

mercari

# Presentation Material

FY2025.6





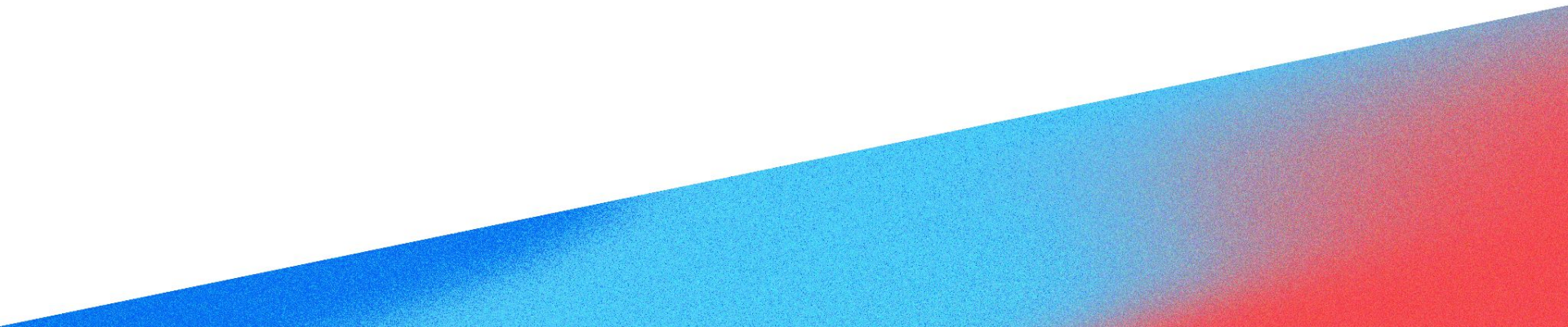
**Circulate all forms of value  
to unleash the potential in all people**

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# **FY2025.6 Summary**

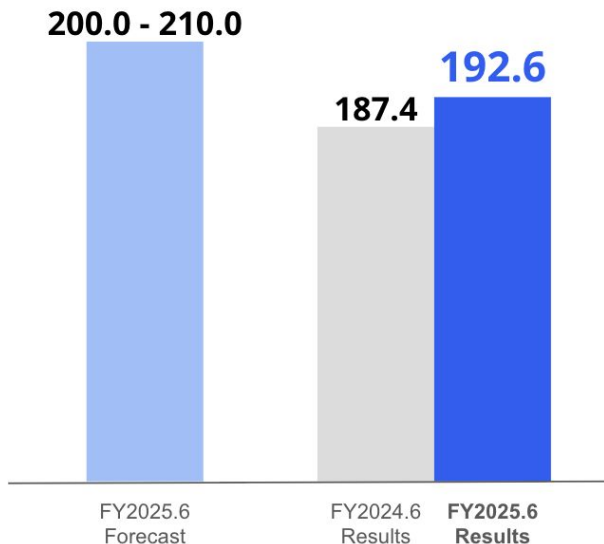


# Achievement Status of Consolidated Business Forecast

- Achieved record core operating profit for a landing that exceeded business forecasts
- Achieved record revenue in spite of not reaching our revenue target due to a slowdown of growth rates in the Marketplace and US businesses

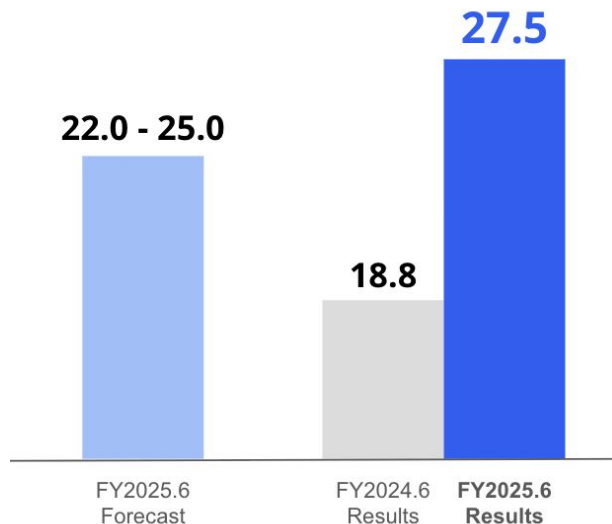
## Revenue

(Billion JPY)



## Core Operating Profit<sup>1</sup>

(Billion JPY)



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

### Business Objectives at the Start of FY2025.6

- Essentially aim for top-line growth that will lead to increased profits
- Expand businesses centered around Group synergy

### Achieved Record-Breaking Profits

#### Marketplace

**Increased revenue and profit**  
(Excluding *Mercari Hallo*)

#### Fintech

Core operating profit<sup>1</sup>  
**4.5B JPY** (+3.7B JPY YoY)

#### US

Core operating profit<sup>1</sup>  
**0.9B JPY** (+5.4B JPY YoY)

### Expanded Group Synergy by Leveraging the MAU of C2C Business

#### Crossborder Transactions

GMV<sup>2</sup> reached **90.0B JPY**

#### Mercard

Reached **5.0M** cards issued

#### New Services

Released *Mercari Mobile* and  
*Mercari NFT*

### Future Challenges

#### Slowdown of Growth Rate

Marketplace GMV<sup>2</sup> YoY **+4%**  
US GMV<sup>2</sup> YoY **-17%**

#### Safety and Security

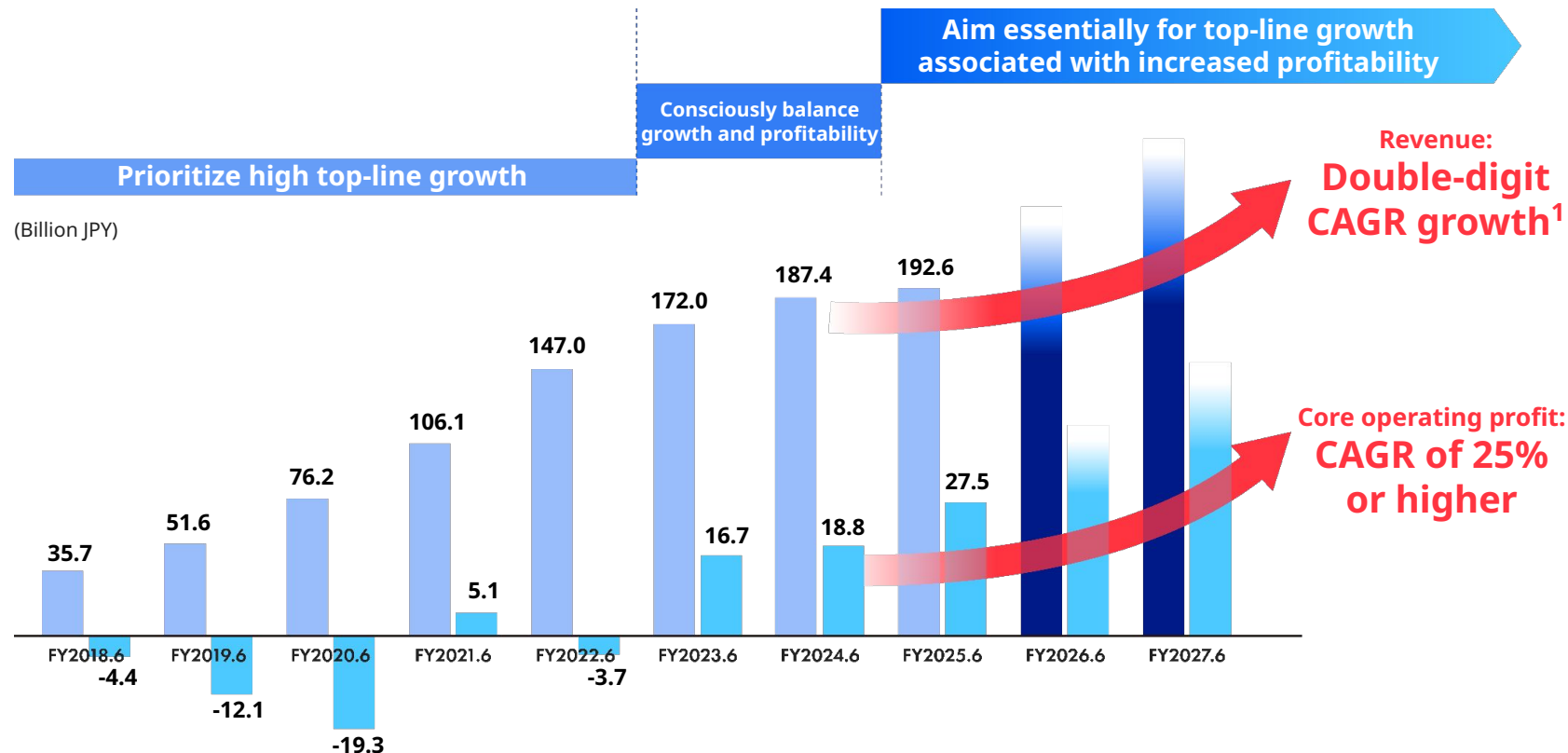
Improve the public perception of  
*Mercari* by implementing initiatives for  
greater safety and security

1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.  
2. Aggregate transaction value after adjusting for cancellations



# **Progress Toward Mid-Term Policy for FY2027.6**

# No Change to Mid-Term Policy for FY2027.6



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)

## Group-wide

### Mid-Term Objectives

- Work with external partners to realize an ecosystem
- Promote global expansion by growing our US business and strengthening crossborder transactions
- Create a borderless organization where talent from all over the world can thrive and strengthen I&D
- Create an AI-Native company

### Marketplace

#### Objectives

- In addition to the stable growth of C2C, lead the market with high growth of crossborder transactions and B2C
- Establish a firm position in the on-demand work industry

#### Focus Areas

- Strengthen the core experience of the product
- Redesign UI/UX using AI/LLMs
- Crossborder transactions/B2C
- On-demand work
- Ads

### Fintech

#### Objectives

- Expand Group synergy
- Lift core operating profit to over 10B JPY and establish Fintech as the second pillar of Mercari Group

#### Focus Areas

- Expand payments and credit balance focused on the loyalty program
- Maintain and enhance AI credit accuracy and collection rates
- Expand usage situations and types of cryptoassets

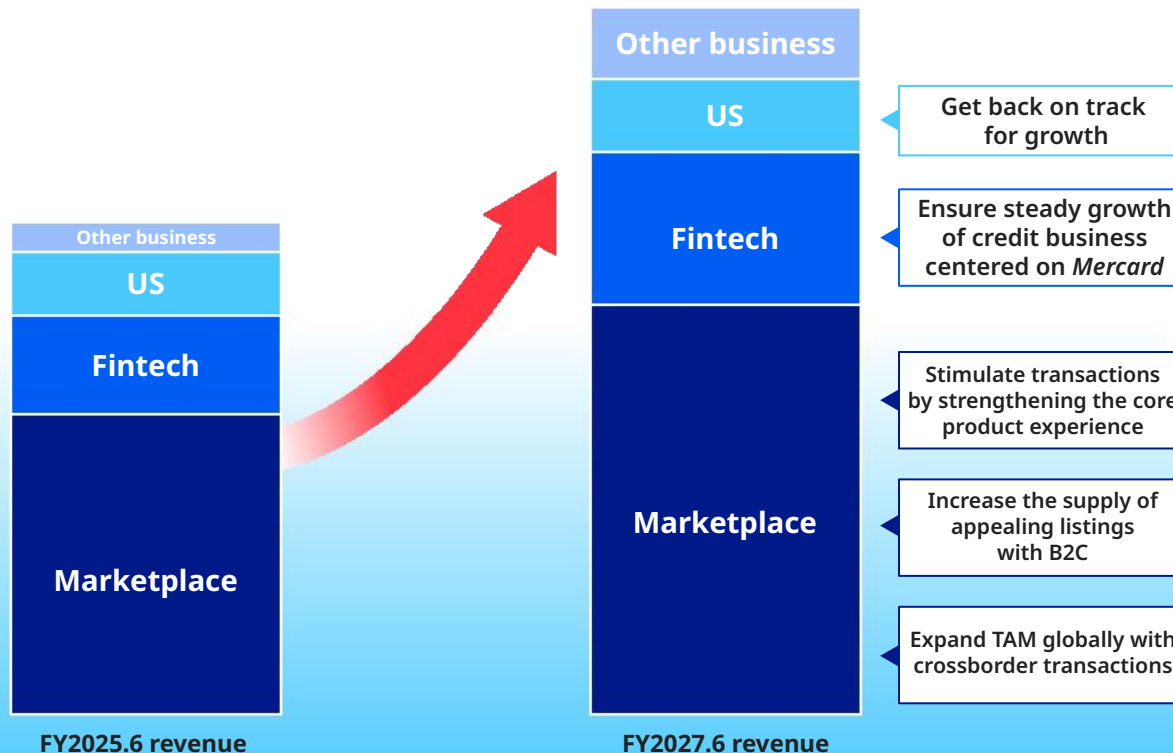
### US

#### Objectives

- Establish an independent position by distinguishing our product clearly
- Realize sustainable growth while essentially continuing to break even

