,683 per share (previously ¥3,682)
- If the transaction is completed during FY27.3, we expect to recognize approximately ¥30.0 billion in gain on sale of shares of subsidiaries and associates in our consolidated financial statements.

Tender Offer Price	● 3,683 yen per share (previously ¥3,682)
Share Repurchase Price	● 2,994 yen per share (previously ¥2,993) ● Taking into account the fact that the provision which allows the deemed dividend not to be included in taxable income under the Corporation Tax Act is expected to apply to the Treasury Share Repurchase, the amount of after-tax proceeds for the Company with the Treasury Share Repurchase has been set such that such amount shall be substantially equivalent to the amount of after-tax proceeds the Company would have received had it tendered its shares in the Tender Offer at the Tender Offer Price
Tender Offer Period	● From May 13, 2026 to November 12, 2026
Expected Cash Proceeds (after the share repurchase and other transactions)	● Approximately 19 billion yen

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Reference Materials

Reference Materials (1): Introduction

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PURPOSE

Designing ‘New Context’ for a sustainable society with technology

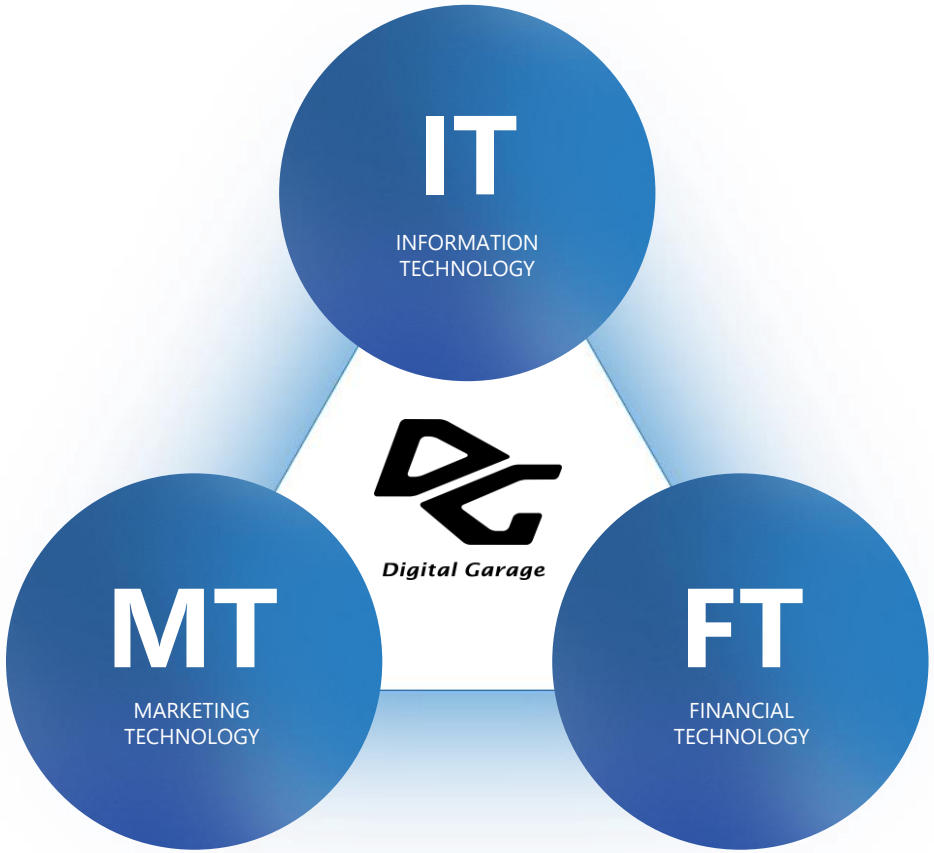
＜VALUES＞

First Penguin Spirit

＜CORPORATE SLOGAN＞

New Context Designer DG

Business Model / 3 Core Technologies



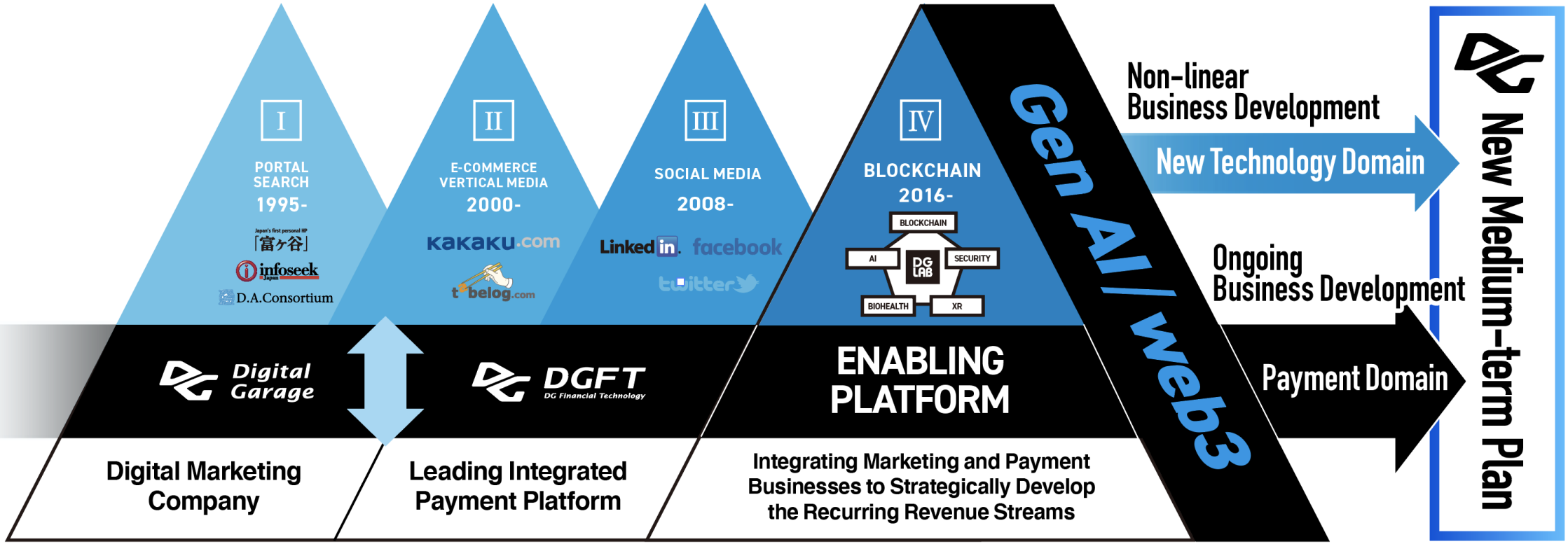
By connecting 3 different technologies in context, Digital Garage has built a structure that captures technological evolution and achieves continuous business growth

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History of DG Group's Contextual Design and Social Implementation

Digital Garage

Since its establishment in 1995, DG has been developing the latest internet business deploying cutting-edge technologies based on marketing and payment. Our next generation focus will be on Gen AI / web3, etc.



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Business Segment Formations

Digital Garage

PS Segment

Fintech: DGFT (DG Financial Technology)

Biztech: DGBT (DG Business Technology)

LTI Segment

Media (Kakaku.com)

食べログオーダー　BI.GARAGE

Retail Tech　Real Estate　B2B　web3

Mobile & Next Tech

Group Businesses / Strategic Partners

SCORE　DG FutureTech

Resona Holdings　au Financial Service

ANA　Toshiba Tec Corporation　JCB

GII Segment

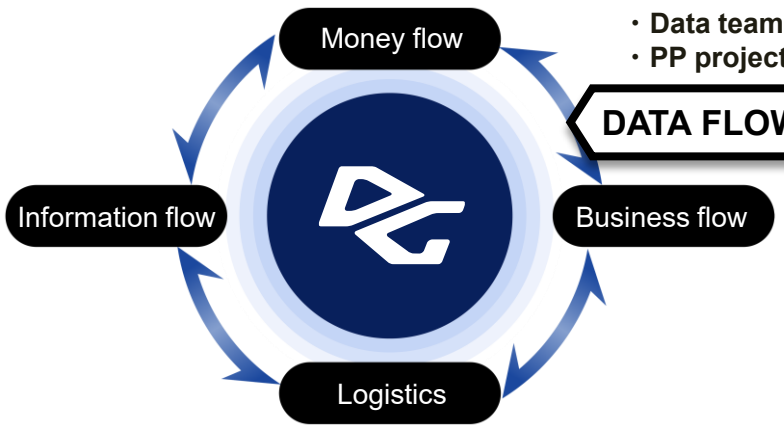
DG Ventures　DG Incubation　DGDV　GEN LAB

DGUS　717

Media & Mobile & Next Tech | **Gravity**

kakaku.com

価格.com　食べログ　求人ボックス



Startup | **Global Incubation Stream**

Global Tech & Startup Community
<Tokyo／San Francisco／London>

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Business Segment Classification

Digital Garage

Digital Garage Group

Long-term Incubation Segment

New services/products to drive payment platform expansion

Non-linear business to implement next-generation technologies in society

- Industry-specific DX services
- New Fintech
- Next-gen Media

kakaku.com
Musubell
DGFT請求書カード払い
AppPay
Pangaea Delivery
CRYPTO GARAGE
BI.GARAGE

Platform Solution Segment

Core business built around the payment platform

- Payment service provider
- Payment-related functions that add value
- Marketing and CRM solutions for the financial sector

DGFT DG Financial Technology
DGBT DG Business Technology
SCORE
DG FutureTech
ANA DIGITAL GATE
TDP
Resona Kessai Service

Global Investment Incubation Segment

Investing in and supporting startups focused on next-gen technologies and collaborating with DG Group

- Investment incubation
- Supporting startups
- Fund management

DG Ventures
DG Incubation
DGDV
DGUS
GEN LAB

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Reference Materials (2): Supplementary Data

