

# mercari

## Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 [IFRS]

August 5, 2025

Company name: Mercari, Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 4385

URL: <https://about.mercari.com/en/>

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Scheduled date of annual general meeting of shareholders: September 25, 2025

Scheduled date of filing annual securities report: September 24, 2025

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on annual financial results: Available

Schedule of annual financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (the “Period”) (July 1, 2024, to June 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                   | Revenue         |     | Core operating profit |      | Operating profit |      | Profit          |      | Profit attributable to owners of parent |      | Total comprehensive income |      |
|-------------------|-----------------|-----|-----------------------|------|------------------|------|-----------------|------|---|------|----------------------------|------|
| Fiscal year ended | Millions of yen | %   | Millions of yen       | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                         | %    | Millions of yen            | %    |
| June 30, 2025     | 192,633         | 2.8 | 27,574                | 46.1 | 27,840           | 59.2 | 26,178          | 94.6 | 26,114                                  | 94.0 | 26,153                     | 75.4 |
| June 30, 2024     | 187,407         | 9.0 | 18,869                | 12.9 | 17,486           | 6.7  | 13,455          | 3.1  | 13,461                                  | 2.7  | 14,906                     | 9.4  |

(Reference) Profit before tax: Fiscal year ended June 30, 2025: ¥29,120 million [62.8%]

Fiscal year ended June 30, 2024: ¥17,889 million [9.1%]

(Note) Core operating profit is calculated by deducting other income and other expenses from operating profit.

|                   | Basic earnings per share | Diluted earnings per share | Return on equity attributable to owners of parent | Ratio of profit before tax to total assets | Ratio of core operating profit to revenue |
|-------------------|--------------------------|----------------------------|---|--|---|
| Fiscal year ended | Yen                      | Yen                        | %   | %  | %   |
| June 30, 2025     | 159.05                   | 154.85                     | 30.5  | 5.6  | 14.3                                      |
| June 30, 2024     | 82.48                    | 79.01                      | 21.2  | 3.9  | 10.1                                      |

### (2) Consolidated Financial Position

|                     | Total assets    | Total equity    | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets | Equity attributable to owners of parent per share |
|---------------------|-----------------|-----------------|---|--|---|
|                     | Millions of yen | Millions of yen | Millions of yen                         | %  | Yen   |
| As of June 30, 2025 | 543,763         | 99,640          | 99,269                                  | 18.3   | 603.28  |
| As of June 30, 2024 | 501,773         | 72,145          | 71,836                                  | 14.3   | 438.33  |

# English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

## (3) Consolidated Cash Flows

|                                 | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at the end of period |
|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
|                                 | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                                |
| Fiscal year ended June 30, 2025 | (11,949)                             | (31,364)                             | 504                                  | 147,028  |
| June 30, 2024                   | (43,337)                             | (877)                                | 32,091                               | 191,998  |

## 2. Dividends

|   | Annual dividends |                 |                 |          |       | Total dividends | Payout ratio (Consolidated) | Ratio of dividends to equity attributable to owners of parent (Consolidated) |
|---|------------------|-----------------|-----------------|----------|-------|-----------------|-----------------------------|--|
|   | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total |                 |                             |  |
| Fiscal year ended                           | Yen              | Yen             | Yen             | Yen      | Yen   | Millions of yen | %                           | %  |
| June 30, 2024                               | -                | 0.00            | -               | 0.00     | 0.00  | -               | -                           | -  |
| June 30, 2025                               | -                | 0.00            | -               | 0.00     | 0.00  | -               | -                           | -  |
| Fiscal year ending June 30, 2026 (Forecast) | -                | 0.00            | -               | 0.00     | 0.00  |                 | -                           |  |

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2026 (July 1, 2025, to June 30, 2026)

(% indicates changes from the previous corresponding period.)

|                                  | Revenue         |        | Core operating profit |         |
|----------------------------------|-----------------|--------|-----------------------|---------|
|                                  | Millions of yen | %      | Millions of yen       | %       |
| Fiscal year ending June 30, 2026 | 200,000         | 3.8    | 28,000                | 1.5     |
|                                  | to 210,000      | to 9.0 | to 32,000             | to 16.1 |

**English Translation**

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**\* Notes:**

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Changes in accounting policies and changes in accounting estimates
- 1) Changes in accounting policies required by IFRS: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
- (3) Total number of issued shares (common stock)
- 1) Total number of issued shares at the end of the Period (including treasury stock):
 

|                |                    |
|----------------|--------------------|
| June 30, 2025: | 164,548,524 shares |
| June 30, 2024: | 163,889,610 shares |
  - 2) Total number of treasury stock at the end of the Period:
 

|                |            |
|----------------|------------|
| June 30, 2025: | 287 shares |
| June 30, 2024: | 196 shares |
  - 3) Average number of shares during the Period:
 

|                                  |                    |
|----------------------------------|--------------------|
| Fiscal year ended June 30, 2025: | 164,189,575 shares |
| Fiscal year ended June 30, 2024: | 163,220,957 shares |

**(Reference) Summary of Non-consolidated Financial Results****1. Non-consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (July 1, 2024, to June 30, 2025)****(1) Non-consolidated Operating Results** (% indicates changes from the previous corresponding period.)

