

September 10, 2026

Consolidated Financial Results for the Fiscal Year Ended July 31, 2026 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange Growth Section
 Securities code: 350A
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 Scheduled date of annual general meeting of shareholders: October 29, 2026
 Scheduled start of dividend payments: -
 Scheduled date to file annual securities report: October 28, 2026
 Supplementary materials on financial results prepared: Yes
 Financial results briefing held: Yes

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

1. Consolidated financial results for the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)

(1) Consolidated operating results

(Percentages indicate year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
July 31, 2026	7,113	15.6	3,017	10.0	2,909	11.3	2,037	9.0
July 31, 2025	6,153	-	2,742	-	2,614	-	1,870	-

Note: Comprehensive income

For the fiscal year ended July 31, 2026: JPY 2,037 million [8.9%]

For the fiscal year ended July 31, 2025: JPY 1,870 million [-%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating profit margin
Fiscal year ended	(Yen)	(Yen)	(%)	(%)	(%)
July 31, 2026	50.80	44.35	21.7	12.0	42.4
July 31, 2025	51.46	41.38	22.6	14.7	44.6

Notes:

- Since consolidated financial statements have been prepared from the fiscal year ended July 31, 2025, the year on year change for the fiscal year ended July 31, 2025 is not presented. In addition, return on equity and the ratio of ordinary profit to total assets for the fiscal year ended July 31, 2025 were calculated based on equity at the end of the fiscal year and total assets at the end of the fiscal year, respectively, as it was the first year of consolidation.
- On February 12, 2025, the Company conducted a share split at a ratio of 10 shares for each share of common stock. In addition, on November 1, 2025, the Company conducted a share split at a ratio of six shares for each share of common stock. Basic earnings per share and diluted earnings per share have been calculated on the assumption that the share splits were effective at the beginning of the previous consolidated fiscal year.
- The Company was listed on the Tokyo Stock Exchange Growth Section on April 22, 2025. Accordingly, diluted earnings per share for the previous consolidated fiscal year were calculated using the average share price from the listing date through the end of the fiscal year as the average share price during the period.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of July 31, 2026	30,817	10,536	34.1	251.59
As of July 31, 2025	17,817	8,277	46.5	213.64

Reference: Equity

As of July 31, 2026: JPY 10,521 million

As of July 31, 2025: JPY 8,277 million

Note:

The Company conducted a share split at a ratio of six shares for each share of common stock on November 1, 2025. Net assets per share have been calculated on the assumption that this share split was effective at the beginning of the previous consolidated fiscal year.

(3) Consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
July 31, 2026	(1,849)	(4,396)	7,894	6,295
July 31, 2025	321	(181)	528	4,648

2. Cash dividends

	Annual dividends per share					Total cash dividends	Dividend payout ratio (consolidated)	Dividend-to-equity ratio (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 July 31, 2025	-	-	-	0.00	0.00	-	-	-
Fiscal year ended July 31, 2026	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending July 31, 2027 (Forecast)	-	0.00	-	0.00	0.00	-	-	-

3. Forecast of consolidated financial results for the fiscal year ending July 31, 2027 (from August 1, 2026 to July 31, 2027)

(Percentages indicate year on year changes)

	Net sales		Adjusted EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	7,967	12.0	3,185	4.5	2,865	(5.0)	2,394	(17.7)	1,673	(17.9)	40.02

Note: Adjusted EBITDA is calculated as EBITDA (operating profit, depreciation and amortization) plus stock-based compensation expenses.

* 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 July 31, 2026	41,820,180 shares
As of July 31, 2025	38,743,800 shares
 - (ii) Number of treasury shares at the end of the period

As of July 31, 2026	- shares
As of July 31, 2025	- shares
 - (iii) Average number of shares outstanding during the period

Fiscal year ended July 31, 2026	40,112,072 shares
Fiscal year ended July 31, 2025	36,343,274 shares

Note:

On February 12, 2025, the Company conducted a share split at a ratio of 10 shares for each share of common stock. In addition, on November 1, 2025, the Company conducted a share split at a ratio of six shares for each share of common stock. The number of issued shares at the end of the period and the average number of shares outstanding during the period have been calculated on the assumption that the share splits were effective at the beginning of the previous fiscal year.

