mercari

Consolidated Financial Results for the Three Months Ended September 30, 2025 [IFRS]

November 7, 2025

Company name: Mercari, Inc.
Stock exchange listing: Tokyo Stock Exchange
Code number: 4385
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Representative: Shintaro Yamada, Representative Executive Officer and CEO
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Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on financial results: Available
Schedule of financial results briefing session: None

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

1. Consolidated Financial Results for the Three Months Ended September 30, 2025 (the "Period") (July 1, 2025, to September 30, 2025)

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

	Revenue		Core operating profit		Operating profit		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	49,440	10.1	9,325	127.6	8,894	104.6	4,957	63.3
September 30, 2024	44,924	1.5	4,098	(13.1)	4,347	(2.9)	3,036	7.9

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2025	4,987	70.0	5,108	143.4	30.30	29.52
September 30, 2024	2,933	4.4	2,098	(34.9)	17.90	17.44

(Reference) Profit before tax
Three months ended September 30, 2025: ¥8,921 million [59.8%]
Three months ended September 30, 2024: ¥5,584 million [22.0%]
(Note) Core operating profit is calculated by deducting other income and other expenses from operating profit.

(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
	Millions of yen	Millions of yen	Millions of yen	%
As of September 30, 2025	556,794	105,157	104,815	18.8
As of June 30, 2025	543,763	99,640	99,269	18.3

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2025	–	0.00	–	0.00	0.00
Fiscal year ending June 30, 2026	–				
Fiscal year ending June 30, 2026 (Forecast)		0.00	–	0.00	0.00

(Note) Revisions to the forecasts of cash dividends most recently announced: No

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 to 210,000	3.8 to 9.0	28,000 to 32,000	1.5 to 16.1

(Note) Revisions to the forecasts of financial results most recently announced: No

*** 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 shares):

September 30, 2025:	164,701,971 shares
June 30, 2025:	164,548,524 shares

2) Total number of treasury shares at the end of the Period:

September 30, 2025:	287 shares
June 30, 2025:	287 shares

3) Average number of shares during the Period:

Three months ended September 30, 2025:	164,599,890 shares
Three months ended September 30, 2024:	163,935,390 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or audit firms: No

* Explanation of the proper use of financial results forecast and other notes
(Notice concerning forward-looking statements)
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. Details concerning the forward-looking statements are stated in “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Statements” on page 4 of the Appendix.

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.

Appendix

Table of Contents

1. Overview of Operating Results, etc.

Forward-looking matters described in the text were judged as of September 30, 2025.

(1) Overview of Operating Results for the Period

The Group has set its Group mission as "Circulate all forms of value to unleash the potential in all people," and is currently working to achieve it. For the current fiscal year, the Group has set range-based targets, aiming for full-year consolidated revenue in the range of ¥200,000 million to ¥210,000 million and core operating profit in the range of ¥28,000 million to ¥32,000 million. To that end, the Group has set a policy of essentially aiming for top-line growth that will lead to increased profits and expanding its business centered around creating Group synergy.

For the Marketplace domain, the Group is prioritizing enhancements to the core product experience and focusing on strengthening crossborder transactions, a high-growth area. Through this approach, the Group is working on building a foundation for accelerating the growth rate of GMV (Note 1) in the fiscal year ending June 30, 2027, and beyond. In the three months ended September 30, 2025, the Group started to see the results of initiatives related to safety and security, with a campaign to flatten shipping costs for small-package deliveries, which was conducted in August and September, that also contributed to performance. Growth in the Entertainment & Hobbies category was another factor of the steady start of GMV to ¥270.3 billion, up 5% year-on-year. In addition to an increase in revenue, a decrease in investment following a disciplined review of *Mercari Hallo* resulted in the high profitability of core operating profit, landing at ¥8.4 billion, an increase of ¥1.8 billion year-on-year. In addition, in order to expand operations to the global market, the global *Mercari* app (Note 2) was launched in Taiwan and Hong Kong on September 30, giving overseas users access to *Mercari* marketplace listings. In consideration of business conditions and the market environment, the Group has decided to discontinue the *Mercari Hallo* service as of December 18. The Company expects the impact on consolidated financial results of withdrawing from this business to be negligible.

In the Fintech domain, the Group is working to establish the foundation to become a product that is chosen by users for all payment/credit use cases. In the three months ended September 30, 2025, credit balance (Note 3) increased to ¥269.1 billion, largely supported by the sustained growth of fixed-amount payment and the increased use of installment payment both inside and outside of *Mercari*. Meanwhile, the collection rate (Note 4) was steady at 99.3% as a result of strict credit control that utilizes the Group's unique "AI credit" feature and other measures. As a result, revenue continued to grow at a high rate of 22% year-on-year (34% year-on-year excluding the accounting treatment where a portion of point-related expenses is deducted from revenue), and core operating profit amounted to ¥2.7 billion, an increase of ¥2.3 billion year-on-year.