|                   | Net sales       |     | Operating profit |        | Ordinary profit |        | Net profit      |       |
|-------------------|-----------------|-----|------------------|--------|-----------------|--------|-----------------|-------|
| Fiscal year ended | Millions of yen | %   | Millions of yen  | %      | Millions of yen | %      | Millions of yen | %     |
| June 30, 2025     | 111,511         | 3.4 | 22,352           | (1.1)  | 22,127          | (2.3)  | 20,674          | 111.5 |
| June 30, 2024     | 107,891         | 6.1 | 22,611           | (17.1) | 22,639          | (16.8) | 9,775           | 34.4  |

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Fiscal year ended | Yen                      | Yen                        |
| June 30, 2025     | 125.92                   | 122.60                     |
| June 30, 2024     | 59.89                    | 57.38                      |

**(2) Non-consolidated Financial Position**

|                     | Total assets    | Net assets      | Equity ratio | Net assets per share |
|---------------------|-----------------|-----------------|--------------|----------------------|
|                     | Millions of yen | Millions of yen | %            | Yen                  |
| As of June 30, 2025 | 165,478         | 90,000          | 53.8         | 541.52               |
| As of June 30, 2024 | 166,185         | 68,186          | 40.5         | 410.29               |

(Reference) Equity: As of June 30, 2025: ¥89,106 million

As of June 30, 2024: ¥67,242 million

\* Consolidated Financial Results are exempt from audits conducted by certified public accountants or audit firms.

\* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements, including the financial results forecast, contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance.

## Appendix

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Period

The Company's Group mission is to "circulate all forms of value to unleash the potential in all people." To realize this mission, during the fiscal year ended June 30, 2025, the Group set a policy of essentially aiming for top-line growth that will lead to increased profits and expanding businesses centered around Group synergy, and worked to achieve full-year consolidated revenue in the range of ¥200,000 million to ¥210,000 million and core operating profit in the range of ¥22,000 million to ¥25,000 million. As a result, while revenue was ¥192,633 million on a consolidated basis mainly due to the slowing of the growth rate of revenue for the Marketplace and US domains, core operating profit was ¥27,574 million, significantly exceeding the ¥25,000 million high end of the consolidated financial results forecast.

For the Marketplace domain, the Group worked to achieve stable growth in C2C transactions by implementing product initiatives such as AI/LLM-based UI/UX innovations, in conjunction with initiatives aimed at achieving strong growth in the high-growth areas of crossborder transactions, B2C transactions, and *Mercari Hallo*. The full-year GMV <sup>(Note 1)</sup> for the Marketplace domain was ¥1,120.9 billion, up 4% year-on-year due to the contribution of crossborder transactions and B2C transactions to top-line growth as well as the success of swift measures in response to fraudulent use, which affected user trust during the period, in order to keep GMV impact to a minimum. Adjusted core operating margin <sup>(Note 2)</sup> was 38%, inclusive of the investment in *Mercari Hallo*, thereby maintaining high profitability. The Group conducted efficient investment in *Mercari Hallo*, and the number of registered crew as well as the number of partner locations grew significantly over the year. The Group ended the no-fee promotion of its on-demand work business at the end of March and began charging fees from April.

In the Fintech domain, from the current fiscal year, the Group worked to shift operations to a phase of continuously increasing profit through the steady accumulation of credit balance. Full-year revenue continued to grow at a high rate of 15% year-on-year (18% year-on-year excluding the accounting treatment where a portion of point-related expenses is deducted from revenue) driven by the growth of fixed-amount payment credit, and core operating profit amounted to ¥4.5 billion due to the promotion of revenue-focused management. Also, amid credit balance <sup>(Note 3)</sup> reaching ¥248.1 billion and growing soundly, the collection rate <sup>(Note 4)</sup> maintained a high level of 99.3% as a result of strict credit control that utilizes the Group's unique AI credit check and other measures, realizing sound growth that balances growth and risk management. Additionally, in order to expand credit services both inside and outside *Mercari*, the Group also launched *Mercard Gold*.

As a result of the above, Japan Region reported revenue of ¥149,807 million (up 8.5% year-on-year) and segment profit of ¥34,860 million (up 13.7% year-on-year) for the fiscal year ended June 30, 2025.

In the US, the Group's objective was to commit to breaking even and aim to get back on track for growth. In the second half of the year, the Group shifted to focusing on strengthening the core product experience, and changed its fee model, resulting in signs of improvement in the GMV growth rate in Q4. As a result, full-year GMV for the current fiscal year was US\$728 million (¥109.1 billion; the exchange rate conversion is the total of the amounts calculated for each month using the average rate during the month), and revenue amounted to ¥36,418 million (down 16.6% year-on-year). The segment profit amounted to ¥737 million (compared to a segment loss of ¥5,293 million in the corresponding period of the previous fiscal year) due to improved unit economics resulting from the strengthening of the core product experience, as well as optimization of marketing expenses and further review of fixed costs, resulting in achieving profitability for the current fiscal year.

As a result, for the fiscal year ended June 30, 2025, the Group recorded revenue of ¥192,633 million (2.8% increase year-on-year), operating profit of ¥27,840 million (59.2% increase year-on-year), and profit attributable to owners of parent of ¥26,114 million (94.0% increase year-on-year).