#### Focus Areas

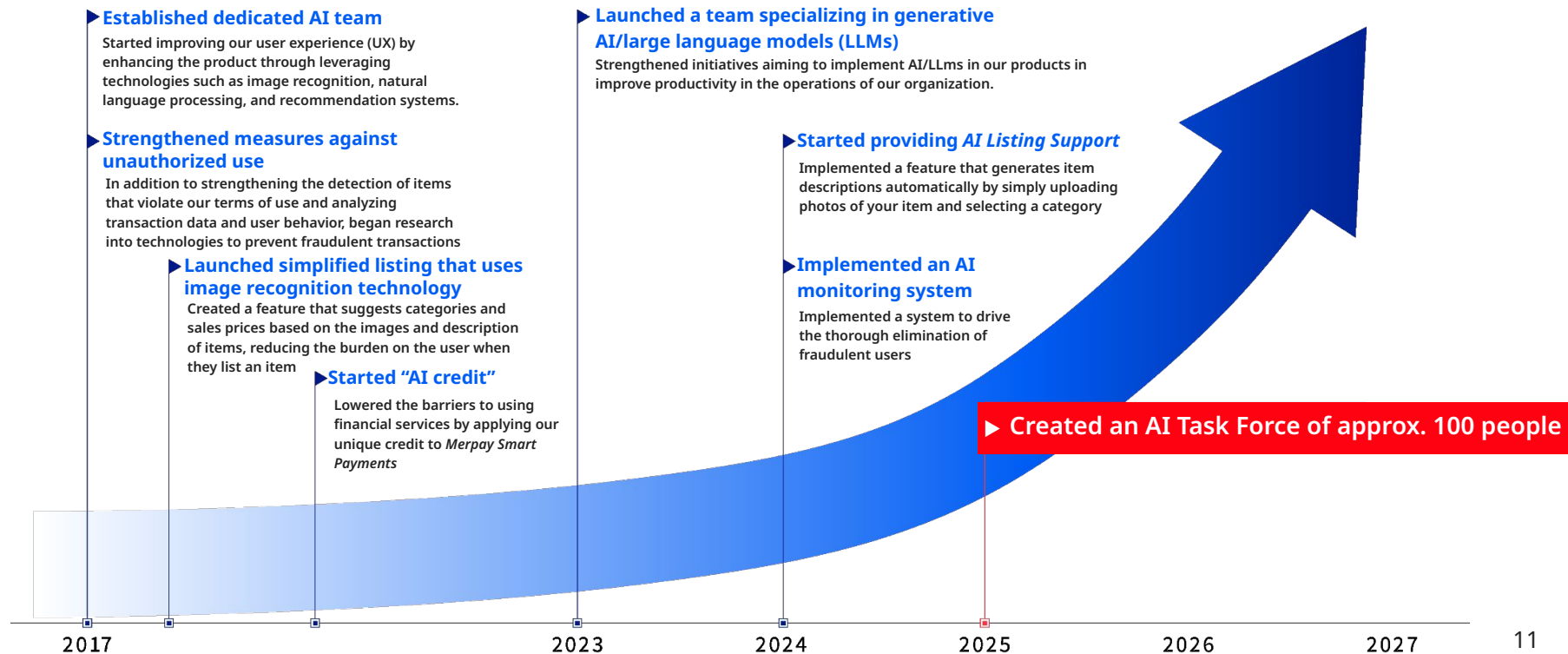
- Enhance the product's core experience
- Use AI to innovate our UI/UX
- Differentiate Mercari from our competitors with category-specific strategies



## Organization base as an AI-Native Company

# Our Innovations in AI and Evolution into an AI-Native Company

**Dramatically change our organization and product with AI at the base of all our operations to establish a firmer competitive advantage**



# Our Efforts to Become an AI-Native Company

- We are already seeing dramatic improvements in productivity due to AI
- We will continue to advance product innovation and organizational reform

## Current Progress on AI Utilization

Percentage of employees using AI-powered tools<sup>1</sup> **95%**

Percentage of code for product development generated by AI<sup>2</sup> **70%**

Productivity increase per engineer involved in development<sup>3</sup> **+64%**  
YoY



## Product innovation

Integrate AI in our infrastructure to restructure a safe and secure platform  
Create services that anyone can use effortlessly

Examples of actions we have started working on:

- Building customer support infrastructure such as AI-driven chat support
- Using AI to eliminate fraudulent usage
- Developing AI agents that support the process of buying/selling items on Mercari

## Organizational reform

Created an AI Task Force of approx. 100 people  
Redesigned our workstyles to encourage growth of the business

- List all of our work processes and start planning the implementation of AI
- Rebuild our work processes based on AI (to be completed by December 2025)

1. Percentage of Mercari Group employees using one or more major AI tools (ChatGPT, Gemini, Claude Code, Cursor, Devin, Notion AI, or an internally developed AI tool) as of July 2025 (excludes employees on leave, departing employees, and persons hired by the Kashima Antlers)

2. Percentage of total code changes made within Mercari Group that were generated using three major AI tools (Cursor, Claude Code, and Devin) as of June 2025; figure includes code that was not implemented

3. The development output per engineer is calculated by dividing the total amount of code changes at Mercari Group in June 2024 and June 2025 by the number of engineers at each respective time

# **FY2025.6 Financial Overview**

# FY2025.6 Achievement Status of Consolidated Results

## Forecast and Guidance for each Business

- Core operating profit landed at 27.5B JPY, exceeding the maximum amount of the financial forecast and firmly strengthening the Group's profitability

	Financial Forecast	Results
Revenue	200.0–210.0B JPY	192.6B JPY (+3% YoY)
Core operating profit	22.0–25.0B JPY	27.5B JPY (+46% YoY)

		Guidance	Results
Marketplace	GMV growth rate	Around +10% YoY	+4% YoY
	Adjusted core operating margin	37–42%	38% (43% excluding Mercari Hallo)
Fintech	Core operating profit	+3.0B JPY	4.5B JPY
US	Core operating profit	Break even	0.9B JPY



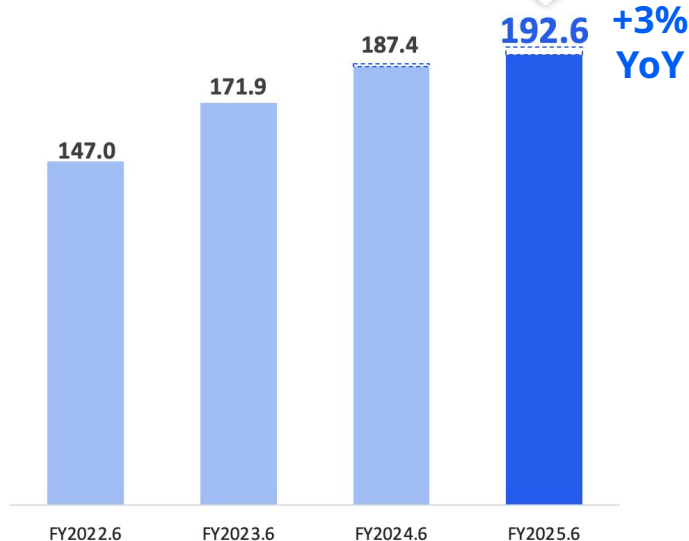
# 3 Consolidated Results<sup>1</sup> (Full Year)

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## Revenue

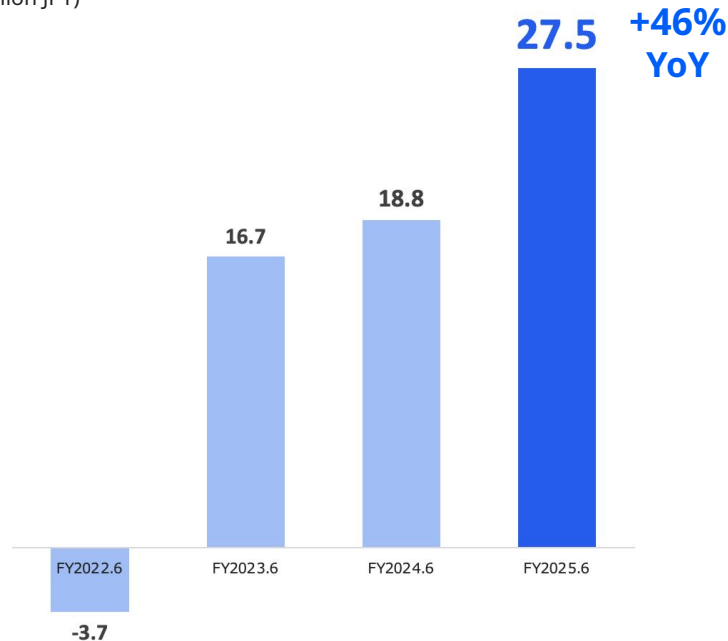
(Billion JPY)

Impact of change where a portion of point-related expenses is now deducted from revenue<sup>2</sup>  
(Impact in FY2025.6 was 3.13B JPY; impact in FY2024.6 was 1.22B JPY. Impact on YoY growth before deductions: +4%)



## Core Operating Profit<sup>3</sup>

(Billion JPY)



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

2. From FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures.

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

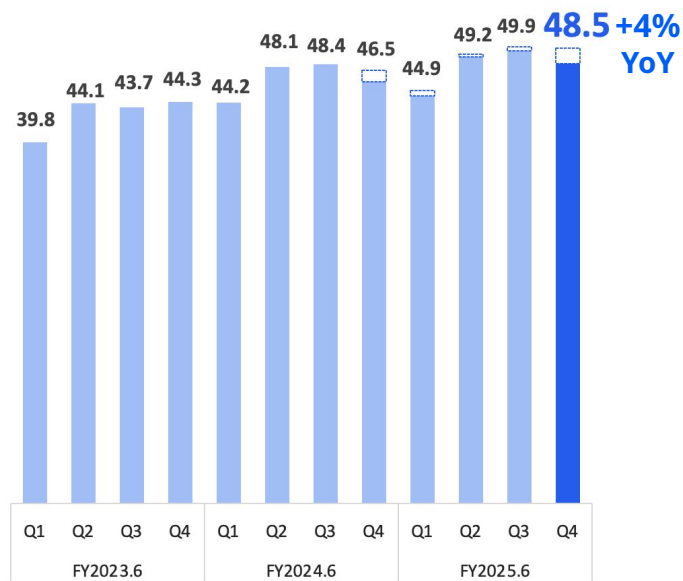
# 3 Consolidated Results<sup>1</sup> (Quarterly)

