

mercari

Presentation Material

FY2026.6 Q1

The script for this presentation will cover Mercari, Inc.'s FY2026.6 Q1 financial results.



**Circulate all forms of value
to unleash the potential in all people**

Table of Contents

mercari

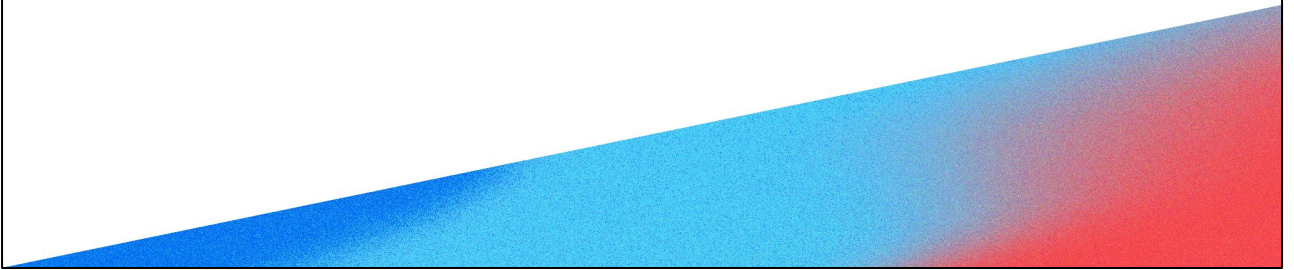
Financial Results Presentation Material

1 FY2026.6 Q1 Financial Overview

2 ESG

3 Appendix

FY2026.6 Q1 Financial Overview



Consolidated Highlights

Objectives Raised at Start of FY2025.6

Consolidated Results Forecast (Full Year)

Revenue
200.0–210.0B JPY

Core operating profit¹
28.0–32.0B JPY

Group Policy/Major Initiatives

- Make preparations for FY2027.6
- Essentially aim for top-line growth that will lead to increased profits
- Expand businesses centered around Group synergy

Q1 Highlights

Revenue

49.4B JPY

(YoY +10%)

Core Operating Profit

9.3B JPY

(YoY +128%)

FY2026.6 has started favorably with revenue increasing by 10% YoY and core operating profit growing by 128% YoY. This resulted from the recovery of the Marketplace GMV growth rate and positive growth in the US due to the enhancement of the core experience of our products as well as the expansion of our credit services in Fintech.

Going forward, will promote product innovation by leveraging AI, and from Q2 onward aim to achieve the full-year financial forecast, while strengthening the investment needed for growth in FY2027.6.

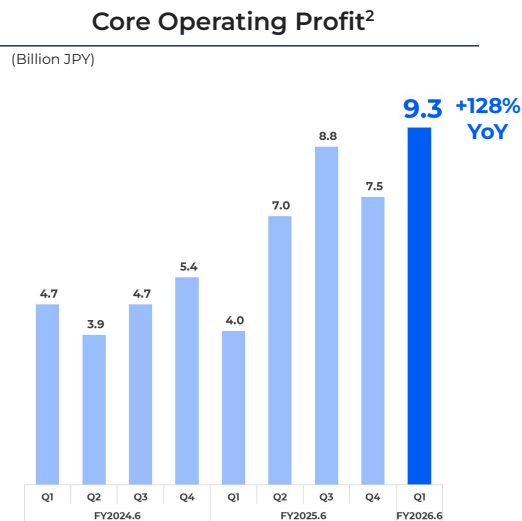
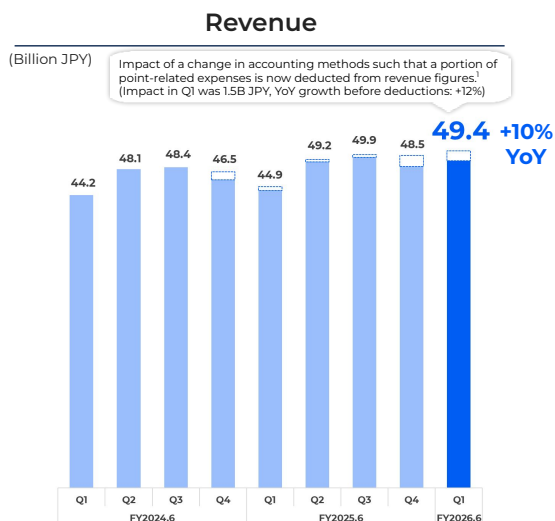
¹ Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

Here are the consolidated highlights for FY2026.6 Q1.

Marketplace and US each made steady progress on enhancing the core experience of our products, a business objective that both organizations have raised, and we are starting to see favorable results such as the recovery of the Marketplace GMV growth rate and the achievement of positive GMV growth in our US business. In addition, the continued growth of our Fintech business credit services, which have been in a profit phase since FY2025.6, also contributed to a favorable start to the fiscal year. Consolidated revenue was 49.4B JPY, +10% YoY (progress on business forecast: 24–25%) and consolidated core operating profit was 9.3B, +128% YoY (progress on business forecast: 29–33%). Going forward, we will promote product innovation by leveraging AI, and from Q2 onward, we aim to achieve our full-year financial forecast while strengthening the investment needed for growth in FY2027.6.

1 Consolidated Results (Quarterly)

Financial Results Presentation Material



1. In compliance with accounting standards, from FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures.

2. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

Consolidated revenue grew 10% YoY to land at 49.4B JPY. However, this includes the impact of a change in accounting methods such that a portion of point-related expenses is now deducted from revenue figures (Marketplace from FY2024.6 Q4, Fintech from FY2025.6 Q3); before these deductions, the revenue growth rate is +12% YoY.

Additionally, core operating profit grew significantly (+128% YoY) to 9.3B JPY. Under our management policy to essentially aim for top-line growth that will lead to increased profits, which we have set forth since FY2025.6, we have made steady progress in growing revenue and optimizing investments and costs in all three of Mercari Group's major businesses, leading to profit growth.

1 FY2026.6 Q1—KPI Summary

Financial Results Presentation Material

Marketplace	Fintech	US
GMV¹ 270.3_B JPY (+5% YoY) excluding Mercari Hallo	Credit Balance 269.1_B JPY (+35% YoY)	GMV 194_M USD (+0.4% YoY)
Core Operating Profit² 8.4_B JPY (+1.8B JPY YoY) 9.5B JPY excluding Mercari Hallo	Core Operating Profit 2.7_B JPY (+2.3B JPY YoY)	Core Operating Profit 0.6_B JPY (+1.4B JPY YoY)

1. Aggregate transaction value after adjusting for cancellations (includes transaction value of Mercari NFT). Excludes Mercari Hallo.

2. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc. Starting in FY2026.6 Q1, the Group has discontinued adjustments based on internal transactions between Marketplace/Fintech and now discloses (unadjusted) core operating profit.

1 Marketplace—Summary

FY2026.6 Business Objectives

- While prioritizing enhancing the product's core experience, also emphasize strengthening crossborder transactions to lay the foundation for accelerating GMV growth in FY2027.6 and beyond
- Aim for GMV growth rate of +3–5% YoY and core operating profit¹ of 32.0B–36.0B JPY

Besides our initiatives related to safety and security starting to bear fruit, a promotional campaign for shipping small packages that ran in August and September also contributed to business results. The growth of categories like Entertainment & Hobbies made a contribution as well, with GMV increasing steadily by +5% YoY.