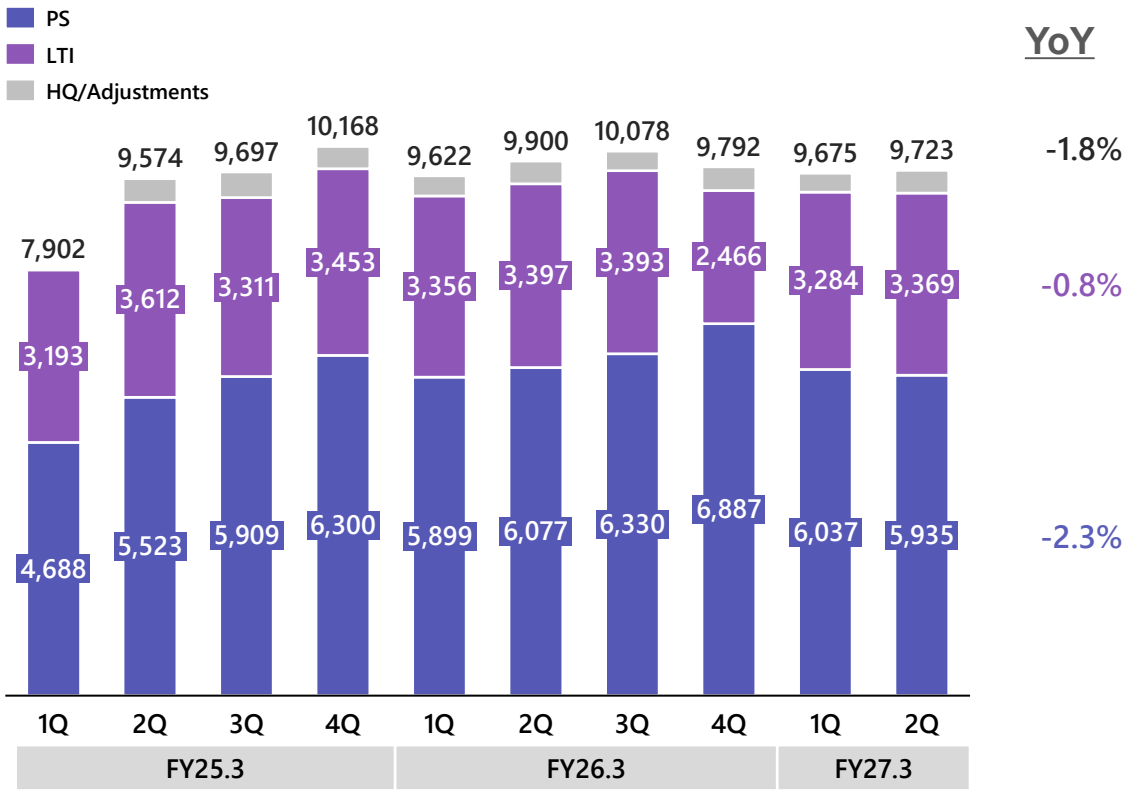
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Basic Business Revenue and Profit (Quarterly)

- Basic Business Profit declined due to lower profit in the core PS segment, as well as office optimization costs and Kakaku.com TOB-related expenses
- We are using this transition year ahead of the new Medium-Term Plan to drive cost efficiency and optimization across the Group

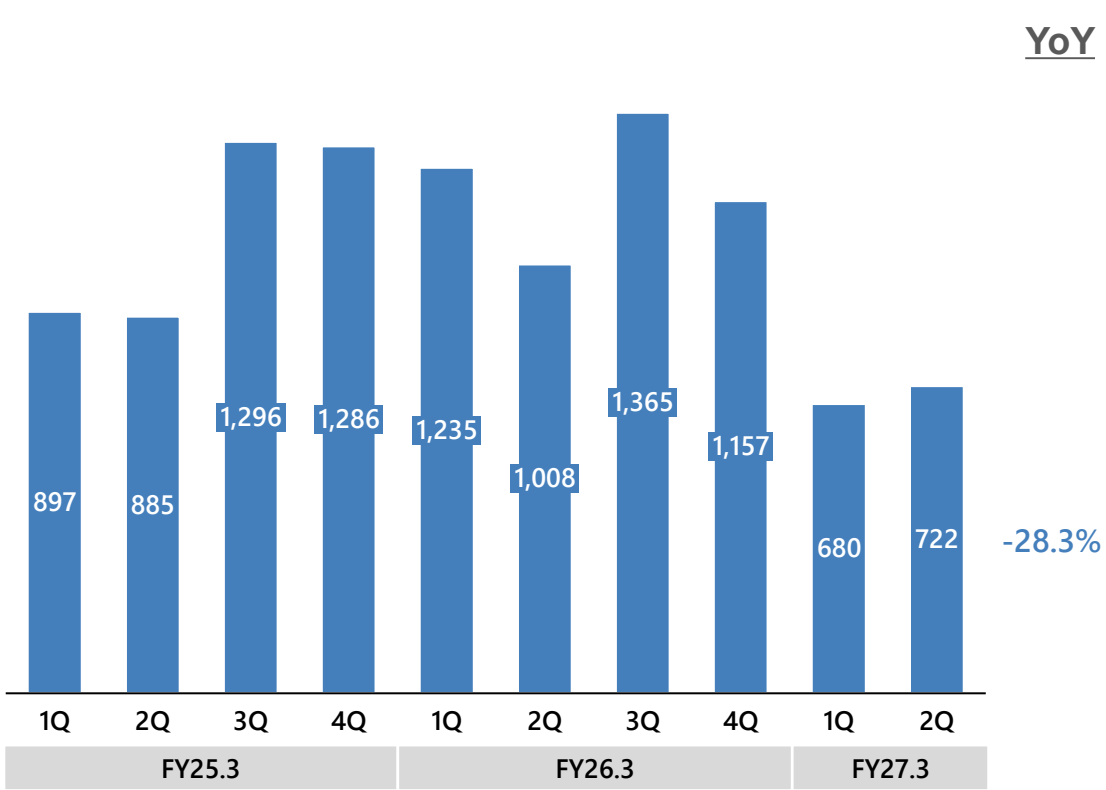
Basic Business Revenue

(Unit: M JPY)



Basic Business Profit

(Unit: M JPY)



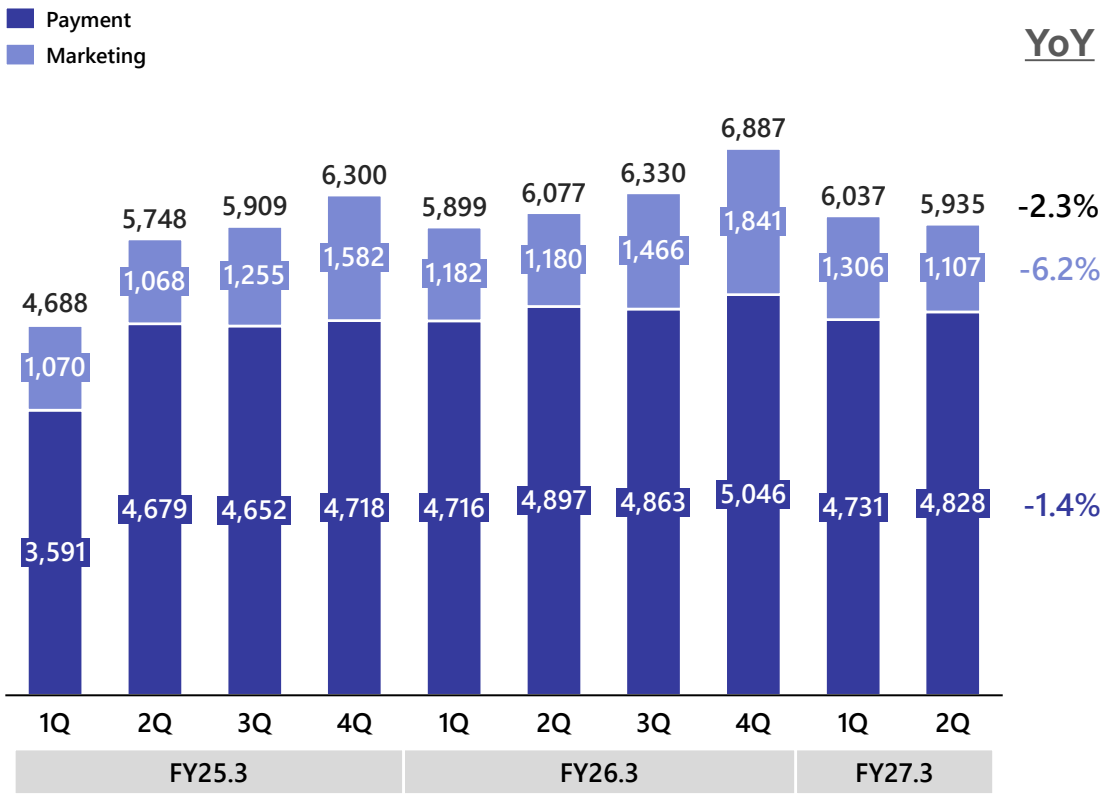
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IPS Segment Performance (Quarterly)

- Profit in the Payment business declined, heavily impacted by churn and contract revisions from major customers in FY26.3 2Q
- Marketing profit was virtually flat in 1H, despite ongoing tailwinds in the payment and financial services markets

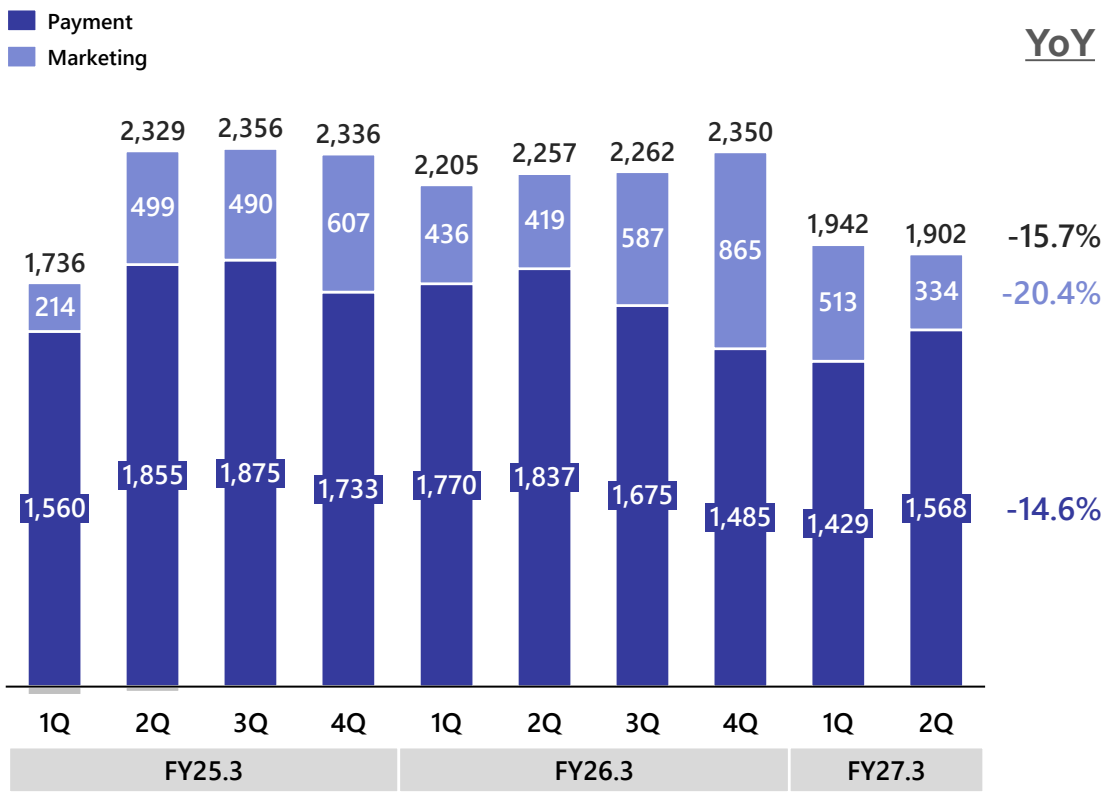
Segment Revenue

(Unit: M JPY)



Segment Profit

(Unit: M JPY)

