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## Consolidated Financial Results for the Three Months Ended June 30, 2025 (Japanese GAAP)

August 12, 2025

Company name Digital Media Professionals, Inc.

Stock exchange listings: Tokyo Growth

Securities code 3652 URL <https://www.dmpref.com/en>

Representative (Title) Chairman, President and CEO Tatsuo Yamamoto

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Dividend payable date (as planned) —

Supplemental material of results: Yes

Convening results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

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

	Net sales		Operating income		Ordinary income		Income attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	402	-45.6	-241	—	-240	—	-240	—
June 30, 2024	740	5.9	64	114.4	63	93.4	59	124.0

Note: Comprehensive income: 3 months ended June 30, 2025 -241 Millions of yen (—%) 3 months ended June 30, 2024 64 Millions of yen (140.5%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	-76.48	—
June 30, 2024	18.81	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	3,735	3,369	90.2
March 31, 2025	4,092	3,611	88.2

Reference: Shareholder's equity: As of June 30, 2025 3,369 Millions of yen As of March 31, 2025 3,611 Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		0.00	—	0.00	0.00

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

3. Consolidated operating forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Income 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 March 31, 2026	3,250	5.6	20	-92.5	25	-90.8	20	-87.3	6.36

Note) Revisions to the operating forecasts most recently announced : None

\* Notes

(1) Significant changes in the scope of consolidation during the period : None

Newly included: — companies (Company name) , Excluded: — companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : None

(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)

Number of issued and outstanding shares at the period end (including treasury stock)	As of June 30, 2025	3,152,400 shares	As of March 31, 2025	3,152,400 Shares
Number of treasury stock at the period end	As of June 30, 2025	7,240 shares	As of March 31, 2025	7,240 Shares
Average number of shares (quarterly period-YTD)	Three months ended June 30, 2025	3,145,160 shares	Three months ended June 30, 2024	3,145,160 Shares

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

\* Proper use of earnings forecasts, and other special matters

The forward-looking statements contained in this document, including performance forecasts, are based on information currently available to the Company and certain assumptions that the Company deems reasonable. These statements do not constitute a guarantee or a promise by the Company regarding their achievement. Actual results may differ materially due to various factors. For details on the assumptions underlying these forecasts and important considerations regarding their use, please refer to page 3 of the attached document: "1. Qualitative Information on quarterly financial results (3) Consolidated financial forecasts and other forward-looking statements."

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## 1. Qualitative Information on quarterly financial results

### (1) Operating results

During the cumulative consolidated first quarter, the Japanese economy experienced a moderate recovery driven by improvements in corporate earnings and employment. However, persistent yen depreciation, soaring prices and energy costs have begun to affect both the economy and the daily lives of citizens, while downside risks stemming from U.S. trade policy have increased. Globally, attention must also be paid to heightened downside risks due to the widespread impact of trade policy changes.

Within the semiconductor industry, to which our group belongs, the market bottomed out in 2023 and is now being driven by demand for generative AI (artificial intelligence) applications. Over the medium term, demand is expected to increase across a range of sectors, including IoT connecting all things to the Internet, AI, big data, next-generation high-speed communications, and autonomous driving.

In our group's core business domain of AI/visual computing, AI is expected to play an increasingly important role in accelerating innovation aimed at solving various social and environmental issues—such as declining labor population due to an aging society, and climate change—and in realizing a safer and more secure society.

Amid such an environment, under our corporate purpose "Making the Image Intelligent," our group is leveraging its longstanding strength in imaging intelligence to address real-world challenges and is dedicating itself to creating innovative products and services that deliver value to all stakeholders. Building on a solid business foundation established through the stable growth of our Amusement and IP businesses, we aim to achieve medium-term growth and enhance corporate value by driving two new growth engines: the Edge AI Semiconductor business and the Factory Automation (FA) business. Leveraging our integrated development structure that spans from algorithms and software to our core strength in hardware, we operate across our IP core license, product, and professional service businesses. By delivering added value throughout the entire development lifecycle of our customers' products and services—from planning to mass production—we strive to maximize customer lifetime value (LTV).

#### Specific Initiatives and Achievements in Focus Fields during the First Quarter:

During the first quarter of the consolidated fiscal period, we accelerated our business transformation by carrying out strategic development investments.

