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June 13, 2025

Consolidated Financial Results for the Nine Months Ended April 30, 2025 (Under Japanese GAAP)

Company name: DIGITAL GRID Corporation
Listing: Tokyo Stock Exchange Growth Section
Securities code: 350A
URL: https://www.digitalgrid.com/
Representative: Yusuke Toyoda, Representative Director and President, CEO
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended April 30, 2025 (from August 1, 2024 to April 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2025	4,791	-	2,374	-	2,273	-	1,587	-
April 30, 2024	-	-	-	-	-	-	-	-

Note: Comprehensive income For the nine months ended April 30, 2025: ¥ 1,587 million [-%]
For the nine months ended April 30, 2024: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
April 30, 2025	267.11	214.39
April 30, 2024	-	-

Note:
1. Since the consolidated financial statements have been prepared from the fiscal year ending July 2025, figures for the third quarter of the fiscal year ending July 2024 and year-on-year comparisons are not presented.
2. On February 12, 2025, the Company conducted a stock split at a ratio of 10 shares for each common share. Earnings per share and diluted earnings per share for the current consolidated fiscal year are calculated as if the stock split had been effective at the beginning of the fiscal year.
3. As the Company's shares were listed on the Tokyo Stock Exchange Growth Section on April 22, 2025, diluted earnings per share for the third quarter of the fiscal year ending July 2025 has been calculated using the average share price from the listing date to the end of the third quarter as the average share price during the period.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
April 30, 2025	17,007	6,855	40.3
July 31, 2024	-	-	-

Reference : Equity
As of April 30, 2025: ¥6,855 million
As of July 31, 2024: ¥ - million

Note: Since the Company has prepared consolidated financial statements from the fiscal year ending July 2025, figures for the fiscal year ending July 2024 are not presented.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended July 31, 2024	-	-	-	0.00	0.00
Fiscal year ending July 31, 2025	-	-	-		
Fiscal year ending July 31, 2025 (Forecast)				0.00	0.00

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

3. Forecast of consolidated financial results for the fiscal year ending July 31, 2025 (from August 1, 2024 to July 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending July 31, 2025	5,587	-	2,362	-	2,186	-	1,556	-	256.20

Note:

1. Revisions to the earnings forecasts most recently announced: None
2. Since the Company has prepared consolidated financial statements from the fiscal year ending July 2025, year-on-year comparison figures are not presented.
3. On February 12, 2025, the Company conducted a stock split at a ratio of 10 shares for each common share. Earnings per share for the current consolidated fiscal year have been calculated assuming that the stock split had been effective at the beginning of the fiscal year.

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (DIGITAL GRID ASSET MANAGEMENT Corporation)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: Income tax expenses are calculated by applying a reasonably estimated effective tax rate, after applying tax effect accounting, to quarterly income before income taxes. This estimated effective tax rate is based on the projected annual effective tax rate for the consolidated fiscal year, including the third quarter.

(3) 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

(4) Number of issued shares (common shares)

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

As of April 30, 2025	6,183,300 shares
As of July 31, 2024	5,933,300 shares

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

As of April 30, 2025	- shares
As of July 31, 2024	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended April 30, 2025	5,942,458 shares
Nine months ended April 30, 2024	- shares

Note:
1. On January 23, 2025, the Company acquired all of the Class A Preferred Stock, Class B Preferred Stock, Class S Preferred Stock, Class S-2 Preferred Stock, and Class S-3 Preferred Stock pursuant to a written resolution of the Board of Directors pursuant to Article 370 of the Companies Act and the Company's Articles of Incorporation dated December 27, 2024, in accordance with the acquisition provisions stipulated in the Articles of Incorporation, and delivered common shares as consideration. In addition, all Class A Preferred Stock, Class B Preferred Stock, Class S Preferred Stock, Class S-2 Preferred Stock, and Class S-3 Preferred Stock acquired by the Company were cancelled on the same date in accordance with Article 178 of the Companies Act. At the Extraordinary General Meeting of Shareholders to be held on February 12, 2025, the Company abolished the provision in the Articles of Incorporation that class shares will be issued on the same date.
2. On February 12, 2025, the Company conducted a stock split at a ratio of 10 shares for each common share. The number of shares issued at the end of the period and the average number of shares outstanding during the period for the previous fiscal year have been calculated assuming that the stock split had been effective at the beginning of the previous fiscal year.
3. The Company did not prepare quarterly financial statements for the third quarter of the fiscal year ended July 2024; therefore, the average number of shares outstanding during the period for the third quarter of the fiscal year ended July 2024 is not presented.