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## Revenue

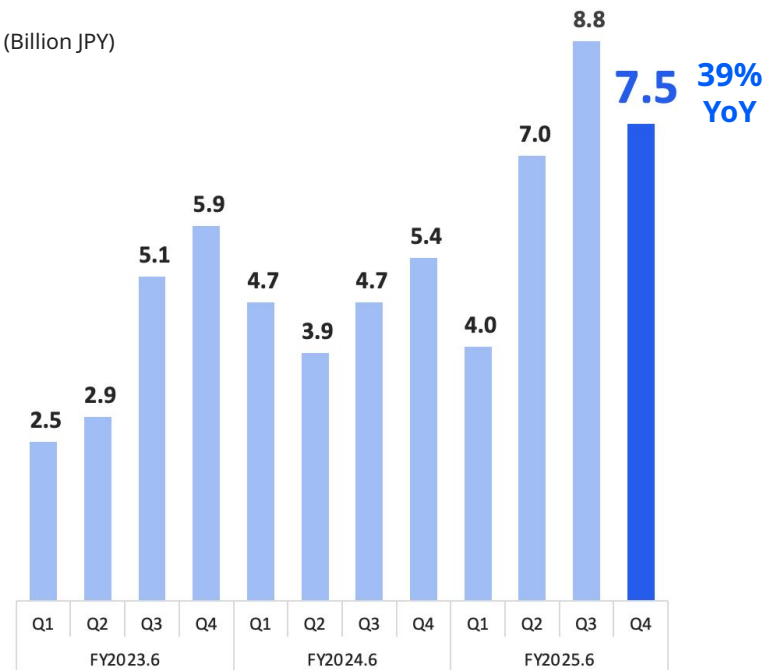
(Billion JPY)

Impact of change where a portion of point-related expenses is now deducted from revenue<sup>2</sup>  
(Impact in FY2025.6 Q4 was 1.75B JPY; impact in FY2024.6 Q4 was 1.22B JPY. YoY growth before deductions: +5%)



## Core Operating Profit<sup>3</sup>

(Billion JPY)



1. Following the transition to IFRS as of FY2024.6, disclosure is conducted based on IFRS beginning with the business results for FY2023.6.
2. From FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures.
3. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

### FY2025.6 Business Objectives

- Aim for a GMV growth rate of around +10% YoY and an adjusted<sup>1</sup> core operating margin<sup>2</sup> of 37–42% through strong growth of crossborder transactions and B2C, in addition to steady growth of the C2C business
- *Mercari Hallo*: Establish an environment enabling the service to be used across the country and aim to become the number-one service in Japan in the medium term

Although crossborder transactions and B2C continued to see high growth and the impact of fraudulent use on GMV was kept minimal due to our speedy response, the GMV growth rate for the full year was +4% YoY and did not achieve the target

Adjusted core operating margin was 38% (43% excluding *Mercari Hallo*), achieving high profitability

We executed effective investment in *Mercari Hallo*, and in one year we substantially grew the number of registered crew and partner locations. *Mercari Hallo* started to collect service fees in April after ending a no merchant fee promotion that lasted approximately a year

1. In Q4 of FY2025.6, Mercari Group transferred the sales and costs of MVNO from Marketplace to the Other Bets segment, a new organization created under the Japan Business (name was changed from Japan Region as of FY2025.6 Q4)

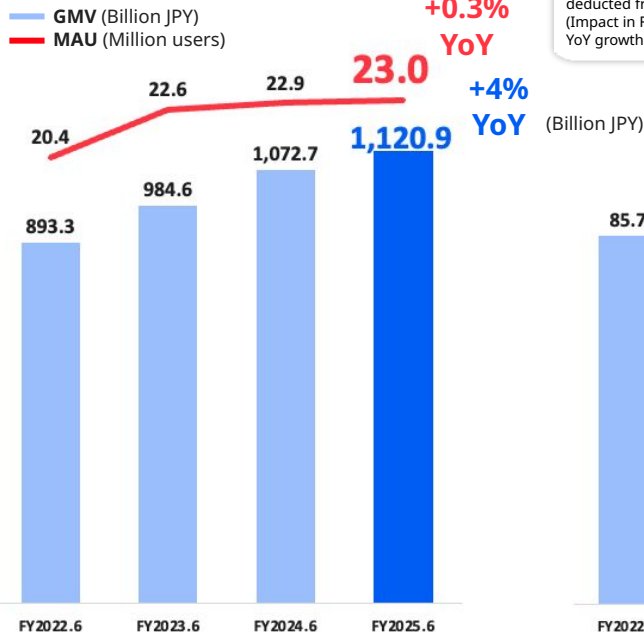
2. Profit after deduction of internal transactions with Marketplace/Fintech (outsourced payment processing fees)

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

# 3 Marketplace—Results (Full Year)

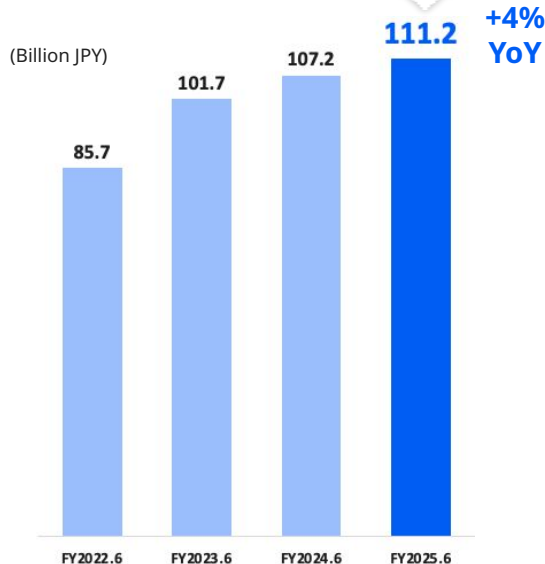
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## GMV<sup>1</sup>/MAU<sup>2</sup>



## Revenue<sup>3</sup>

Impact of change where a portion of point-related expenses is now deducted from revenue<sup>4</sup>  
(Impact in FY2025.6 was 1.5B JPY; impact in FY2024.6 was 1.2B JPY.  
YoY growth before deductions: +4%)



## Adjusted<sup>5</sup> Core Operating Profit<sup>6</sup>/Margin

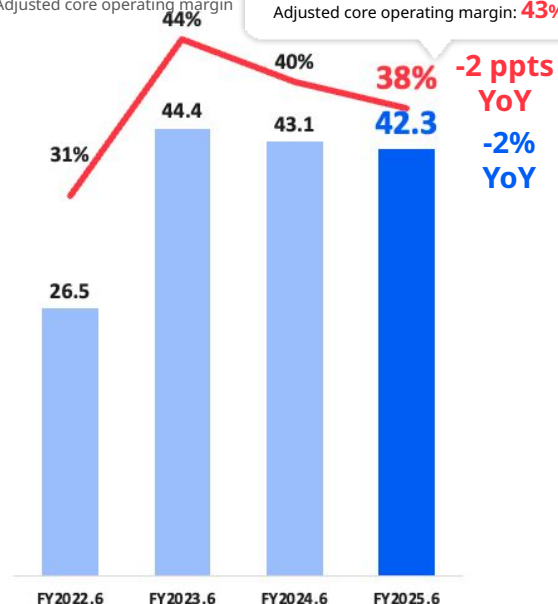
(Billion JPY)

Adjusted core operating profit (Blue bars)  
Adjusted core operating margin (Red line)

Excluding *Mercari Hallo*:

Adjusted core operating profit: **48.2B JPY**

Adjusted core operating margin: **43%**



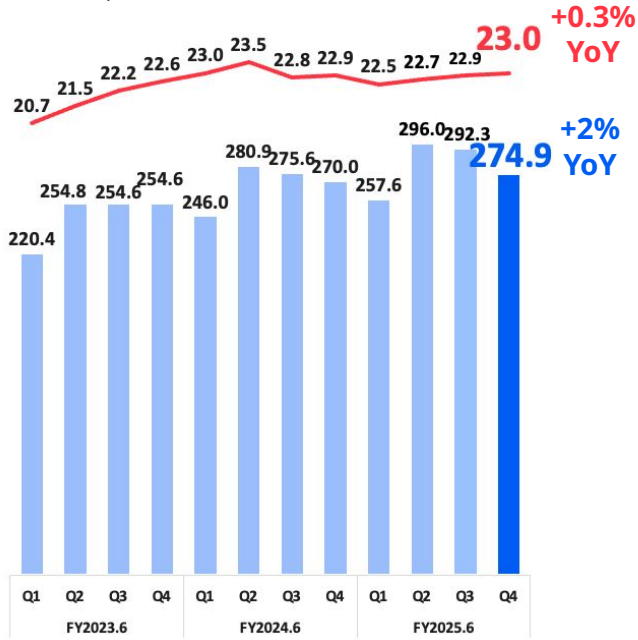
1. Aggregate transaction value after adjusting for cancellations (includes transaction value of *Mercari NFT*); does not include *Mercari Hallo*
2. Quarterly average number of users who browsed our service (app or web) at least once during a given month; graph compares the averages for Q4 of each fiscal year
3. The business results of *Mercari Hallo* are included starting in FY2025.6 Q4
4. Starting in FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures
5. Profit after deduction of internal transactions with Fintech (outsourced payment processing fees)
6. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

# 3 Marketplace—Results (Quarterly)

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## GMV<sup>1</sup>/MAU<sup>2</sup>

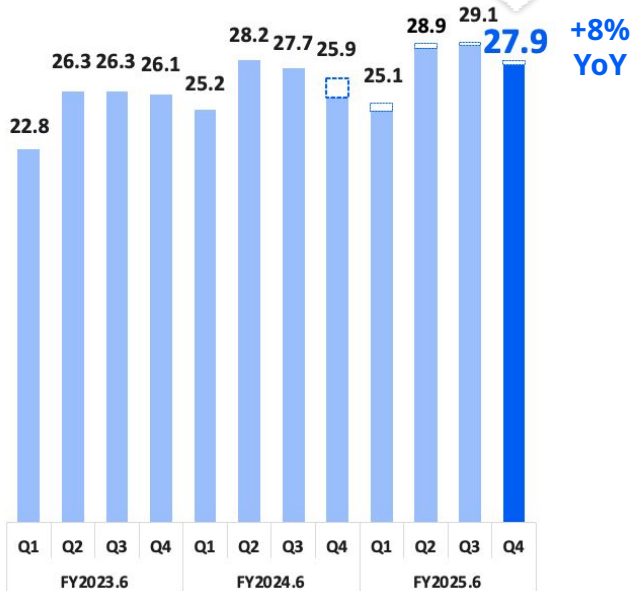
— GMV (Billion JPY)  
— MAU (Million users)



## Revenue<sup>3</sup>

(Billion JPY)

Impact of change where a portion of point-related expenses is now deducted from revenue<sup>4</sup>  
(Impact in FY2025.6 Q4 was 360M JPY; FY2024.6 Q4 was 1.22B. YoY growth before deductions: +4%)



1. Aggregate transaction value after adjusting for cancellations (includes transaction value of *Mercari NFT*); does not include *Mercari Hallo*
2. Quarterly average number of users who browsed our service (app or web) at least once during a given month
3. The business results of *Mercari Hallo* are included starting in FY2025.6 Q4
4. From FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures

# 3 Marketplace—Results (Quarterly)

## Adjusted<sup>1</sup> Core Operating Profit<sup>2</sup>/Margin

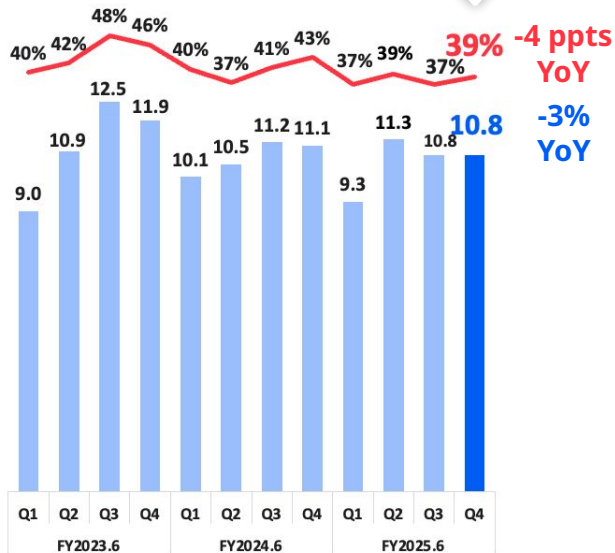
(Billion JPY)

Adjusted core operating profit  
Adjusted core operating margin

Excluding *Mercari Hallo*:

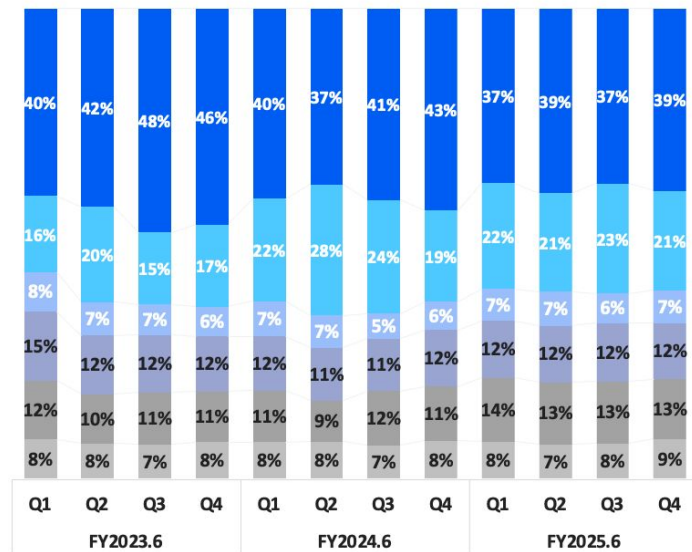
Adjusted core operating profit: **12.1B JPY**

Adjusted core operating margin: **43%**



## Profit and Cost Composition

Other cost of sales  
Personnel expenses  
Commission fees  
Other SG&A<sup>3</sup>  
Promotion<sup>4</sup>  
Adjusted core operating profit



1. Profit after deduction of internal transactions with Fintech (outsourced payment processing fees)

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

3. Outsourcing expenses, land rent, and depreciation, etc.

4. Starting in FY2024.6 Q4, a portion of point-related expenses (attributed to advertising costs) is deducted from revenue figures and advertising costs



**FY2025.6  
Business Objectives**

Transition to a phase of continuously increasing profit through steady accumulation of credit balance; aim for core operating profit<sup>1</sup> of 3.0B JPY or higher

**Achieved high growth of both sales and profits, with core operating profit<sup>1</sup> reaching 4.5B JPY to exceed the full-year target of 3.0B JPY**

**Issued more than 5 million Mercards (cumulative)<sup>2</sup>; the credit business grew steadily with credit balance also growing 32% YoY**

**Released *Mercard Gold*<sup>3</sup> as a means of increasing payment income and expanding the credit business**

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

2. As of June 30, 2025

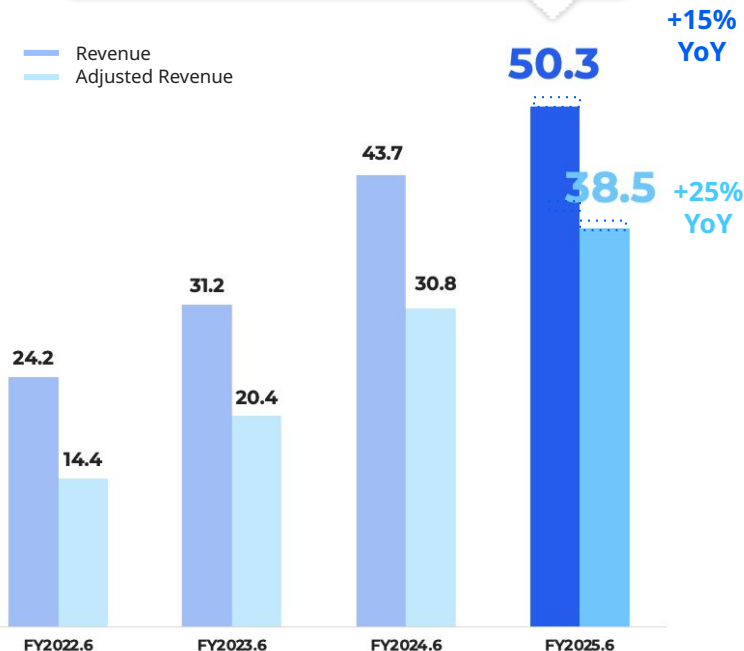
3. Launched on March 17, 2025

## Revenue

(Billion JPY)

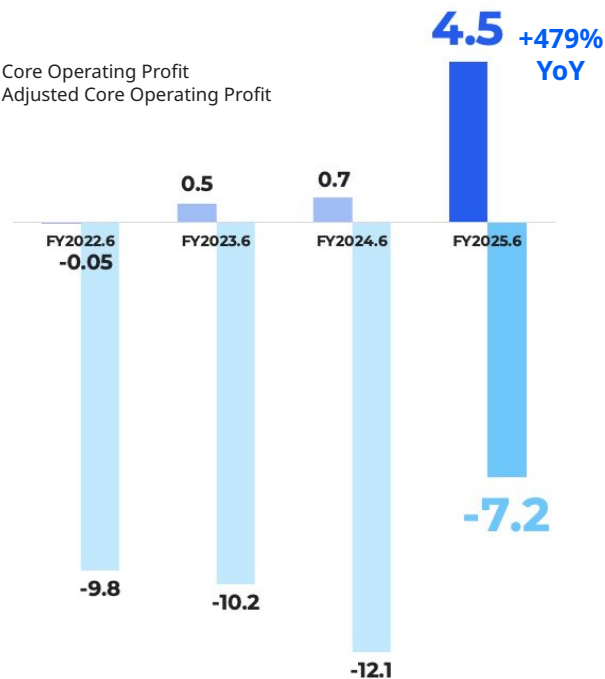
Impact of change where a portion of point-related expenses is now deducted from revenue<sup>2</sup>  
(Impact in FY2025.6 was 1.3B JPY; YoY revenue growth before deductions: +18%; adjusted YoY revenue growth before deductions: +30%)

Revenue  
Adjusted Revenue

Core Operating Profit<sup>3</sup>

(Billion JPY)

Core Operating Profit  
Adjusted Core Operating Profit



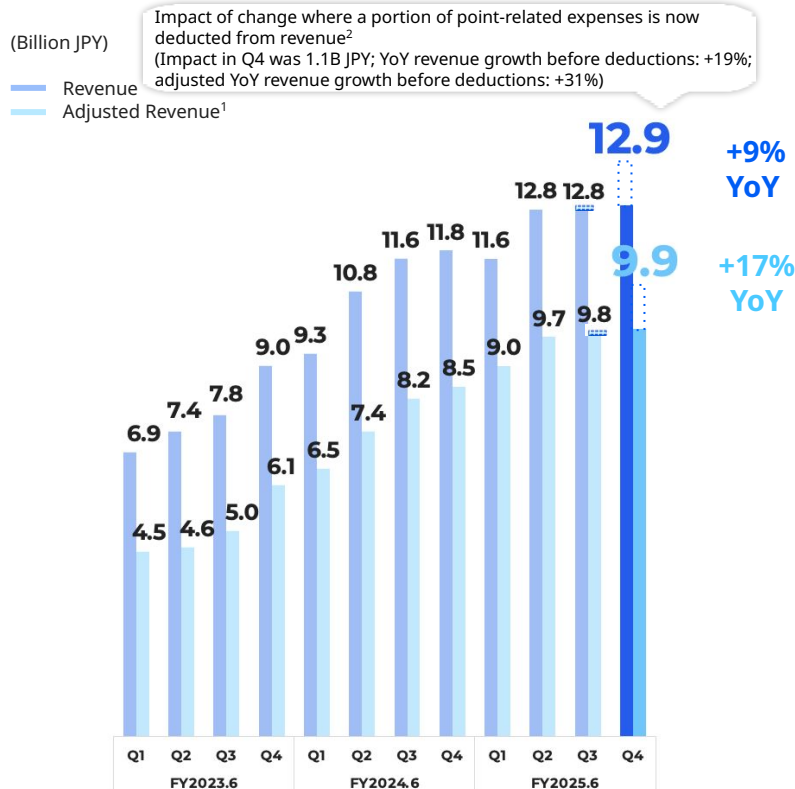
1. Following the transition to IFRS as of FY2024.6, disclosure is conducted based on IFRS beginning with the business results for FY2023.6

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. Profit after deduction of internal transactions between Marketplace and Fintech (outsourced payment processing fees)

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

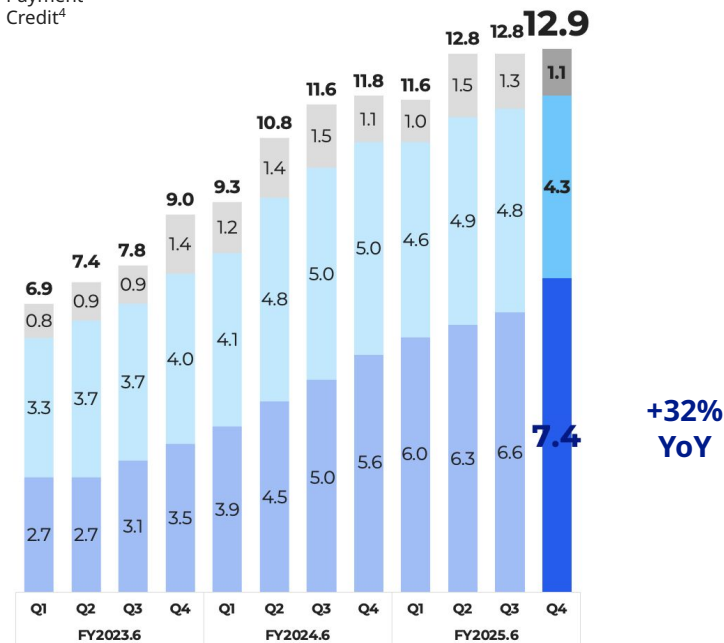
## Revenue



## Breakdown of Revenue

(Billion JPY)

Others<sup>3</sup>  
Payment  
Credit<sup>4</sup>



1. Revenue after deduction of internal transactions with Marketplace/Fintech (outsourced payment processing fees)

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

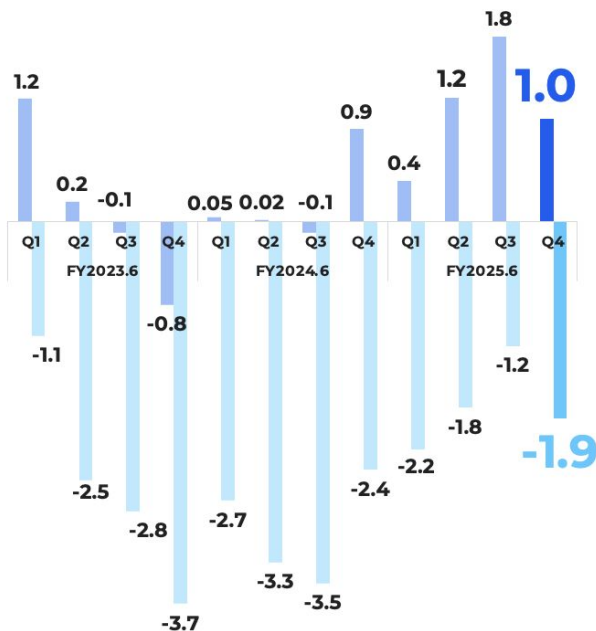
# 3 Fintech—Results (Quarterly)