In the robotics and safety fields, we secured recurring revenue from existing projects for driver assistance systems ranging from edge to cloud, and also provided professional services for autonomous mobile robots (AMR). In addition, the vision system developed for Cambrian, our capital and business alliance partner, has been highly regarded for its competitive advantages in recognizing transparent and glossy parts, as well as its robustness against environmental changes such as ambient light. This recognition has led to product deliveries and the advancement of several business opportunities. We also actively pursued lead generation by exhibiting at various trade shows. Furthermore, in the FA business, which launched operations in April 2025, business is off to a smooth start. We have already started supplying components to AMR manufacturers, and several promising business opportunities are advancing as well. As a practical application of advanced safety systems utilizing generative AI (LLM: Large Language Model) technology, we jointly developed an "AI Skateboarder Detection System" with Nishio Rent All Co., Ltd. to detect nuisance skateboarders. This product is scheduled for commercial release in October 2025.

In the amusement field, we continued mass shipment of the image processing semiconductor "RS1" for pachislot (including smart pachislot) and pachinko machines, and aim to further expand our share in market segments where this unique 2D/3D integrated chip can demonstrate its strengths.

Other initiatives included the world's first unveiling of our next-generation edge AI semiconductor "Di1" at Computex Taipei 2025 in May. Preparations for mass production shipment in the fourth quarter of the fiscal year ending March 2026 are underway, with active business development targeting applications such as surveillance cameras and drones.

#### Performance for the First Quarter:

During the cumulative consolidated first quarter, we maintained mass shipments of the "RS1" image processing semiconductor in our product business and shipped Cambrian vision systems and FA products. In the amusement field, the mass shipments of "RS1" were temporarily weak, primarily due to the sluggish approval rates for pachislot machines by the Security Electronics and Communications Technology Association and others. However, with the launch of major new models by amusement machine manufacturers expected in the second half of the fiscal year, we anticipate a recovery in shipments. In our IP core license business, we recorded AI/GPU running royalty revenues, recurring revenues in the safety field, and maintenance and support revenues. Additionally, we provided contract development services for AMR in our professional service business.

As a result, for the cumulative first quarter, net sales were 402 million yen (down 45.6% year on year), operating loss was 241 million yen (compared to an operating income of 64 million yen in the same period of the previous fiscal year), ordinary loss was 240 million yen (compared to an ordinary income of 63 million yen in the same period of the previous fiscal year), and net loss attributable to owners of parent was 240 million yen (compared to net income attributable to owners of parent of 59 million yen in the same period of the previous fiscal year). Notably, we recorded 134 million yen in development expenses as a growth investment for the next-generation edge AI semiconductor "Di1" during this first quarter period.

As our group has a single reporting segment, segment-specific disclosures are omitted; however, an overview of results by business is as follows:

**IP Core License Business:**

Net sales amounted to 27 million yen (21 million yen in the same period last fiscal year), mainly due to recurring revenues and maintenance support in the robotics and safety field in addition to AI/GPU running royalties for digital cameras, 4K TVs, and OA equipment.

**Product Business:**

Net sales amounted to 373 million yen (711 million yen in the same period last fiscal year), mainly due to sales of Cambrian vision systems and FA products in addition to mass shipments of "RS1."

**Professional Service Business:**

Net sales amounted to 1 million yen (7 million yen in the same period last fiscal year), mainly due to provision of contract development services for AMR and others.

**Breakdown by Field:**

**Robotics/Safety Field:**

Net sales amounted to 26 million yen (15 million yen in the same period last year), mainly due to recurring revenue and maintenance support in IP core license business, sales of Cambrian vision systems and FA products in the product business, and provision of professional services such as those for AMR. Please note that until the fiscal year ending March 2025, we reported these areas separately as the "Safety" and "Robotics" fields. However, as robotics technology continues to advance and see broader social implementation, as exemplified by collaborative robots and AMRs, safety technology to detect contact and risks involving people and objects is becoming increasingly critical. Taking into account both this trend and our business direction, we have decided to integrate these two fields into a single "Robotics/Safety" field starting from the fiscal year ending March 2026.