[Reference] Overview of Non-Consolidated Financial Results

1. Non-consolidated financial results for the fiscal year ended July 31, 2026 (from August 1, 2025 to July 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
July 31, 2026	7,120	15.7	3,141	14.5	2,921	11.6	2,037	8.8
July 31, 2025	6,153	75.1	2,743	77.3	2,616	108.8	1,872	92.6

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	(Yen)	(Yen)
July 31, 2026	50.80	44.35
July 31, 2025	51.53	41.44

Notes:

1. On February 12, 2025, the Company conducted a share split at a ratio of 10 shares for each share of common stock. In addition, on November 1, 2025, the Company conducted a share split at a ratio of six shares for each share of common stock. Basic earnings per share and diluted earnings per share have been calculated on the assumption that the share splits were effective at the beginning of the previous fiscal year.
2. The Company was listed on the Tokyo Stock Exchange Growth Section on April 22, 2025. Accordingly, diluted earnings per share for the fiscal year ended July 31, 2025 were calculated using the average share price from the listing date through the end of the fiscal year as the average share price during the period.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of July 31, 2026	30,350	10,533	34.7	251.66
As of July 31, 2025	17,822	8,280	46.5	213.71

Reference: Equity

As of July 31, 2026: JPY 10,524 million

As of July 31, 2025: JPY 8,280 million

Note:

On November 1, 2025, the Company conducted a share split at a ratio of six shares for each share of common stock. Net assets per share have been calculated on the assumption that the share split was effective at the beginning of the previous fiscal year.

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

*** Appropriate use of earnings forecasts and other special matters**

(Disclaimer Regarding Forward-Looking Statements)

Forward-looking statements, including earnings forecasts, contained in this material are based on information currently available to the Company and certain assumptions deemed reasonable. The Company does not guarantee the achievement of these forecasts. Actual results may differ materially due to various factors. For the assumptions underlying the earnings forecast and other precautions regarding its use, please refer to page 3 of the attached materials, “1. Overview of Operating Results (4) Consolidated Earnings Forecast and Other Forward-Looking Information.”

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year

During the consolidated fiscal year under review, Japan's economy continued to see signs of gradual recovery. Improvements in employment and income conditions supported personal consumption, while the effects of various government policies led to increases in capital investments. On the other hand, continued yen depreciation, persistently high prices for raw materials with a high import ratio, and rising energy prices amid heightened tensions in the Middle East put pressure on corporate earnings and household finances. The outlook therefore remained uncertain. Global economic uncertainty also remained high, marked by prolonged high interest rates in Europe and the United States, concerns over the outlook for the Chinese economy, persistent inflationary pressures, and geopolitical risks.

The energy industry, in which the DIGITAL GRID Group (the "Group") operates, saw challenging financial conditions for electricity companies, driven by high resource prices resulting from the prolonged Russia-Ukraine conflict, instability in the Middle East, and higher import costs due to the continued yen depreciation. On the other hand, revisions to electricity tariffs and stabilization of wholesale electricity market prices led to more proactive customer acquisition, showing signs of improvement across the industry. In addition, Japan's 7th Strategic Energy Plan forecasts an increase in electricity demand over the medium-to-long term due to the spread of generative AI technologies and the construction of data centers and semiconductor plants, indicating potential growth for the industry as a whole. Against this backdrop, renewable energy adoption continued to expand under the government's Green Transformation (GX) policy, while corporate needs for decarbonization management and renewable energy procurement increased.

In this business environment, the Group focused on expanding its businesses toward a sustainable society under its Mission, "Empower the democratization of energy," its Vision, "Create a world without energy constraints for future generations," and its tagline, "Choices for the Future of Energy."