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## Core Operating Profit<sup>1</sup>

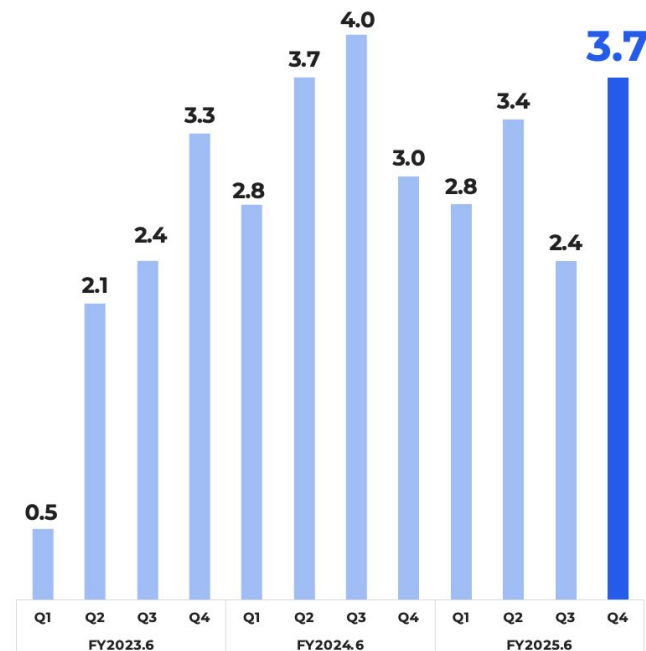
(Billion JPY)

Core operating profit  
Adjusted core operating profit<sup>2</sup>



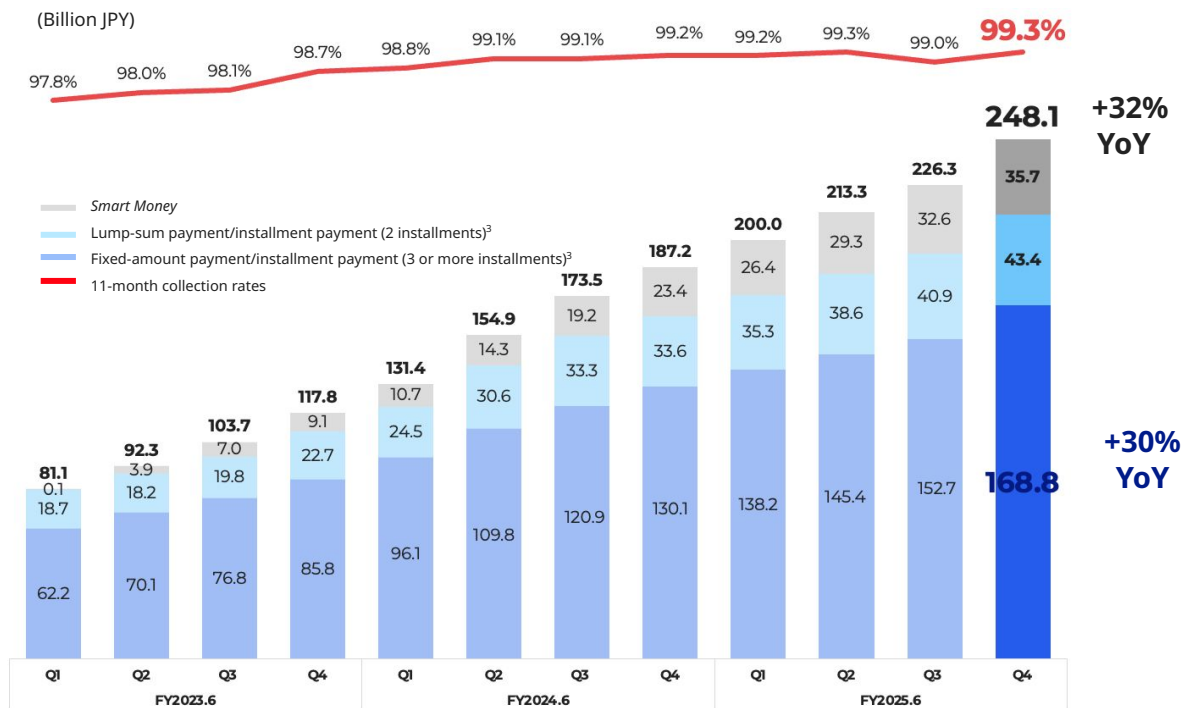
## Advertising Costs

(Billion JPY)



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

2. Profit after deduction of internal transactions with Marketplace/Fintech (outsourced payment processing fees).

Credit Balance<sup>1</sup> and Collection Rates<sup>2</sup>

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

**FY2025.6  
Business Objectives****Commit to breaking even and aim to get back on track for growth**

**In addition to continuing as Group CEO, Shintaro Yamada has also assumed the role of US CEO from H2. As a result of placing focus once again on strengthening the product's core experience and carrying out updates to the fee model, etc., saw signs of improvement in GMV growth rate**

**As a result of improving unit economics, optimizing marketing costs, and further reviewing fixed costs, achieved US's first positive full-year profit with a core operating profit of 900 million JPY**

**Successfully broke even and saw positive signs in GMV growth trends. Given this progress, will continue the business and aim to get back on track for growth quickly**



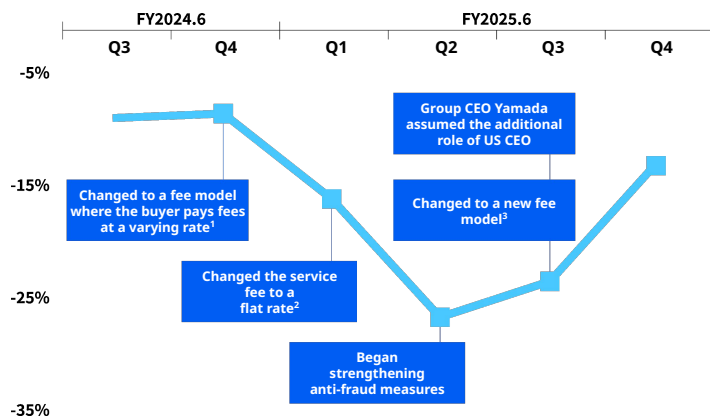
# US—State of the Business

- Under the new leadership beginning in H2, YoY GMV growth rate reversed direction as a result of reviewing strategies
- Profit and cost structure improved significantly

## GMV Continued to Trend Upward

- YoY GMV growth rate trend reversed direction as a result of strengthening anti-fraud measures, improving the listing/buying experience, and changing the fee model

### YoY GMV Growth Rate



## Successfully Broke Even

- Achieved US's first positive full-year profit as a result of enhancing the product's core experience and reviewing the business's cost structure

### Core Operating Profit

(Billion JPY)



1. Removed selling fees and changed to a model where the buyer pays fees

2. Changed the buyer-paid service fee from a model where the rate depends on category, brand, and other factors to a flat rate of 10%

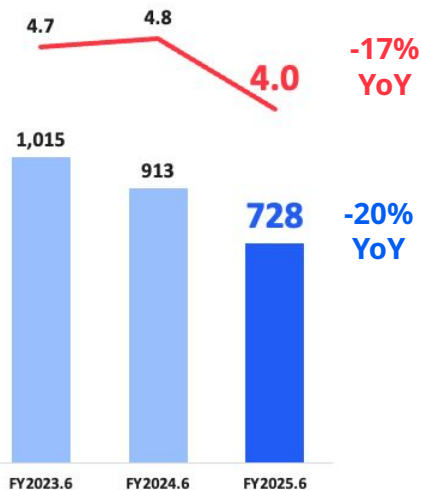
3. Changed to a fee model where the seller pays a selling fee of 10% and the buyer pays a buyer protection fee of 3.6%

### 3 US—Results (IFRS<sup>1</sup>/Full Year)

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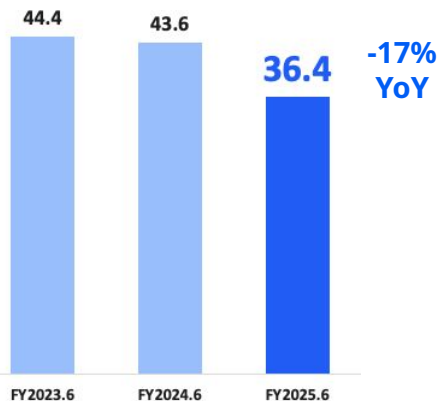
#### GMV<sup>2</sup>/MAU<sup>3</sup>

— GMV (Million USD)  
— MAU (Million users)



#### Revenue

(Billion JPY)



#### Core Operating Profit<sup>4</sup>

(Billion JPY)



1. Adopted IFRS in FY2024.6 and disclosed IFRS numbers for FY2023.6 as well to enable YoY comparisons; this slide displays the three years from FY2023.6

2. Aggregate transaction value after adjusting for cancellations

3. Quarterly average number of users who browsed our service (app or web) at least once during a given month; graph compares the averages for Q4 of each fiscal year

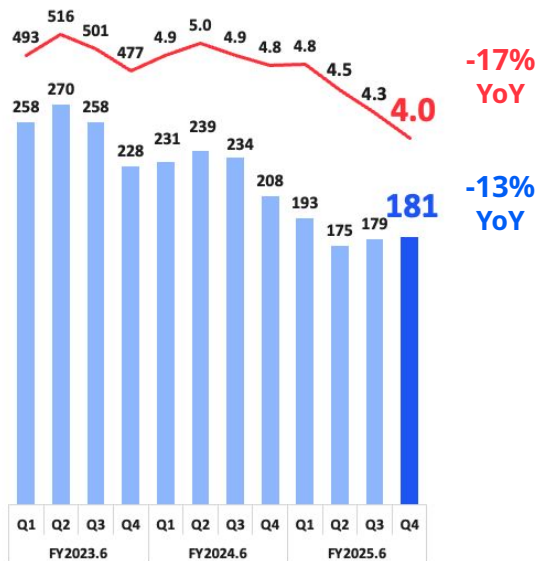
4. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

# 3 US—Results (IFRS<sup>1</sup>/Quarterly)

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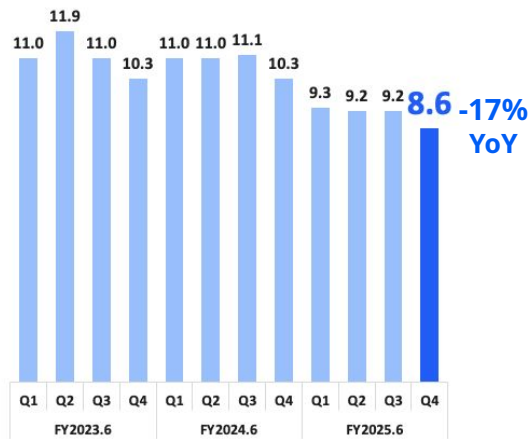
## GMV<sup>2</sup>/MAU<sup>3</sup>

— GMV (Million USD)  
— MAU (Million users)



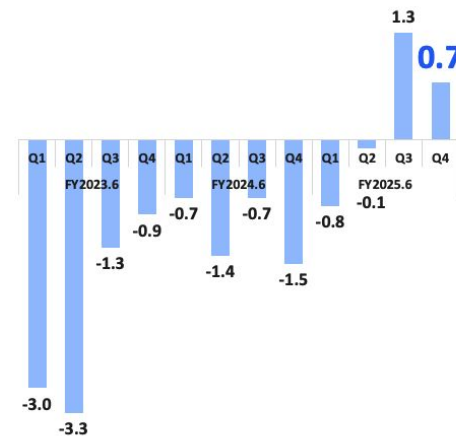
## Revenue

(Billion JPY)



## Core Operating Profit<sup>4</sup>

(Billion JPY)