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

* Cautionary statement regarding the appropriate use of earnings forecasts and other special notes
(Cautionary statement regarding forward-looking statements, etc.)
The forward-looking statements such as the earnings forecasts contained in this document are based on information currently available to the Company and certain assumptions that are deemed reasonable. These statements are not intended as a guarantee of future performance. Actual results may differ materially from these forecasts due to various factors.

Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of April 30, 2025
Assets	
Current assets	
Cash and deposits	5,596,612
Accounts receivable - trade, and contract assets	1,179,459
Accounts receivable - other	8,756,817
Other	369,264
Allowance for doubtful accounts	(4,933)
Total current assets	15,897,220
Non-current assets	
Property, plant and equipment	35,984
Intangible assets	39,643
Investments and other assets	
Investments and other assets	1,048,539
Allowance for doubtful accounts	(13,516)
Total investments and other assets	1,035,023
Total non-current assets	1,110,650
Total assets	17,007,871
Liabilities	
Current liabilities	
Accounts payable - trade	407,383
Short-term borrowings	1,444,891
Current portion of long-term borrowings	278,654
Accounts payable - other	5,414,823
Income taxes payable	702,733
Provision for bonuses	187,499
Other	624,873
Total current liabilities	9,060,859
Non-current liabilities	
Long-term borrowings	1,091,946
Total non-current liabilities	1,091,946
Total liabilities	10,152,805
Net assets	
Shareholders' equity	
Share capital	569,800
Capital surplus	3,113,490
Retained earnings	3,171,775
Total shareholders' equity	6,855,066
Total net assets	6,855,066
Total liabilities and net assets	17,007,871

Quarterly Consolidated Statement of Income

(Thousands of yen)

	Nine months ended April 30, 2025
Net sales	4,791,177
Cost of sales	1,199,887
Gross profit	3,591,289
Selling, general and administrative expenses	1,217,289
Operating profit	2,374,000
Non-operating income	
Interest income	2,435
Penalty income	7,703
Other	444
Total non-operating income	10,583
Non-operating expenses	
Interest expenses	71,129
Listing expenses	29,417
Other	10,294
Total non-operating expenses	110,840
Ordinary profit	2,273,743
Extraordinary income	
Gain on reversal of share acquisition rights	160
Total extraordinary income	160
Profit before income taxes	2,273,904
Income taxes	686,632
Profit	1,587,271
Profit attributable to owners of parent	1,587,271

Quarterly Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Nine months ended April 30, 2025
Profit	1,587,271
Comprehensive income	1,587,271
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	1,587,271

(Notes on segment information and other related matters)

Nine months ended April 30, 2025 (From August 1, 2024 to April 30, 2025)

Information on net sales and profit or loss by reportable segment, and disaggregation of revenue

(Unit: Thousands of yen)

	Reportable segments				Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)4
	Power PF business	RE PF business	Other (Note) 1	Total		
Net Sales						
Revenues from external customers	3,487,770	313,955	236,244	4,037,970	-	4,037,970
Other revenue	748,141	5,065	-	753,206	-	753,206
Total	4,235,912	319,020	236,244	4,791,177	-	4,791,177
Revenue breakdown information						
Revenue generated from customer contracts	3,487,770	313,955	236,244	4,037,970	-	4,037,970
DGP fee revenue	3,393,346	193,774	830	3,587,951	-	3,587,951
Other revenue	94,424	120,180	235,413	450,018	-	450,018
Revenue generated from sources other than customer contracts (Note)3	748,141	5,065	-	753,206	-	753,206
Total	4,235,912	319,020	236,244	4,791,177	-	4,791,177
Segment profit (loss)	2,886,546	118,888	(174,873)	2,830,561	(456,561)	2,374,000

Note:

1. The "Other" category includes business segments such as the decarbonization education business, and the battery business, as well as segments that are not included in the reporting segments.
2. The main component of the “Adjustment amount” category is corporate expenses.
3. "Revenue generated from sources other than contracts with customers" mainly consists of profits and losses generated by electricity settlement with power transmission and distribution companies.
4. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

(Notes on significant changes in shareholders’ equity)

The Company was listed on the Tokyo Stock Exchange Growth Section on April 22, 2025. In connection with the listing, the Company issued 250,000 new shares through a public offering (book-building method) with a payment date of April 21, 2025. As a result, during the nine-month period ended April 30, 2025, capital stock and capital surplus each increased by ¥519,800 thousand. Accordingly, as of the end of the third quarter of the current consolidated fiscal year, capital stock stood at ¥569,800 thousand and capital surplus at ¥3,113,490 thousand.