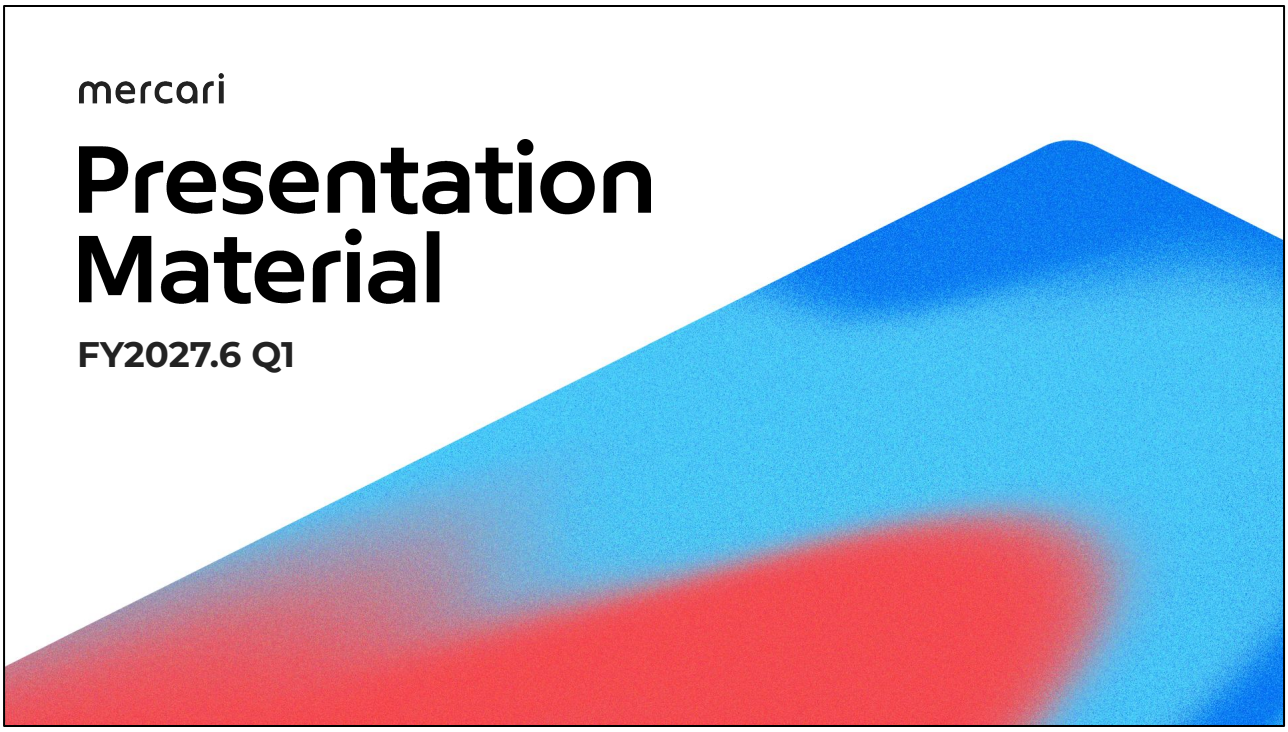

The script for this presentation will cover Mercari, Inc.’s FY2027.6 Q1 financial results.