1. Transitioned to IFRS notation starting FY2024.6

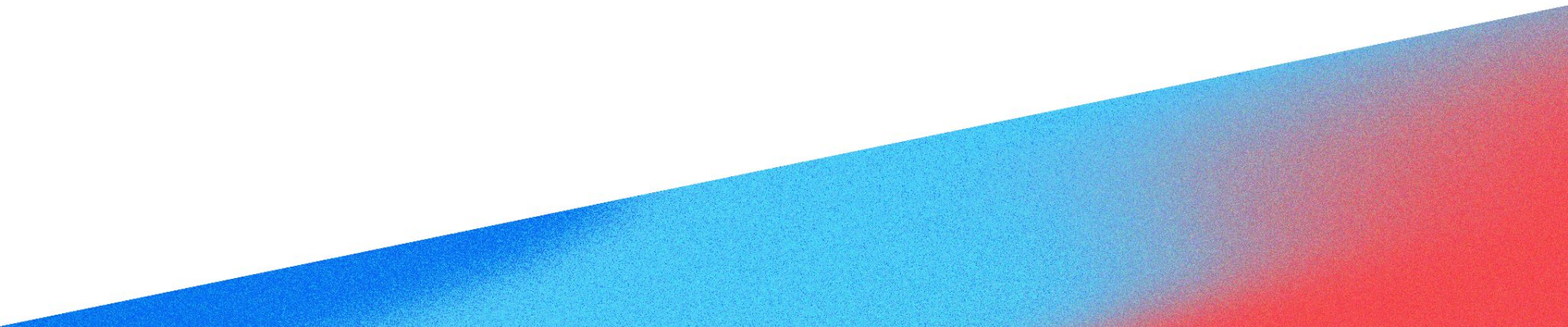
2. Aggregate transaction value after adjusting for cancellations

3. Quarterly average number of users who browsed our service (app or web) at least once during a given month

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

**FY2026.6**

**Financial Forecast/Business Objectives**



## 4 Changes to Disclosure Policy

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### **Discontinuation of Adjusted Operating Profit<sup>1</sup>**

Discontinuing adjustments based on internal transactions with Marketplace/Fintech<sup>2</sup>; will disclose guidance and results based on (unadjusted) core operating profit going forward

### **Capitalization of Development Labor Costs**

Capitalizing development labor costs to visualize productivity and standardize development costs in order to enable mid- to long-term growth investments

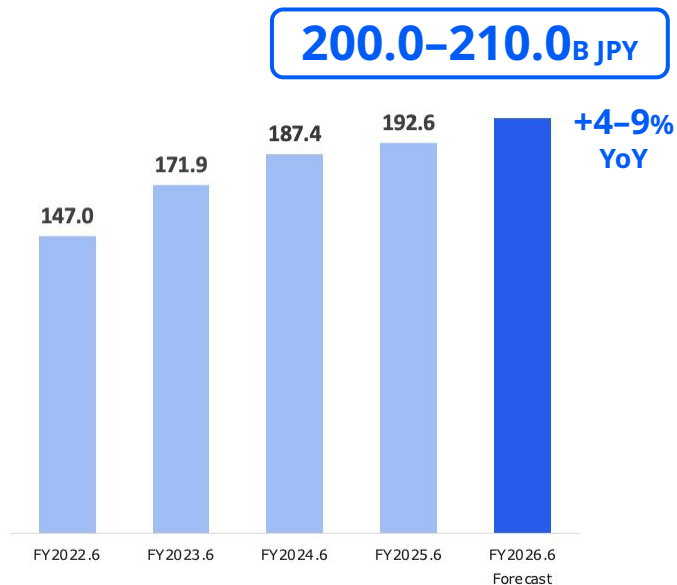
1. Will continue to disclose adjusted core operating profit for Marketplace and Fintech in our data sheet for the upcoming year

2. Outsourced payment processing fees

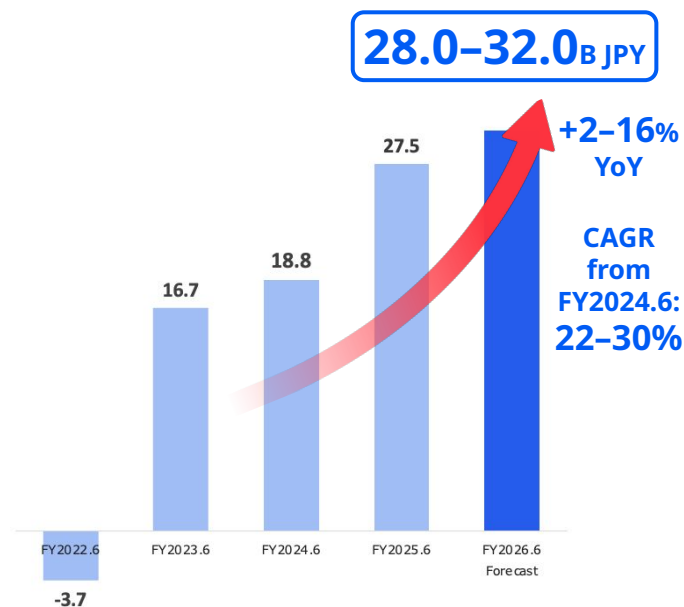
# FY2026.6 Consolidated Financial Forecast

- For revenue, while the revenue growth rate for FY2026.6 is expected to be in the single-digit range, our mid-term policy for FY2027.6 to aim for double-digit CAGR growth driven by Fintech and crossborder transactions has not changed; core operating profit is progressing according to plan against our target of 25% CAGR growth from FY2024.6
- Expecting revenue and core operating profit<sup>1</sup> to accumulate mainly in H2; consolidated adjustments in FY2026.6 expected to increase due to relocating office floors and investments in AI

## Revenue



## Core Operating Profit<sup>1</sup>



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



## Consolidated

## Guidance

Revenue

**200.0–210.0<sub>B</sub> JPY**Core operating profit<sup>1</sup>**28.0–32.0<sub>B</sub> JPY**

## 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

## Marketplace

## Guidance

GMV growth rate: Approx. +3–5%  
Core operating profit<sup>1</sup>: 32.0–36.0B JPY

## Policy/Major Initiatives

- Enhance the product's core experience
- Promote direct crossborder transactions<sup>2</sup>
- Strengthen business listings in B2C

## Fintech

## Guidance

Core operating profit<sup>1</sup>: 5.0–7.5B JPY

## Policy/Major Initiatives

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

## US

## Guidance

Break even<sup>3</sup>  
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

## 4 Marketplace—Business Objectives

### 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 profit of 32.0B–36.0B JPY<sup>1</sup>

### Enhancing the Product's Core Experience

Establish *Mercari* as a safe and secure marketplace and continue enhancing the product's core experience for both buyers and sellers

### Crossborder Transactions

Focus on the Entertainment & Hobbies category and expand *Mercari's* presence in the global market by increasing the number of countries to which we provide direct crossborder transactions<sup>2</sup> and by strengthening UI/UX

1. Core operating profit for FY2025.6 is 30.5B JPY

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

# Marketplace—Enhancing the Product's Core Experience mercari

- We will prioritize enhancing the product's core experience, which supports the growth of C2C, B2C, and crossborder transactions, and establish *Mercari* as a safe and secure marketplace that is easy for anyone to use

## Establishing a Safe and Secure Environment

- Leverage AI to detect and score fraudulent users, restrict account usage, and take legal action
- With the new Mercari Appraisal Center, eradicate listings of counterfeit brand-name items and encourage purchase of high-priced items
- Offer users support covering the full price of the item in the event of a transaction dispute and provide an environment that helps users feel at ease using *Mercari*



不正利用者の  
「徹底的な排除」

Thoroughly Exclude Fraudulent Users

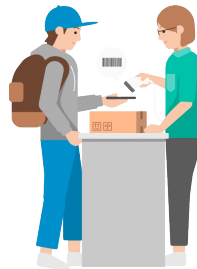


お客さまの  
「徹底的な救済」

Thoroughly Rescue and  
Support Our Customers

## Strengthening the User Experience

- As a driver to increasing the number of transactions, move forward with a discovery experience that leverages AI to promote users' desire to buy things
- Strengthen the user experience by expanding anonymous shipping and offering new shipping options



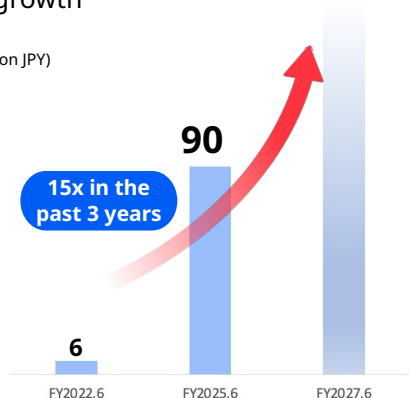
# Marketplace—Accelerating Growth with Crossborder Transactions

- The Toys, Figurines & Merchandise category makes up 60% of crossborder transactions on *Mercari*, with items unique to Japan particularly popular
- The market size of the Entertainment & Hobbies category, which is *Mercari*'s strength, was 120 billion USD (17 trillion JPY)<sup>1</sup> in 2023, and the share of Japanese IP in the same market globally (excluding Japan) was approximately 24%, showing strong potential for growth

## Crossborder GMV

- Crossborder GMV grew 15x in the past 3 years, reaching 90.0B JPY in FY2025.6
- Launched direct crossborder transactions<sup>2</sup> in Taiwan and Hong Kong in FY2025.6 aiming for further growth

(billion JPY)



## Future Policy

- Expand Mercari's presence in the global market by increasing countries to which direct crossborder transactions are available and strengthening UI/UX
- Promote business listings from our B2C business in order to meet the high overseas demand for Entertainment & Hobbies items from Japan

**Aim for further growth as the leading player in both primary and secondary distribution for Entertainment & Hobbies items**

1. Source: Calculations by Mercari based on a report from a research agency

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

## 4 Marketplace—On-Demand Work

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- Improve profitability by establishing fees as a source of revenue and carrying out disciplined investments
- Optimize crew acquisition by polishing the product and carrying out effective marketing

### Crew Acquisition

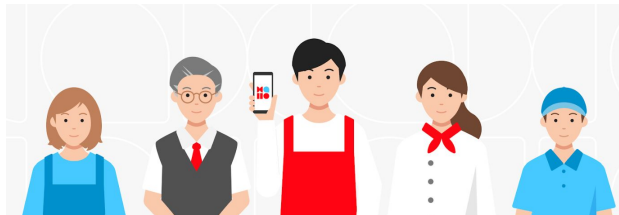
- Design the UI/UX to be easy to use even for people new to on-demand work; activate latent users of various attributes
- Carry out effective and targeted marketing to increase recognition of the service



Mercari Hallo home screen showing job openings for beginners

### Partner Acquisition

- Move ahead with service/system integration customized to individual companies and industries to meet the needs of partners
- Leverage generative AI to reduce the work involved in posting job listings



## 4 Fintech—Business Objectives

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### Objectives

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

### Increasing Users Through *Mercard*

Continue to increase *Merpay* users mainly by increasing *Mercard* holders

### Increasing Usage Amount Per User

Increase usage of payment/credit through initiatives such as encouraging users to make *Mercard* their main card and to convert to *Mercard Gold*

### Leveraging Partnerships

Expand features that contribute to enhancing ease-of-use by integrating with external services in addition to inhouse development

### Increasing Mercard Holders

- The number of issued Mercards exceeded 5 million as of July; will continue to aim to acquire more cardholders focused on *Mercari's* 18 million identity-verified users



### Increasing Usage Amount

- Aim to increase everyday usage of payment/credit services through *Mercard Gold*, which has a high credit limit and stronger incentives for external payments, and expansion of scope of installment payment availability



Began offering installment payments for payments outside of *Mercari* on June 30, 2025