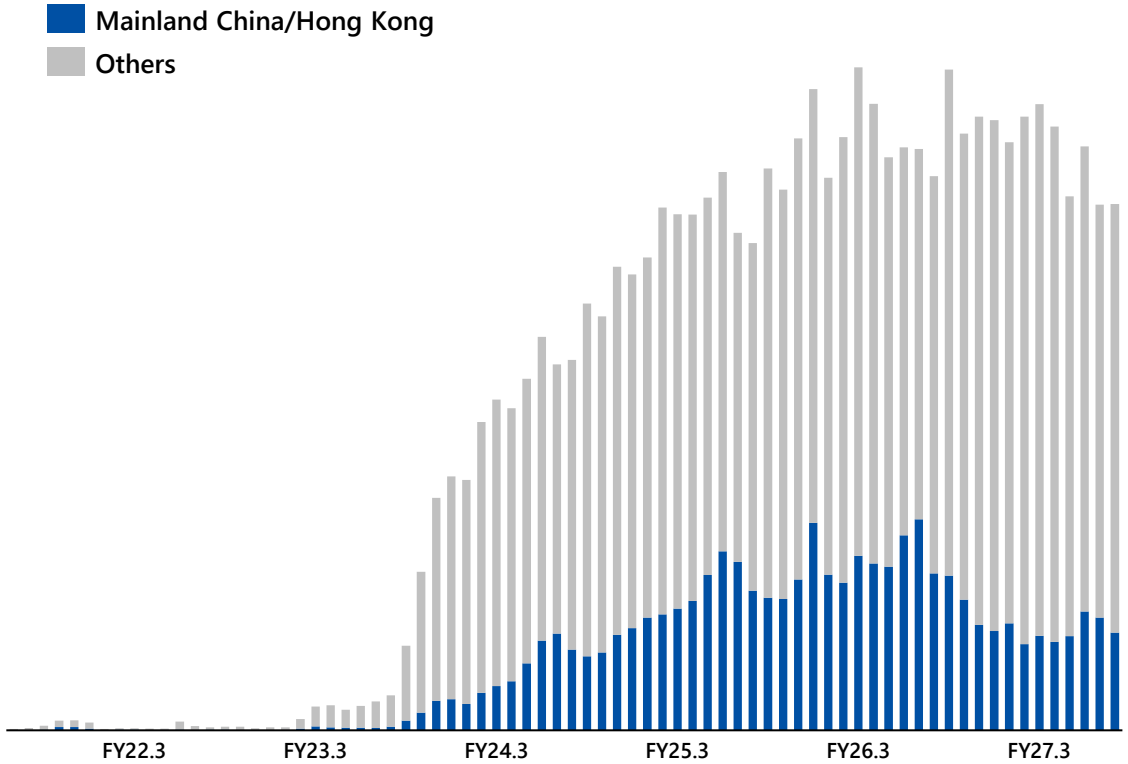


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IPS Inbound-related Payment

- 2Q visitor arrivals from China dropped 54% YoY. This prolonged sluggishness dragged down the overall inbound visitor growth rate by 5%
- As a result, inbound-driven QR code payments in 2Q fell 19% YoY

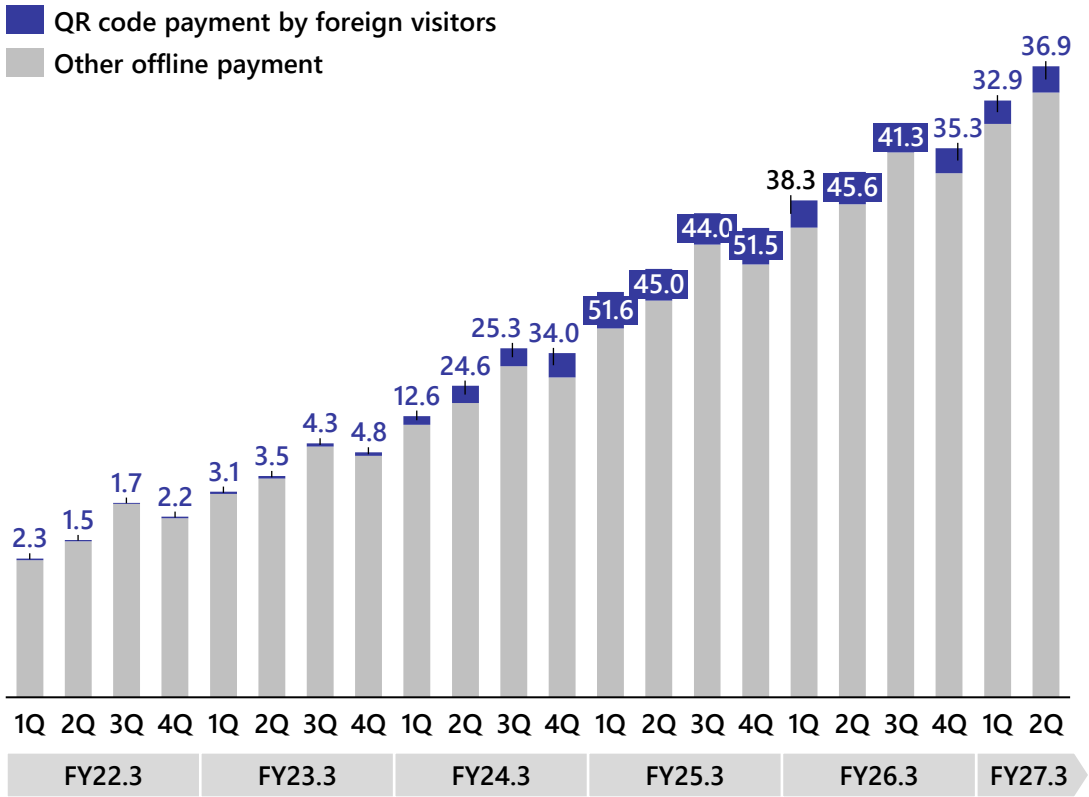
The Number of Foreign Visitors to Japan (by Area)



(Source) Japan National Tourism Organization, "Visitor Statistics"

Offline Transaction Volume

(Unit: B JPY)



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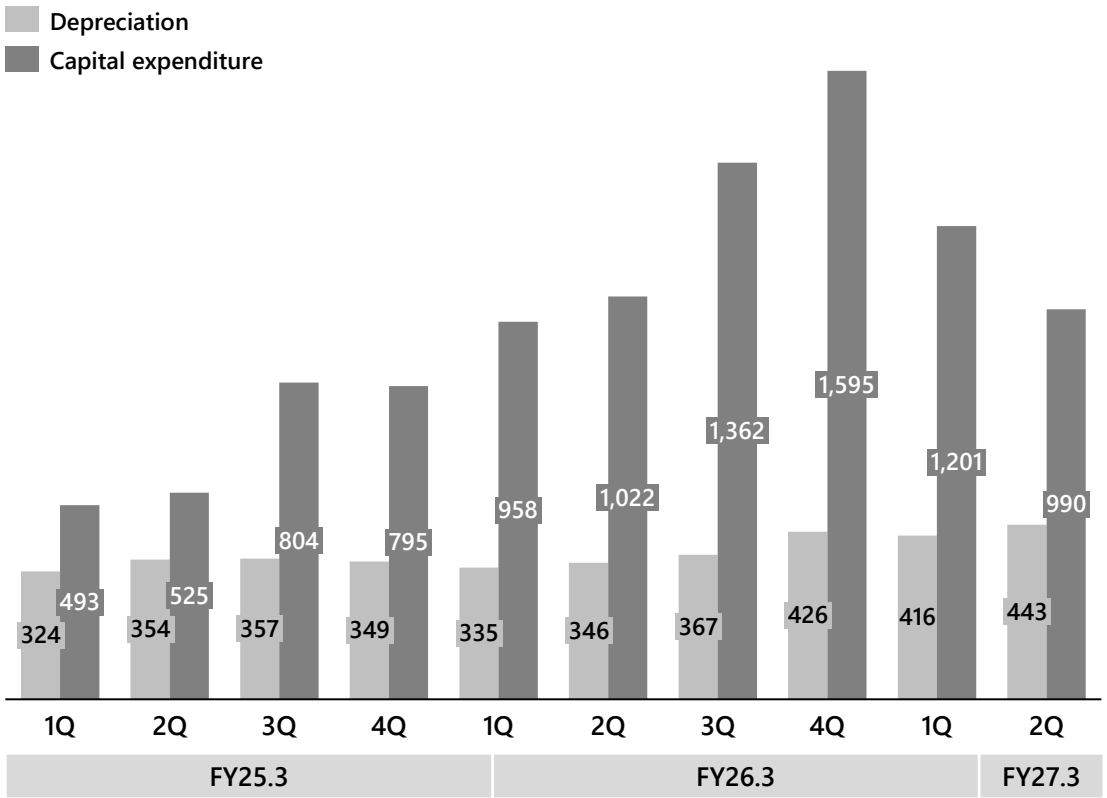
IPS Capital Expenditures and Expenses Related to Payment Business

Digital Garage

- With major development projects largely completed, capital expenditures have been declining since peaking in Q4 of the previous fiscal year
- The contribution profit ratio has also recovered from the decline in 4Q of the previous fiscal year and is expected to remain stable at the current level going forward

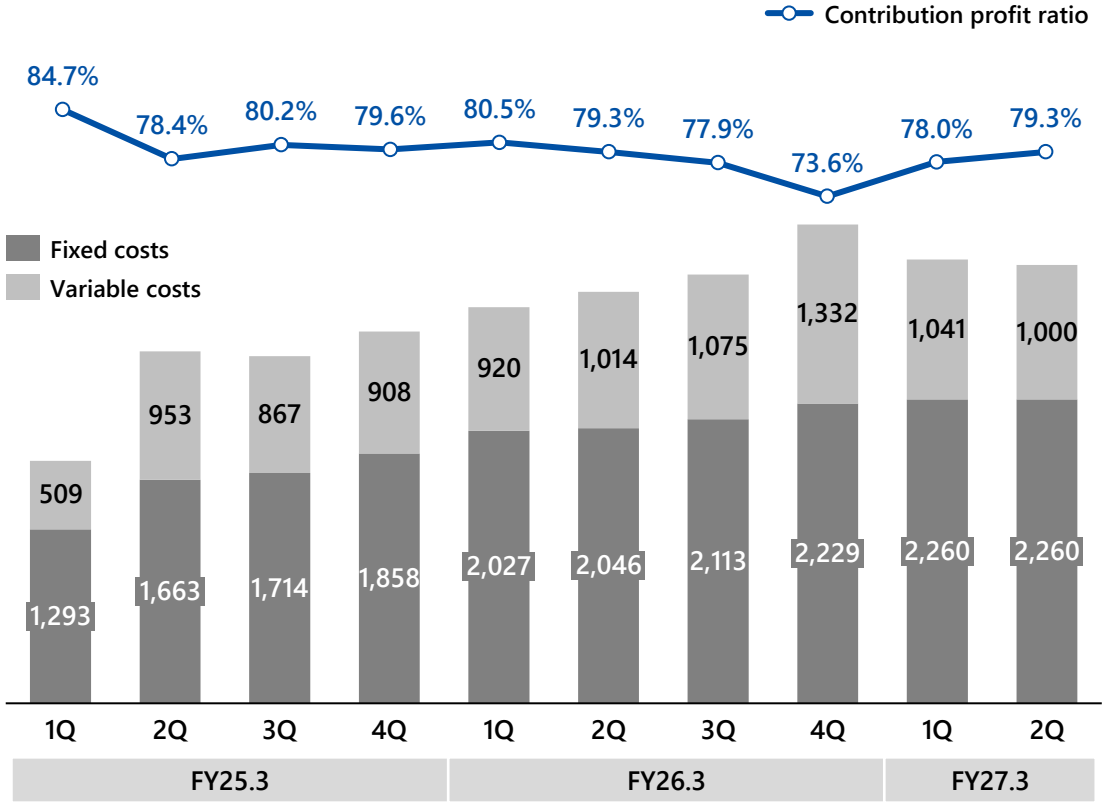
Payment-related Expenditures/Depreciation