In addition to an increase in revenue, the scaling down of investment following a disciplined review of *Mercari Halo* also contributed to the high profitability of core operating profit, landing at 8.4B JPY (+1.8B YoY).

The core operating loss of *Mercari Halo* was 1.1B JPY, effectively reducing losses. Having examined the status of the business and market, we have decided to discontinue the service as of December 18.

¹ Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

In the Marketplace business, besides our initiatives related to safety and security starting to bear fruit, a promotional campaign for shipping small packages that ran from August to September and the growth of categories like Entertainment & Hobbies contributed to business results, with GMV reaching +5% YoY.

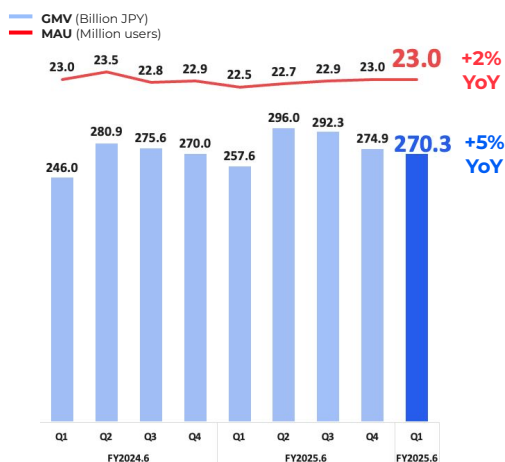
In addition to an increase in revenue, a decrease in investment following a disciplined review of *Mercari Halo* resulted in the high profitability of core operating profit, landing at 8.4B JPY, an increase of 1.8B JPY YoY.

Accordingly, both GMV and core operating profit are progressing steadily as compared to the Group's guidance.

Moreover, although size of core operating loss in *Mercari Halo* decreased to 1.1B JPY was showing a decreasing trend, having examined the status of the business and the market environment, the Group has decided to discontinue the service as of December 18, 2025.

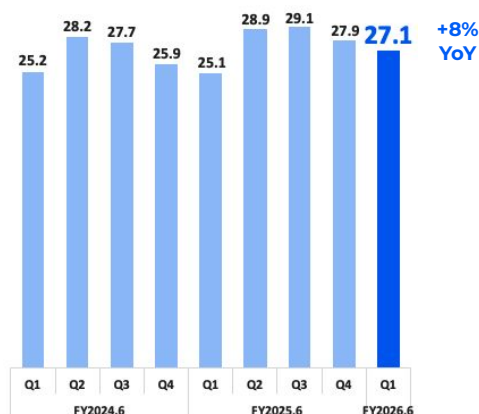
1 Marketplace—Results (Quarterly)

GMV¹/MAU²



Revenue³

(Billion JPY)



1. Aggregate transaction value after adjusting for cancellations (includes transaction value of *Mercari NFT*); does not include *Mercari Hallo*

2. Quarterly average number of registered users who browsed our service (app or web) at least once during a given month, both domestically and internationally

3. The business results of *Mercari Hallo* are included starting in FY2025.6 Q4

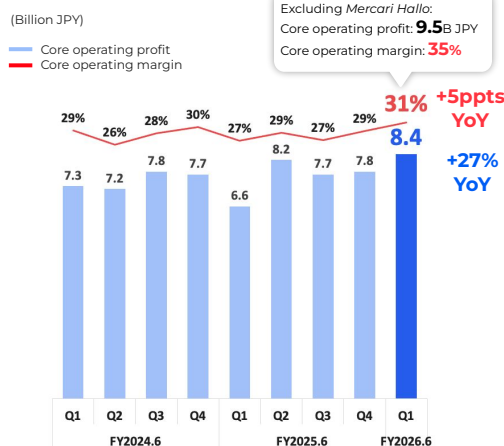
Marketplace GMV landed at 270.3B JPY, growing 5% YoY.

Revenue grew 8% YoY to 27.1B JPY as a result of the increase in GMV, as well as revenue contributions from *Mercari Hallo* and our ads business.

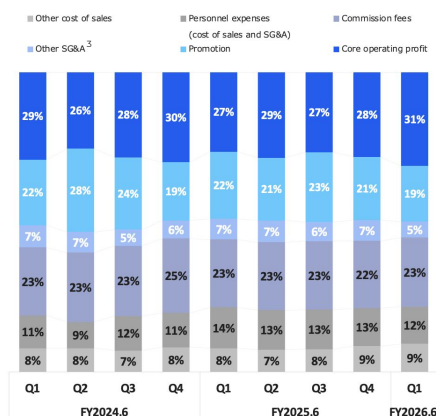
1 Marketplace—Results (Quarterly)

- Starting in FY2026.6 Q1, the Group discontinued adjustments based on internal transactions between Marketplace/Fintech¹ and now discloses (unadjusted) core operating profit²

Core Operating Profit/Margin



Profit and Cost Composition



1. In association with the disclosure of core operating profit as a KPI starting from FY2026.6 Q1, the amounts of internal transactions between Marketplace and Fintech are disclosed retroactively, starting from FY2024.6. Furthermore, the disclosure of adjusted core operating profit in our data sheets will continue.
2. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
3. Outsourcing expenses, depreciation, land rent, etc.

In addition to an increase in revenue, a decrease in investment following a disciplined review of Mercari Hallo resulted in the significant growth of core operating profit, landing at 8.4B JPY, a 27% increase YoY. Accordingly, core operating margin increased 5 ppts, or 31%.

Excluding *Mercari Hallo*, core operating profit was 9.5B JPY, and core operating margin was 35%.

in Q1, we started to capitalize development labor expenses in our cost composition. Following this, personnel expenses (cost of sales and SG&A) decreased.

1 Marketplace—Enhancing the Core Experience (Safety & Security) mercari

- Made steady progress on building a safe and secure transaction environment by decreasing the percentage of transactions that result in inquiries, such as transactions with defective items, and by improving the rate of inquiry resolution

Policy	Implementation strategy	Results
 Thorough elimination of fraudulent users	• Make eKYC mandatory for high-priced items • Leverage AI to detect and score fraudulent users, and restrict account usage • Establish the Group-operated Mercari Appraisal Center	The percentage of transactions that result in inquiries ¹ improved by 17% YoY from 0.48% to 0.40%
 Thorough aid for users	• Launch the Full Coverage Support Program	As a result of strengthening Mercari's involvement in transaction disputes, saw a 2.2 times YoY increase in the rate of resolution of inquiries associated with compensation being paid to a user ²

1. Percentage of total transactions where an inquiry was raised regarding an item that was defective, undelivered, etc. (described as the "transaction dispute rate" in the Transparency Report)
 2. Percentage of inquiries regarding a defective item where the transaction led to compensation (described as the "rate of user compensation" in the Transparency Report)

11

For one of this fiscal year's business objectives, "enhancing the product's core experience," in Q1 we started to see steady results from initiatives based on two policies mainly for building a safe and secure transaction environment.

The first initiative is "thorough elimination of fraudulent users." Specifically, this involves making eKYC mandatory for high-priced items, leveraging AI to detect and score fraudulent users, and restricting account usage. In addition, in September we also established the Mercari Appraisal Center, which is operated by the Group.

The second initiative is "thorough aid for users." In July, we launched the full coverage support program so that when users who use the platform correctly encounter problems, they are not disadvantaged.

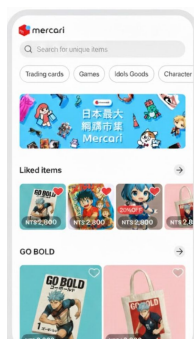
Thanks to the concrete results of these initiatives, the percentage of users who raised an inquiry due to a defective item or for a similar reason improved by 17% YoY, decreasing from 0.48% to 0.40%. Furthermore, by strengthening Mercari's involvement in transaction disputes and enhancing thorough aid for users, the number of resolved inquiries associated with compensation being paid to a user increased by 2.2 times YoY, which we believe is solid progress on creating a secure transaction environment.

1 Marketplace—Crossborder Product Initiatives

- Started offering the global *Mercari* app to users overseas in Taiwan and Hong Kong¹, and aiming to launch to at least 50 countries in the mid term
- Leveraging Mercari's strengths to build a platform that will help business operators launch their businesses overseas

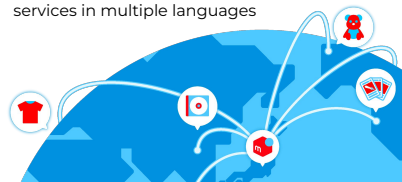
Global Mercari App for Users Overseas

- Provides the same comfortable operability as the *Mercari* marketplace app used in Japan, and enables users overseas to make purchases stress-free
 - Provides a real-time translation feature using AI and handles the payment methods and currencies of each country where we operate
 - Offers a UI/UX specialized for Entertainment & Hobby categories to build an environment where users can securely purchase items unique to Japan



Global Mercari E-Commerce Platform for Businesses in Japan

- Build a global e-commerce platform that supports business operators who do not have knowledge of or experience with crossborder transactions to launch their business overseas
 - Offer Mercari's support for all complex business procedures requiring specialized knowledge such as handling diverse means of payment used overseas, handling complicated overseas shipping and customs procedures, and providing user support services in multiple languages



¹. Started offering service on September 30, 2025

To strengthen crossborder transactions, we are advancing two key strategies.

To begin, Mercari launched the global *Mercari* app for buyers overseas in Taiwan and Hong Kong in late September. One characteristic of the app is that, much like the *Mercari* marketplace app used in Japan, it enables users overseas to make purchases stress-free. It provides a real-time translation feature using AI and handles the payment methods and currencies of each country where it operates. It also offers a UI/UX specialized for Entertainment & Hobby categories and has built an environment where users can securely purchase items particular to Japan.

Next, we will leverage Mercari's strengths, including our overseas network and expertise, to build a global Mercari e-commerce platform to resolve the issues that can occur when businesses operating in Japan launch overseas. The platform will support the overseas launch of businesses where the operator has no knowledge or experience with crossborder transactions. Mercari will provide support for various payment methods and handle the complex business procedures requiring specialized knowledge to handle complicated overseas shipping and customs procedures, and we will also provide support to users in multiple languages.

Through these initiatives, we aim to launch in at least 50 countries in the mid term.

1 Discontinuation of the *Mercari Hallo* Service

Background

- *Mercari Hallo* was launched in March 2024 to accelerate the circulation of all forms of value by adding users' time and skills to the Mercari Group ecosystem
- While we were able to create a new market with over 12M registered users¹ and more than half of crew using an on-demand work service for the first time, we faced changes in the industry environment impacting acquisition of both partners and crew, such as intensified competition, new regulations, and increased requirements for anti-fraud measures, which would require large additional investments in order to grow the service further
- We considered other options such as forming partnerships with other companies, but comprehensively considering the state of our KPIs and other factors, from the perspective of Mercari Group's investment priorities, we decided to discontinue the service on December 18, 2025

Impact on Business Performance

- The impact of temporary costs resulting from the discontinuation of the service on consolidated results is insignificant, and we will not be revising our earnings forecast. We will continue to strive to achieve our earnings forecast.

1. As of June 2025

13

As we announced in a press release on October 14, we made the decision to discontinue the on-demand work service *Mercari Hallo* on December 18, 2025.

Mercari Hallo was launched in March 2024 to further expand the Mercari Group ecosystem and accelerate the circulation of all forms of value by adding users' time and skills. To date, we have worked to strengthen this service in line with the potential of the on-demand work market and our ability to efficiently acquire crew leveraging Mercari's user base of over 23 million users. As of June 2025, the number of registered users exceeded 12M, and more than half of crew were using an on-demand work service for the first time, which we believe indicates that we were able to leverage Mercari's strengths and create a new market.

However, we faced changes in the industry environment impacting acquisition of both partners and crew, such as intensified competition, new regulations, and increased requirements for anti-fraud measures, which would require large additional investments in order to grow the service further. Given these circumstances, we considered other options such as forming partnerships with other companies, but comprehensively considering the level of achievement of our KPIs, the state of the business, and changes in the market environment, from the perspective of Mercari Group's investment priorities, we decided to discontinue the service.

Note that we expect that the impact of temporary costs resulting from the discontinuation of the service on consolidated results to be insignificant, and we will not be revising our earnings forecast. We will continue to strive

to achieve our earnings forecast.

1 Fintech—Summary

Financial Results Presentation Material

FY2026.6 Business Objectives

- Establish the foundation to become a product that is chosen by users for all payment/credit use cases
- Aim for core operating profit¹ of 5.0–7.5B JPY

Achieved stable increases in both income and profit, with revenue of 14.2B JPY (+22% YoY) and core operating profit of 2.7B JPY (+2.3B JPY YoY); making good progress toward our business objectives.

In addition to continuous growth of fixed-amount payment, saw significant growth of installment payment both inside and outside of *Mercari*, growing credit balance. Also maintained a high collection rate.

Planning to continue investments mainly in initiatives to acquire *Mercard* holders and expand the range of *Merpay* users in Q2 and beyond; anticipating an increase in investment compared to Q1.

1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

14

Fintech achieved stable increases in both income and profit, with revenue of 14.2B JPY (+22% YoY) and core operating profit of 2.7B JPY (+2.3B JPY YoY); making good progress toward our business objectives.

In addition to continuous growth of fixed-amount payment, saw significant growth of installment payment both inside and outside of *Mercari*, growing credit balance. Also maintained a high collection rate, showing that we are appropriately balancing growth and risk management.

We are planning to continue investments mainly in initiatives to acquire *Mercard* holders and expand the range of *Merpay* users to achieve mid/long-term top-line growth in Q2 and beyond; anticipating an increase in investment compared to Q1.

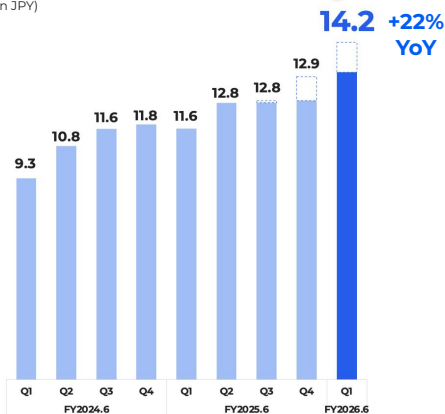
1

Fintech—Results (Quarterly)

Revenue¹

Impact of change where a portion of point-related expenses is now deducted from revenue²
(Impact in Q1 was 1.4B JPY; YoY revenue growth before deductions: +34%)

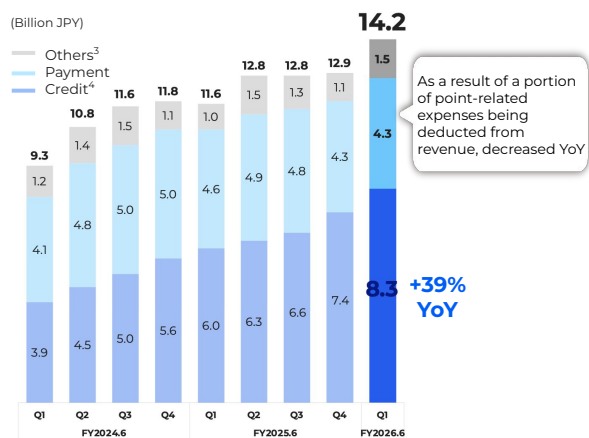
(Billion JPY)



Breakdown of Revenue

(Billion JPY)

Others³
Payment
Credit⁴



1. Starting in FY2026.6 Q1, discontinued adjustments based on internal transactions between Marketplace and Fintech; accordingly, stopped disclosure of adjusted revenue. We will continue to disclose adjusted figures in our data sheet.

2. Starting in FY2025.6 Q3, a portion of point-related expenses (attributed to advertising costs) mainly related to Mercard Gold is deducted from revenue figures

3. Includes revenue of Mercari, Inc., bank withdrawal fees, expiration and seizure of sales balance, and Mercard reissuance fees, etc.

4. The annual effective interest rate for new credit of fixed-amount payment was revised to 18% effective January 1, 2025. The annual effective interest rate for new credit of installment payment (three installments or more) is also scheduled to be revised to 18% effective January 1, 2026.

15

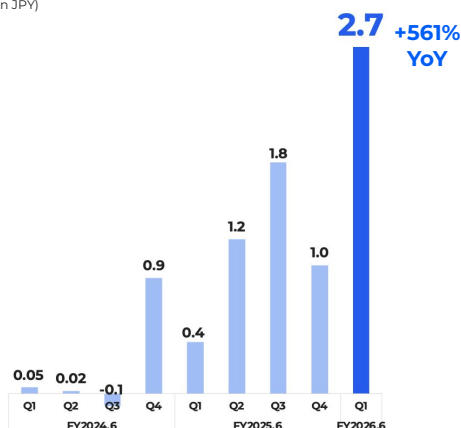
The strong growth of the credit business led revenue to grow 22% YoY to 14.2B JPY.

1 Fintech—Results (Quarterly)

mercari

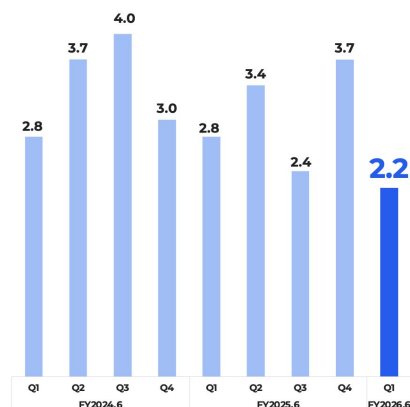
Core Operating Profit¹

(Billion JPY)



Advertising Costs

(Billion JPY)



¹ Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc. Starting in FY2026.6 Q1, discontinued adjustments based on internal transactions between Marketplace and Fintech; accordingly, stopped disclosure of adjusted core operating profit. We will continue to disclose adjusted figures in our data sheet.

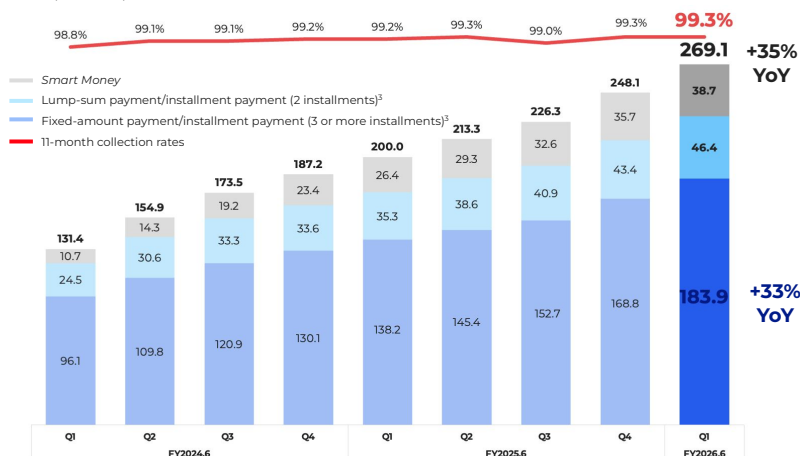
16

Core operating profit was 2.7B JPY, the highest amount to date, led by favorable revenue growth. Compared to FY2025.6 Q4, in which we strengthened investments to acquire cardholders alongside the launch of Mercard Gold, advertising costs decreased QoQ, but we plan to strengthen growth investment in Q2 and beyond.

1 Fintech—Expansion of Credit Balance

Credit Balance¹ and Collection Rates²

(Billion JPY)



1. Merpay Smart Payments (lump-sum payment, fixed-amount payment, or installment payment) and Smart Money credit balance at the end of the quarter (excludes debt converted into bankruptcy reorganization debt)

2. Weighted average rate of the quarterly cumulative collections completed within the past 11 months compared to the amount of Merpay Smart Payments (lump-sum payment, fixed-amount payment, and installment payment) and Smart Money billed in the past 11 months (excludes bankruptcy reorganization debt)

3. Installment payment (two-installment payment only) can be used without incurring fees, so credit balance is disclosed together with lump-sum payment, which does not generate interest income. However, installment payment of three or more installments does generate interest income (annual rate 15.0%), and therefore, credit balance is disclosed together with fixed-amount payment

Credit balance has grown to 269.1B JPY led by the 33% YoY increase of Fintech's twin revenue bases of fixed-amount payment and installment payment (3 or more installments). Collection rates stayed high at 99.3%.

1 US—Summary

FY2026.6 Business Objectives

- Continue to break even while aiming for positive full-year GMV growth YoY by enhancing the product's core experience and distinguishing ourselves from our competitors by using category-specific strategies

Made good progress on enhancing the product's core experience, carrying out marketing initiatives, etc. With these contributions, categories such as Entertainment & Hobbies and Fashion grew, resulting in GMV achieving positive growth starting in August, with +0.4% YoY growth in Q1.

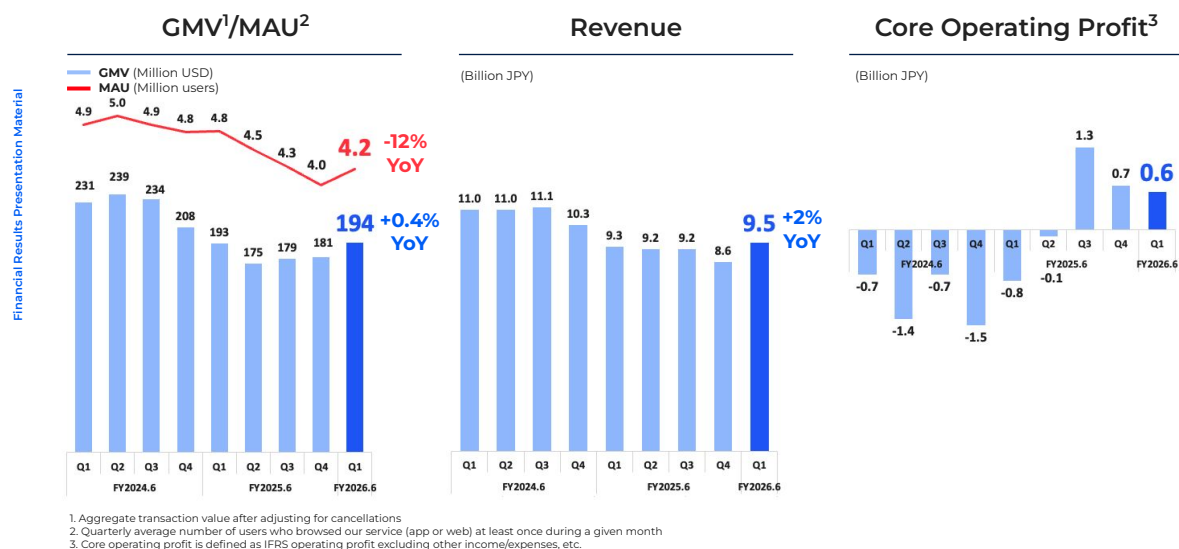
While carrying out initiatives such as providing competitive shipping options and implementing marketing centered on CRM initiatives and new user acquisition, continued to break even with a core operating profit¹ of 0.6B JPY.

Will continue to move ahead with enhancing the product's core experience and distinguishing us from our competitors by using category-specific strategies in order to achieve our full-year guidance.

1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

The US business saw good progress in enhancing the product's core experience, such as implementing a limited-time sale feature, and carrying out category-specific marketing initiatives. With these contributions, categories such as Entertainment & Hobbies and Fashion especially grew, resulting in GMV achieving positive growth starting in August. As a result, we achieved +0.4% YoY growth in Q1. (For details, see page 20.) Additionally, while we began offering competitive shipping options at the end of July and carried out marketing centered on CRM initiatives and new user acquisition, we have continued to break even for three consecutive quarters, with a core operating profit of 0.6B JPY. We will continue to move ahead with enhancing the product's core experience and distinguishing ourselves from our competitors by using category-specific strategies as we aim to break even for the full year and achieve positive YoY GMV growth.

1 US—Results (Quarterly)

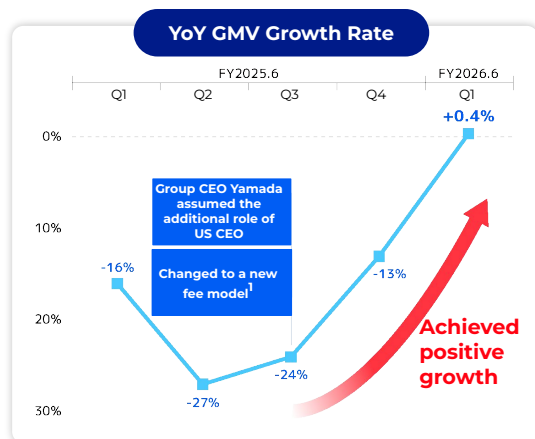


MAU improved QoQ for the first time in one year, and GMV increased 0.4% YoY to 194M USD.

As a result of working to enhance the core product experience through actions such as changing the fee model under the new management structure starting in January 2025, we have achieved positive GMV growth. While we are proceeding with investments in areas such as marketing, we recorded a core operating profit of 0.6B JPY, getting us off to a good start toward achieving our full-year guidance.

1 US—Main Factors Behind Positive GMV Growth

Financial Results Presentation Material



Main Initiatives in Q1

- Enhanced convenience with actions such as implementing a time-limited sale feature², simplifying user registration leveraging Google's One Tap sign-up feature³, and offering new shipping options⁴
- To ensure a safe and secure marketplace environment, implemented measures such as an AI-powered automated screening system for new user registrations
- Carried out efficient marketing initiatives focused on specific categories
- Conducted a POC for the fashion exchange program (Launched a new POC in October focusing on shoes and bags)

1. Changed to a fee model where the seller pays a selling fee of 10% and the buyer pays a buyer protection fee of 3.6%

2. A feature enabling sellers to discount their listings after seven days have passed since listing. Discounts are valid for three days. Discounted items are shown at the top of search results and in a "Deals" section, and interested buyers are notified of the discount.

3. A new sign-up/login process that enables new users to instantly register/log in to Mercari with Google's One Tap sign-up feature

4. On July 28, implemented price drops averaging 6% on shipping costs for items below a certain size/weight, across USPS, UPS, and FedEx

In Q1, we achieved positive GMV growth as a result of comprehensively promoting enhancing the product's core experience, carrying out effective marketing, and other factors.

In terms of enhancing the product's core experience, we are approaching this from two perspectives: product initiatives and anti-fraud measures. In addition to product initiatives such as implementing a time-limited sale feature and Google's One Tap sign-up feature and offering new shipping options, we have also progressed with multiple improvements to anti-fraud measures, such as implementing an AI-powered automated screening system for new user registrations. Through these efforts, we are working to create a safe and secure marketplace environment that is easy to use for both buyers and sellers.

For marketing, we carried out coupon initiatives optimized for specific categories, enabling us to accurately capture demand in categories such as Entertainment & Hobbies and Fashion. Additionally, in the fashion exchange program POC we conducted from August to September, we saw positive signs such as an improvement in the sell-through rate for items 100 USD or below in the Fashion category.

As a result of the synergy demonstrated by these initiatives, we are seeing a decline in cancellation rate and improvements in areas such as new user acquisition, contributing to positive GMV growth.

ESG



2 Published Impact Report and Transparency Report

mercari

- Published the [FY2025.6 Impact Report](#) summarizing our ESG initiatives and results in FY2025.6¹
- For the first time, published the [Transparency Report: First Half of 2025](#) to regularly report the status and results of our efforts to build a safe and secure transaction environment²

Financial Results Presentation Material



1. Published September 25, 2025
2. Published September 2, 2025

22

We published the FY2025.6 Impact Report, which summarizes our ESG initiatives in FY2025.6.

We also published the Transparency Report: First Half of 2025, which introduces Mercari's past anti-fraud measures, customer support achievements, the status of our efforts to take new strengthening measures, and other information in a quantitative manner, for the first time. We plan to publish this report regularly going forward.

Appendix



3 Board of Directors Structure

- Appointing Independent Directors with a wealth of knowledge and experience in a variety of areas to realize a transparent and highly diverse organization
- In September 2025, established the Lead Independent Director¹ role to further enhance the independence and strengthen the highly effective supervision of the Board of Directors

12 Directors

Directors (4)



Shintaro Yamada
Representative Executive
Officer and CEO



Fumiaki Koizumi
President / CEO of
Kashima Antlers F.C. Co.,
Ltd.



Sayaka Eda
Executive Officer, Senior Vice
President of Corporate, and CFO



Mayumi Tochinoki

Independent Directors (8)



Kazuhiko Toyama
Lead Independent Director
Chair of the Nominating
Committee



Makiko Shinoda
Chair of the
Compensation
Committee



Shiho Konno
Chair of the Audit
Committee



Takuya Kitagawa



Mayumi Umezawa



Kikka Hanazawa



Kumi Fujisawa



Masahiro Kotosaka
(new)

¹ Selected by internal voting among Independent Directors, the Lead Independent Director takes the role of leading the administration, etc. of the Independent Directors' executive sessions and facilitating the enhancement of collaboration and building of relationships between Independent Directors. If necessary, this role also includes collecting the opinions of Independent Directors and holding discussions with the Chairperson of the Board of Directors, the Representative Executive Officer and CEO, and executive officers.



Kazuhiko Toyama
Lead Independent
Director
Chair of the Nominating
Committee



Makiko Shinoda
Chair of the
Compensation
Committee



Shiho Konno
Chair of the Audit
Committee

Background

- Boston Consulting Group
- Representative Director and President of Corporate Direction Inc.
- Senior Representative Director (COO) of Industrial Revitalization Corporation of Japan
- Representative Director, CEO of Industrial Growth Platform, Inc.
- Outside Director of Panasonic Corporation (currently Panasonic Holdings Corporation)
- Outside Director of Tokyo Electric Power Company Holdings, Inc.
- Chairman of Industrial Growth Platform, Inc. IGPI Group (current position)
- Outside Director of Kuroda Precision Industries Ltd. (current position)
- Representative Director, Chairman of Japan Platform of Industrial Transformation, Inc. (current position)
- The Long-Term Credit Bank of Japan, Limited (currently SBI Shinsei Bank, Limited)
- McKinsey & Company, Inc.
- Novartis Pharma K.K.
- Head of Finance of Nestlé Nutrition K.K. (currently Nestlé Health Science)
- Director & CFO of Tokyo Itoi Shigesato Office (currently Hobonichi Co., Ltd.)
- Director of YeLL Inc. (current position)
- Audit and Supervisory Board Member of Yahoo Japan Corporation (currently LY Corporation)
- Auditor of Advanced Softmaterials Inc. (currently ASM Inc.)
- Member of the Committee on Realization of a Gender-Equal Society at the Japan Federation of Bar Associations (current position)
- Auditor of Japan Corporate Governance Network
- Shiho Konno Habataki Law Office, Lawyer (current position)
- Outside Director of Watami Co., Ltd.
- Outside Director of Kakaku.com, Inc.
- Outside Director of Alfresa Holdings Corporation
- Outside Audit & Supervisory Board Member of Shinsei Bank, Limited (currently SBI Shinsei Bank, Limited)
- Outside Director of Monex Group, Inc.
- Outside Director of LIXIL Corporation (current position)
- Outside Audit & Supervisory Board Member of Pegasus Tech Holdings, Inc. (current position)

Reasons for Selection as Independent Directors

- Extensive knowledge and deep insight in the areas of management and corporate governance
- Deep experience in promoting innovation to solve social issues
- Professional knowledge and deep experience in I&D, sustainability, finance, etc.
- Specialized expertise in the areas of corporate legal affairs and corporate governance
- Extensive knowledge and profound insight in the areas of risk management and compliance

3

Governance Structure (Independent Directors)



**Takuya
Kitagawa**



Mayumi Umezawa



Kikka Hanazawa

Background

- Director of Rakuten Data Marketing, Inc.
- Co-founder and Director, Public Interest Well-being for Planet Earth Foundation (current position)
- Managing Executive Officer, Chief Data Officer of Technology Division of Rakuten, Inc.
- President and Director of QuEra Computing (current position)
- Representative Director, President of QuEra Computing Japan, Inc. (current position)
- Joined the Tokyo office of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
- Umezawa Accountant Office (currently Mayumi Umezawa CPA Office) (current position)
- Joined McDonald's Company (Japan), Ltd.
- Finance Manager of Disney Store Department at The Walt Disney Company (Japan) Ltd.
- Director of Accounting Labo (currently Accounting Labo Co., Ltd.) (current position)
- Outside Audit & Supervisory Outside Director (Audit and Supervisory Committee Member) of Retty Inc.
- Supervisory Director of Japan Hotel REIT Investment Corporation (current position)
- Outside Director of Wellness Communications Corporation
- Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd. (current position)
- General Manager, Itochu Fashion System Co., Ltd. New York office
- Vice President of Marketing, Cygne Designs, Inc.
- CEO of CYGNE INTERNATIONAL
- Director of Strategic Planning, Link Theory Holdings Co., Ltd
- CEO of VPL
- President of Fashion Girls for Humanity (current position)
- Co-founder of Yabbey (current position)
- Director of Columbia University (current position)

Reasons for Selection as Independent Directors

- Expert knowledge in technology areas such as AI and data science
- Extensive experience and profound insight in AI and data usage for business creation and social issue resolution
- Specialized expertise in the fields of finance and accounting
- Profound insight into the fields of risk management, compliance, and corporate governance
- Extensive experience in business management, primarily in the US, tackling social issues through businesses
- Profound expertise in the field of sustainability

3

Governance Structure (Independent Directors)



Kumi Fujisawa

Masahiro Kotosaka
(new)

Background

- Joined KOKUSAI Investments Trust Management Co., Ltd.
- Joined Schroder Investment Management (Japan) Limited
- Representative Director of IFIS JAPAN LTD.
- Vice Chair of the Investment Trusts Association, Japan
- Governor of the Japan Securities Dealers Association (current position)
- Outside Director of The Shizuoka Bank, Ltd.
- Representative Director of SophiaBank
- Outside Director of the Board of Toyota Tsusho Corporation
- Outside Director, Member of the Board of Creek & River Co., Ltd.
- Outside Director of CellSource Co., Ltd.
- Outside Director of Net Protections Holdings, Inc.
- Chairperson of Institute for International Socio-Economic Studies (current position)
- Outside Director of Shizuoka Financial Group, Inc. (current position)
- Outside Director of Toyota Motor Corporation (current position)

- Joined McKinsey & Company, Inc.
- Associate Professor of College of Business Administration, Ritsumeikan University
- Outside Director of Appirits Inc.
- External Audit & Supervisory Board Member of Uzabase, Inc.
- Outside Corporate Auditor of RAKSUL INC.
- External Director of Euglena Co., Ltd. (current position)
- External Director (Audit & Supervisory Committee member) of Uzabase, Inc.
- Outside Director (Audit & Supervisory Committee Member) of RAKSUL INC. (current position)
- Outside Director (Audit & Supervisory Committee Member) of SRE Holdings Corporation (current position)
- Professor of Faculty of Policy Management, Keio University (current position)

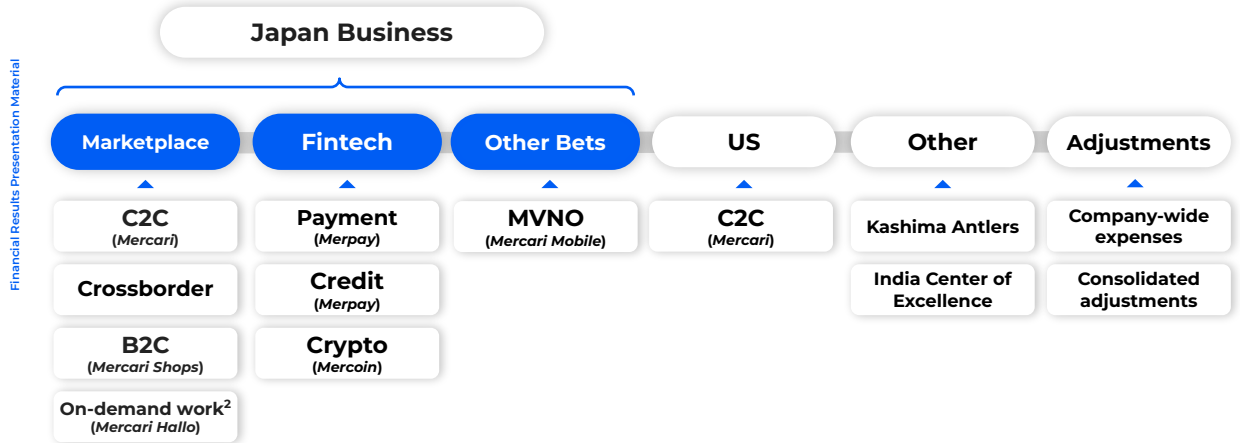
Reasons for Selection as Independent Directors

- Extensive experience in promoting innovation to address social issues
- Extensive expertise and profound insight in global business, corporate governance, and other fields

- Extensive experience in corporate management and expertise in business strategy
- Profound expertise and insight into the fields of risk management, compliance, and corporate governance

3 Business Segments

- Starting FY2026.6, we moved MVNO from Marketplace to a new segment under Japan Business¹ called “Other Bets,” established based on nature of profitability



1. Renamed Japan Region to Japan Business in FY2026.6 Q1

2. Scheduled to discontinue service on December 18, 2025

3 Approach to Capital Allocation

(Excerpt from FY2025.6 Q4 Presentation Materials)

- Alongside our transition to a phase of profit growth, we expect retained earnings to become positive in FY2026.6 if progress goes according to our plans

Internal Reserve Levels

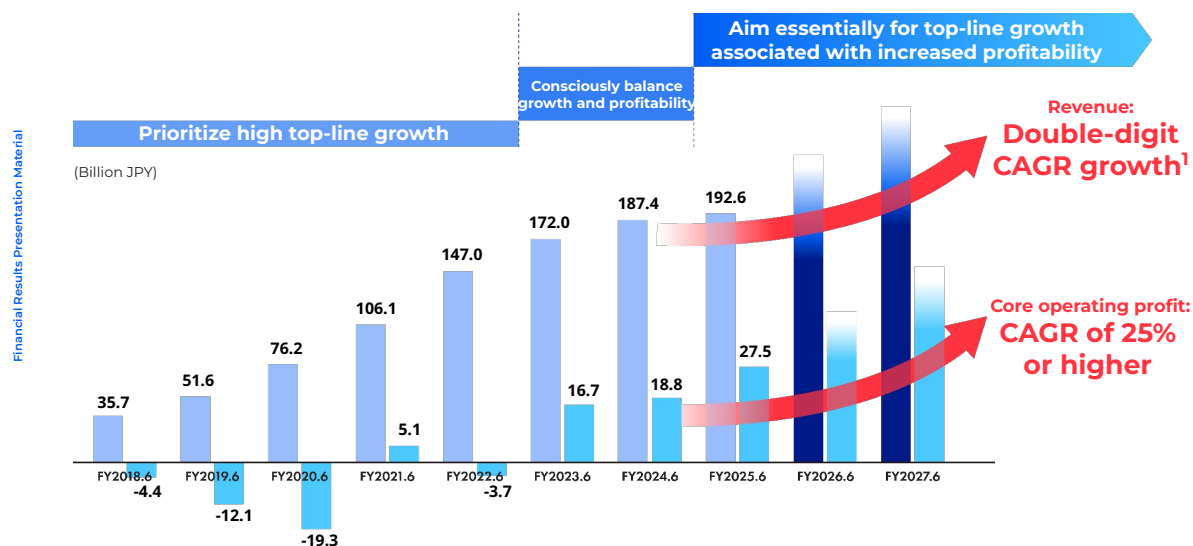
- Gradually build up equity capital with the expansion of Fintech and other businesses to ensure stable financing capabilities
- Boost financing efficiency by enhancing external ratings, etc. and prioritize debt financing for the funds necessary for the credit business

Capital Allocation Priorities

- For cash other than internal reserves, compare the following options and prioritize carrying out capital allocation that will contribute to long-term profit growth
 1. Growth investment in existing businesses and new businesses (including M&As)
 2. Investment in Mercari, centered around stock buybacks
- For shareholder returns, prioritize stock buybacks over dividends from the perspective of maintaining flexibility to make quick decisions

FY2027.6—Mid-Term Policy

(Excerpt from FY2025.6 Q4 Presentation Materials)

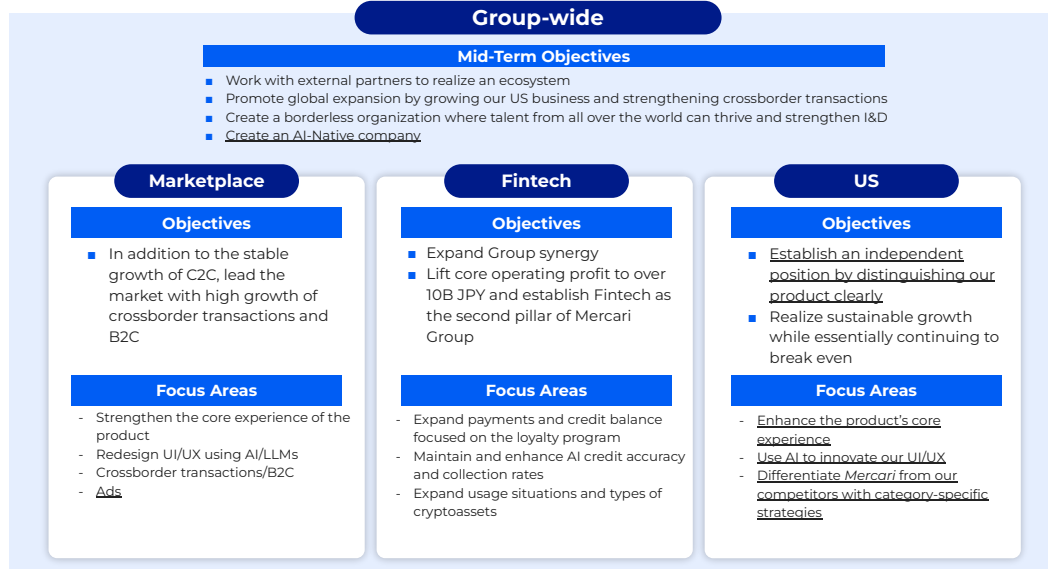


1. CAGR from FY2024.6

2. Following the transition to IFRS as of FY2024.6, disclosure is conducted based on IFRS beginning with the business results for FY2023.6.

3. In the event an opportunity arises for significant growth that will contribute to the future growth of the company, a temporary loss may be incurred resulting from making a flexible investment, but the company will explain the investment if this occurs.

FY2027.6—Mid-Term Objectives of Main Businesses (Updated) (Excerpt from FY2025.6 Q4 Presentation Materials)



1. The underlined items indicate additions/modifications to the mid-term objectives announced in FY2024.6 Q4

2. Removed the items regarding the on-demand work business in accordance with the discontinuation of the Mercari Halo service

3 FY2026.6—Business Objectives (Excerpt from FY2025.6 Q4 Presentation Materials)

Consolidated

Guidance		Policy/Major Initiatives
Revenue	Core operating profit ¹	• Make preparations for FY2027.6 • Essentially aim for top-line growth that will lead to increased profits • Expand businesses centered around Group synergy
200.0–210.0 _{B JPY}	28.0–32.0 _{B JPY}	

Marketplace

Guidance

GMV growth rate: Approx. +3–5%
Core operating profit¹: 32.0–36.0B JPY

Policy/Major Initiatives

- Enhance the product's core experience
- Promote direct crossborder transactions²
- Strengthen business listings in B2C

Fintech

Guidance

Core operating profit¹: 5.0–7.5B JPY

Policy/Major Initiatives

- Acquire *Mercard* holders
- Make *Mercard* users' main card

US

Guidance

Break even³
Positive full-year GMV growth YoY

Policy/Major Initiatives

- Differentiate *Mercari* from our competitors with category-specific strategies
- Enhance the product's core experience

1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

2. People overseas register as Mercari users, which allows them to purchase items in their local language and with prices shown in the local currency, while sales and payments are handled through a third-party company, creating a smooth user experience

3. Envisioning break-even based on IFRS core operating profit

3 Major Itemization of Consolidated BS

- We will continue to leverage various methods of financing and appropriately control our balance sheet to maintain a sound financial foundation

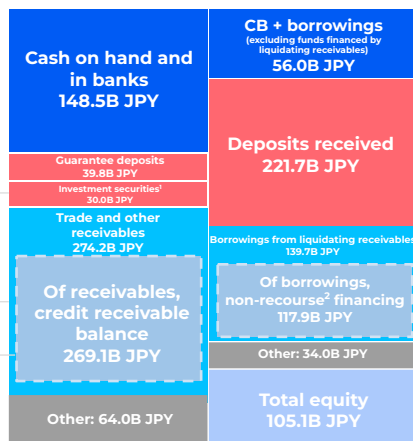
Financial Results Presentation Material

Primarily deposits related to user funds and government bonds

With regard to preservation of user funds, we act in accordance with laws regarding funds transfer services, etc., by depositing funds and government bonds¹ to the authorities and concluding a Guarantee Contract for Security Deposits for Providing Funds Transfer Services with financial institutions

Mainly credit from transactions within *Mercari*, items under "Trade accounts receivable", items under "Allowance for doubtful accounts", etc.

Credit balance from *Merpay's* credit services



Convertible bonds and long-term borrowings

Long-term borrowings, including convertible bonds but excluding funds financed by liquidating receivables
In September 2024, purchased approximately 21B JPY worth of the total 50B JPY euro-yen denominated convertible bonds issued in July 2021 (25B JPY maturing in 2026, 25B JPY maturing in 2028)

Mainly *Mercari* sales balance (including US) and wallet balance from users adding funds from banks

Funds financed by liquidating receivables

Liquidated lump-sum payment and fixed-amount payment receivables for *Merpay Smart Payments*. Starting FY2023, we have carried out non-recourse² financing for a portion of liquidated receivables.

Total assets at end of FY2026.6 Q1: 556.7B JPY

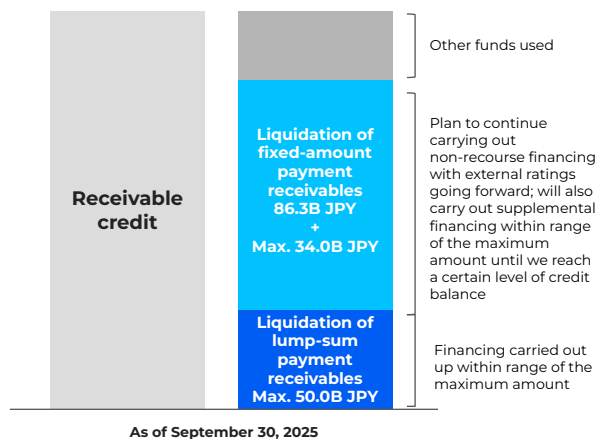
1. Among non-current assets, 30.0B of other financial assets falls under investment securities. In accordance with carrying out investment securities, Mercari Group is proceeding with refund processing for a portion of deposits, with the expectation that guarantee deposits will decrease as of the end of Q1.

2. A method of financing in which the amount collected from the credit is the only source of repayment, and the repayment obligation is not borne by Mercari

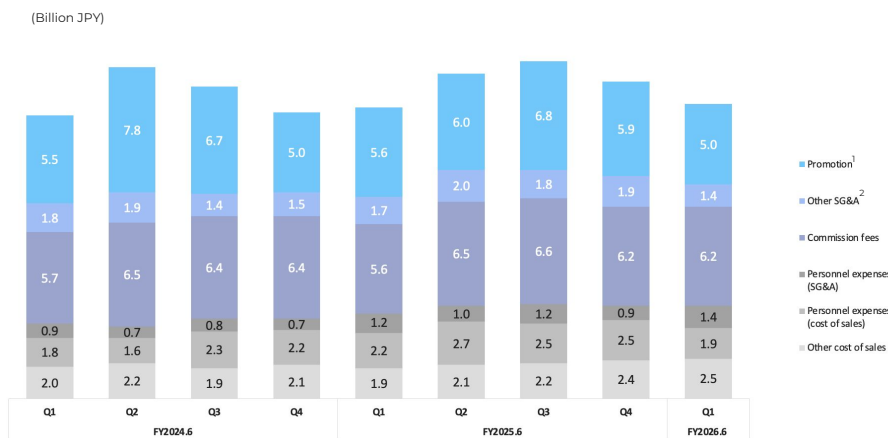
3. Government bond deposits were implemented in FY2025.6 Q4

- We plan to expand and diversify financing in sync with the growth of our credit services centered on non-recourse¹ receivable liquidation, in which financing is based on confidence in the actual credit receivable for *Merpay Smart Payments*

- We have received an external rating for *Merpay Smart Payments* fixed-amount payment receivables and carried out non-recourse¹ financing for a total of 86.3B JPY as of the end of FY2026.6 Q1.
- Additionally, we have liquidated receivables in line with the growth of our credit balance per month, with the maximum amount set to 34.0B JPY for fixed-amount payment and 50.0B JPY for lump-sum payment, and improved the efficiency of our funds.



1. A method of financing in which the amount collected from the credit is the only source of repayment, and the repayment obligation is not borne by Mercari



1. In accordance with accounting standards, starting in FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures and advertising costs.
 2. Outsourcing expenses, depreciation, land rent etc.

Disclaimer

This material is compiled for the purpose of providing information only, and is not intended to solicit readers to purchase securities in the Company. This material has been prepared based on information gathered at the time of its preparation and is not in any way intended as a commitment to future implementation. Also note that information contained herein has not been audited or reviewed by an independent certified public accountant or audit corporation, and includes financial information based on past financial statements or accounting documents as well as management figures not based on financial statements or accounting documents. This document is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.

The FY2026.6 Q2 financial results are scheduled to be released at 15:30 or later on February 9, 2026.

mercari

Mercari, Inc. TSE:4385