### Partnerships

- Leverage partnerships to realize flexible feature expansion; through collaboration between Mercoin and Coincheck, Inc., will expand the types of cryptoassets that can be traded, increase transaction volume, and promote diversification of revenue sources



Objectives

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

**Enhancing the Product's  
Core Experience**

Realize exceptional ease of use and safety with updates to the UI/UX leveraging AI and strengthening anti-fraud measures

**Distinguishing *Mercari* from  
Competitors by Using  
Category-Specific Strategies**

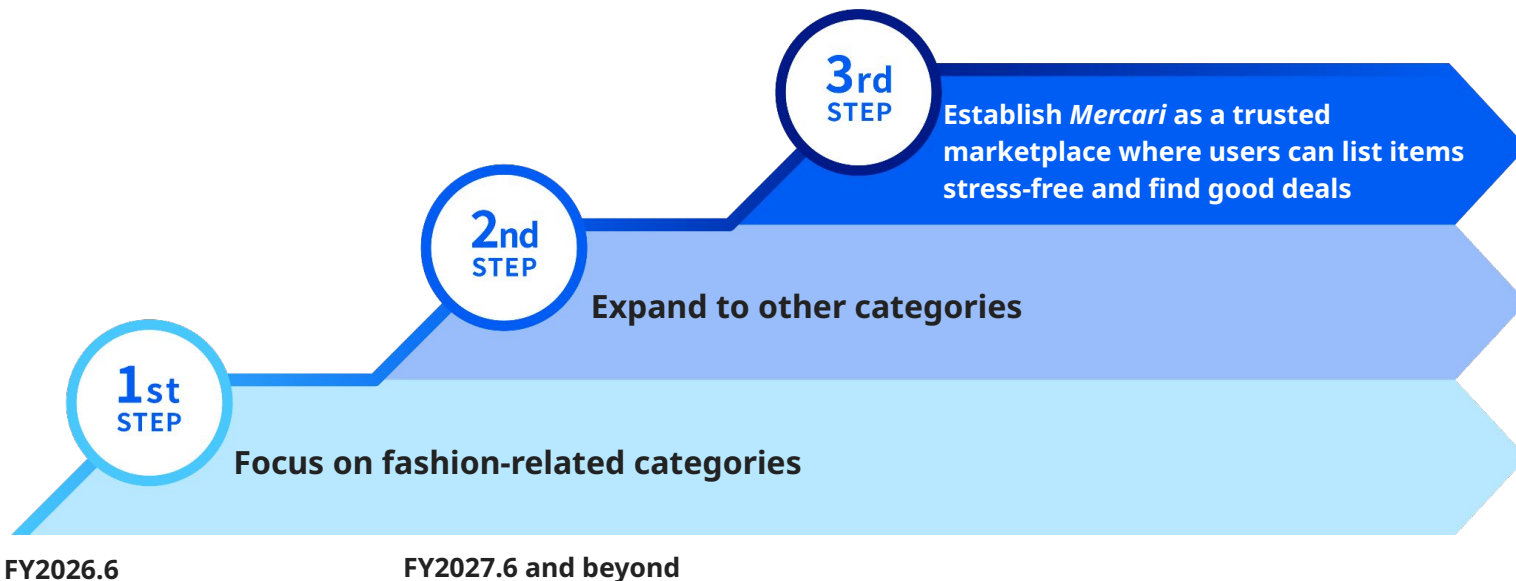
Offer competitive shipping options and carry out initiatives to increase trust in *Mercari*, mainly in *Mercari's* flagship fashion-related categories



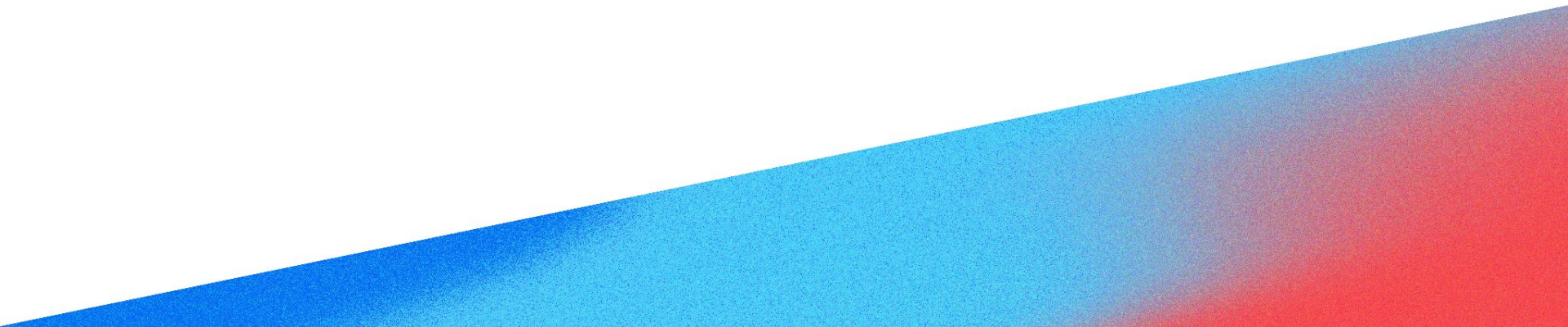
## 4 US—Category-Specific Strategies

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- To firmly distinguish *Mercari* from our competitors in fashion categories, which have the highest GMV share, we will offer competitive shipping options and carry out initiatives such as a proof-of-concept of a clothing exchange program in FY2026.6
- In the mid-to-long term, will aim to expand to other categories



# Financial Policy



## 5 Approach to Capital Allocation

mercari

- 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

## 5 Dividends from US Subsidiary

- We published a timely disclosure on the same date that we released the FY2025.6 Q4 financial results

### Recording of Corporate Income Tax Expense (Benefit)

- As the amount of equity required to be held according to US laws has decreased and our US business has recorded a profit, Mercari, Inc. (US), which operates our US business, paid dividends to its parent company from its capital surplus as part of its capital policy
- As a result, a portion of the loss on valuation of shares of subsidiaries and associates that was added from a taxation standpoint in previous fiscal years has been acknowledged, and Mercari, Inc. (US) recorded a corporate income tax expense (benefit) of 8.3 billion JPY for FY2025.6
- The amount of dividends has been calculated from the perspective of financial soundness compared to the decreased amount of equity required to be held according to US laws; Mercari, Inc. (US) may pay additional dividends in FY2026.6 and beyond based on its financial situation

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# Presentation Material

FY2025.6



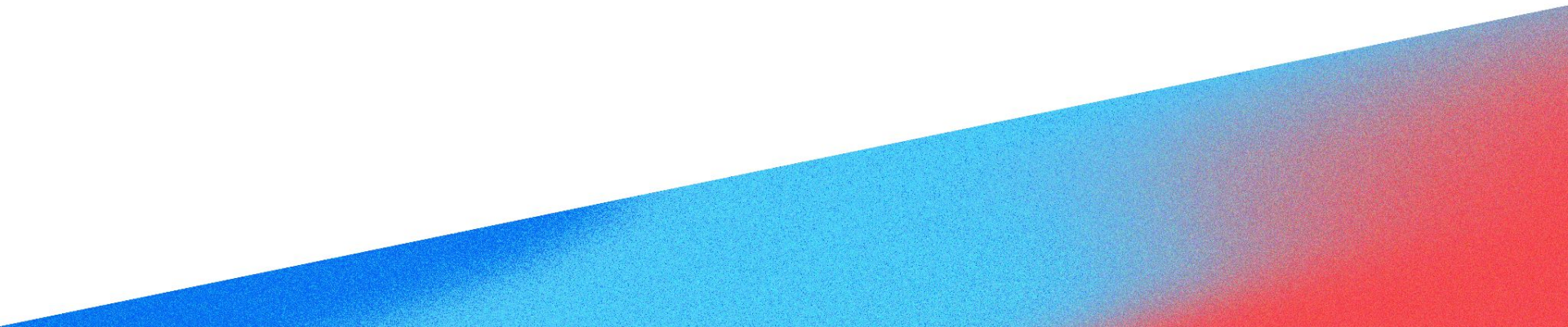


# 報道関係者向け質疑応答

※会場準備中のため、少々お待ち下さい

※決算説明会ではここまで  
以下スライドは、IRサイトでの資料掲載のみ

# Appendix





- Appointing Outside Directors with a wealth of knowledge and experience in a variety of areas to realize a transparent and highly diverse organization

## 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 Outside Directors (8)



**Makiko Shinoda**

Chair of the Compensation Committee



**Takuya Kitagawa**



**Daiken Tsunoda**

Chair of the Audit Committee



**Kazuhiko Toyama**

Chair of the Nominating Committee



**Shiho Konno**



**Kumi Fujisawa**



**Mayumi Umezawa**



**Kikka Hanazawa**

# Governance Structure (Independent Outside Directors)



**Makiko Shinoda**  
Chair of the Compensation  
Committee



**Takuya Kitagawa**



**Daiken Tsunoda**  
Chair of the Audit  
Committee

## Background

- 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)
- Managing Executive Officer, Chief Data Officer of Technology Division of Rakuten, Inc.
- Director of Rakuten Data Marketing, Inc.
- Co-founder and Director, Public Interest Well-being for Planet Earth Foundation (current position)
- President and Director, QuEra Computing (current position)
- Representative Director, President of QuEra Computing Japan, Inc. (current position)
- Partner of Mori Sogo (Now: Mori Hamada & Matsumoto)
- Partner of Nakamura & Tsunoda (currently Nakamura, Tsunoda & Matsumoto)
- Outside Corporate Auditor of INES Corporation
- Outside Corporate Auditor and Outside Director of Mitsui Sumitomo Insurance Group Holdings, Incorporated (currently MS&AD Insurance Group Holdings, Inc.)
- Outside Director of Culture Convenience Club Co., Ltd. (current position)
- Outside Director of Eisai Co., Ltd.
- Outside Director (Member of the Audit and Supervisory Committee) of Sumitomo Mitsui Banking Corporation (Audit & Supervisory Committee Member) (current position)
- Established Daiken Tsunoda Law Office, Lawyer (current position)

## Reasons for Selection as Outside Directors

- Professional knowledge and deep experience in I&D, sustainability, finance, etc.
- 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
- Expert knowledge in the areas of corporate law and governance
- Extensive knowledge and profound insight in the areas of risk management and compliance



**Kazuhiko Toyama**  
Chair of the Nominating  
Committee



**Shiho Konno**



**Kumi Fujisawa**

## 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)

- 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)
- Member of the Board of Monex Group, Inc.
- Outside Director of LXIL Corporation (current position)
- Outside Audit & Supervisory Board Member of Pegasus Tech Holdings, Inc. (current position)

- 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.
- 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. (current position)
- 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)

## Reasons for Selection as Outside Directors

- Extensive knowledge and deep insight in the areas of management and corporate governance
- Deep experience in promoting innovation to solve social issues

- 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

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

# Governance Structure (Independent Outside Directors)



**Mayumi Umezawa**



**Kikka Hanazawa**

## Background

- 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 Outside Directors

- 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

- The greenhouse gas emission reduction targets set by our Group was approved as a science-based target by the Science Based Targets initiative (SBTi)
- In addition to Mercari's inclusion in five of the six ESG indices featuring Japanese companies adopted by GPIF, we responded to the climate change questionnaire provided by CDP for the first time and obtained a score of B

## Environment

- Signed a Sustainability Linked Loan<sup>1</sup> agreement with Mizuho Bank, Ltd.
- Provided Mercari's expertise to contribute to the Ministry of the Environment's Decokatsu<sup>2</sup> database

## Social

- Established the Mercari R4D Research Alliance Laboratory with Osaka University<sup>3</sup>
- Chosen as one of Interbrand's Best Japan Brands 2025
- Ranked as a top company in perceived developer experience as chosen by engineers for four consecutive years
- Percentage of women directors: 58.3%<sup>4</sup>
- Percentage of employees of foreign nationality: 29.7%<sup>4</sup>