(Note 1) GMV (Gross Merchandise Value) is the total value of merchandise sold during a specified period. GMV does not include *Mercari Hallo* earnings.

(Note 2) Refers to figures after deducting internal transactions between Marketplace and Fintech (outsourced payment processing fees).

(Note 3) *Merpay Smart Payments* (lump-sum, fixed-amount payment, and installment payment) and *Merpay Smart Money* credit balance as of June 30, 2025 (excludes debt converted into bankruptcy reorganization debt, etc.).

(Note 4) Average aggregated rate of the quarterly cumulative collections completed within the past 11 months compared to the amount of *Merpay Smart Payments* (lump-sum payment and fixed-amount payment) and *Merpay Smart Money* billed in the past 11 months (excludes debt converted into bankruptcy reorganization debt, etc.).

## (2) Overview of Financial Position for the Period

### (Assets)

Total assets at the end of the current fiscal year increased by ¥41,990 million from the end of the previous fiscal year to ¥543,763 million.

The main reasons for any increases and decreases are as follows.

- The main reasons for any increases and decreases in cash and cash equivalents are outlined in the Overview of Cash Flows for the Period section below.
- Trade and other receivables increased by ¥59,291 million compared to the end of the previous fiscal year, primarily due to an increase in use of *Merpay Smart Payments* (lump-sum payment, fixed-amount payment, and installment payment).
- Right-of-use assets increased by ¥5,086 million compared to the end of the previous fiscal year mainly due to new lease agreements.
- Guarantee deposits decreased by ¥14,284 million from the end of the previous fiscal year, primarily due to the return of deposits for *Merpay*.
- Other financial assets (non-current assets) increased by ¥32,339 million compared to the end of the previous fiscal year, primarily due to the conversion of a portion of monetary deposits in the money transfer business to government bond deposits, with the aim of improving financial efficiency across the Group, resulting in an increase in government bonds (investment securities).

### (Liabilities)

Total liabilities at the end of the current fiscal year increased by ¥14,495 million from the end of the previous fiscal year to ¥444,122 million.

The main reasons for any increases and decreases are as follows.

- Trade and other payables decreased by ¥6,511 million from the end of the previous fiscal year due to payment of accounts payable.
- Borrowings (current liabilities) increased by ¥8,528 million from the end of the previous fiscal year, primarily due to changes in the liquidation of receivables for lump-sum payments and fixed-amount payments.
- Deposits received increased by ¥16,147 million from the end of the previous fiscal year, primarily due to higher spending on *Mercari* and *Merpay*.
- Bonds and borrowings (non-current liabilities) decreased by ¥7,509 million from the end of the previous fiscal year, primarily due to the redemption of bonds.
- Lease liabilities increased by ¥5,048 million from the end of the previous fiscal year mainly due to new lease agreements.

### (Equity)

Total equity at the end of the current fiscal year increased by ¥27,495 million from the end of the previous fiscal year to ¥99,640 million.

The main reasons for any increases and decreases are as follows.

- Share capital increased by ¥827 million from the end of the previous fiscal year following the issuance of new shares.
- Capital surplus increased by ¥806 million from the end of the previous fiscal year following the issuance of new shares and share-based payment transactions.
- Retained earnings increased by ¥26,111 million from the end of the previous fiscal year primarily due to the recording of profit attributable to owners of parent.

### (3) Overview of Cash Flows for the Period

Cash and cash equivalents (hereinafter referred to as “cash”) for the current fiscal year decreased by ¥44,969 million from the end of the previous fiscal year and amounted to ¥147,028 million at the end of the current fiscal year.

The status of cash flows and their contributing factors for the current fiscal year are as follows.

#### (Cash flows from operating activities)

Cash used in operating activities during the current fiscal year amounted to ¥11,949 million (compared to ¥43,337 million used in the previous fiscal year). This is primarily attributable to profit before tax of ¥29,120 million, gain on redemption of bonds of ¥1,113 million, an increase in trade and other receivables of ¥59,505 million, a decrease in trade and other payables of ¥6,396 million, an increase in deposits received of ¥17,733 million, a decrease in guarantee deposits (proceeds from return of deposits) of ¥14,280 million, and income taxes paid of ¥4,096 million.

#### (Cash flows from investing activities)

Cash used in investing activities during the current fiscal year amounted to ¥31,364 million (compared to ¥877 million used in the previous fiscal year). This is attributable to purchase of investment securities of ¥30,454 million, purchase of property, plant and equipment of ¥300 million, and payments of leasehold and guarantee deposits of ¥606 million.

#### (Cash flows from financing activities)

Cash provided by financing activities during the current fiscal year amounted to ¥504 million (compared to ¥32,091 million provided in the previous fiscal year). This is primarily attributable to net increase (decrease) in short-term borrowings of ¥2,065 million, proceeds of ¥46,200 million from long-term borrowings, redemption of bonds and repayments of long-term borrowings of ¥46,463 million, and repayments of lease liabilities of ¥1,312 million.