As a result of the above, Japan Business (Note 5) reported revenue of ¥38,413 million (up 12.6% year-on-year) and segment profit and core operating profit of ¥10,962 million (up 55.0% year-on-year) for the three months ended September 30, 2025.

For the US business, enhancements to the core product experience, marketing initiatives, etc., are progressing favorably. These and other factors contributed to growth in categories such as Entertainment & Hobbies and Fashion, resulting in a turnaround to positive GMV growth from August. As a result, GMV for the *Mercari* (US) business for the three months ended September 30, 2025, increased 0.4% year-on-year to US$194 million (¥28.6 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 ¥9,560 million (up 1.9% year-on-year). Core operating profit increased ¥1.4 billion year-on-year to ¥600 million, and segment profit was ¥73 million (compared to a segment loss of ¥857 million in the corresponding period of the previous fiscal year), all while the Company offered competitive shipping options and conducted marketing focused on CRM measures and new user acquisition.

As a result, for the three months ended September 30, 2025, the Group recorded revenue of ¥49,440 million (10.1% increase year-on-year), operating profit of ¥8,894 million (104.6% increase year-on-year), and profit attributable to owners of parent of ¥4,987 million (70.0% 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) The global *Mercari app* is *Mercari*'s first app available around the world that enables overseas buyers to view and purchase products on Japan's *Mercari* marketplace and *Mercari Shops*. The global app solves issues dealing with language, payment, and other complicated procedures, allowing buyers to easily, safely, and securely use the app just like the Japanese version of

Mercari.

(Note 3) *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment) and *Merpay Smart Money* credit balance as of September 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 Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment) and *Merpay Smart Money* billed in the past 11 months (excludes debt converted into bankruptcy reorganization debt, etc.).

(Note 5) Effective from the three months ended September 30, 2025, the segment name "Japan Region" has been changed to "Japan Business." This change is only a change in the name of the reportable segment and has no impact on segment information.

(2) Overview of Financial Position for the Period

1) Assets, liabilities, and equity

(Assets)

Total assets as of September 30, 2025, increased by ¥13,031 million from the end of the previous fiscal year to ¥556,794 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 ¥19,563 million compared to the end of the previous fiscal year, primarily due to an increase in use of *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment).
- Guarantee deposits decreased by ¥27,498 million from the end of the previous fiscal year, primarily due to the return of deposits for *Merpay*.
- Other financial assets (current assets) increased by ¥20,565 million from the end of the previous fiscal year, primarily due to an increase in time deposits.

(Liabilities)

Total liabilities as of September 30, 2025, increased by ¥7,515 million from the end of the previous fiscal year to ¥451,637 million.

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

- Trade and other payables decreased by ¥1,108 million from the end of the previous fiscal year due to a decrease in accounts payable.
- Bonds and borrowings (current liabilities) increased by ¥28,247 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, and reclassification of a portion of convertible-bond-type bonds with stock acquisition rights to current liabilities.
- Bonds and borrowings (non-current liabilities) decreased by ¥23,383 million from the end of the previous fiscal year, primarily due to reclassification of a portion of convertible-bond-type bonds with stock acquisition rights to current liabilities.
- Deposits received increased by ¥4,502 million from the end of the previous fiscal year, primarily due to higher spending on *Mercari* and *Merpay*.

(Equity)

Total equity as of September 30, 2025, increased by ¥5,516 million from the end of the previous fiscal year to ¥105,157 million.

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

- Share capital increased by ¥175 million from the end of the previous fiscal year following the issuance of new shares.

- Capital surplus increased by ¥220 million from the end of the previous fiscal year following the issuance of new shares and share-based payment transactions.
- Retained earnings increased by ¥4,987 million from the end of the previous fiscal year primarily due to the recording of profit attributable to owners of parent.

2) Overview of cash flows for the period

Cash and cash equivalents (hereinafter referred to as "cash") for the three months ended September 30, 2025, increased by ¥1,526 million from the end of the previous fiscal year and amounted to ¥148,555 million as of September 30, 2025.

The status of cash flows and their contributing factors for the three months ended September 30, 2025, are as follows.