## Governance

- Transitioned to a monitoring-type Board of Directors and enhanced effectiveness through transitioning to a Company with Three Committees
- Percentage of Outside Directors: 66%<sup>4</sup>

1. Signed after Mercari obtained third-party evaluation for conformance with the "Sustainability Linked Loan Principles" and "Green Loan and Sustainability-Linked Loan Guidelines"

2. A shortened form of "New and Prosperous Lifestyles toward Decarbonization," it is a new word created by combining portions of three words: the "de" of decarbonization (reduction of carbon dioxide [CO<sub>2</sub>]); the "eco" in ecologically friendly; and "katsu," which is part of the Japanese words for both activity (*katsudo*) and daily living (*seikatsu*)

3. Aiming to pave the way to a society that circulates all forms of value, which is Mercari's mission

4. As of June 30, 2025

# Major Itemization of Consolidated BS

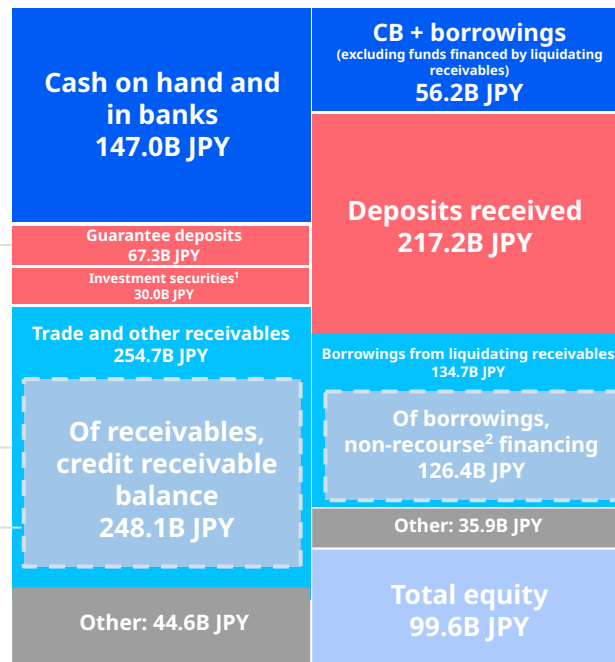
- We will continue to leverage various methods of financing and appropriately control our balance sheet to maintain a sound financial foundation

## 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 bonds 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 FY2023.6, we have carried out non-recourse<sup>2</sup> financing for a portion of liquidated receivables.

Total assets at end of FY2025.6 Q4: 543.7B JPY

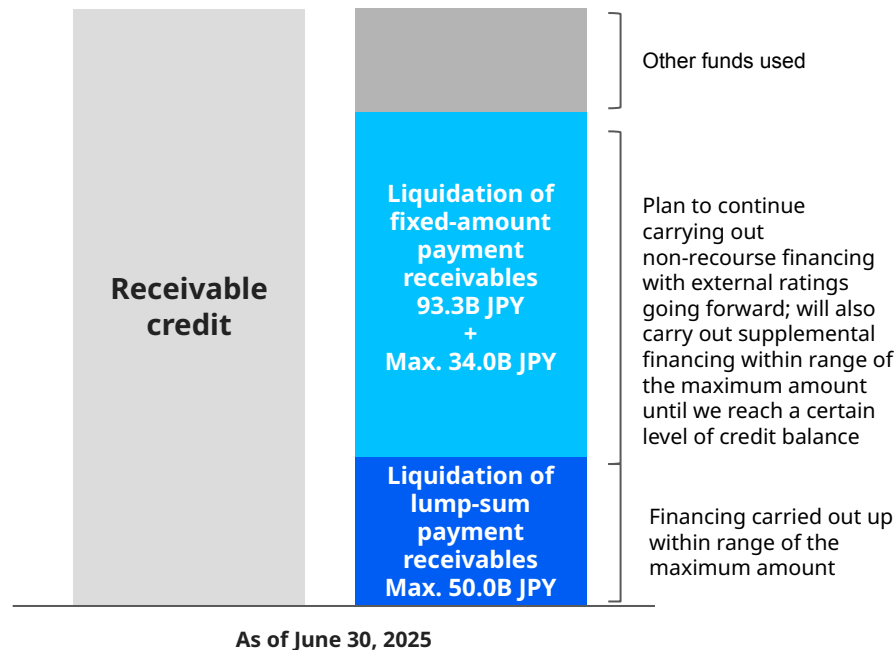
1. Among non-current assets, 30.0B of other financial assets falls under investment securities. In accordance with carrying out investment securities, Mercari Group is proceeding with refund processing for a portion of deposits, with the expectation that guarantee deposits will decrease as of the end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

# Approach to Financing for Credit Services

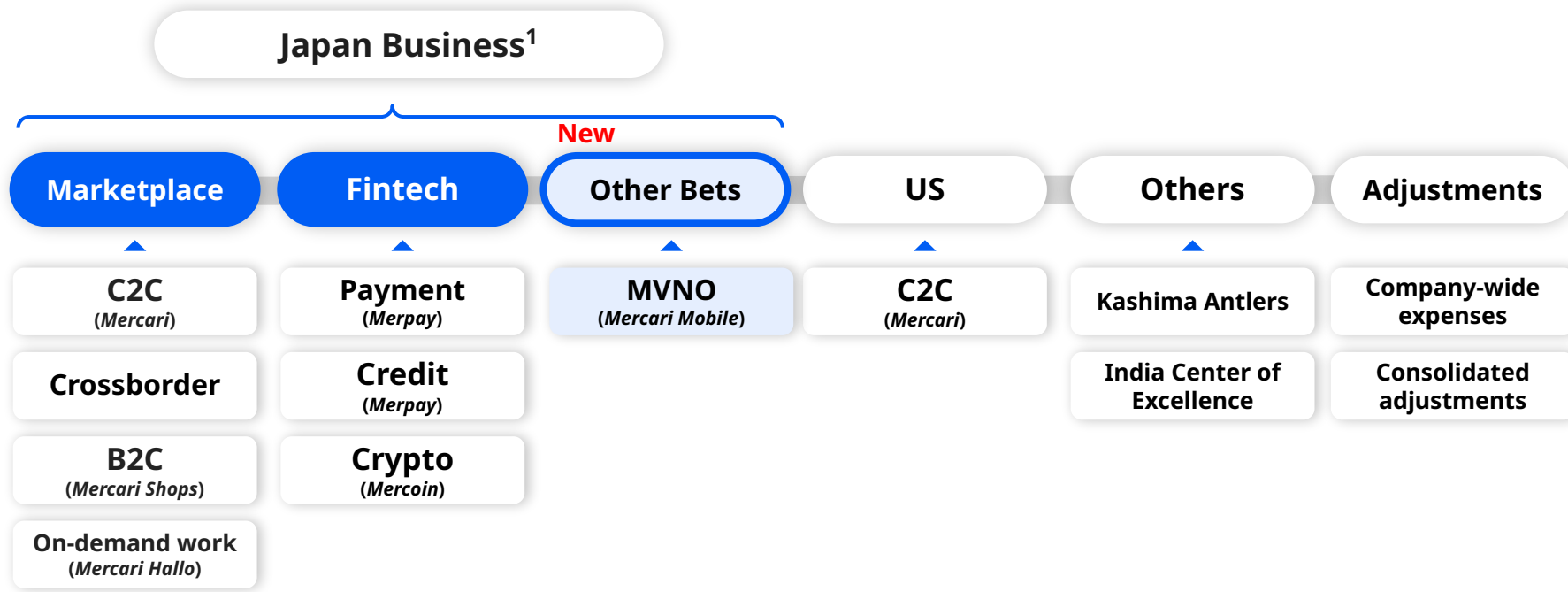
- We plan to expand and diversify financing in sync with the growth of our credit services centered on non-recourse<sup>1</sup> receivable liquidation, in which financing is based on confidence in the actual credit receivable for *Merpay Smart Payments*

- We have received an external rating for *Merpay Smart Payments* fixed-amount payment receivables and carried out non-recourse<sup>1</sup> financing for a total of 93.3B JPY as of the end of FY2025.6 Q4.
- 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

- We moved MVNO from Marketplace to a new segment under Japan Business<sup>1</sup> called “Other Bets,” established based on nature of profitability

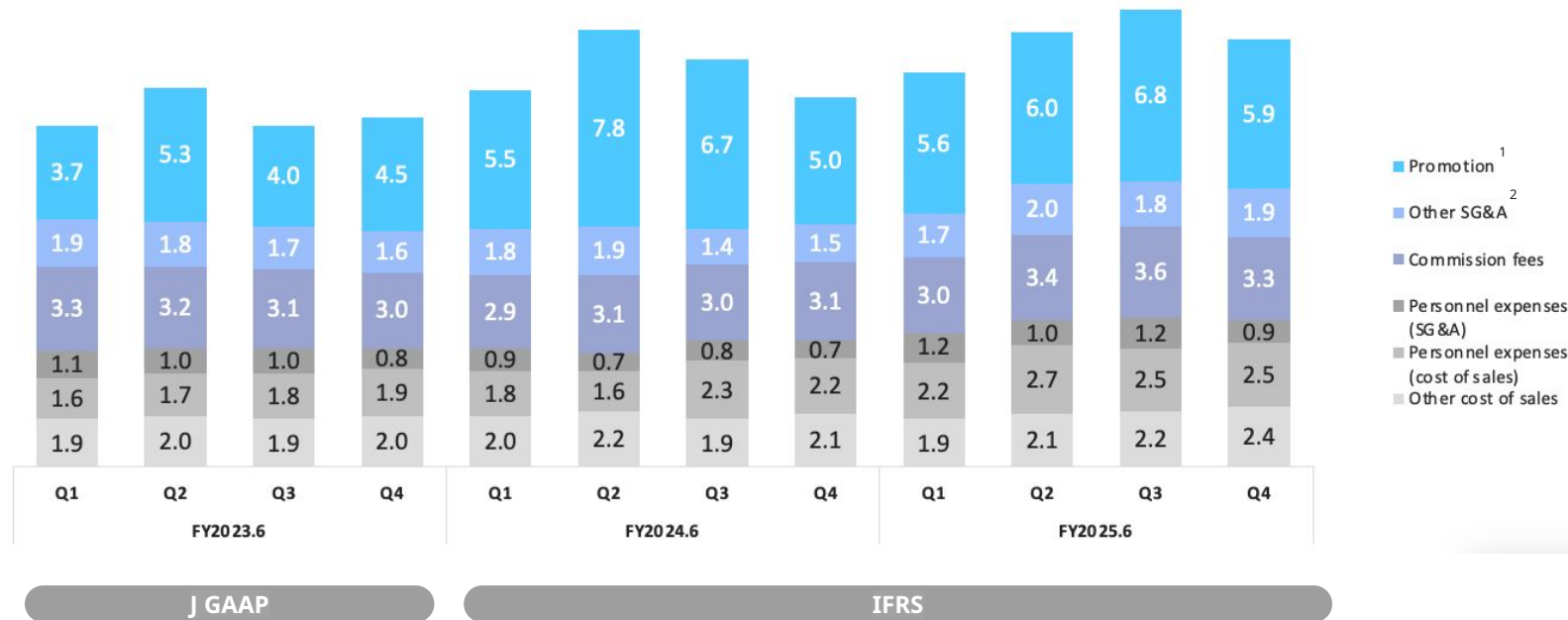


1. Renamed Japan Region to Japan Business in FY2026.6 Q1



# Marketplace—Cost Composition (Quarterly)

(Billion JPY)



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, land rent and depreciation, 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.

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**The FY2026.6 Q1 financial results are scheduled to be released at 15:30 or later on November 7, 2025.**

**mercari**

Mercari, Inc. TSE:4385