(Unit: M JPY)



Payment-related Costs/Contribution Profit Ratio

(Unit: M JPY)



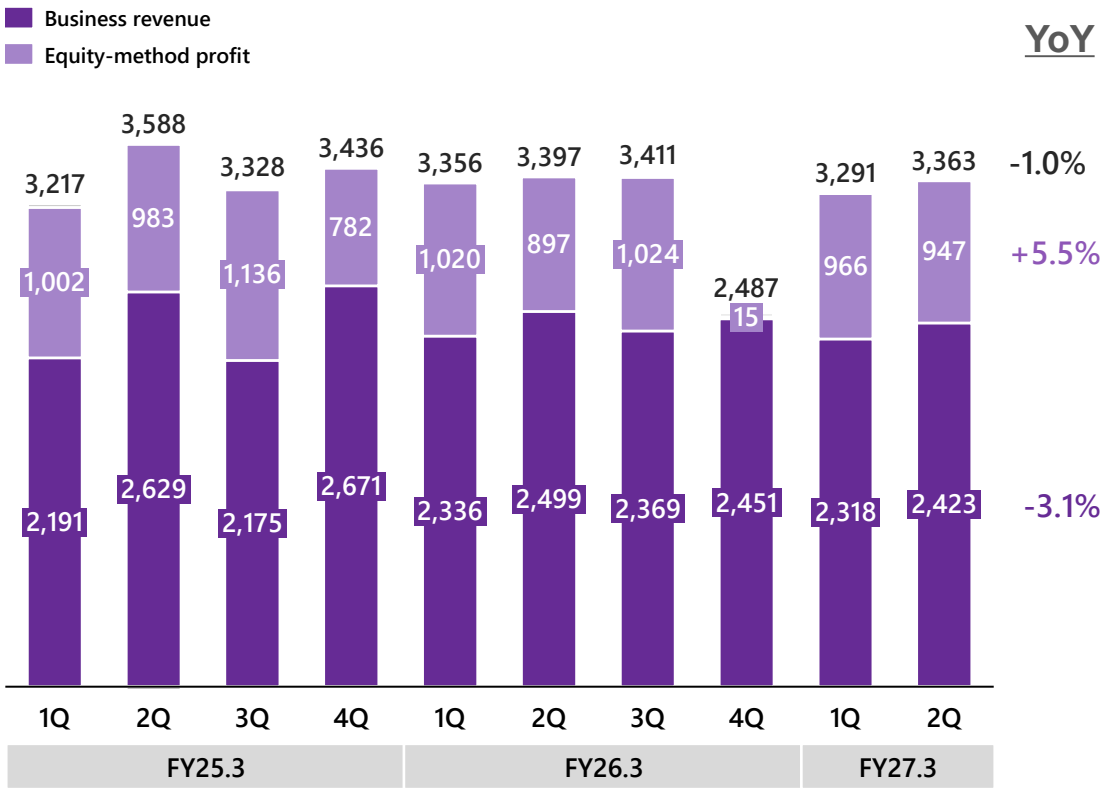
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Segment Performance (Quarterly)

- Growth in strategic businesses, such as out-of-app payments and real estate DX services, turned operating profit positive on a 2Q standalone basis
- Equity-method profit from Kakaku.com and other affiliates declined, but payment transaction volume through its services continued to grow (See p. 18)

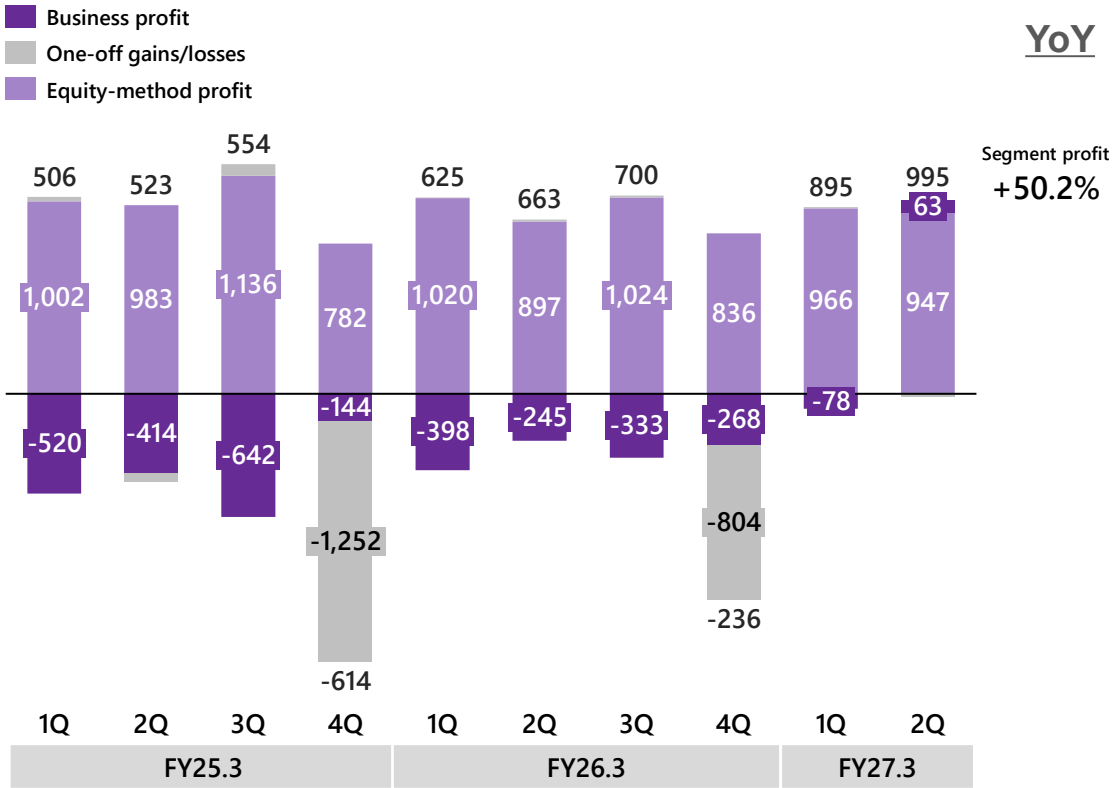
Segment Revenue

(Unit: M JPY)



Segment Profit

(Unit: M JPY)

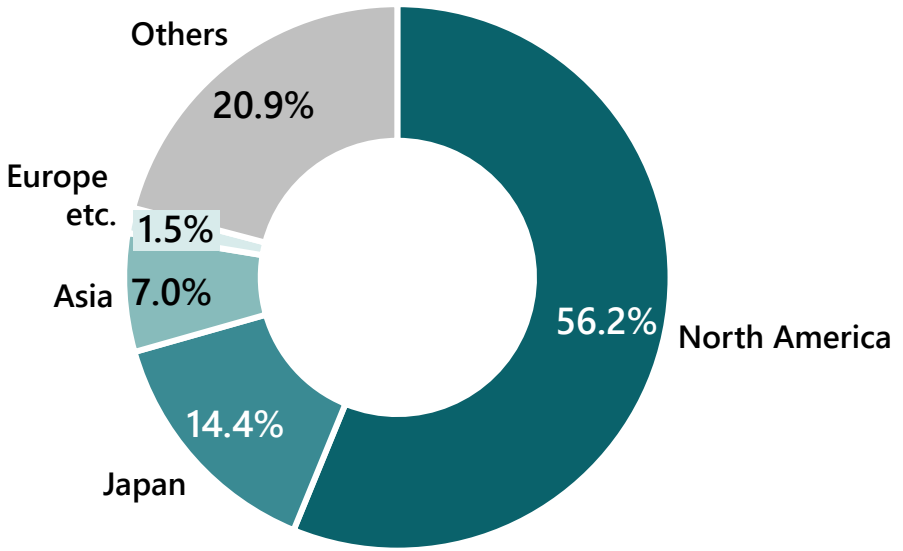


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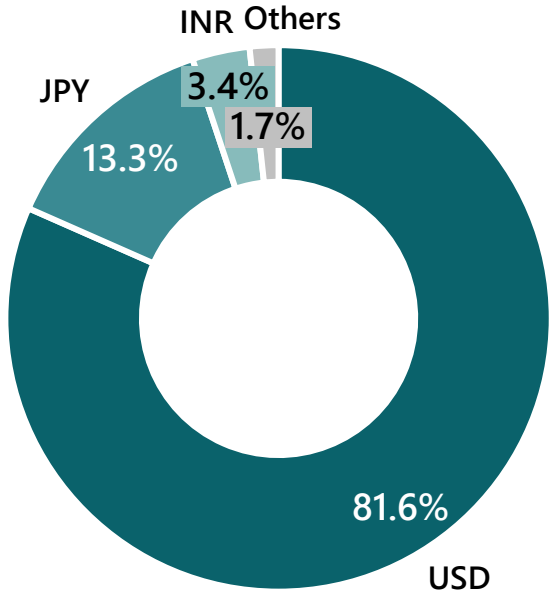
Breakdown of Operational Investment Securities

- Diversified portfolio comprising companies across North America, Asia, and Japan
- As of September 30, 2026, the fair value of our operational investment securities reached ¥50.0 B, approximately 1.8x the amount invested

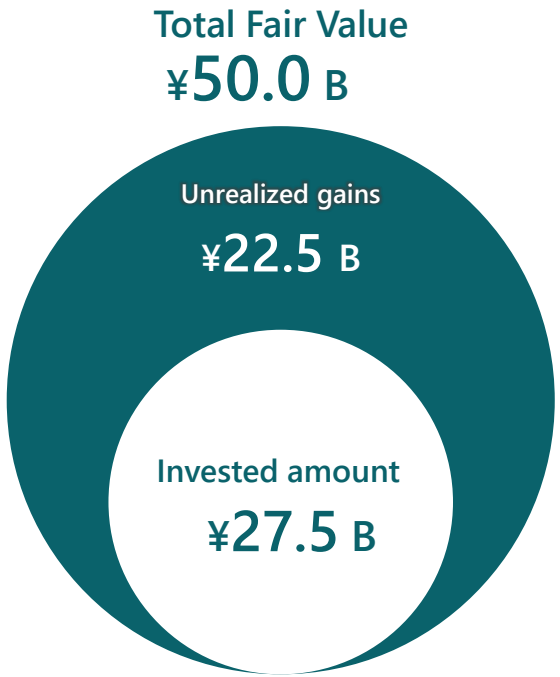
Investments by Area



Investments by Currency



Breakdown



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Consolidated Statement of Financial Position (IFRS)

(Unit: M JPY) Digital Garage

	FY26.3 4Q	FY27.3 2Q	Difference	Reason for change / Remarks
Current assets	132,472	128,766	-3,706	
Cash and cash equivalents	40,469	46,422	+5,953	
Trade and other receivables	35,695	30,090	-5,605	Payment business-related item
Operational investment securities	53,505	49,994	-3,511	Exit and change in fair value of investee companies in GII segment (including FX effects)
Non-current assets	86,231	86,129	-101	
Property, plant and equipment	11,997	10,493	-1,505	
Intangible assets	11,390	12,999	+1,609	
Investments accounted for using equity method	37,356	37,223	-133	
Other financial assets	14,761	14,755	-6	Change in fair value of investee companies (including FX effects)
Total assets	218,703	214,896	-3,807	
Current liabilities	87,868	93,415	+5,546	
Bonds and borrowings	26,366	28,659	+2,293	
Trade and other payables	54,364	59,002	+4,637	Payment business-related item
Non-current liabilities	53,139	48,041	-5,097	
Bonds and borrowings	35,687	32,979	-2,708	
Other financial liabilities	4,927	4,176	-751	
Total liabilities	141,007	141,456	+449	
Total equity attributable to owners of parent	75,584	70,933	-4,651	
Share capital	8,014	8,383	+369	
Capital surplus	5,457	5,104	-353	
Treasury shares	-5,033	-4,979	+55	
Retained earnings	65,146	60,422	-4,725	
Non-controlling interests	2,112	2,507	+395	
Total equity	77,696	73,440	-4,256	

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Reference Materials (3): Business Model

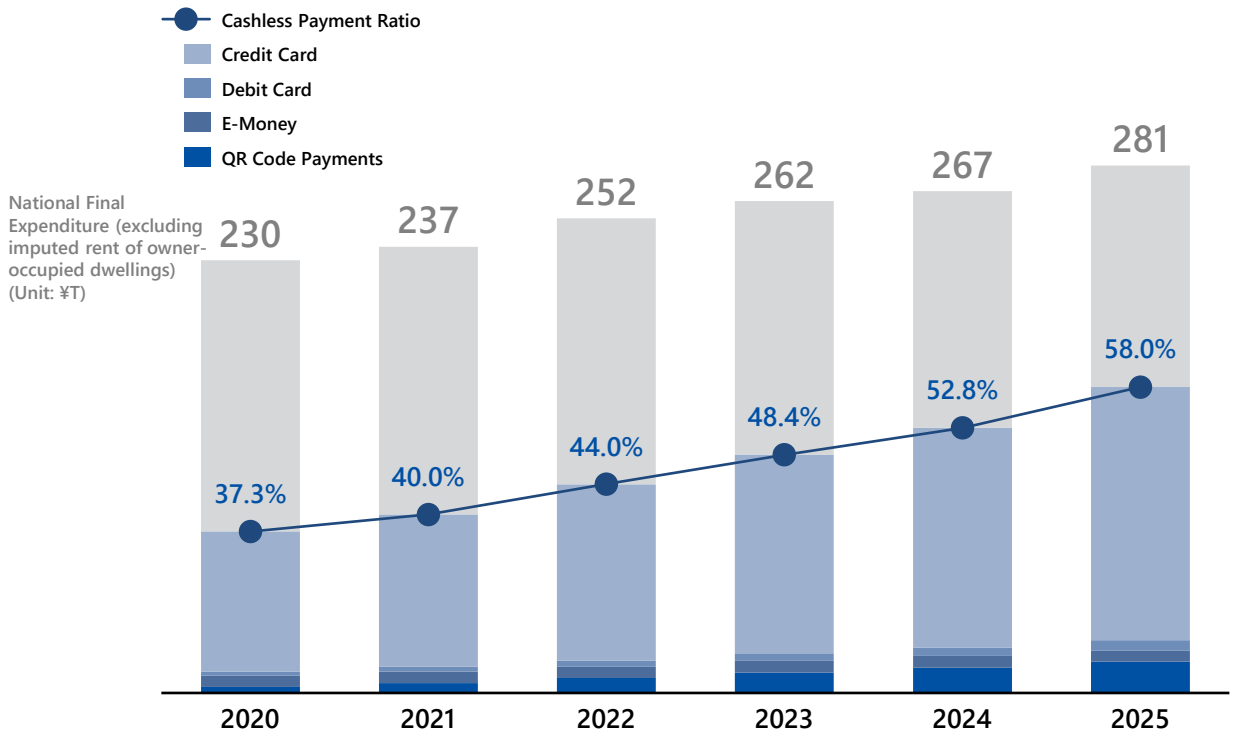
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B2C Cashless Market

Starting in 2026, METI is updating their cashless payment tracking methodology

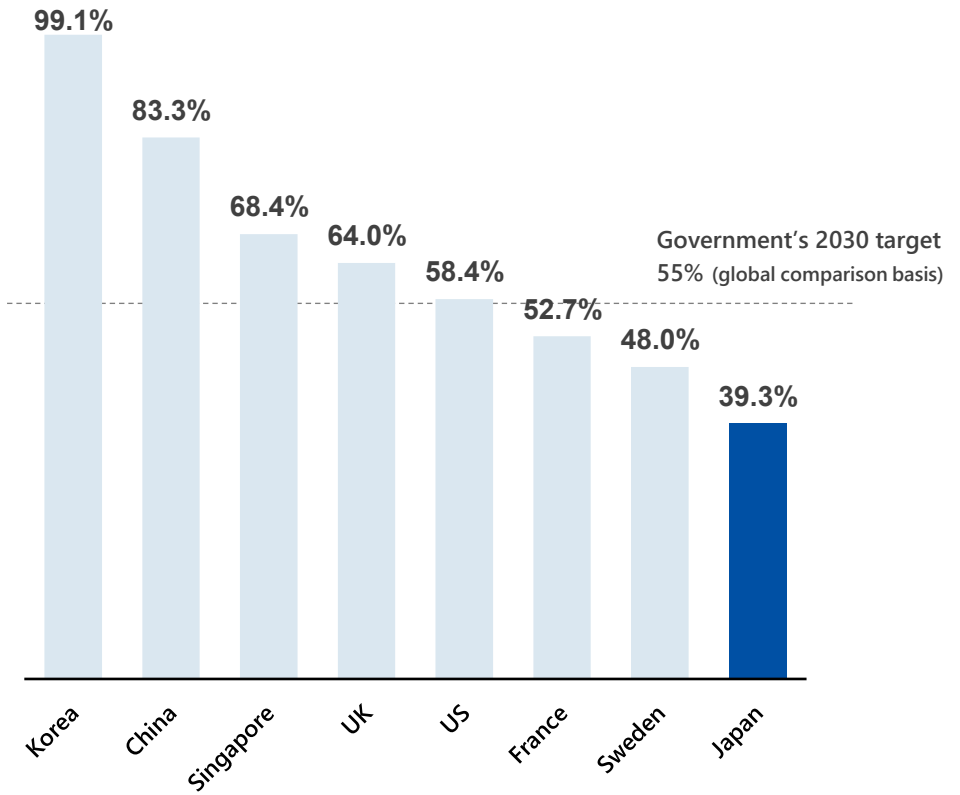
Specifically, stripping out non-transactional items such as imputed rent gives a clear picture of actual spending, and the government aims for 65% cashless penetration in Japan by 2030 (55% on a global comparison basis)

Cashless Market Size (Japan)



Cashless Rate by Country

(As of 2023)

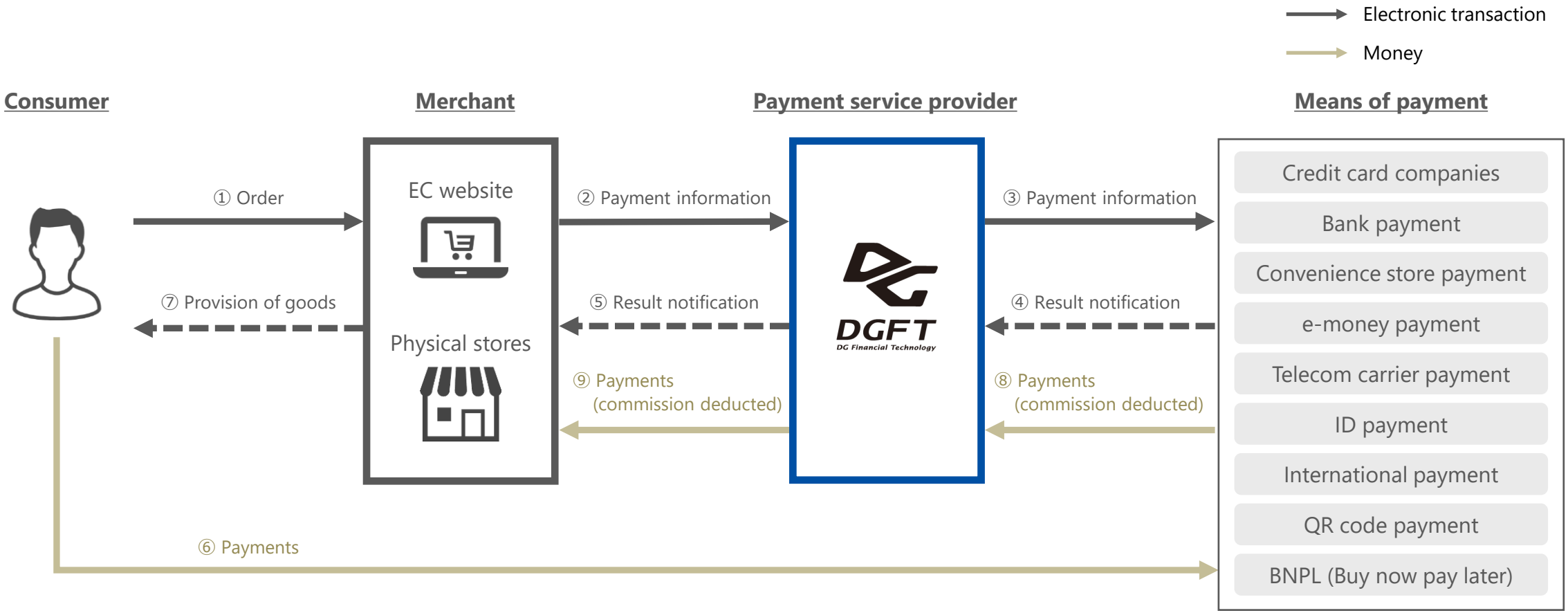


Sources: Japan Consumer Credit Association; Cabinet Office, "National Accounts"; Japan Debit Card Promotion Association (through 2015); Bank of Japan, "Payment and Settlement Systems Report" and "Payment and Settlement Statistics" (from 2016 onward); Payments Japan Association, "Survey on Code Payment Usage Trends"; and Cabinet Office, "National Accounts" (Nominal), Payments Japan Association, "Cashless Payment Ratio in Major Countries"

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Structure of Payment Service Provider

An intermediary service that connects merchants (e-commerce and physical stores) with payment providers (credit card companies, convenience stores, etc.) allowing merchants to implement multiple payment methods through a single contract



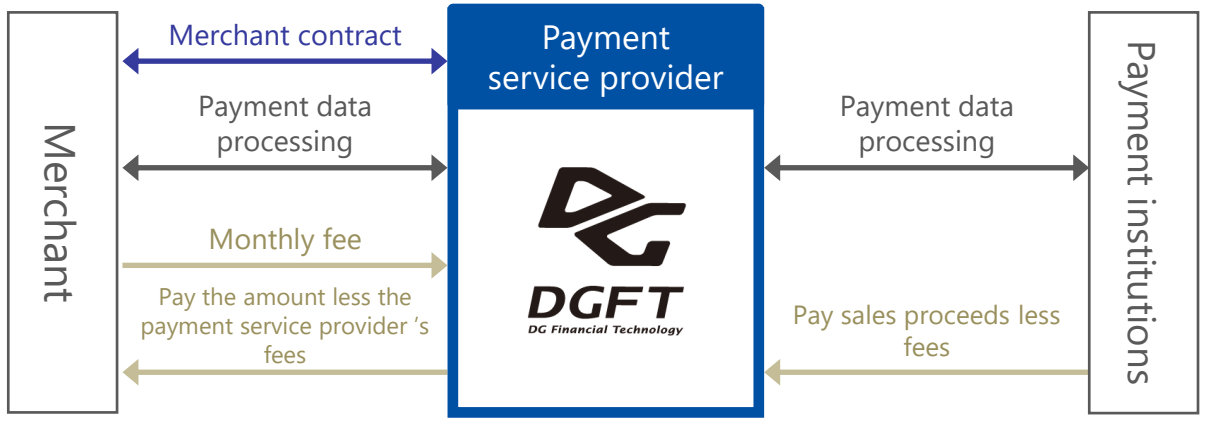
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Contract Type of Payment Service Provider

Storage agency type （Representative contract）

Acting as an all-in-one agent for contracting procedures with various payment institutions and payment of sales amounts

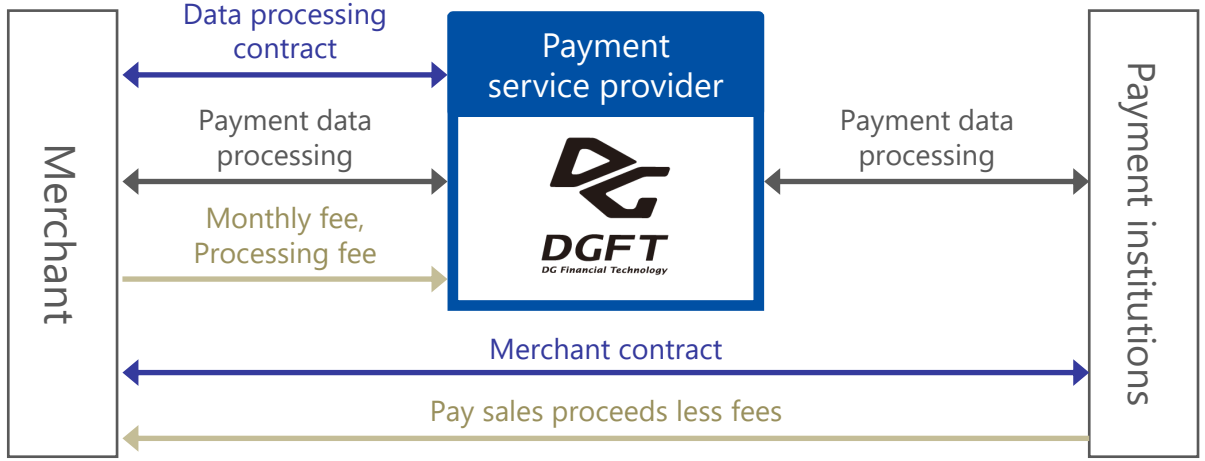
- We handle all contracting procedures with payment providers such as credit card companies and financial institutions
- Monthly sales proceeds are deposited into the merchant's account in a lump-sum payment from our company
- Single point of contact for payment
- Streamline operations such as payment management and confirmation



Payment data processing type（Direct contract）

Based on the merchant agreements with credit card companies signed by the merchants, credit card payment processing is automated through the introduction of a payment system provided by PSP

- Provide payment systems and automate card payment processing
- Merchants sign contracts directly with credit card companies
- Provide the necessary software and transaction management tools
- Also provide support for software installation

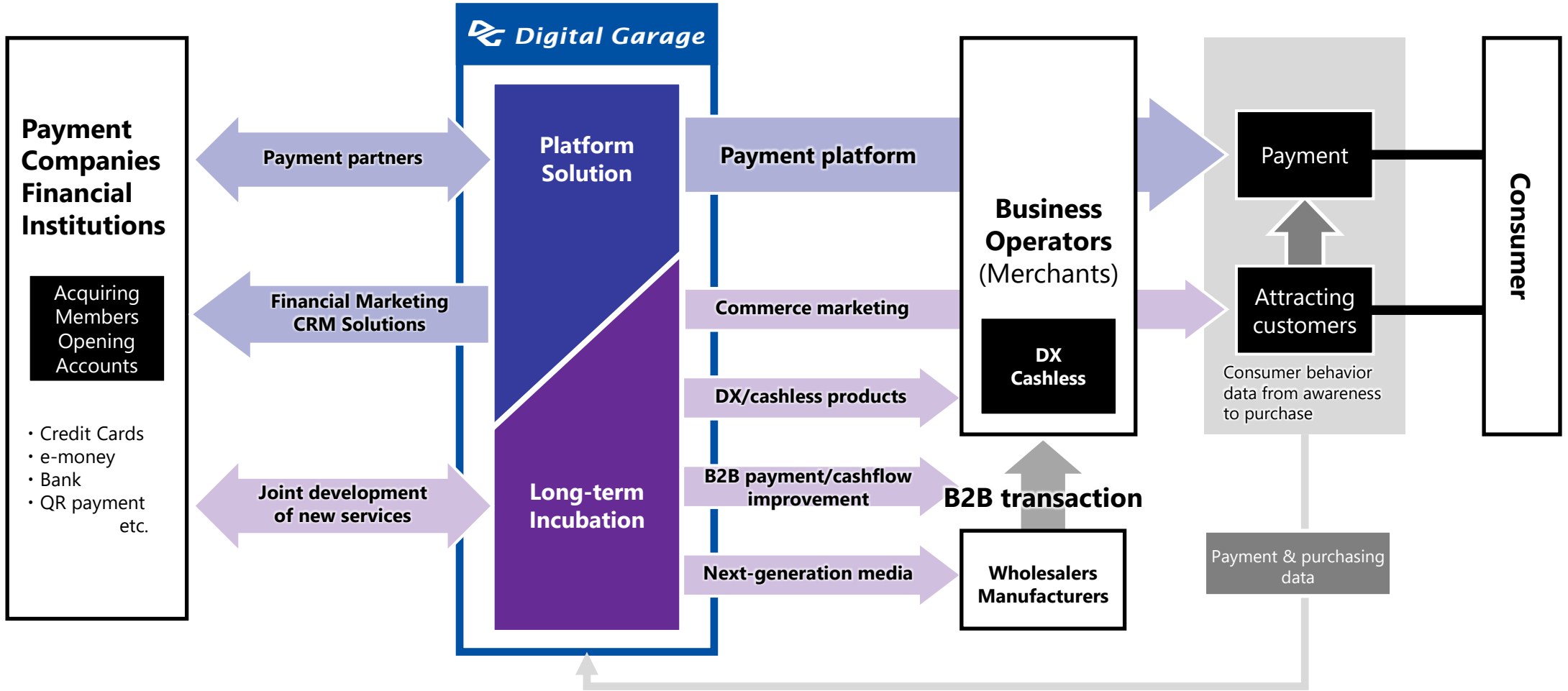


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Multi-layered Business and Revenue Opportunities Related to Payments

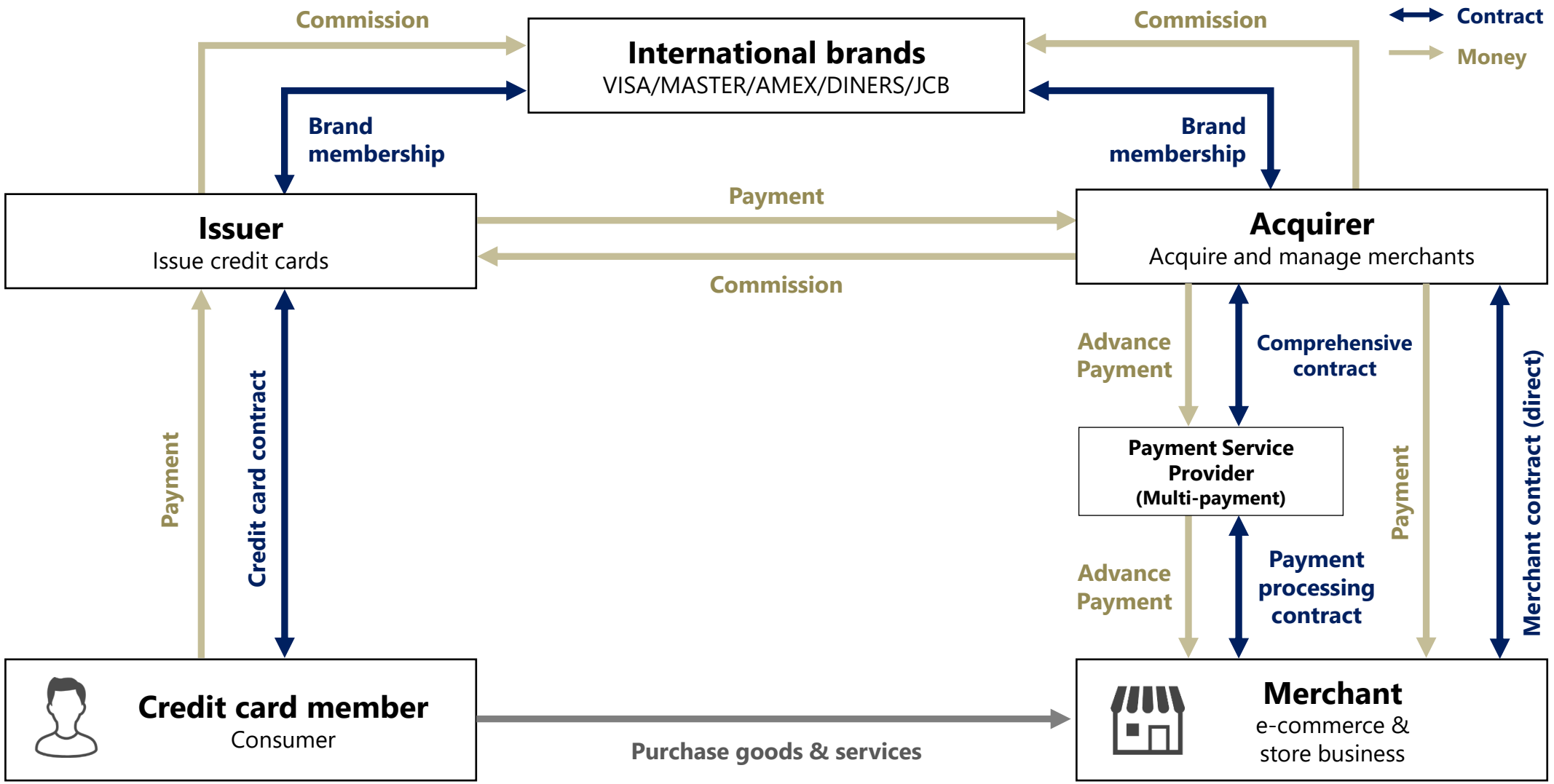
Digital Garage

- Stable platform generating consistent revenue, primarily from payment services
- Building multi-layered revenue streams through existing businesses, DX, Fintech, and Next-generation media



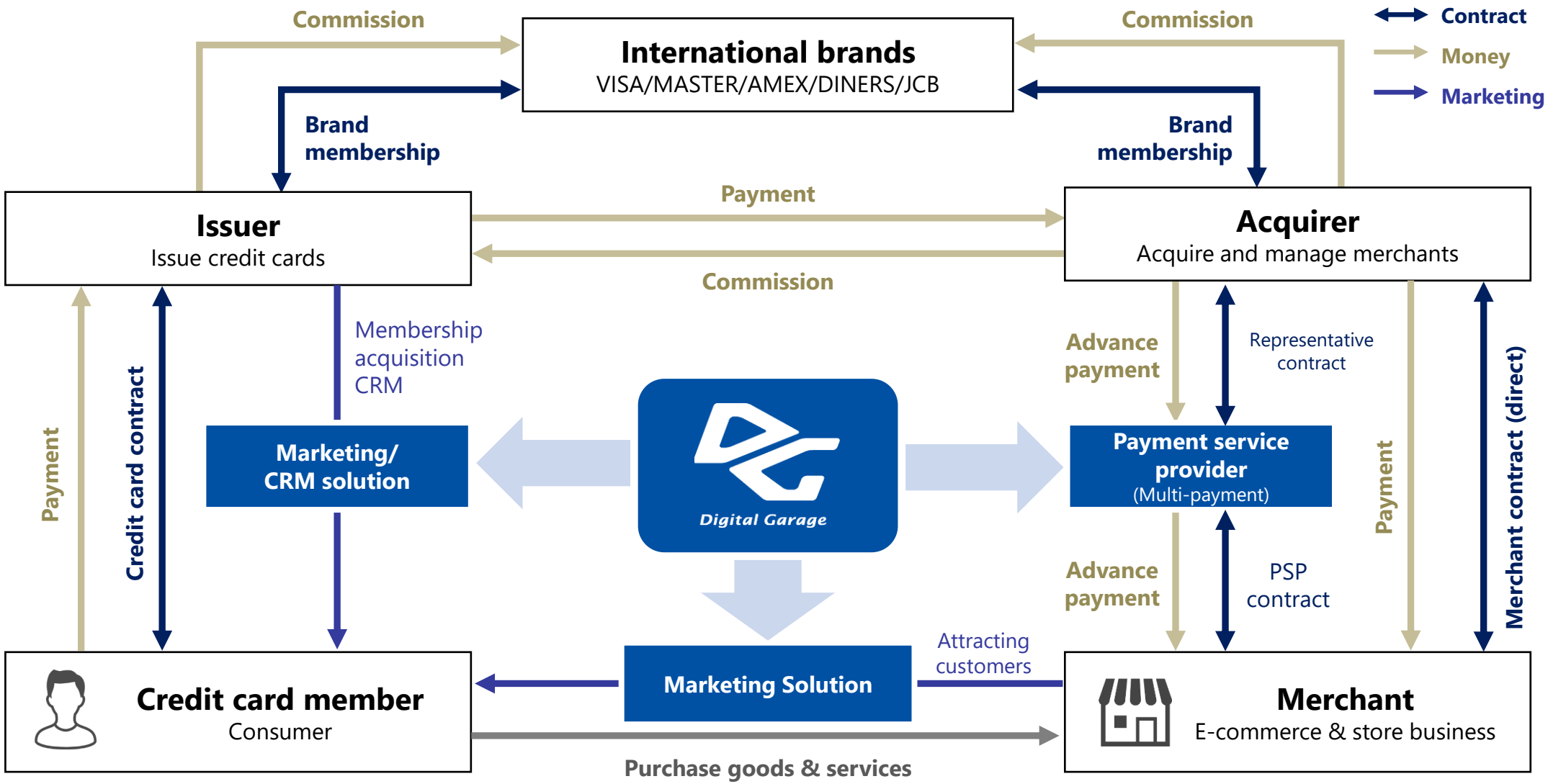
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The Structure of Credit Card Industry



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DG's role in the Credit Card Industry



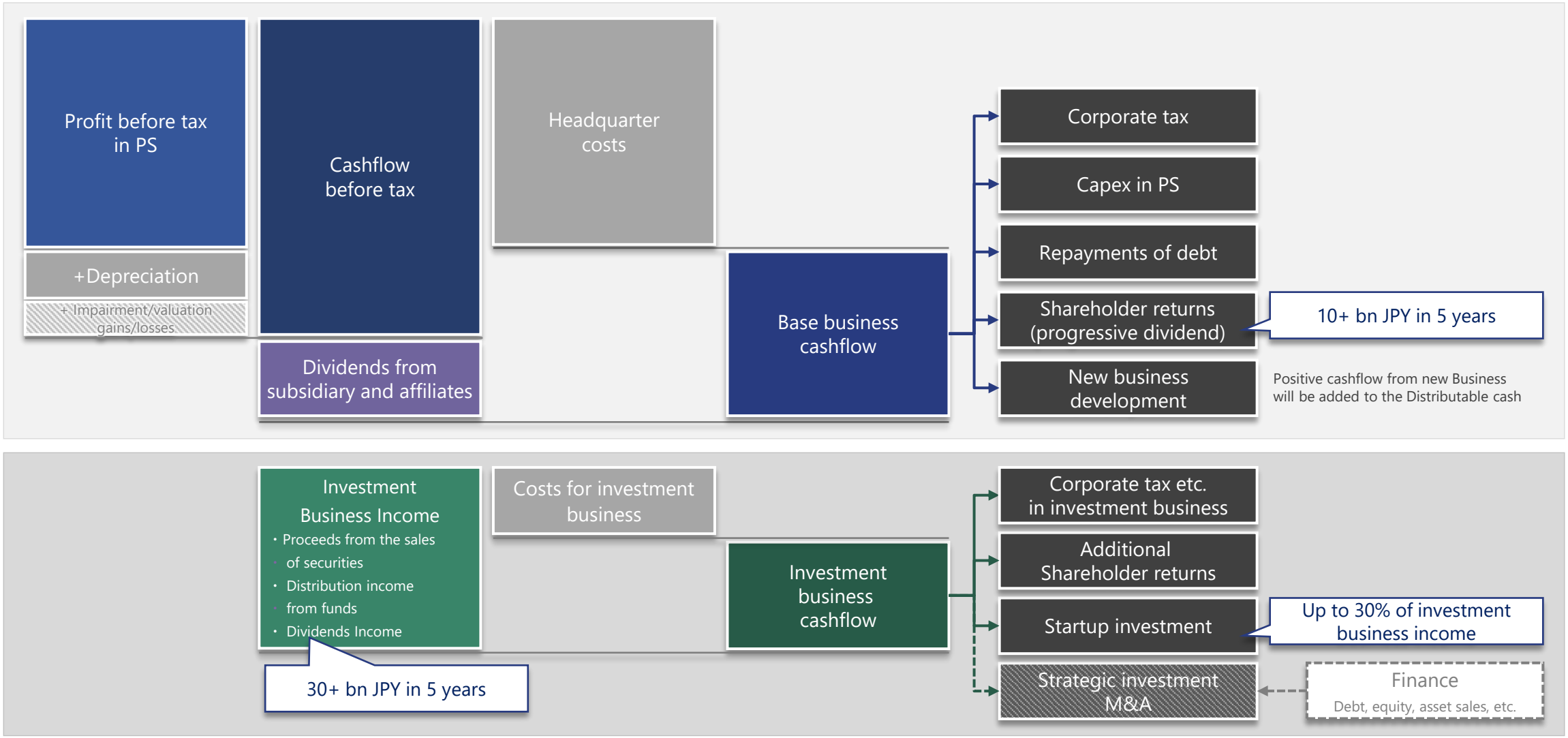
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Reference Materials (4):
Cashflow Allocation / Shareholder Return

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Cashflow Allocation

Digital Garage

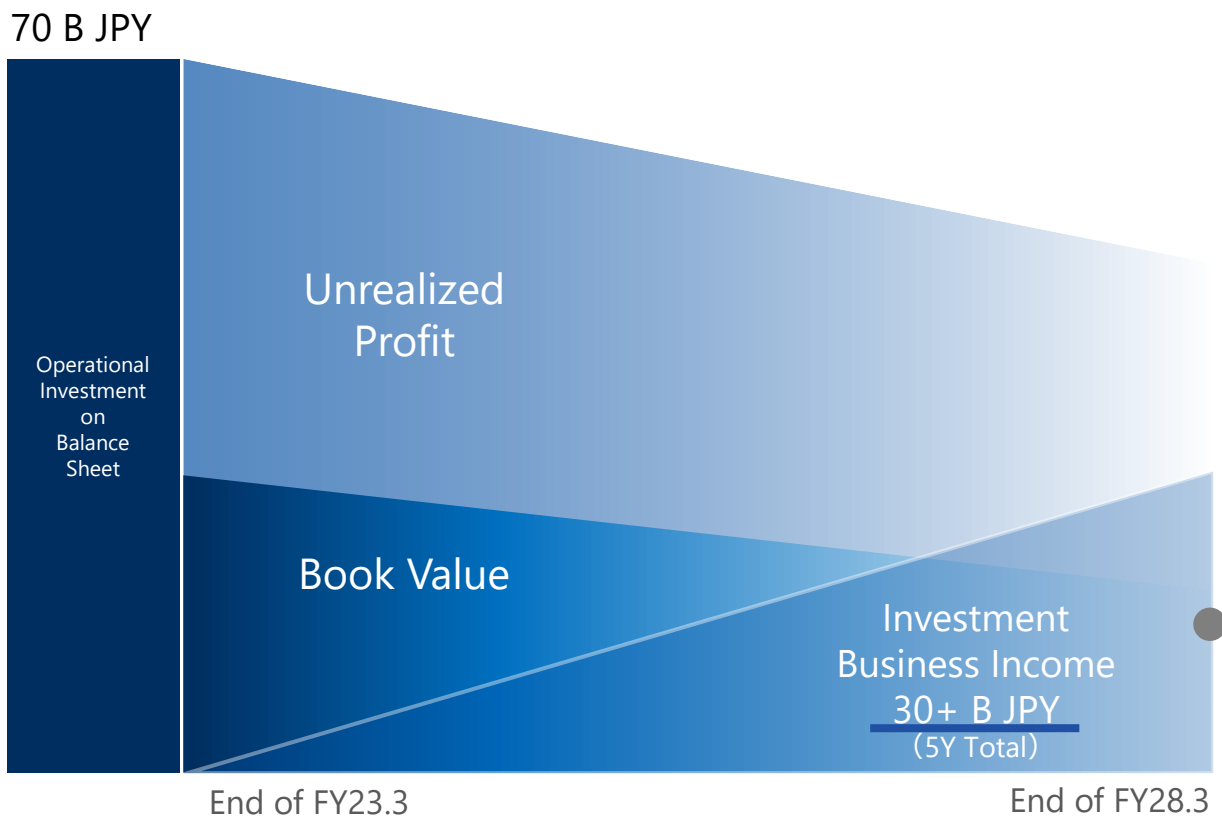


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Financial Strategy and KPIs for Investment Business

- Promote the sales of shares directly held by DG to generate investment EXIT income (proceeds from sales, etc.)
- Carefully select new investments, and plan for investing through funds for income purposes to diminish the balance
- Clarify the use of investment EXIT income and make strategic decisions on growth investment and additional returns, including new business development

5Y Picture of Direct Investment and Income from Sales



Usage of Investment EXIT Cashflow

Investment Business CF

(Operating costs, after tax)

Investment in Growth
(New Business Development)

Make strategic decisions based on business environment and opportunities

Consider Additional Shareholder Return

Reinvestment in Startups and Managed Fund

Up to 30% of Investment Business Income

Strategic Investments
(M&A・Capital alliance)

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Shareholder Return Policy

Digital Garage

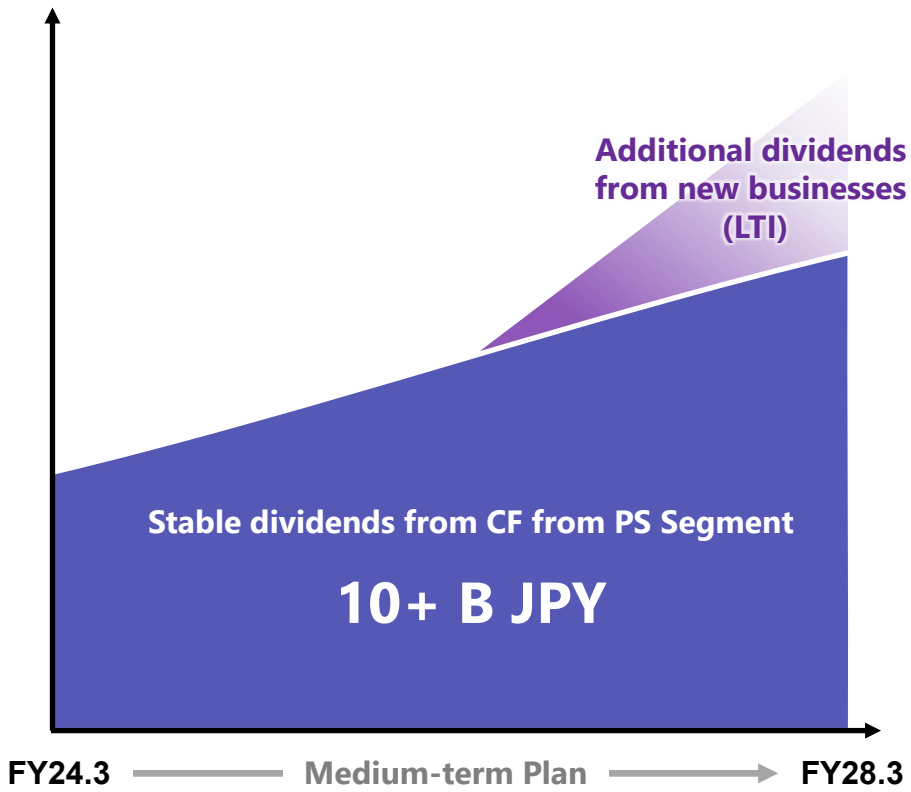
	Policy	Distributable Resources
Stable Dividends	Long-term stable dividends on a progressive dividend basis	Base Business Cashflow
Accelerating Dividend Increase	Increasing dividend growth rate by launching new businesses	
Additional Return	Special dividends/share buybacks based on portfolio sales progress	Income from sales/distributions in the investment business

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Shareholder Return Policy

- Dividend Policy: Progressive dividends based on PS cash flow plus additional dividends from new business cash flow
- Consider additional returns (including special dividends and share buybacks) from investment business cash flow as active options

Shareholder Return by Base Business CF



Shareholder Return Policy

Additional Return from Investment CF		Investment for growth or additional shareholder returns will be determined, considering business environment and investment opportunities	
Base Business CF	2nd Layer (New businesses)	Aim to increase dividends by generating cashflow through launch of strategic businesses	Dividend payout ratio 30%
	1st layer (PS)	Plan to pay progressive dividends from cashflow of PS Segment, which is expected as continuous profit growth	

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Reference Materials (5): Sustainability Initiatives

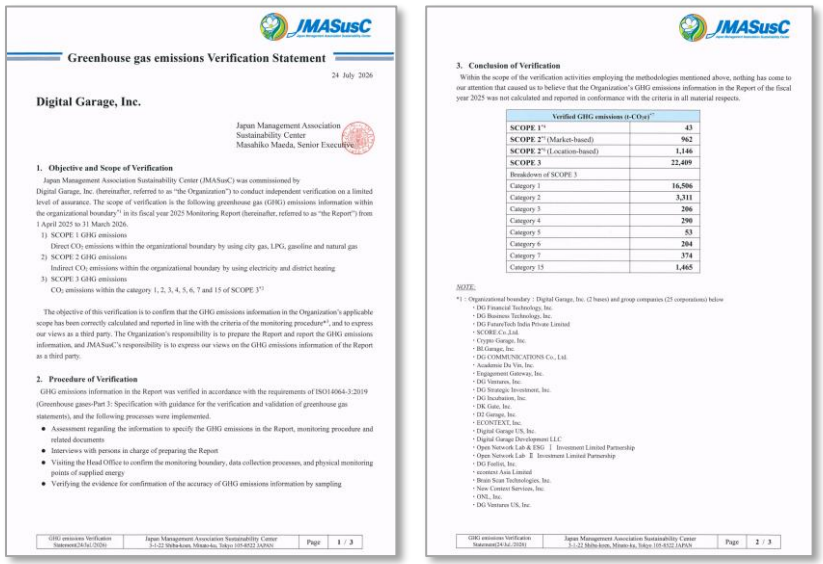
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Sustainability Initiatives: Reducing GHG Emissions

- Overhauled our Scope 3 accounting for comprehensive coverage ⇒ Secured third-party assurance across Scopes 1, 2, and 3 to validate our data integrity
- Executing a concrete roadmap to achieve our greenhouse gas (GHG) reduction targets

< Secured Third-Party Assurance for GHG Emissions (Scopes 1-3) >

- ✓ Expanded our Scope 3 accounting for comprehensive coverage, newly incorporating Categories 4 and 15
- ✓ Secured third-party assurance from the Japan Management Association for our FY26.3 GHG emissions (Scopes 1, 2, and 3)



JMASusC

Greenhouse gas emissions Verification Statement

24 July 2026

Digital Garage, Inc.

Japan Management Association
Sustainability Center
Masahiko Maeda, Senior Executive

1. Objective and Scope of Verification

Japan Management Association Sustainability Center (JMASusC) was commissioned by Digital Garage, Inc. (hereinafter, referred to as "the Organization") to conduct independent verification on a limited level of assurance. The scope of verification is the following greenhouse gas (GHG) emissions information within the organizational boundary*1 in its fiscal year 2025 Monitoring Report (hereinafter, referred to as "the Report") from 1 April 2025 to 31 March 2026.

1) SCOPE 1 GHG emissions
Direct CO_2 emissions within the organizational boundary by using city gas, LPG, gasoline and natural gas
2) SCOPE 2 GHG emissions
Indirect CO_2 emissions within the organizational boundary by using electricity and district heating
3) SCOPE 3 GHG emissions
CO_2 emissions within the category 1, 2, 3, 4, 5, 6, 7 and 15 of SCOPE 3*2

The objective of this verification is to confirm that the GHG emissions information in the Organization's applicable scope has been correctly calculated and reported in line with the criteria of the monitoring procedure*4, and to express our views as a third party. The Organization's responsibility is to prepare the Report and report the GHG emissions information, and JMASusC's responsibility is to express our views on the GHG emissions information of the Report as a third party.

2. Procedure of Verification

GHG emissions information in the Report was verified in accordance with the requirements of ISO14064-3:2019 (Greenhouse gases-Part 3: Specification with guidance for the verification and validation of greenhouse gas statements), and the following processes were implemented.

- Assessment regarding the information to specify the GHG emissions in the Report, monitoring procedure and related documents
- Interviews with persons in charge of preparing the Report
- Visiting the Head Office to confirm the monitoring boundary, data collection processes, and physical monitoring points of supplied energy
- Verifying the evidence for confirmation of the accuracy of GHG emissions information by sampling

GHG emissions Verification Statement(24.3-25.3) | Japan Management Association Sustainability Center 3-1-22 Shiba-koen, Minato-ku, Tokyo 105-0522 JAPAN | Page 1 / 3

JMASusC

3. Conclusion of Verification

Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's GHG emissions information in the Report of the fiscal year 2025 was not calculated and reported in conformance with the criteria in all material respects.

Verified GHG emissions (t-CO_2e)*3	
SCOPE 1*5	43
SCOPE 2*5 (Market-based)	962
SCOPE 2*5 (Location-based)	1,146
SCOPE 3	22,409
Breakdown of SCOPE 3	
Category 1	16,506
Category 2	3,311
Category 3	206
Category 4	290
Category 5	53
Category 6	204
Category 7	374
Category 15	1,465

NOTE:

*1 : Organizational boundary : Digital Garage, Inc. (2 buses) and group companies (25 corporations) below
- DG Financial Technology, Inc.
- DG Business Technology, Inc.
- DG FutureTech India Private Limited
- SCORE Co.,Ltd.
- Crypto Garage, Inc.
- BI Garage, Inc.
- DG COMMUNICATIONS Co., Ltd.
- Academie Du Vin, Inc.
- Engagement Gateway, Inc.
- DG Ventures, Inc.
- DG Strategic Investment, Inc.
- DG Incubation, Inc.
- DK Gate, Inc.
- DJ Garage, Inc.
- ECONTEXT, Inc.
- Digital Garage UK, Inc.
- Digital Garage Development LLC
- Open Network Lab & ESG 1 Investment Limited Partnership
- Open Network Lab 2 Investment Limited Partnership
- DG Fudiri, Inc.
- econtext Asia Limited
- Brain Scan Technologies, Inc.
- New Context Services, Inc.
- ONL, Inc.
- DG Ventures US, Inc.

GHG emissions Verification Statement(24.3-25.3) | Japan Management Association Sustainability Center 3-1-22 Shiba-koen, Minato-ku, Tokyo 105-0522 JAPAN | Page 2 / 3

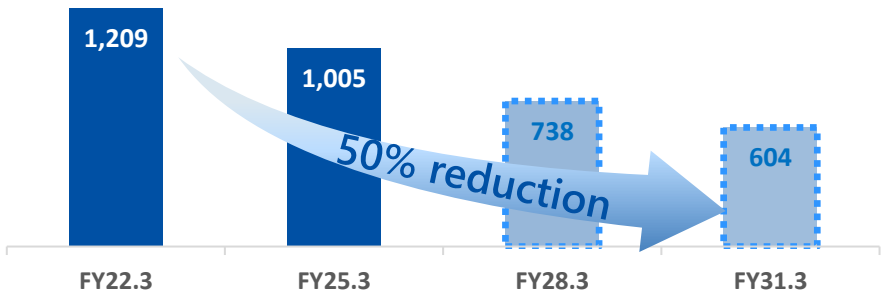
< GHG Reduction Targets and Progress >

GHG Reduction Targets

By 2030 | Scope 1 and 2 emissions
50% reduction *From an FY22.3 baseline

By 2050 | Scope 1, 2, and 3 emissions
Carbon neutral
(Net zero)

Scope 1 and 2 GHG Emission Reduction Plan and Progress



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