(Cash flows from operating activities)

Cash provided by operating activities amounted to ¥18,163 million. This is primarily attributable to profit before tax of ¥8,921 million, an increase in trade and other receivables of ¥19,531 million, an increase in deposits received of ¥4,134 million, a decrease in guarantee deposits (proceeds from return of deposits) of ¥27,500 million, and income taxes paid of ¥3,214 million.

(Cash flows from investing activities)

Cash used in investing activities amounted to ¥21,541 million. This is attributable to purchase of investment securities of ¥299 million, purchase of property, plant and equipment of ¥128 million, purchase of intangible assets of ¥1,128 million, and payments into time deposits of ¥20,000 million.

(Cash flows from financing activities)

Cash provided by financing activities amounted to ¥4,407 million. This is primarily attributable to an increase in short-term borrowings of ¥12,039 million, redemption of bonds and repayments of long-term borrowings of ¥7,218 million, and repayments of lease liabilities of ¥414 million.

(3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Statements

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 ¥200,000 million and ¥210,000 million (up 3.8–9.0% year-on-year) and consolidated core operating profit between ¥28,000 million and ¥32,000 million (up 1.5–16.1% year-on-year).

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	147,028	148,555
Trade and other receivables	254,728	274,291
Deposits paid	6,370	4,879
Other financial assets	1,195	21,760
Other current assets	10,918	11,739
Total current assets	420,241	461,226
Non-current assets		
Property, plant and equipment	1,428	1,502
Right-of-use assets	8,563	8,318
Intangible assets	1,270	2,104
Deferred tax assets	8,478	7,147
Guarantee deposits	67,328	39,829
Other financial assets	35,607	35,896
Other non-current assets	845	768
Total non-current assets	123,522	95,567
Total assets	543,763	556,794

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	15,049	13,941
Bonds and borrowings	74,196	102,443
Lease liabilities	1,450	1,421
Income taxes payable	718	839
Provisions	–	272
Deposits received	217,268	221,771
Other financial liabilities	1,834	1,647
Other current liabilities	8,992	8,128
Total current liabilities	319,511	350,465
Non-current liabilities		
Bonds and borrowings	116,754	93,370
Lease liabilities	6,975	6,639
Provisions	666	668
Deferred tax liabilities	88	89
Other non-current liabilities	124	404
Total non-current liabilities	124,610	101,171
Total liabilities	444,122	451,637
Equity		
Share capital	48,176	48,352
Capital surplus	50,998	51,218
Retained earnings	(3,014)	1,972
Treasury shares	(0)	(0)
Other components of equity	3,109	3,272
Equity attributable to owners of parent	99,269	104,815
Non-controlling interests	371	342
Total equity	99,640	105,157
Total liabilities and equity	543,763	556,794

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

(Condensed Quarterly Consolidated Statement of Profit or Loss)

(Millions of yen)

	For the three months ended September 30, 2024	For the three months ended September 30, 2025
Revenue	44,924	49,440
Cost of sales	13,602	13,504
Gross profit	31,322	35,936
Selling, general and administrative expenses	27,224	26,610
Other income	552	120
Other expenses	303	551
Operating profit	4,347	8,894
Finance income	1,358	261
Finance costs	121	235
Profit before tax	5,584	8,921
Income tax expense	2,547	3,963
Profit	3,036	4,957
Profit attributable to		
Owners of parent	2,933	4,987
Non-controlling interests	102	(30)
Profit	3,036	4,957
Earnings per share		
Basic earnings per share (yen)	17.90	30.30
Diluted earnings per share (yen)	17.44	29.52

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

(Millions of yen)

	For the three months ended September 30, 2024	For the three months ended September 30, 2025
Profit	3,036	4,957
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	7	0
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(434)	135
Effective portion of change in fair value of cash flow hedges	(511)	15
Total other comprehensive income (after considering tax effects)	(938)	150
Comprehensive income	2,098	5,108
Comprehensive income attributable to		
Owners of parent	1,999	5,137
Non-controlling interests	98	(29)
Comprehensive income	2,098	5,108

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
For the three months ended September 30, 2024

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share award rights	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			2,933				
Other comprehensive income							(434)
Comprehensive income	–	–	2,933	–	–	–	(434)
Issuance of shares	146	27				(171)	
Purchase of treasury shares				(0)			
Share-based payment transactions		239				237	
Transfer from other components of equity to retained earnings			7				
Redemption of convertible-bond-type bonds with stock acquisition rights		(139)					
Total transactions with owners	146	128	7	(0)	–	66	–
Balance as of September 30, 2024	47,495	50,320	(26,184)	(0)	–	1,680	874