**Amusement Field:**

Net sales amounted to 354 million yen (710 million yen in the same period last year), mainly due to mass shipments of "RS1".

**Other Fields:**

Net sales amounted to 22 million yen (15 million yen in the same period last year), mainly due to AI/GPU running royalties and maintenance support revenue for digital devices in the IP core license business.

**(2) Financial position**

**(Assets)**

Current assets at the end of the first quarter of the consolidated fiscal period amounted to 2,929 million yen, down 368 million yen from the end of the previous consolidated fiscal year, mainly attributable to decreases in cash and deposits (down 143 million yen) and accounts receivable and contract assets (down 245 million yen). Non-current assets amounted to 806 million yen, up 11 million yen from the end of the previous consolidated fiscal year, mainly attributable to an increase in construction in progress for software, which is included in intangible assets (up 16 million yen).

**(Liabilities)**

Current and non-current liabilities at the end of the first quarter of the consolidated fiscal period amounted to 365 million yen, down 115 million yen from the previous consolidated fiscal year-end, mainly attributable to decreases in accounts payable (down 63 million yen), income taxes payable (down 12 million yen), and other accrued expenses (down 32 million yen).

**(Net assets)**

Net assets at the end of the first quarter of the consolidated fiscal period amounted to 3,369 million yen, down 241 million yen from the end of the previous consolidated fiscal year, mainly attributable to a decrease in retained earnings (down 240 million yen).

As a result, the equity ratio was 90.2%.

(3) Consolidated financial forecasts and other forward-looking statements

There are no revisions to the consolidated full-year earnings forecast for the fiscal year ending March 2026, as announced on May 13, 2025.

The fiscal year ending March 2026 marks a period of transformation as we accelerate our strategic investments with the aim of achieving our medium-term vision of 8 billion yen in net sales by the fiscal year ending March 2030.

As expected at the start of the period, the mass shipments of "RS1" temporarily weakened during the first quarter due to sluggish approval rates for pachislot machines by the Security Electronics and Communications Technology Association and others; however, as major new models from various amusement machine manufacturers are scheduled for release in the second half, we anticipate a recovery in "RS1" mass shipments for the full fiscal year.

Please note that actual operating results may differ from forecasts due to various future factors.

## 2. Consolidated quarterly financial statements and major notes

### (1) Consolidated quarterly balance sheets

(Thousands of yen)

	Previous year (As of March 31, 2025)	Current Q1 period (As of June 30, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	2,529,833	2,386,691
Accounts receivable - trade, and contract assets	411,881	166,784
Securities	200,000	200,000
Merchandise and finished goods	45,490	35,381
Work in process	2,585	5,607
Raw materials and supplies	51,365	61,951
Other	56,676	72,651
Total current assets	3,297,832	2,929,068
Non-current assets		
Property, plant and equipment	40,371	38,799
Intangible assets	162,416	178,742
Investments and other assets		
Investment securities	536,318	535,022
Other	55,489	53,494
Total investments and other assets	591,807	588,516
Total non-current assets	794,595	806,058
Total assets	4,092,428	3,735,126
<b>Liabilities</b>		
Current liabilities		
Accounts payable – trade	310,566	247,459
Income taxes payable	19,076	6,419
Provision for product warranties	319	—
Other	131,890	92,490
Total current liabilities	461,851	346,369
Non-current liabilities		
Asset retirement obligations	18,460	18,528
Other	633	582
Total non-current liabilities	19,093	19,110
Total liabilities	480,945	365,479
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,838,882	1,838,882
Capital surplus	1,858,093	1,858,093
Retained earnings	-86,698	-327,249
Treasury shares	-2,016	-2,016
Total shareholders' equity	3,608,261	3,367,710
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	—	-1,108
Foreign currency translation adjustment	3,221	3,044
Total accumulated other comprehensive income	3,221	1,935
Total net assets	3,611,482	3,369,646
Total liabilities and net assets	4,092,428	3,735,126

## (2) Consolidated quarterly statements of income and comprehensive income

## Consolidated quarterly statements of income

(Thousands of yen)

	Previous three-months period ended June 30, 2024	Current three-months period ended June 30, 2025
Net sales	740,262	402,689
Cost of sales	421,903	260,734
Gross profit	318,359	141,954
Selling, general and administrative expenses	253,616	383,831
Operating income / loss (-)	64,742	-241,876
Non-operating income		
Interest income	1,307	1,700
Miscellaneous income	—	295
Total non-operating income	1,307	1,995
Non-operating expenses		
Foreign exchange losses	2,547	139
Miscellaneous losses	9	—
Total non-operating expenses	2,557	139
Ordinary income / loss (-)	63,493	-240,020
Income / Loss (-) before income taxes	63,493	-240,020
Income taxes – current	4,372	572
Income taxes – deferred	(51)	-51
Total income taxes	4,320	520
Income / Loss (-)	59,172	-240,541
Income / Loss (-) attributable to owners of parent	59,172	-240,541



## Consolidated Quarterly Comprehensive Income

(Thousands of yen)

	Previous three-months period ended June 30, 2024	Current three-months period ended June 30, 2025
Income / Loss (-)	59,172	-240,541
Other comprehensive income		
Valuation difference on available-for-sale securities	5,240	-1,108
Foreign currency translation adjustment	-298	-177
Total other comprehensive income	4,941	-1,285
Comprehensive income	64,114	-241,826
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	64,114	-241,826
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to the quarterly consolidated financial statements

(Notes on segment information)

[Segment information]

The Group's operations are comprised of a single segment: the development, manufacturing, and sales of IP cores, along with related ancillary services. Accordingly, segment information has been omitted.

(Notes on significant changes in shareholders' equity)

Not applicable.

(Notes on the going concern assumption)

Not applicable.

(Notes on the quarterly consolidated statement of cash flows)

A quarterly consolidated statement of cash flows has not been prepared for the cumulative first quarter of the consolidated fiscal period. The depreciation and amortization expenses (including amortization of intangible assets other than goodwill) for the cumulative first quarter are as follows:

(Thousands of yen)	Previous three-months period ended June 30, 2024	Current three-months period ended June 30, 2025
Depreciation	9,179	4,667

### 3. Other

#### (1) Recent quarterly business performance

##### Fiscal year ending March 2026

(Thousands of yen)	First Quarter Apr 2025 - Jun 2025	Second Quarter Jul 2025 - Sep 2025	Third Quarter Oct 2025 - Dec 2025	Fourth Quarter Jan 2026 - Mar 2026
Net sales	402,689	—	—	—
Gross profit	141,954	—	—	—
Operating income / loss (-)	-241,876	—	—	—
Ordinary income / loss (-)	-240,020	—	—	—
Income / Loss (-) before income taxes	-240,020	—	—	—
Net income / loss (-)	-240,541	—	—	—
Net income / loss (-) attributable to owners of parent	-240,541	—	—	—
Comprehensive income	-241,826	—	—	—
Net income / loss (-) per share (yen)	-76.48	—	—	—
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of 4th Quarter
Total assets	3,735,126	—	—	—
Net assets	3,369,646	—	—	—
Net assets per share (yen)	1,071.38	—	—	—

##### Fiscal year ended March 2025

(Thousands of yen)	First Quarter Apr 2024 - Jun 2024	Second Quarter Jul 2024 - Sep 2024	Third Quarter Oct 2024 - Dec 2024	Fourth Quarter Jan 2025 - Mar 2025
Net sales	740,262	794,976	671,629	870,852
Gross profit	318,359	332,321	288,327	384,275
Operating income / loss (-)	64,742	79,826	-22,790	143,776
Ordinary income / loss (-)	63,493	79,793	-21,522	149,965
Income / Loss (-) before income taxes	63,493	79,793	-21,522	107,418
Net income / loss (-)	59,172	62,217	-20,617	56,350
Net income / loss (-) attributable to owners of parent	59,172	62,217	-20,617	56,350
Comprehensive income	64,114	53,038	-12,927	49,411
Net income / loss (-) per share (yen)	18.81	19.78	-6.56	17.92
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of 4th Quarter
Total assets	3,929,870	4,022,238	4,153,158	4,092,428
Net assets	3,521,958	3,574,997	3,562,070	3,611,482
Net assets per share (yen)	1,119.80	1,136.67	1,132.56	1,148.27