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Group Mission

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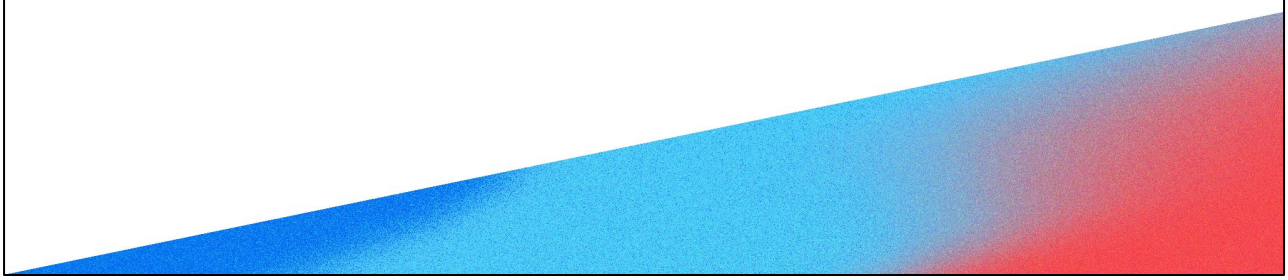
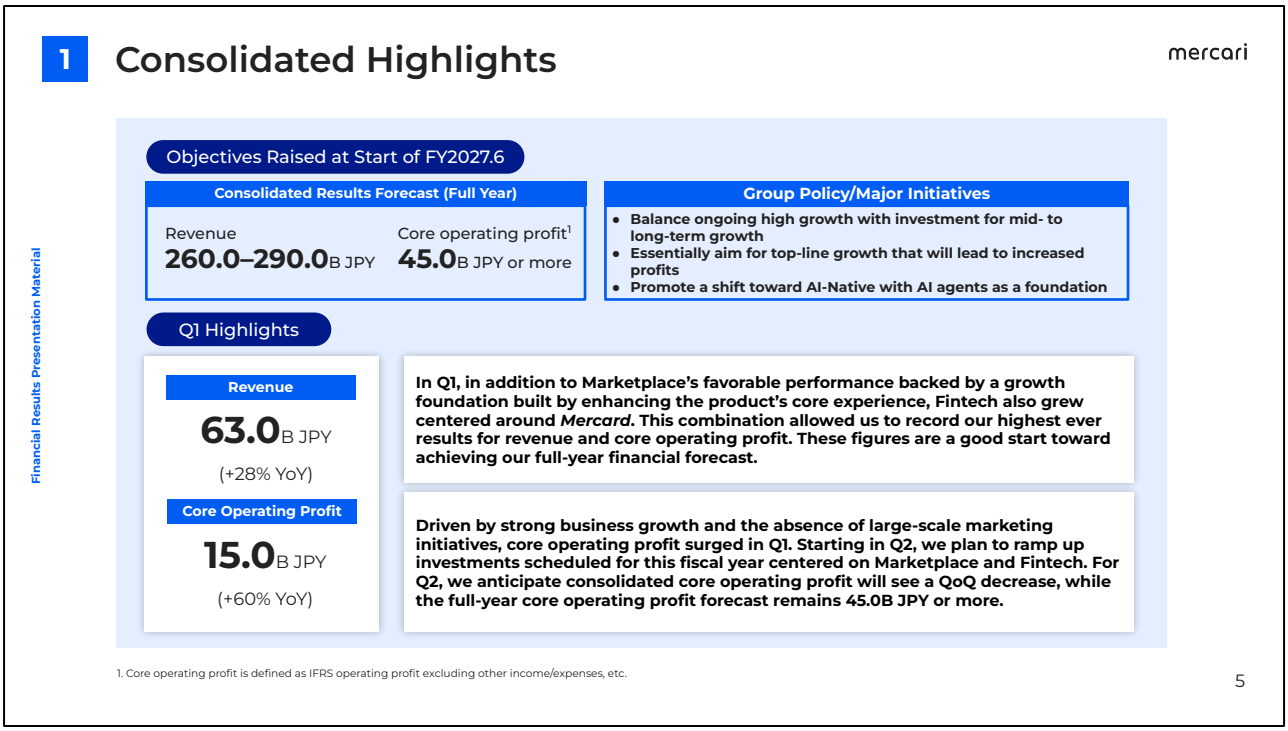
Circulate all forms of value
to unleash the potential in all people

Mercari Group is developing businesses under our mission to circulate all forms of value to unleash the potential in all people.