	Equity attributable to owners of parent					
	Other components of 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	Total equity
Balance as of July 1, 2024	531	(32)	3,422	71,836	308	72,145
Profit				2,933	102	3,036
Other comprehensive income	(507)	7	(934)	(934)	(4)	(938)
Comprehensive income	(507)	7	(934)	1,999	98	2,098
Issuance of shares			(171)	2		2
Purchase of treasury shares				(0)		(0)
Share-based payment transactions			237	477		477
Transfer from other components of equity to retained earnings		(7)	(7)	–		–
Redemption of convertible-bond-type bonds with stock acquisition rights				(139)		(139)
Total transactions with owners	–	(7)	58	340	–	340
Balance as of September 30, 2024	24	(32)	2,547	74,177	407	74,585

For the three months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share award rights	Share acquisition rights	Exchange differences on translation of foreign operations
Balance as of July 1, 2025	48,176	50,998	(3,014)	(0)	–	1,321	840
Profit			4,987				
Other comprehensive income							135
Comprehensive income	–	–	4,987	–	–	–	135
Issuance of shares	175	4				(178)	
Share-based payment transactions		215			22	169	
Total transactions with owners	175	220	–	–	22	(9)	–
Balance as of September 30, 2025	48,352	51,218	1,972	(0)	22	1,312	976

	Equity attributable to owners of parent					
	Other components of 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	Total equity
Balance as of July 1, 2025	12	934	3,109	99,269	371	99,640
Profit				4,987	(30)	4,957
Other comprehensive income	14	0	150	150	0	150
Comprehensive income	14	0	150	5,137	(29)	5,108
Issuance of shares			(178)	1		1
Share-based payment transactions			191	406		406
Total transactions with owners	–	–	12	408	–	408
Balance as of September 30, 2025	27	934	3,272	104,815	342	105,157

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the three months ended September 30, 2024	For the three months ended September 30, 2025
Cash flows from operating activities		
Profit before tax	5,584	8,921
Depreciation and amortization	435	617
Gain on redemption of bonds	(1,113)	–
Interest and dividend income	(244)	(261)
Interest expenses	55	148
Decrease (increase) in trade and other receivables	(11,166)	(19,531)
Change in deposits paid	(3,569)	1,503
Increase (decrease) in trade and other payables	297	(1,152)
Change in deposits received	3,576	4,134
Other	(1,246)	(601)
Subtotal	(7,391)	(6,221)
Interest received	251	174
Interest paid	(55)	(106)
Change in guarantee deposits	–	27,500
Income taxes paid	(1,532)	(3,214)
Income taxes refund	–	25
Other	8	6
Net cash provided by (used in) operating activities	(8,718)	18,163
Cash flows from investing activities		
Purchase of investment securities	–	(299)
Purchase of property, plant and equipment	(92)	(128)
Purchase of intangible assets	(134)	(1,128)
Payments into time deposits	–	(20,000)
Other	35	15
Net cash provided by (used in) investing activities	(190)	(21,541)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,356)	12,039
Proceeds from issuance of bonds and long-term borrowings	13,800	–
Redemption of bonds and repayments of long-term borrowings	(22,574)	(7,218)
Proceeds from issuance of shares	2	1
Repayments of lease liabilities	(286)	(414)
Net cash provided by (used in) financing activities	(18,413)	4,407
Effect of exchange rate changes on cash and cash equivalents	(2,531)	496
Net increase (decrease) in cash and cash equivalents	(29,854)	1,526
Cash and cash equivalents at the beginning of period	191,998	147,028
Cash and cash equivalents at the end of period	162,143	148,555

(Note) In the Condensed Quarterly Consolidated Statement of Cash Flows for the three months ended September 30, 2024, the "Purchase of intangible assets" previously included under "Other" in "Cash flows from investing activities" will be presented separately starting from the three months ended September 30, 2025, due to its increased materiality. To reflect this change in presentation, the consolidated financial statements for the three months ended September 30, 2024, have been reclassified. As a result, in the Condensed Quarterly Consolidated Statement of Cash Flows for the three months ended September 30, 2024, the ¥(98) million previously presented under "Other" in "Cash flows from investing activities" has been reclassified as ¥(134) million under "Purchase of intangible assets" and ¥35 million under "Other."

(5) Notes to the Condensed Quarterly Consolidated Financial Statements

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 Business," 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.

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

Japan Business	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

Profit by reportable segment is based on operating profit.

Intersegment revenue is based on actual market price.

For the three months ended September 30, 2024

(Millions of yen)

	Reportable segments			Other (Note 1)	Total	Adjustments	Consolidated
	Japan Business	US	Total				
Revenue							
Marketplace	25,118	9,380	34,499	–	34,499	–	34,499
Fintech	9,004	–	9,004	–	9,004	–	9,004
Other	–	–	–	1,420	1,420	–	1,420
Total	34,123	9,380	43,504	1,420	44,924	–	44,924
Revenue from contracts with customers	28,025	9,380	37,405	1,420	38,826	–	38,826
Revenue from other sources	6,098	–	6,098	–	6,098	–	6,098
Total	34,123	9,380	43,504	1,420	44,924	–	44,924
Revenue from external customers	34,123	9,380	43,504	1,420	44,924	–	44,924
Intersegment revenue	–	–	–	380	380	(380)	–
Total	34,123	9,380	43,504	1,800	45,305	(380)	44,924
Segment profit (loss)	7,074	(857)	6,217	389	6,607	(2,259)	4,347
Finance income	–	–	–	–	–	–	1,358
Finance costs	–	–	–	–	–	–	121
Profit before tax	–	–	–	–	–	–	5,584

(Notes) 1. The "Other" column includes business segments that are not included in the reportable segments, such as the sports business.

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

3. For "US," the amount of delivery revenue is recognized at the full amount of consideration received from the customer, which is recorded as ¥5,522 million.

4. "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 ¥5,827 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 ¥271 million.

For the three months ended September 30, 2025

(Millions of yen)

	Reportable segments			Other (Note 1)	Total	Adjustments	Consolidated
	Japan Business	US	Total				
Revenue							
Marketplace	27,120	9,560	36,680	–	36,680	–	36,680
Fintech	11,320	–	11,320	–	11,320	–	11,320
Other	(26)	–	(26)	1,466	1,440	–	1,440
Total	38,413	9,560	47,973	1,466	49,440	–	49,440
Revenue from contracts with customers	29,623	9,560	39,183	1,466	40,650	–	40,650
Revenue from other sources	8,790	–	8,790	–	8,790	–	8,790
Total	38,413	9,560	47,973	1,466	49,440	–	49,440
Revenue from external customers	38,413	9,560	47,973	1,466	49,440	–	49,440
Intersegment revenue	–	–	–	555	555	(555)	–
Total	38,413	9,560	47,973	2,022	49,996	(555)	49,440
Segment profit (loss)	10,962	73	11,035	(59)	10,976	(2,081)	8,894
Finance income	–	–	–	–	–	–	261
Finance costs	–	–	–	–	–	–	235
Profit before tax	–	–	–	–	–	–	8,921

(Notes) 1. The “Other” column includes business segments that are not included in the reportable segments, such as the sports business.
2. Adjustments for segment profit (loss) mainly consist of general and administrative expenses that are not attributable to reportable segments.
3. For “US,” the amount of delivery revenue is recognized at the full amount of consideration received from the customer, which is recorded as ¥5,356 million.
4. “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 ¥8,192 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 ¥597 million.

(3) Matters related to changes in reportable segments, etc.

Effective from the three months ended September 30, 2025, the segment name “Japan Region” has been changed to “Japan Business.” This change is only a change in the name of the reportable segment and has no impact on segment information.

Accordingly, segment information for the three months ended September 30, 2024, is presented under the segment name after the change.

Notes on going concern assumption

Not applicable.

Additional information

Regarding capitalization of software

The Group provides services such as *Mercari* and *Merpay* and is focused on product development that utilizes technology. In recent years, in addition to providing value in new areas like digital asset transactions, the Group is seeking to enhance the user experience and strengthen the detection of fraudulent transactions.

As the certainty of obtaining economic benefits from the software used in these businesses has increased, the Company has clarified development processes and work hours and strengthened the approval process for determining the certainty of obtaining future economic benefits through the usage of software created by the Company. As a result, the software production expenses recognized as certain to yield economic benefits are capitalized as software or software in progress.

Significant subsequent events

Withdrawal from significant business

(1) Overview

The Company has decided to discontinue *Mercari Hallo,* the Company's on-demand work service.

This service was released in March 2024 as a "quick and easy for anyone" on-demand work service. However, after comprehensively considering factors such as changes in the market environment and usage of the service, the Company decided to discontinue the service on October 14, 2025.

(2) Business descriptions

Planning, development, and operation of *Mercari Hallo,* an on-demand work service

(3) Withdrawal date

The service will be discontinued on December 18, 2025.

(4) Significant impact of the withdrawal on business activities, etc.

The Company expects the impact on consolidated financial results of withdrawing from this business to be negligible.