### (4) Future Outlook

Toward achieving the Group mission, the Group’s policy is to continue to essentially aim for top-line growth that will lead to increased profits. For the fiscal year ending June 30, 2026, consolidated revenue is forecast to be between ¥200.0 billion and ¥210.0 billion (up 3.8–9.0% year-on-year) and consolidated core operating profit between ¥28.0 billion and ¥32.0 billion (up 1.5–16.1% year-on-year).

English Translation

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2. Basic Policy Regarding Selection of Accounting Standards

The Group has voluntarily adopted International Financial Reporting Standards (IFRS) to improve international comparability and usability of financial information.



**English Translation**

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**3. Consolidated Financial Statements and Primary Notes****(1) Consolidated Financial Position****(Millions of yen)**

|                                 | As of June 30, 2024 | As of June 30, 2025 |
|---------------------------------|---------------------|---------------------|
| <b>Assets</b>                   |                     |                     |
| <b>Current assets</b>           |                     |                     |
| Cash and cash equivalents       | 191,998             | 147,028             |
| Trade and other receivables     | 195,437             | 254,728             |
| Deposits paid                   | 3,764               | 6,370               |
| Other financial assets          | 1,543               | 1,195               |
| Other current assets            | 9,289               | 10,918              |
| <b>Total current assets</b>     | <u>402,033</u>      | <u>420,241</u>      |
| <b>Non-current assets</b>       |                     |                     |
| Property, plant and equipment   | 1,472               | 1,428               |
| Right-of-use assets             | 3,477               | 8,563               |
| Intangible assets               | 570                 | 1,270               |
| Deferred tax assets             | 8,350               | 8,478               |
| Guarantee deposits              | 81,612              | 67,328              |
| Other financial assets          | 3,268               | 35,607              |
| Other non-current assets        | 988                 | 845                 |
| <b>Total non-current assets</b> | <u>99,739</u>       | <u>123,522</u>      |
| <b>Total assets</b>             | <u>501,773</u>      | <u>543,763</u>      |

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(Millions of yen)

|  | As of June 30, 2024 | As of June 30, 2025 |
|--|---------------------|---------------------|
| <b>Liabilities and equity</b>                  |                     |                     |
| <b>Liabilities</b>                             |                     |                     |
| <b>Current liabilities</b>                     |                     |                     |
| Trade and other payables                       | 21,560              | 15,049              |
| Borrowings                                     | 65,668              | 74,196              |
| Lease liabilities                              | 1,163               | 1,450               |
| Income taxes payable                           | 1,433               | 718                 |
| Deposits received                              | 201,121             | 217,268             |
| Other financial liabilities                    | 1,363               | 1,834               |
| Other current liabilities                      | 10,232              | 8,992               |
| <b>Total current liabilities</b>               | <u>302,543</u>      | <u>319,511</u>      |
| <b>Non-current liabilities</b>                 |                     |                     |
| Bonds and borrowings                           | 124,263             | 116,754             |
| Lease liabilities                              | 2,214               | 6,975               |
| Provisions                                     | 382                 | 666                 |
| Deferred tax liabilities                       | 95                  | 88                  |
| Other non-current liabilities                  | 127                 | 124                 |
| <b>Total non-current liabilities</b>           | <u>127,084</u>      | <u>124,610</u>      |
| <b>Total liabilities</b>                       | <u>429,627</u>      | <u>444,122</u>      |
| <b>Equity</b>                                  |                     |                     |
| Share capital                                  | 47,349              | 48,176              |
| Capital surplus                                | 50,192              | 50,998              |
| Retained earnings                              | (29,125)            | (3,014)             |
| Treasury shares                                | (0)                 | (0)                 |
| Other components of equity                     | 3,422               | 3,109               |
| <b>Equity attributable to owners of parent</b> | <u>71,836</u>       | <u>99,269</u>       |
| <b>Non-controlling interests</b>               | <u>308</u>          | <u>371</u>          |
| <b>Total equity</b>                            | <u>72,145</u>       | <u>99,640</u>       |
| <b>Total liabilities and equity</b>            | <u>501,773</u>      | <u>543,763</u>      |

English Translation

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(2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income  
(Consolidated Statement of Profit or Loss)

(Millions of yen)

|  | For the fiscal year<br>ended June 30, 2024 | For the fiscal year<br>ended June 30, 2025 |
|--|--|--|
| Revenue                                      | 187,407                                    | 192,633                                    |
| Cost of sales                                | <u>57,676</u>                              | <u>54,374</u>                              |
| Gross profit                                 | 129,730                                    | 138,258                                    |
| Selling, general and administrative expenses | 110,861                                    | 110,684                                    |
| Other income                                 | 598  | 920  |
| Other expenses                               | <u>1,981</u>                               | <u>654</u>                                 |
| Operating profit                             | 17,486                                     | 27,840                                     |
| Finance income                               | 891  | 1,948                                      |
| Finance costs                                | <u>488</u>                                 | <u>668</u>                                 |
| Profit before tax                            | 17,889                                     | 29,120                                     |
| Income tax expense                           | <u>4,433</u>                               | <u>2,941</u>                               |
| Profit                                       | <u>13,455</u>                              | <u>26,178</u>                              |
| Profit attributable to                       |  |  |
| Owners of parent                             | 13,461                                     | 26,114                                     |
| Non-controlling interests                    | <u>(6)</u>                                 | <u>64</u>                                  |
| Profit                                       | <u>13,455</u>                              | <u>26,178</u>                              |
| Earnings per share                           |  |  |
| Basic earnings per share (yen)               | 82.48                                      | 159.05                                     |
| Diluted earnings per share (yen)             | 79.01                                      | 154.85                                     |