As a result, net sales for the consolidated fiscal year amounted to JPY 7,113,916 thousand (up 15.6% year on year), operating profit stood at JPY 3,017,771 thousand (up 10.0% year on year), ordinary profit totaled JPY 2,909,525 thousand (up 11.3% year on year) and profit attributable to owners of parent was JPY 2,037,673 thousand (up 9.0% year on year).

Results by segment are as follows.

(i) Power Platform Business

The Power Platform Business includes electricity transactions on the Digital Grid Platform (DGP), excluding renewable energy. During the consolidated fiscal year under review, the Group focused on initiatives for business expansion, such as new partner collaborations, enhancement of direct sales and customer success initiatives to improve customer lifetime value, and active exposure in business media. In July, the Group also launched low-voltage electricity services for corporate customers. Accordingly, contracted capacity with consumers continued to increase, reaching 871 MW at the end of the consolidated fiscal year.

As a result, net sales in the Power Platform Business totaled JPY 5,884,409 thousand (up 8.6% year on year), while segment profit was JPY 3,499,582 thousand (down 0.9% year on year).

(ii) Renewable Energy (RE) Platform

The RE Platform Business includes transactions of renewable energy sources on the DGP. During the consolidated fiscal year under review, the Group focused on providing follow-up support to ensure the commencement of contracted projects; strengthening sales activities for Power Purchase Agreements (PPAs), including GPAs¹, via RE Bridge, a corporate PPA matching platform; and increasing the volume of FIT Non-Fossil Certificate brokerage via Econohashi, a proxy procurement service for FIT non-fossil certificates. Both RE Bridge and Econohashi saw steady growth: registered renewable energy generators on RE Bridge surpassed 150 companies, and registered generation capacity exceeded 2 GW, while cumulative transaction volume on Econohashi surpassed 3.2 billion kWh. Accordingly, contracted capacity with renewable energy generators continued to increase, reaching 393 MW at the end of the fiscal year.

As a result, net sales in the RE PF Business amounted to JPY 711,496 thousand (up 58.5% year on year), and segment profit surged to JPY 370,161 thousand (up 207.4% year on year).

(iii) Others Business

During the consolidated fiscal year under review, the Group focused on accelerating the Aggregation Services within the Power Balancing Business. As a result, total grid-scale battery capacity under management exceeded 165 MW in approximately one year and seven months after the service launch. In addition, the pipeline for owned grid-scale batteries continued to expand, and projects with approved investment decisions reached 32 MW.

As a result, net sales in the Others Business totaled JPY 518,010 thousand (up 82.3% year on year), with a segment profit of JPY 136,445 thousand (vs. a segment loss of JPY 245,731 thousand in the previous fiscal year).

¹ "GPA" refers to a comprehensive scheme for renewable energy transactions in which consumers directly purchase environmental value (non-FIT Non-Fossil Certificates) generated from additional renewable energy from FIT-certified operators. These non-FIT Non-Fossil Certificates are compliant with RE100.

(2) Overview of Financial Position for the Fiscal Year

Assets

Current assets at the end of the consolidated fiscal year under review totaled JPY 24,765,056 thousand, up JPY 8,232,650 thousand from the end of the previous fiscal year. This was mainly due to increases of JPY 5,388,382 thousand in accounts receivable—other, JPY 1,647,502 thousand in cash and deposits, and JPY 800,547 thousand in accounts receivable. Non-current assets totaled JPY 6,052,166 thousand, up JPY 4,767,004 thousand from the end of the previous fiscal year. This was mainly due to a JPY 4,347,852 thousand increase in property, plant and equipment.

As a result, total assets stood at JPY 30,817,222 thousand, up JPY 12,999,654 thousand from the end of the previous consolidated fiscal year.

Liabilities

Current liabilities at the end of the consolidated fiscal year under review totaled JPY 18,988,550 thousand, up JPY 10,447,622 thousand from the end of the previous fiscal year. This was mainly due to increases of JPY 7,590,000 thousand in short-term borrowings, JPY 1,889,238 thousand in accounts payable—other, and JPY 1,723,830 thousand in accounts payable. Non-current liabilities totaled JPY 1,292,495 thousand, up JPY 293,095 thousand from the end of the previous fiscal year, mainly due to a JPY 274,188 thousand increase in long-term borrowings.

As a result, total liabilities stood at JPY 20,281,045 thousand, up JPY 10,740,717 thousand from the end of the previous consolidated fiscal year.

Net Assets

Net assets at the end of the consolidated fiscal year under review totaled JPY 10,536,176 thousand, up JPY 2,258,936 thousand from the end of the previous fiscal year. This was mainly due to a JPY 2,037,673 thousand increase in retained earnings.

As a result, return on equity was 21.7% (vs. 22.6% at the end of the previous consolidated fiscal year)².

(3) Overview of Cash Flows for the Fiscal Year

Cash and cash equivalents (hereinafter, “cash”) at the end of the consolidated fiscal year under review totaled JPY 6,295,821 thousand, up JPY 1,647,502 thousand from the end of the previous fiscal year.

Cash flow from operating activities

Net cash used in operating activities was JPY 1,849,876 thousand, down by JPY 2,171,115 thousand from the end of the previous fiscal year. Cash inflows increased due to higher profit before income taxes (up by JPY 2,909,525 thousand from the end of the previous fiscal year), accounts payable—other (up by JPY 1,882,962 thousand), and trade payables (up by JPY 1,723,830 thousand). However, these were offset by higher outflows in accounts receivable—other (up JPY 5,388,382 thousand), trade receivables (up JPY 800,547 thousand), and income taxes paid (up JPY 1,170,294 thousand).

Cash flow from investing activities

Net cash used in investing activities was JPY 4,396,825 thousand, down by JPY 4,215,512 thousand from the end of the previous fiscal year. This was mainly due to an increase in purchases of property, plant and equipment of JPY 4,341,052 thousand.

Cash flow from financing activities

Net cash provided by financing activities was JPY 7,894,204 thousand, up JPY 7,365,510 thousand from the end of the previous fiscal year. This was mainly due to a net increase in short-term borrowings of JPY 7,590,000 thousand.

(4) Consolidated Earnings Forecast and Other Forward-Looking Information

The sharp rise in Japan Electric Power Exchange (JEPX) market prices in 2022 forced many new electricity retailers to exit the market. As conditions later stabilized, new entrants adopting market-linked pricing plans gradually increased, creating a more balanced competitive environment that had previously been overly subdued. The Company had forecasted these market assumptions for the fiscal year ended July 31, 2026 and expects this trend to continue in the fiscal year ending July 31, 2027.

In response to this shifting competitive landscape, the Company plans to expand contracted capacity and strengthen its market position in the Power PF Business. In the RE PF Business, it aims to expand its business foundation and establish stable earnings capacity through growth in corporate PPAs, driven by the shift from FIT to FIP. In addition, the Company plans to expand its grid-scale battery-related investments and services, including the Aggregation Services Business and Asset Management Business, as its third business pillar to support medium-to-long-term growth.

Through these initiatives, the Company aims to position itself as a quality growth stock with high capital efficiency

² On November 1, 2025, the Company conducted a share split at a ratio of six shares for each share of common stock. Basic earnings per share have been calculated on the assumption that the share splits were effective at the beginning of the previous consolidated fiscal year.

and strong medium-term growth. Its medium-term management targets for the fiscal year ending July 31, 2029 are ROE of 20% or higher, an operating profit margin of 30% or higher, an adjusted EBITDA³ margin of 40% or higher, and a CAGR in total contracted capacity of 30% or higher. The JPY 10 billion investment target in grid-scale batteries announced in the previous consolidated fiscal year is scheduled to be completed by the fiscal year ending July 31, 2028, and is therefore not included in the newly announced medium-term management targets. The fiscal year ending July 31, 2027 is positioned as an important year for advancing initiatives toward achieving these medium-term management targets. (For details of the medium-term management targets, please refer to the presentation materials for full-year financial results, released today.)

Accordingly, for the fiscal year ending July 31, 2027, the Company forecasts net sales of JPY 7,967 million (up 12.0% year on year), operating profit of JPY 2,865 million (down 5.0% year on year), adjusted EBITDA³ of JPY 3,185 million (up 4.5% year on year), ordinary profit of JPY 2,394 million (down 17.7% year on year), and profit attributable to owners of parent of JPY 1,673 million (down 17.9% year on year).

2. Basic Approach to the Selection of Accounting Standards

The Group intends to prepare its consolidated financial statements in accordance with Japanese GAAP for the time being, taking into consideration comparability between reporting periods and among companies.

The Group will respond appropriately to the adoption of International Financial Reporting Standards (IFRS), in light of developments in Japan and overseas.

³ Adjusted EBITDA: EBITDA (operating profit, depreciation and amortization) plus stock-based compensation expenses

3. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheet

(Unit: Thousands of yen)

	As of July 31, 2025	As of July 31, 2026
Assets		
Current assets		
Cash and deposits	4,648,319	6,295,821
Accounts receivable - trade	1,315,823	2,116,370
Contract assets	52,022	118,240
Accounts receivable - other	9,766,052	15,154,434
Other	774,420	1,148,254
Allowance for doubtful accounts	(24,230)	(68,065)
Total current assets	16,532,406	24,765,056
Non-current assets		
Property, plant and equipment		
Land	74,705	364,969
Construction in progress	4,211	4,022,776
Other, net	28,509	67,533
Total property, plant and equipment	107,426	4,455,279
Intangible assets	40,314	37,220
Investments and other assets		
Deposits	903,416	900,000
Deferred tax assets	158,830	228,496
Other	101,216	530,048
Allowance for doubtful accounts	(26,042)	(98,879)
Total investments and other assets	1,137,421	1,559,666
Total non-current assets	1,285,161	6,052,166
Total assets	17,817,568	30,817,222
Liabilities		
Current liabilities		
Accounts payable - trade	575,059	2,298,890
Short-term borrowings	260,000	7,850,000
Current portion of long-term borrowings	353,560	170,812
Accounts payable - other	5,400,338	7,289,576
Income taxes payable	810,029	572,857
Contract liabilities	1,159	-
Provision for bonuses	249,999	268,018
Other	890,781	538,396
Total current liabilities	8,540,928	18,988,550
Non-current liabilities		
Long-term borrowings	999,400	1,273,588
Other	-	18,907
Total non-current liabilities	999,400	1,292,495
Total liabilities	9,540,328	20,281,045
Net assets		
Shareholders' equity		
Share capital	1,139,500	1,242,883
Capital surplus	3,683,191	3,786,573
Retained earnings	3,454,548	5,492,221
Total shareholders' equity	8,277,240	10,521,677
Share acquisition rights	-	8,779
Non-controlling interests	-	5,719
Total net assets	8,277,240	10,536,176
Total liabilities and net assets	17,817,568	30,817,222

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(Unit: Thousands of yen)

	Fiscal year ended July 31, 2025	Fiscal year ended July 31, 2026
Net sales	6,153,606	7,113,916
Cost of sales	1,573,223	1,320,356
Gross profit	4,580,383	5,793,560
Selling, general and administrative expenses	1,837,663	2,775,789
Operating profit	2,742,720	3,017,771
Non-operating income		
Interest income	2,435	14,413
Penalty income	7,853	10,191
Gain on capacity contribution settlement	-	133,231
Other	1,623	1,817
Total non-operating income	11,913	159,653
Non-operating expenses		
Interest expenses	81,334	71,045
Commission expenses	15,053	188,419
Listing expenses	34,726	-
Other	9,409	8,435
Total non-operating expenses	140,524	267,900
Ordinary profit	2,614,109	2,909,525
Extraordinary income		
Gain on reversal of share acquisition rights	160	-
Total extraordinary income	160	-
Extraordinary losses		
Loss on valuation of investment securities	43,834	-
Total extraordinary losses	43,834	-
Profit before income taxes	2,570,434	2,909,525
Income taxes - current	808,100	941,798
Income taxes - deferred	(107,710)	(69,665)
Total income taxes	700,390	872,132
Profit	1,870,044	2,037,393
Loss attributable to non-controlling interests	-	(280)
Profit attributable to owners of parent	1,870,044	2,037,673

Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	Fiscal year ended July 31, 2025	Fiscal year ended July 31, 2026
Profit	1,870,044	2,037,393
Comprehensive income	1,870,044	2,037,393
Comprehensive income attributable to		
Owners of parent	1,870,044	2,037,673
Non-controlling interests	-	(280)

(3) Consolidated Statement of Changes in Equity
Fiscal year ended July 31, 2025 (From August 1, 2024 to July 31, 2025)

(Unit: Thousands of yen)

	Shareholders' equity				Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity		
Balance at beginning of period	50,000	2,593,690	1,584,503	4,228,194	160	4,228,354
Changes during period						
Issuance of new shares	1,089,500	1,089,500		2,179,001		2,179,001
Profit attributable to owners of parent			1,870,044	1,870,044		1,870,044
Net changes in items other than shareholders' equity					(160)	(160)
Total changes during period	1,089,500	1,089,500	1,870,044	4,049,046	(160)	4,048,885
Balance at end of period	1,139,500	3,683,191	3,454,548	8,277,240	-	8,277,240

Fiscal year ended July 31, 2026 (From August 1, 2025 to July 31, 2026)

(Unit: Thousands of yen)

	Shareholders' equity				Share acquisition rights	Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity			
Balance at beginning of period	1,139,500	3,683,191	3,454,548	8,277,240	-	-	8,277,240
Changes during period							
Issuance of new shares (exercise of share acquisition rights)	103,382	103,382		206,764			206,764
Profit attributable to owners of parent			2,037,673	2,037,673			2,037,673
Net changes in items other than shareholders' equity					8,779	5,719	14,499
Total changes during period	103,382	103,382	2,037,673	2,244,437	8,779	5,719	2,258,936
Balance at end of period	1,242,883	3,786,573	5,492,221	10,521,677	8,779	5,719	10,536,176

(4) Consolidated Statement of Cash Flows

(Unit: Thousands of yen)

	Fiscal year ended July 31, 2025	Fiscal year ended July 31, 2026
Cash flows from operating activities		
Profit before income taxes	2,570,434	2,909,525
Depreciation	12,758	20,739
Increase (decrease) in allowance for doubtful accounts	41,905	116,671
Increase (decrease) in provision for bonuses	189,999	18,018
Interest income	(2,435)	(14,413)
Interest expenses	81,334	71,045
Listing expenses	34,726	-
Loss (gain) on valuation of investment securities	43,834	-
Decrease (increase) in trade receivables	(563,234)	(800,547)
Decrease (increase) in accounts receivable - other	(4,753,873)	(5,388,382)
Decrease (increase) in other current assets	200,548	(432,884)
Decrease (increase) in deposits	(300,000)	3,416
Increase (decrease) in trade payables	220,655	1,723,830
Increase (decrease) in accounts payable - other	2,067,562	1,882,962
Increase (decrease) in other current liabilities	769,849	(361,496)
Decrease (increase) in other non-current assets	(67,317)	(372,035)
Other, net	2,649	8,491
Subtotal	549,398	(615,058)
Interest received	2,435	14,413
Interest paid	(80,417)	(78,936)
Income taxes paid	(150,177)	(1,170,294)
Net cash provided by (used in) operating activities	321,238	(1,849,876)
Cash flows from investing activities		
Purchase of property, plant and equipment	(93,782)	(4,341,052)
Purchase of investment securities	(50,600)	(60,001)
Other	(36,930)	4,228
Net cash provided by (used in) investing activities	(181,313)	(4,396,825)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,668,541)	7,590,000
Proceeds from long-term borrowings	1,100,000	445,000
Repayments of long-term borrowings	(47,040)	(353,560)
Proceeds from issuance of shares	2,179,001	-
Payments of listing expenses	(34,726)	-
Proceeds from exercise of share options	-	206,764
Other	-	6,000
Net cash provided by (used in) financing activities	528,693	7,894,204
Net increase (decrease) in cash and cash equivalents	668,619	1,647,502
Cash and cash equivalents at beginning of period	3,979,699	4,648,319
Cash and cash equivalents at end of period	4,648,319	6,295,821

(5) Notes on Consolidated Financial Statements

Notes on Assumptions of a Going Concern

Not applicable.

Notes on Segment Information, etc.

Segment Information

1. Overview of Reportable Segments

The Group's reportable segments are components of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate business performance.

The Group formulates business development plans and strategies for each product and service it handles and conducts business activities accordingly.

As a result, the Group is organized into product and service segments based on the development and sale of products and services and has three reportable segments: the Power PF Business, RE PF Business, and Power Balancing Business. Considering comprehensive quantitative criteria, the Power Balancing Business is included in "Others" for disclosure purposes.

The main products and services of each reportable segment are as follows:

- (1) Power Platform Business: Electricity trading business excluding renewable energy
- (2) RE Platform Business: Renewable energy electricity trading business, proxy procurement of non-fossil certificates, etc.
- (3) Power Balancing Business: Grid-scale batteries business

2. Method of Calculating Net Sales, Profit or Loss, Assets, Liabilities, and Other Items by Reportable Segment

The accounting methods for the reported business segments are consistent with the accounting policies adopted in preparing the consolidated financial statements.

Segment profit is based on operating profit.

3. Information on Net Sales, Profit or Loss, Assets, Liabilities, and Other Items by Reportable Segment, and Breakdown of Revenue

Fiscal year ended July 31, 2025 (From August 1, 2024 to July 31, 2025)

(Unit: Thousands of yen)

	Reportable segments				Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Power PF	RE PF	Others (Note 1)	Total		
Net sales						
Revenue from external customers	4,631,562	449,549	284,146	5,365,258	-	5,365,258
Other revenue	788,923	(575)	-	788,348	-	788,348
Total	5,420,486	448,973	284,146	6,153,606	-	6,153,606
Revenue breakdown						
Revenue from customer contracts	4,631,562	449,549	284,146	5,365,258	-	5,365,258
DGP fee revenue	4,492,671	296,401	2,537	4,791,610	-	4,791,610
Other revenue	138,891	153,147	281,609	573,647	-	573,647
Revenue from sources other than customer contracts (Note 4)	788,923	(575)	-	788,348	-	788,348
Total	5,420,486	448,973	284,146	6,153,606	-	6,153,606
Segment profit (loss)	3,529,801	120,431	(245,731)	3,404,501	(661,781)	2,742,720

Notes:

- 1. "Others" includes the Power Balancing Business and business segments not included in the reportable segments.
- 2. "Adjustment" consists mainly of corporate expenses.
- 3. Segment profit is reconciled to operating profit in the consolidated financial statements.
- 4. "Revenue from sources other than contracts with customers" consists mainly of profits and losses generated by electricity settlements with Transmission System Operators.
- 5. Segment assets, liabilities, and other items are not presented because they are not reviewed for purposes of determining the allocation of management resources or evaluating business performance.

Fiscal year ended July 31, 2026 (From August 1, 2025 to July 31, 2026)

(Unit: Thousands of yen)

	Reportable segments				Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Power PF	RE PF	Others (Note 1)	Total		
Net sales						
Revenue from external customers	4,080,731	810,932	518,010	5,409,674	-	5,409,674
Other revenue	1,803,678	(99,435)	-	1,704,242	-	1,704,242
Total	5,884,409	711,496	518,010	7,113,916	-	7,113,916
Revenue breakdown						
Revenue from customer contracts	4,080,731	810,932	518,010	5,409,674	-	5,409,674
DGP fee revenue	3,881,714	632,679	-	4,514,394	-	4,514,394
Other revenue	199,016	178,252	518,010	895,280	-	895,280
Revenue from sources other than customer contracts (Note 4)	1,803,678	(99,435)	-	1,704,242	-	1,704,242
Total	5,884,409	711,496	518,010	7,113,916	-	7,113,916
Segment profit (loss)	3,499,582	370,161	136,445	4,006,188	(988,417)	3,017,771

Notes:

1. "Others" includes the Power Balancing Business and business segments not included in the reportable segments.
2. "Adjustment" consists mainly of corporate expenses.
3. Segment profit is reconciled to operating profit in the consolidated financial statements.
4. "Revenue from sources other than contracts with customers" consists mainly of profits and losses generated by electricity settlements with Transmission System Operators.
5. Segment assets, liabilities, and other items are not presented because they are not reviewed for purposes of determining the allocation of management resources or evaluating business performance.

Notes on Per Share Information

(Unit: Yen)	Fiscal year ended July 31, 2025	Fiscal year ended July 31, 2026
Net assets per share	213.64	251.59
Basic earnings per share	51.46	50.80
Diluted earnings per share	41.38	44.35

Notes:

1. On February 12, 2025, the Company conducted a share split at a ratio of 10 shares for each share of common stock. In addition, on November 1, 2025, the Company conducted a share split at a ratio of six shares for each share of common stock. Net assets per share, basic earnings per share, and diluted earnings per share have been calculated on the assumption that the share splits were effective at the beginning of the previous consolidated fiscal year.
2. The Company was listed on the Tokyo Stock Exchange Growth Section on April 22, 2025. Accordingly, diluted earnings per share for the previous consolidated fiscal year were calculated using the average share price from the listing date through the end of the previous consolidated fiscal year as the average share price during the period.
3. The basis for calculating basic earnings per share and diluted earnings per share is as follows.

	Fiscal year ended July 31, 2025	Fiscal year ended July 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (JPY thousands)	1,870,044	2,037,673
Amount not attributable to common shareholders (JPY thousands)	-	-
Profit attributable to owners of parent attributable to common shares (JPY thousand)	1,870,044	2,037,673
Average number of common shares outstanding (shares)	36,343,274	40,112,072
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (JPY thousand)	-	-
Increase in common shares (shares)	8,852,523	5,838,171
Of which: share acquisition rights (shares)	(8,852,523)	(5,838,171)
Potential shares excluded from the calculation of diluted earnings per share because they had no dilutive effect	-	11th series share acquisition rights (298,400 shares of common stock)

Notes on Significant Subsequent Events

Loan Agreement with Financial Covenants

On July 2, 2026, DIGITAL GRID ASSET MANAGEMENT Corporation, a consolidated subsidiary of the Company, entered into a loan agreement containing financial covenants.

- (1) Name of the consolidated subsidiary: DIGITAL GRID ASSET MANAGEMENT Corporation
- (2) Date the loan agreement was entered into: July 2, 2026
- (3) Attribute of the counterparty: Operating company
- (4) Principal amount, repayment date, and collateral
 - (i) Principal amount: JPY 2,000 million
 - (ii) Repayment date: End of June 2028
 - (iii) Collateral: Yes
- (5) Financial covenant: DIGITAL GRID Corporation must maintain positive EBITDA in its consolidated financial results for the fiscal year ending July 31, 2027.