FY2027.6 Q1 Financial Overview





Here are the consolidated highlights for FY2027.6 Q1.
In Q1, in addition to Marketplace's favorable performance backed by a growth foundation built by enhancing the product's core experience, Fintech also grew centered on *Mercard.* This allowed us to record our highest ever results for revenue and core operating profit. These figures are a good start toward achieving the full-year financial forecast set at the beginning of the fiscal year.
Driven by steady business growth and the absence of any large-scale marketing initiatives, core operating profit surged by 60% YoY to 15.0B JPY in Q1. Furthermore, starting in Q2, we plan to ramp up investments scheduled for this fiscal year centered on Marketplace and Fintech. We anticipate consolidated core operating profit for Q2 will see a QoQ decrease, while the full-year core operating profit forecast remains 45.0B JPY or more.

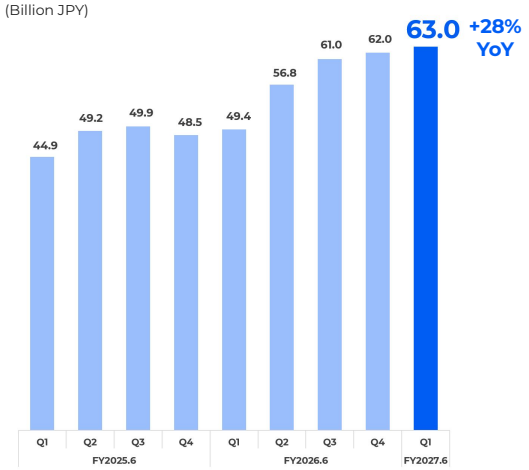
1 Consolidated Results (Quarterly)

mercari

Financial Results Presentation Material

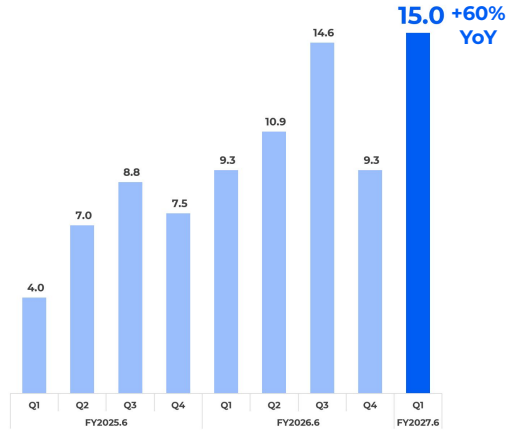
Revenue

(Billion JPY)



Core Operating Profit

(Billion JPY)



1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
2. In line with the growing quantitative materiality and the optimization of results management, from FY2027.6 Q1, gains (losses) from the sale of intangible assets, previously included under "other income," are now disclosed under "gain (loss) from sale of intangible assets" and reflected in core operating profit. In accordance with this change, the results for FY2026.6 have also been retroactively adjusted. The impact of this revision on each quarter of FY2026.6 is less than 100M JPY and does not affect the graphs on this page. For figures recorded in the millions of yen, refer to the data sheet.

Consolidated revenue grew 28% YoY, landing at a record-breaking 63.0B JPY.
Core operating profit surged by 60% YoY to 15.0B JPY, the highest amount recorded, driven by steady business growth and the absence of any large-scale marketing initiatives in Q1.

1 KPI Summary

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Financial Results Presentation Material

Marketplace

GMV[1]

332.0B JPY
(+23% YoY)

Core Operating Profit[2]

11.5B JPY
(+3.0B JPY YoY)

Fintech

Credit Balance[3]

389.1B JPY
(+45% YoY)

Core Operating Profit

5.9B JPY
(+3.2B JPY YoY)

US

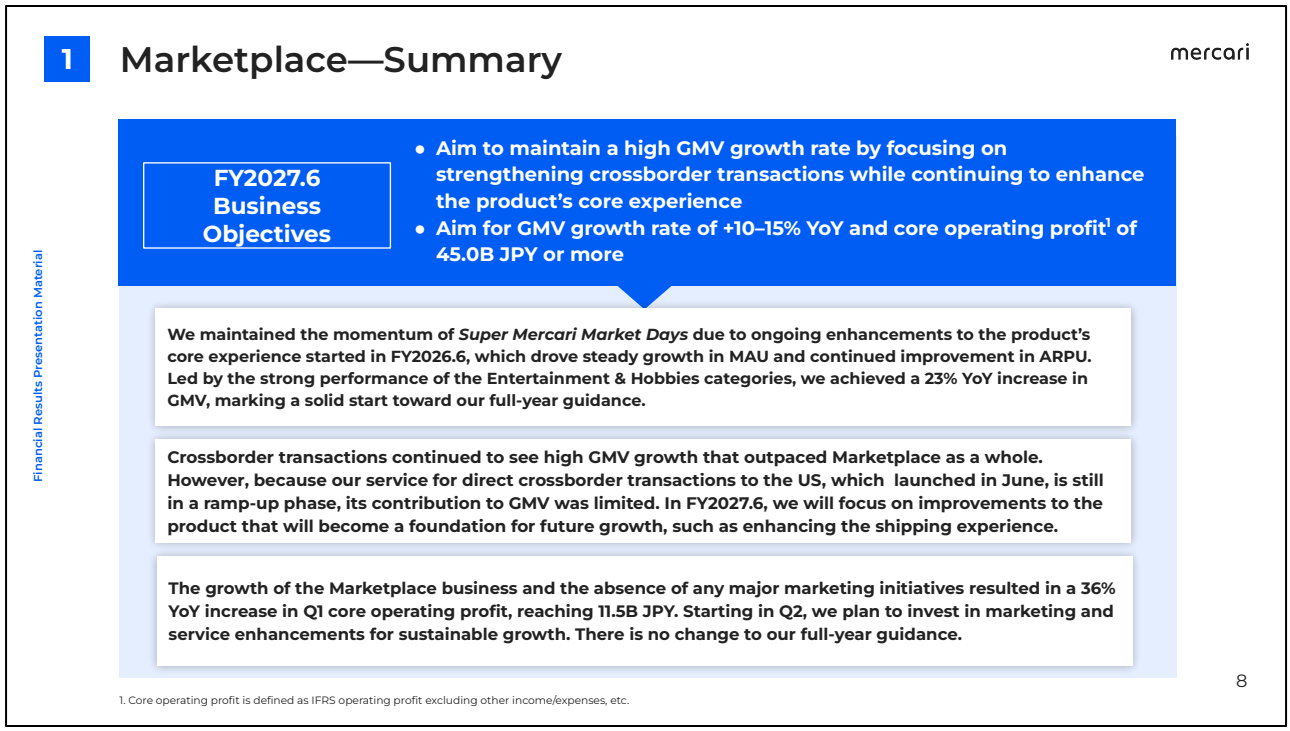
GMV

194M USD
(+0.3% YoY)

Core Operating Profit

90M JPY
(-500M JPY YoY)

1. Aggregate transaction value (including Mercari NFT) after adjusting for cancellations, etc.
2. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
3. *Merpay Deferred Payment* (lump-sum payment, fixed-amount payment, or installment payment) and *Smart Money* credit balance at the end of the quarter (excludes bankruptcy reorganization debt)



In Marketplace, we maintained the momentum of *Super Mercari Market Days* with enhancements to the product's core experience started in FY2026.6, which drove steady growth in MAU and continued improvements in ARPU. In addition, led by the strong performance of the Entertainment & Hobbies categories, we achieved a 23% YoY increase in GMV, making a solid start toward our full-year guidance.
Crossborder transactions, one of our focus areas, continued to see high GMV growth, outpacing Marketplace as a whole. However, because our service for direct crossborder transactions to the US, which launched in June, is still in a ramp-up phase, its contribution to GMV remains limited at this time. In FY2027.6, we will make steady improvements to the product, including the shipping experience, and focus on strengthening our foundation for future growth.
The growth of the Marketplace business and the absence of any major marketing initiatives in Q1 resulted in a 36% YoY increase in core operating profit. Starting in Q2, in pursuit of sustainable growth, we plan to invest in marketing, including major initiatives, and further strengthen the foundation of the product's core experience. There is no change to our full-year guidance.

1 Marketplace—Results (Quarterly)

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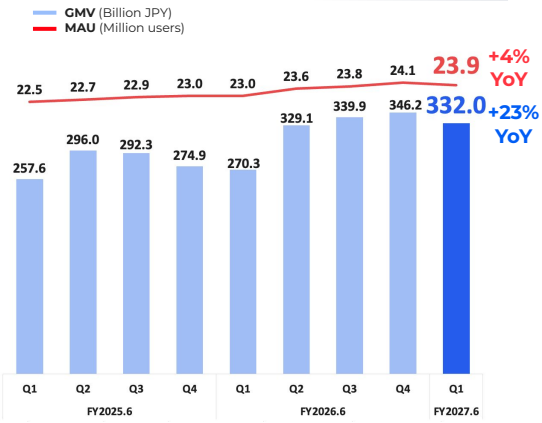
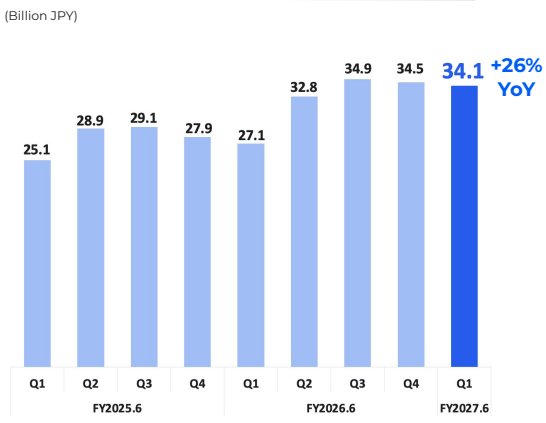
Financial Results Presentation Material

GMV[1]/MAU[2]



Revenue[3]



1. Aggregate transaction value (including Mercari NFT) after adjusting for cancellations, etc.
2. Quarterly average number of registered users who browsed our service (app or web) at least once during a given month, both domestically and internationally (Note: Does not include crossborder transactions performed through overseas partner sites)
3. The business results of *Mercari Hallo* are included starting in FY2025.6 Q4 (The *Mercari Hallo* service was discontinued on December 18, 2025)

Q1 GMV increased 23% YoY to 332.0B JPY, and MAU has also grown YoY.
Driven by a steady increase in GMV, revenue rose 26% YoY to 34.1B JPY.

1 Marketplace—Results (Quarterly)

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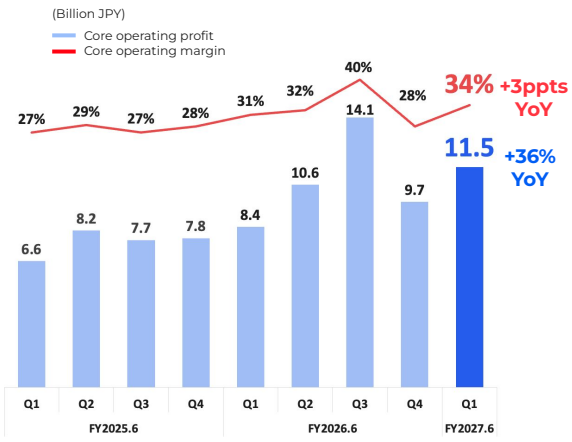
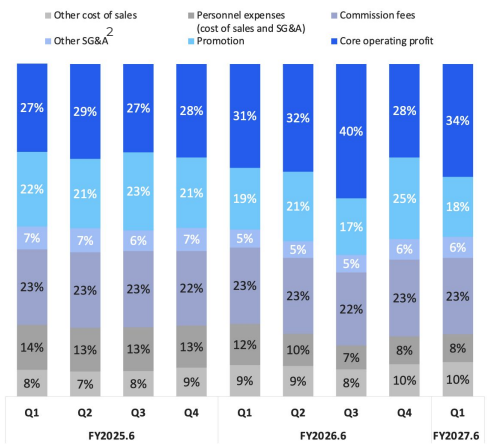
Financial Results Presentation Material

Core Operating Profit[1]/Margin



Profit and Cost Composition



1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
2. Outsourcing expenses, depreciation, land rent, etc.

Due to the absence of large-scale marketing initiatives in Q1, core operating profit grew to 11.5B JPY—an increase of 36% YoY—and core operating margin saw a large QoQ increase. In Q2, we expect core operating margin to drop due to factors such as large-scale marketing initiatives, and we predict quarterly fluctuations based on the timing of these initiatives.

1

Marketplace—Sustained Growth of Entertainment & Hobbies Categories

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- Promoted initiatives for building a safe and secure marketplace
- Entertainment & Hobbies categories grew on the strength of a diverse range of IP and item categories, with limited reliance on merchandise from any single IP

Financial Results Presentation Material

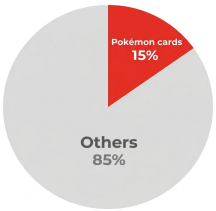
Building a Safe and Secure Transaction Environment

- **Bans on certain listings**
  - Placed a temporary ban on listings related to Pokémon Trading Card Game: 30th Celebration expansion packs due to predicted difficulty ensuring a safe and secure transaction environment after release[1]
  - Prioritized mid- to long-term marketplace health over short-term GMV gains
- **Stronger collaboration with law enforcement**
  - Entered into agreement with the National Police Agency on information sharing regarding fraudulent transactions[2] to further prevent fraudulent transactions and misuse and to promote the elimination of fraud

Growth Due to Diverse IP

- Through the growth of diverse IP, achieved balanced and healthy growth not overly influenced by the performance of any specific IP. The largest IP, Pokémon Trading Card Game, accounted for a 15% share of Entertainment & Hobbies GMV.

Share of Pokémon Trading Card Game in Entertainment & Hobbies GMV[3]



1. Banned listings of items related to 30th Celebration Pokémon Trading Card Game expansion packs on *Mercari* and *Mercari Shops* starting September 16, 2026 (ended on November 10). Applies to unopened "30th CELEBRATION" and "30th CELEBRATION Card Set" expansion packs (nine types in total).
2. July 9, 2026
3. Percentage of Entertainment & Hobbies GMV as of Q1 of FY2027.6

Here, we will introduce the initiatives we have in place that support stable growth of the Entertainment & Hobbies categories.
In FY2027.6 as well, we continue to focus on building a safe and secure transaction environment aimed at healthy Marketplace growth, including the Entertainment & Hobbies categories, and in Q1, we steadily advanced related initiatives.
The first was a ban on certain listings. Prioritizing mid- to long-term marketplace health over short-term GMV gains, we placed a temporary ban on listings related to Pokémon Trading Card Game: 30th Celebration expansion packs starting September 16, 2026, due to predicted difficulty ensuring a safe and secure transaction environment after release (ended on November 10).
The second was stronger collaboration with law enforcement. On July 9, 2026, we entered into an agreement with the National Police Agency on information sharing regarding fraudulent transactions to further prevent fraudulent transactions and misuse and to promote the elimination of fraud.
Driven by the expansion of diverse item categories and IP supported by safety and security initiatives, Entertainment & Hobbies categories have continue to achieve strong growth. We have realized balanced, healthy growth that is not overly influenced by the performance of any specific IP, with the share of the largest IP, “Pokémon Trading Card Game,” also at 15%.

1

Marketplace—AI-Native Enhancements to Core Product Experience

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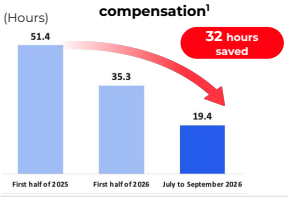
- Improved the user experience by strengthening customer support and rolling out new features, in line with policies set at the start of the fiscal year

Improved Experience of Receiving Compensation

- **Making compensation faster**
  - Partially automated the end-to-end claims workflow using AI, successfully driving a substantial reduction in lead time from receiving items at the item collection center to issuing compensation
  - Maintained a consistently high standard, with 99.6% of cases resolved within 48 hours

Time taken from arrival at item collection center to compensation[1]



Released New Features

- **Belongings Appraisal[2]**
  - