

February 9, 2026

Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)

Company name: DIGITAL HOLDINGS, INC.
 Listing: Tokyo Stock Exchange
 Securities code: 2389
 URL: <https://digital-holdings.co.jp/>
 Representative: Daisuke Kanazawa, President and Representative Director
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 Scheduled date of annual general meeting of shareholders: To be determined
 Scheduled date to commence dividend payments: None
 Scheduled date to file annual securities report: To be determined
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	13,102	(18.9)	803	(18.4)	3,402	96.2	1,817	35.5
December 31, 2024	16,155	(0.7)	984	59.8	1,734	358.6	1,341	464.5

Note: Comprehensive income For the fiscal year ended December 31, 2025: ¥(1,461) million [-%]
 For the fiscal year ended December 31, 2024: ¥2,938 million [523.9%]

Fiscal year ended	Basic earnings per share		Diluted earnings per share		EBIT *1		EBITDA *2	
	Yen		Yen		Millions of yen	%	Millions of yen	%
December 31, 2025	101.46		-		3,460	115.0	4,028	34.4
December 31, 2024	76.85		76.74		1,609	300.7	2,997	49.3

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended December 31, 2025: ¥113 million
 For the fiscal year ended December 31, 2024: ¥554 million

Note: *1 EBIT = Net income before taxes + Interest expense - Interest income

*2 EBITDA = EBIT + other financial gains and losses + depreciation and amortization + stock-based compensation expense + impairment loss

(2) Consolidated financial position

As of	Total assets		Net assets		Equity-to-asset ratio	
	Millions of yen		Millions of yen			%
December 31, 2025	47,713		30,947			61.7
December 31, 2024	48,217		33,066			63.6

Reference: Equity
 As of December 31, 2025: ¥29,437 million
 As of December 31, 2024: ¥30,686 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities		Cash and cash equivalents at end of period	
	Millions of yen		Millions of yen		Millions of yen		Millions of yen	
December 31, 2025	3,496		3,603		(743)		28,008	
December 31, 2024	6,920		395		(4,678)		21,741	

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2024	-	0.00	-	65.00	65.00	1,134	84.6	3.8
Fiscal year ended December 31, 2025	-	23.00	-	0.00	23.00	401	22.7	1.3
Fiscal year ending December 31, 2026 (Forecast)	-	-	-	-	-		-	

Note: Breakdown of year-end dividends for the fiscal year ending December 31, 2024: Ordinary dividend 45.00 yen, commemorative dividend 20.00 yen
As stated in the "Notice Regarding Revision to the Dividend Forecast (Non-Distribution of Year-End Dividend) of Year Ending December 2025" announced on September 11, 2025, DIGITAL HOLDINGS, Inc.(the Company) will not distribute dividends at the end of the fiscal year ending December 31, 2025, based on the successful completion of the tender offer for the Company's shares and share acquisition rights by Hakuhold DY Holdings Inc.
The Company's shares are scheduled to be delisted on March 19, 2026, through the procedures described in the "Notice Concerning Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment to the Articles of Incorporation" announced on January 26, 2026. Therefore, the dividend forecast for the fiscal year ending December 2026 is not provided.

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

The Company's shares are scheduled to be delisted on March 19, 2026, through the procedures described in the "Notice Concerning Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment to the Articles of Incorporation" announced on January 26, 2026. Therefore, the dividend forecast for the fiscal year ending December 2026 is not provided.

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of December 31, 2025	18,675,907 shares
As of December 31, 2024	17,459,907 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2025	1 shares
As of December 31, 2024	- shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	17,914,728 shares
Fiscal year ended December 31, 2024	17,459,907 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The Company's shares are scheduled to be delisted on March 19, 2026, through the procedures described in the "Notice Concerning Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment to the Articles of Incorporation" announced on January 26, 2026. Therefore, the dividend forecast for the fiscal year ending December 2026 is not provided.

Consolidated balance sheet

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	21,741	28,008
Accounts receivable - trade	7,271	7,806
Contract assets	607	233
Operational investment securities	3,570	2,769
Inventories	12	0
Accounts receivable - other	3,056	1,551
Other	1,149	686
Allowance for doubtful accounts	(392)	(422)
Total current assets	37,016	40,633
Non-current assets		
Property, plant and equipment		
Buildings and structures	390	390
Accumulated depreciation	(283)	(317)
Buildings and structures, net	106	73
Other	181	183
Accumulated depreciation	(121)	(135)
Other, net	59	48
Total property, plant and equipment	166	121
Intangible assets		
Goodwill	364	238
Other	310	240
Total intangible assets	675	479
Investments and other assets		
Stocks of affiliates	706	428
Investment securities	8,543	5,490
Leasehold and guarantee deposits	299	299
Deferred tax assets	807	259
Other	0	8
Allowance for doubtful accounts	-	(7)
Total investments and other assets	10,358	6,478
Total non-current assets	11,201	7,079
Total assets	48,217	47,713

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	7,822	9,005
Short-term borrowings	84	-
Current portion of long-term borrowings	-	4,000
Income taxes payable	280	168
Contract liabilities	164	35
Provision for bonuses	249	420
Other	1,721	2,174
Total current liabilities	10,322	15,803
Non-current liabilities		
Long-term borrowings	4,000	-
Deferred tax liabilities	651	784
Asset retirement obligations	176	177
Total non-current liabilities	4,828	962
Total liabilities	15,150	16,765
Net assets		
Shareholders' equity		
Share capital	8,212	8,858
Capital surplus	3,843	4,489
Retained earnings	14,075	14,356
Treasury shares	-	(0)
Total shareholders' equity	26,130	27,704
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,855	111
Foreign currency translation adjustment	2,699	1,622
Total accumulated other comprehensive income	4,555	1,733
Share acquisition rights	1	-
Non-controlling interests	2,379	1,509
Total net assets	33,066	30,947
Total liabilities and net assets	48,217	47,713

Consolidated statement of income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Revenue	16,155	13,102
Cost of sales	6,140	3,583
Gross profit	10,015	9,519
Selling, general and administrative expenses	9,030	8,715
Operating profit	984	803
Non-operating income		
Share of profit of entities accounted for using equity method	554	113
Foreign exchange gains	-	3
Gain on investments in investment partnerships	194	2,485
Other	20	19
Total non-operating income	770	2,620
Non-operating expenses		
Interest expenses	14	16
Foreign exchange losses	5	-
Other	0	4
Total non-operating expenses	20	21
Ordinary profit	1,734	3,402
Extraordinary income		
Gain on sale of investment securities	25	15
Gain on sale of businesses	2	77
Other	1	1
Total extraordinary income	30	93
Extraordinary losses		
Loss on retirement of non-current assets	8	-
Impairment losses	142	38
Loss on liquidation of subsidiaries	16	6
Other	0	-
Total extraordinary losses	167	44
Profit before income taxes	1,597	3,451
Income taxes - current	314	989
Income taxes - deferred	(328)	658
Total income taxes	(14)	1,648
Profit	1,611	1,803
Profit (loss) attributable to non-controlling interests	269	(14)
Profit attributable to owners of parent	1,341	1,817

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit (loss)	1,611	1,803
Other comprehensive income		
Valuation difference on available-for-sale securities	499	(2,187)
Foreign currency translation adjustment	827	(1,077)
Total other comprehensive income	1,326	(3,265)
Comprehensive income	2,938	(1,461)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,667	(1,004)
Comprehensive income attributable to non-controlling interests	270	(456)

Consolidated statement of changes in equity

Fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income
Balance at beginning of period	8,212	3,843	14,043	-	26,098	1,356	1,872	3,229
Changes during period								
Dividends of surplus			(1,309)		(1,309)			
Profit attributable to owners of parent			1,341		1,341			
Net changes in items other than shareholders' equity						499	827	1,326
Total changes during period			32		32	499	827	1,326
Balance at end of period	8,212	3,843	14,075	-	26,130	1,855	2,699	4,555

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	0	4,563	33,892
Changes during period			
Dividends of surplus			(1,309)
Profit attributable to owners of parent			1,341
Net changes in items other than shareholders' equity	0	(2,184)	(857)
Total changes during period	0	(2,184)	(825)
Balance at end of period	1	2,379	33,066

Consolidated statement of changes in equity

Fiscal year ended December 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income
Balance at beginning of period	8,212	3,843	14,075	-	26,130	1,855	2,699	4,555
Changes during period								
Issuance of new shares	646	646			1,293			
Dividends of surplus			(1,536)		(1,536)			
Profit attributable to owners of parent			1,817		1,817			
Purchase of treasury shares				(0)	(0)			
Change in scope of consolidation			(0)		(0)			
Net changes in items other than shareholders' equity						(1,744)	(1,077)	(2,822)
Total changes during period	646	646	280	(0)	1,573	(1,744)	(1,077)	(2,822)
Balance at end of period	8,858	4,489	14,356	(0)	27,704	111	1,622	1,733

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	1	2,379	33,066
Changes during period			
Issuance of new shares			1,293
Dividends of surplus			(1,536)
Profit attributable to owners of parent			1,817
Purchase of treasury shares			(0)
Change in scope of consolidation			(0)
Net changes in items other than shareholders' equity	(1)	(870)	(3,693)
Total changes during period	(1)	(870)	(2,119)
Balance at end of period	-	1,509	30,947

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,597	3,451
Depreciation	222	155
Amortization of goodwill	126	126
Increase (decrease) in allowance for doubtful accounts	209	37
Increase (decrease) in provision for bonuses	(123)	171
Interest and dividend income	(1)	(8)
Interest expenses	14	16
Loss (gain) on investments in investment partnerships	(194)	(2,485)
Loss (gain) on sale of investment securities	(25)	(15)
Impairment losses	142	38
Loss on retirement of non-current assets	8	-
Loss (gain) on liquidation of subsidiaries	16	6
Share of loss (profit) of entities accounted for using equity method	(554)	(113)
Loss (gain) on sale of businesses	(2)	(77)
Decrease (increase) in accounts receivable - trade, and contract assets	314	(168)
Decrease (increase) in operational investment securities	1,987	183
Increase (decrease) in trade payables	(76)	1,183
Decrease (increase) in accounts receivable - other	2,453	1,505
Increase (decrease) in accounts payable - other	(828)	444
Increase (decrease) in accrued expenses	(39)	(67)
Increase (decrease) in accrued consumption taxes	328	91
Other, net	95	(242)
Subtotal	5,667	4,234
Interest and dividends received	1	8
Interest paid	(14)	(16)
Income taxes paid	(432)	(762)
Income taxes refund	1,697	32
Net cash provided by (used in) operating activities	6,920	3,496

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(2)
Purchase of intangible assets	(176)	(82)
Purchase of investment securities	(919)	(131)
Proceeds from sale of investment securities	28	37
Proceeds from redemption of investment securities	1,459	3,313
Proceeds from sale of shares of affiliates	-	391
Proceeds from sale of businesses	2	77
Short-term loan advances	-	(530)
Proceeds from collection of short-term loans receivable	-	530
Other, net	0	0
Net cash provided by (used in) investing activities	395	3,603
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	84	(84)
Repayments of long-term borrowings	(1,000)	-
Proceeds from issuance of share acquisition rights	0	-
Proceeds from issuance of shares resulting from exercise of share acquisition rights	-	1,291
(Increase) decrease in deposits for purchase of treasury shares	-	0
Dividends paid	(1,309)	(1,537)
Repayments to non-controlling shareholders	(2,454)	(413)
Net cash provided by (used in) financing activities	(4,678)	(743)
Effect of exchange rate change on cash and cash equivalents	242	(88)
Net increase (decrease) in cash and cash equivalents	2,880	6,267
Cash and cash equivalents at beginning of period	18,860	21,741
Cash and cash equivalents at end of period	21,741	28,008

(Notes on segment information, etc.)