**English Translation**

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**(Consolidated Statement of Comprehensive Income)****(Millions of yen)**

|  | For the fiscal year<br>ended June 30, 2024 | For the fiscal year<br>ended June 30, 2025 |
|--|--|--|
| Profit   | 13,455                                     | 26,178                                     |
| Other comprehensive income (after considering tax effects)   |  |  |
| Items that will not be reclassified to profit or loss  |  |  |
| Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income | 463  | 962  |
| Items that may be reclassified to profit or loss   |  |  |
| Exchange differences on translation of foreign operations  | 614  | (467)                                      |
| Effective portion of change in fair value of cash flow hedges  | 373  | (519)                                      |
| Total other comprehensive income (after considering tax effects)   | 1,451                                      | (24)                                       |
| Comprehensive income   | 14,906                                     | 26,153                                     |
| Comprehensive income attributable to   |  |  |
| Owners of parent   | 14,911                                     | 26,090                                     |
| Non-controlling interests  | (4)  | 62   |
| Comprehensive income   | 14,906                                     | 26,153                                     |

English Translation

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(3) Consolidated Statement of Changes in Equity  
For the fiscal year ended June 30, 2024

(Millions of yen)

|   | Equity attributable to owners of parent |                 |                   |                 | Other components of equity |   |
|---|---|-----------------|-------------------|-----------------|----------------------------|---|
|   | Share capital                           | Capital surplus | Retained earnings | Treasury shares | Share acquisition rights   | Exchange differences on translation of foreign operations |
|   |   |                 |                   |                 |                            |   |
| Balance as of July 1, 2023                                    | 45,596                                  | 49,706          | (42,777)          | (0)             | 2,272                      | 694   |
| Profit  |   |                 | 13,461            |                 |                            |   |
| Other comprehensive income                                    |   |                 |                   |                 |                            | 614   |
| Comprehensive income  | —                                       | —               | 13,461            | —               | —                          | 614   |
| Issuance of shares  | 1,752                                   | (346)           |                   |                 | (1,178)                    |   |
| Purchase of treasury shares                                   |   |                 |                   | (0)             |                            |   |
| Share-based payment transactions                              |   | 832             |                   |                 | 520                        |   |
| Transfer from other components of equity to retained earnings |   |                 | 190               |                 |                            |   |
| Total transactions with owners                                | 1,752                                   | 485             | 190               | (0)             | (658)                      | —   |
| Balance as of June 30, 2024                                   | 47,349                                  | 50,192          | (29,125)          | (0)             | 1,613                      | 1,308   |

|   | Equity attributable to owners of parent                       |  |         |   |                           |              |
|---|---|--|---------|---|---------------------------|--------------|
|   | Other components of equity                                    |  |         | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|   | Effective portion of change in fair value of cash flow hedges | Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income | Total   |   |                           |              |
| Balance as of July 1, 2023                                    | 159   | (305)  | 2,821   | 55,346  | 313                       | 55,659       |
| Profit  |   |  |         | 13,461  | (6)                       | 13,455       |
| Other comprehensive income                                    | 371   | 463  | 1,449   | 1,449   | 1                         | 1,451        |
| Comprehensive income  | 371   | 463  | 1,449   | 14,911  | (4)                       | 14,906       |
| Issuance of shares  |   |  | (1,178) | 226   |                           | 226          |
| Purchase of treasury shares                                   |   |  |         | (0)   |                           | (0)          |
| Share-based payment transactions                              |   |  | 520     | 1,352   |                           | 1,352        |
| Transfer from other components of equity to retained earnings |   | (190)  | (190)   | —   |                           | —            |
| Total transactions with owners                                | —   | (190)  | (848)   | 1,579   | —                         | 1,579        |
| Balance as of June 30, 2024                                   | 531   | (32)   | 3,422   | 71,836  | 308                       | 72,145       |

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

For the fiscal year ended June 30, 2025

(Millions of yen)

|   | Equity attributable to owners of parent |                 |                   |                 | Other components of equity |   |
|---|---|-----------------|-------------------|-----------------|----------------------------|---|
|   | Share capital                           | Capital surplus | Retained earnings | Treasury shares | Share acquisition rights   | Exchange differences on translation of foreign operations |
|   |   |                 |                   |                 |                            |   |
| Balance as of July 1, 2024  | 47,349                                  | 50,192          | (29,125)          | (0)             | 1,613                      | 1,308   |
| Profit  |   |                 | 26,114            |                 |                            |   |
| Other comprehensive income  |   |                 |                   |                 |                            | (467)   |
| Comprehensive income  | —                                       | —               | 26,114            | —               | —                          | (467)   |
| Issuance of shares  | 827                                     | 212             |                   |                 | (1,024)                    |   |
| Purchase of treasury shares   |   |                 |                   | (0)             |                            |   |
| Share-based payment transactions  |   | 733             |                   |                 | 731                        |   |
| Transfer from other components of equity to retained earnings           |   |                 | (3)               |                 |                            |   |
| Redemption of convertible-bond-type bonds with stock acquisition rights |   | (139)           |                   |                 |                            |   |
| Total transactions with owners  | 827                                     | 806             | (3)               | (0)             | (292)                      | —   |
| Balance as of June 30, 2025   | 48,176                                  | 50,998          | (3,014)           | (0)             | 1,321                      | 840   |

|   | Equity attributable to owners of parent                       |  |         |   |                           |              |
|---|---|--|---------|---|---------------------------|--------------|
|   | Other components of equity                                    |  |         |   |                           | Total equity |
|   | Effective portion of change in fair value of cash flow hedges | Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income | Total   | Total equity attributable to owners of parent | Non-controlling interests |              |
| Balance as of July 1, 2024  | 531   | (32)   | 3,422   | 71,836  | 308                       | 72,145       |
| Profit  |   |  |         | 26,114  | 64                        | 26,178       |
| Other comprehensive income  | (519)   | 963  | (23)    | (23)  | (1)                       | (24)         |
| Comprehensive income  | (519)   | 963  | (23)    | 26,090  | 62                        | 26,153       |
| Issuance of shares  |   |  | (1,024) | 15  |                           | 15           |
| Purchase of treasury shares   |   |  |         | (0)   |                           | (0)          |
| Share-based payment transactions  |   |  | 731     | 1,465   |                           | 1,465        |
| Transfer from other components of equity to retained earnings           |   | 3  | 3       | —   |                           | —            |
| Redemption of convertible-bond-type bonds with stock acquisition rights |   |  |         | (139)   |                           | (139)        |
| Total transactions with owners  | —   | 3  | (289)   | 1,341   | —                         | 1,341        |
| Balance as of June 30, 2025   | 12  | 934  | 3,109   | 99,269  | 371                       | 99,640       |

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(4) Consolidated Statement of Cash Flows

(Millions of yen)

|  | For the fiscal year<br>ended June 30, 2024 | For the fiscal year<br>ended June 30, 2025 |
|--|--|--|
| Cash flows from operating activities                         |  |  |
| Profit before tax  | 17,889                                     | 29,120                                     |
| Depreciation and amortization                                | 2,042                                      | 1,831                                      |
| Gain on redemption of bonds                                  | —  | (1,113)                                    |
| Interest and dividend income                                 | (891)                                      | (825)                                      |
| Interest expenses  | 202  | 500  |
| Decrease (increase) in trade and other receivables           | (68,635)                                   | (59,505)                                   |
| Change in deposits paid                                      | (970)                                      | (2,678)                                    |
| Increase (decrease) in trade and other payables              | 501  | (6,396)                                    |
| Change in deposits received                                  | 35,887                                     | 17,733                                     |
| Other  | (286)                                      | (1,418)                                    |
| Subtotal   | (14,260)                                   | (22,754)                                   |
| Interest received  | 837  | 783  |
| Interest paid  | (202)                                      | (309)                                      |
| Change in guarantee deposits                                 | (20,000)                                   | 14,280                                     |
| Income taxes paid  | (10,274)                                   | (4,096)                                    |
| Income taxes refund  | 523  | 112  |
| Other  | 38   | 34   |
| Net cash provided by (used in) operating activities          | (43,337)                                   | (11,949)                                   |
| Cash flows from investing activities                         |  |  |
| Purchase of investment securities                            | (1,526)                                    | (30,454)                                   |
| Purchase of property, plant and equipment                    | (155)                                      | (300)                                      |
| Proceeds from refund of leasehold and guarantee deposits     | 531  | —  |
| Payments of leasehold and guarantee deposits                 | (33)                                       | (606)                                      |
| Other  | 306  | (3)  |
| Net cash provided by (used in) investing activities          | (877)                                      | (31,364)                                   |
| Cash flows from financing activities                         |  |  |
| Net increase (decrease) in short-term borrowings             | (15,835)                                   | 2,065                                      |
| Proceeds from issuance of bonds and long-term borrowings     | 51,000                                     | 46,200                                     |
| Redemption of bonds and repayments of long-term borrowings   | (1,888)                                    | (46,463)                                   |
| Proceeds from issuance of shares                             | 226  | 15   |
| Repayments of lease liabilities                              | (1,412)                                    | (1,312)                                    |
| Net cash provided by (used in) financing activities          | 32,091                                     | 504  |
| Effect of exchange rate changes on cash and cash equivalents | 2,299                                      | (2,160)                                    |
| Net increase (decrease) in cash and cash equivalents         | (9,823)                                    | (44,969)                                   |
| Cash and cash equivalents at the beginning of period         | 201,822                                    | 191,998                                    |
| Cash and cash equivalents at the end of period               | 191,998                                    | 147,028                                    |

(Note) In the Consolidated Statement of Cash Flows for the previous fiscal year, the “Payments of leasehold and guarantee deposits” previously included under “Other” in “Cash flows from investing activities” will be presented separately starting from the current fiscal year due to its increased materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified. As a result, in the Consolidated Statement of Cash Flows for the previous fiscal year, the ¥272 million previously presented under “Other” in “Cash flows from investing activities” has been reclassified as ¥33 million under “Payments of leasehold and guarantee deposits” and ¥306 million under “Other.”

**English Translation**

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

**(5) Notes to the Consolidated Financial Statements**

Notes on going concern assumption

Not applicable.

**Segment information****(1) Overview of reportable segments**

Financial information for Group operating segments separated according to business segment is available. This information is subject to periodic review to allow the Board of Directors and the Executive Committee to determine the distribution of management resources and to evaluate business results. The Group classifies the reportable segments as “Japan Region,” for which the Group operates its core business of the *Mercari* marketplace in Japan, and “US,” for which the Group operates the *Mercari* (US) marketplace app in the United States of America. The Group also proposes and determines Group strategies along these segment lines. There are no aggregated business segments when deciding the reportable segments.

Note that the principal information included in each reportable segment is as follows.

|              |             |   |
|--------------|-------------|---|
| Japan Region | Marketplace | Operation of a marketplace app in Japan                       |
|              | Fintech     | Payment-, finance-, and cryptoasset-related business in Japan |
| US           | Marketplace | Operation of a marketplace app in the US                      |

**(2) Information regarding profit or loss by reportable segments**

Intersegment revenue is based on actual market price.



English Translation

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For the fiscal year ended June 30, 2024

(Millions of yen)

|                                       | Reportable segments |         |         | Other<br>(Note 2) | Total   | Adjust-ments | Consoli-dated |
|---------------------------------------|---------------------|---------|---------|-------------------|---------|--------------|---------------|
|                                       | Japan<br>Region     | US      | Total   |                   |         |              |               |
| Revenue                               |                     |         |         |                   |         |              |               |
| Marketplace                           | 107,271             | 43,653  | 150,924 | –                 | 150,924 | –            | 150,924       |
| Fintech                               | 30,837              | –       | 30,837  | –                 | 30,837  | –            | 30,837        |
| Other                                 | –                   | –       | –       | 5,645             | 5,645   | –            | 5,645         |
| Total                                 | 138,108             | 43,653  | 181,762 | 5,645             | 187,407 | –            | 187,407       |
| Revenue from contracts with customers | 118,982             | 43,653  | 162,635 | 5,645             | 168,281 | –            | 168,281       |
| Revenue from other sources            | 19,126              | –       | 19,126  | –                 | 19,126  | –            | 19,126        |
| Total                                 | 138,108             | 43,653  | 181,762 | 5,645             | 187,407 | –            | 187,407       |
| Revenue from external customers       | 138,108             | 43,653  | 181,762 | 5,645             | 187,407 | –            | 187,407       |
| Intersegment revenue or transfers     | –                   | –       | –       | 1,559             | 1,559   | (1,559)      | –             |
| Total                                 | 138,108             | 43,653  | 181,762 | 7,204             | 188,966 | (1,559)      | 187,407       |
| Segment profit (loss)                 | 30,649              | (5,293) | 25,355  | 91                | 25,447  | (7,960)      | 17,486        |
| Finance income                        | –                   | –       | –       | –                 | –       | –            | 891           |
| Finance costs                         | –                   | –       | –       | –                 | –       | –            | 488           |
| Profit before tax                     | –                   | –       | –       | –                 | –       | –            | 17,889        |
| (Other items)                         |                     |         |         |                   |         |              |               |
| Depreciation and amortization         | 1,290               | 41      | 1,332   | 278               | 1,610   | 432          | 2,042         |

(Notes) 1. Total amount of the segment profit (loss) corresponds to operating profit described in the consolidated statements of income.

2. The “Other” column includes business segments that are not included in the reportable segments, such as the sports business.

3. Adjustments for segment profit (loss) mainly consist of general and administrative expenses that are not attributable to reportable segments.

4. For “US,” the amount of delivery revenue is recognized at the full amount of consideration received from the customer, which is recorded as ¥25,274 million.

5. “Revenue from external customers” includes revenue from contracts with customers and revenue from other sources. Revenue from other sources is primarily interest revenue in accordance with IFRS 9, which was ¥18,310 million. In addition, Mercoin, Inc. operates as a cryptoasset exchange service provider. For sales transactions conducted using cryptoassets, the amounts were accounted for as derivatives in accordance with IFRS 9, and the associated revenue amounted to ¥815 million.

6. The amounts for segment assets and liabilities are not disclosed here because they are not included in the periodic review for determining the distribution of management resources and evaluating business results.

English Translation

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For the fiscal year ended June 30, 2025

(Millions of yen)

|                                       | Reportable segments |        |         | Other<br>(Note 2) | Total   | Adjust-men<br>ts | Consoli-dat<br>ed |
|---------------------------------------|---------------------|--------|---------|-------------------|---------|------------------|-------------------|
|                                       | Japan<br>Region     | US     | Total   |                   |         |                  |                   |
| Revenue                               |                     |        |         |                   |         |                  |                   |
| Marketplace                           | 111,200             | 36,418 | 147,618 | –                 | 147,618 | –                | 147,618           |
| Fintech                               | 38,597              | –      | 38,597  | –                 | 38,597  | –                | 38,597            |
| Other                                 | 8                   | –      | 8       | 6,407             | 6,416   | –                | 6,416             |
| Total                                 | 149,807             | 36,418 | 186,225 | 6,407             | 192,633 | –                | 192,633           |
| Revenue from contracts with customers | 122,297             | 36,418 | 158,715 | 6,407             | 165,123 | –                | 165,123           |
| Revenue from other sources            | 27,509              | –      | 27,509  | –                 | 27,509  | –                | 27,509            |
| Total                                 | 149,807             | 36,418 | 186,225 | 6,407             | 192,633 | –                | 192,633           |
| Revenue from external customers       | 149,807             | 36,418 | 186,225 | 6,407             | 192,633 | –                | 192,633           |
| Intersegment revenue or transfers     | –                   | –      | –       | 1,801             | 1,801   | (1,801)          | –                 |
| Total                                 | 149,807             | 36,418 | 186,225 | 8,208             | 194,434 | (1,801)          | 192,633           |
| Segment profit (loss)                 | 34,860              | 737    | 35,597  | 385               | 35,983  | (8,143)          | 27,840            |
| Finance income                        | –                   | –      | –       | –                 | –       | –                | 1,948             |
| Finance costs                         | –                   | –      | –       | –                 | –       | –                | 668               |
| Profit before tax                     | –                   | –      | –       | –                 | –       | –                | 29,120            |
| (Other items)                         |                     |        |         |                   |         |                  |                   |
| Depreciation and amortization         | 1,121               | 26     | 1,148   | 300               | 1,449   | 381              | 1,831             |

(Notes) 1. Total amount of the segment profit corresponds to operating profit described in the consolidated statements of income.

2. The “Other” column includes business segments that are not included in the reportable segments, such as the sports business.
3. Adjustments for segment profit mainly consist of general and administrative expenses that are not attributable to reportable segments.
4. For “US,” the amount of delivery revenue is recognized at the full amount of consideration received from the customer, which is recorded as ¥20,431 million.
5. “Revenue from external customers” includes revenue from contracts with customers and revenue from other sources. Revenue from other sources is primarily interest revenue in accordance with IFRS 9, which was ¥25,804 million. In addition, Mercoin, Inc. operates as a cryptoasset exchange service provider. For sales transactions conducted using cryptoassets, the amounts were accounted for as derivatives in accordance with IFRS 9, and the associated revenue amounted to ¥1,705 million.
6. The amounts for segment assets and liabilities are not disclosed here because they are not included in the periodic review for determining the distribution of management resources and evaluating business results.

English Translation

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(3) Revenue from external customers by product and service category

This information is omitted because the same information is disclosed in the segment information.

(4) Information by region

This information is omitted because the same information is disclosed in the segment information.

The “Other” category consists entirely of domestic sales.

The information on non-current assets by region is omitted because the amount of non-current assets located in Japan accounts for the majority of non-current assets in the Consolidated Financial Position.

(5) Information about major customers

This information is omitted because, of revenue from external customers, there are no customers that account for 10% or more of revenue in the Consolidated Statement of Profit or Loss.

Per share information

(1) Basic earnings per share and diluted earnings per share

|                                  | For the fiscal year ended June 30,<br>2024 | For the fiscal year ended June 30,<br>2025 |
|----------------------------------|--|--|
| Basic earnings per share (yen)   | 82.48                                      | 159.05                                     |
| Diluted earnings per share (yen) | 79.01                                      | 154.85                                     |

(2) Basis for calculating basic earnings per share and diluted earnings per share

|  | For the fiscal year ended June 30,<br>2024 | For the fiscal year ended June 30,<br>2025 |
|--|--|--|
| Profit used to calculate basic earnings per share and diluted earnings per share   |  |  |
| Profit attributable to owners of parent (million yen)  | 13,461                                     | 26,114                                     |
| Amount not attributable to common shareholders of parent (million yen)   | —  | —  |
| Profit used to calculate basic earnings per share (million yen)  | 13,461                                     | 26,114                                     |
| Profit adjustment (million yen)  | —  | —  |
| Profit used to calculate diluted earnings per share (million yen)  | 13,461                                     | 26,114                                     |
| Weighted average number of shares of common stock used to calculate basic earnings per share and diluted earnings per share  |  |  |
| Weighted average number of shares of common stock used to calculate basic earnings per share (thousands of shares)           | 163,220                                    | 164,189                                    |
| Effect of dilutive potential common stock (thousands of shares)  | 7,153                                      | 4,449                                      |
| Weighted average number of shares of common stock used to calculate diluted earnings per share (thousands of shares)         | 170,374                                    | 168,639                                    |
| Outline of potential common stock excluded from the computation of diluted earnings per share due to its non-dilutive effect | —  | —  |

(Note) There were no significant transactions involving common stock or potential common stock between the end of the fiscal year and the date of approval of these consolidated financial statements.

**English Translation**

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**Significant subsequent events**

**(Government Bond Deposit)**

Our consolidated subsidiary, Merpay, Inc., pledged its government bonds as collateral as of July 10, 2025. The collateral amount is ¥30,000 million, which has been deposited with the Legal Affairs Bureau as issuance guarantee money in accordance with the Payment Services Act.