Segment Information

1. Information on the amount of revenues, profits or losses, assets and other items for each reporting segment
The previous fiscal year (January 1, 2024 to December 31, 2024)

(Millions of yen)

	Reportable segments				Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Marketing Business	Financial Services Business	Investment Business	Total		
Revenue						
Revenues from external customers	11,950	479	3,725	16,155	-	16,155
Internal revenue or transfers between segments	40	(0)	(0)	40	(40)	-
Total	11,990	479	3,725	16,196	(40)	16,155
Segment profit (loss)	2,194	(356)	1,186	3,024	(2,039)	984
Segment Assets	11,596	4,885	17,124	33,606	14,611	48,217
Other items						
Depreciation	90	58	0	149	72	222
Amortization of goodwill	126	-	-	126	-	126
Impairment losses	-	142	-	142	-	142
Increase in property, plant and equipment and intangible assets	78	71	2	152	1	153

Note: 1. The amount of adjustment is as follows.

(1) Adjustments for segment profits or losses (loss) include the elimination of inter-segment transactions and company-wide expenses that have not been allocated to each reporting segment.

(2) Adjustments to segment assets are company-wide assets that have not been allocated to each reporting segment and are primarily related to the administrative divisions of the parent company.

2. Segment profit or loss (loss) is adjusted for operating income in the consolidated statements of income.

The current fiscal year (January 1, 2025 to December 31, 2025)

(Millions of yen)

	Reportable segments				Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Marketing Business	Financial Services Business	Investment Business	Total		
Revenue						
Revenues from external customers	12,130	229	742	13,102	-	13,102
Internal revenue or transfers between segments	11	0	-	11	(11)	-
Total	12,142	229	742	13,114	(11)	13,102
Segment profit (loss)	3,159	(215)	162	3,107	(2,303)	803
Segment Assets	13,851	2,680	10,854	27,386	20,326	47,713
Other items						
Depreciation	76	0	0	76	78	155
Amortization of goodwill	126	-	-	126	-	126
Impairment losses	38	0	-	38	-	38
Increase in property, plant and equipment and intangible assets	79	0	-	79	-	79

Note: 1. The amount of adjustment is as follows.

(1) Adjustments for segment profits or losses (loss) include the elimination of inter-segment transactions and company-wide expenses that have not been allocated to each reporting segment.

(2) Adjustments to segment assets are company-wide assets that have not been allocated to each reporting segment, and are mainly related to the Group's common administrative divisions.

2. Segment profit or loss (loss) is adjusted for operating income in the consolidated statements of income.

(Reference) Revenue, Operating profit, EBIT, EBITDA and Sales by reportable segment for the current fiscal year consolidated cumulative period

	Revenue		Operating profit		EBIT(Note)1		EBITDA(Note)2		Sales (Note)3	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Marketing Business	12,142	1.3	3,159	44.0	3,201	46.9	3,518	46.9	60,681	7.5
Financial Services Business	229	(52.2)	(215)	-	(213)	-	(212)	-	229	(52.2)
Investment Business	742	(80.1)	162	(86.3)	2,776	41.5	3,025	5.8	742	(80.1)
Adjustment Amount	(11)	-	(2,303)	-	(2,305)	-	(2,302)	-	(6)	-
Total	13,102	(18.9)	803	(18.4)	3,460	115.0	4,028	34.4	61,646	1.7

Note: 1. EBIT = Income before income taxes + Interest expense - Interest income

2. EBITDA = EBIT + other financial gains and losses + depreciation and amortization + stock-based compensation expense + impairment loss

3. Sales refers to sales amount based on old accounting standard before the application of the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March,31,2020).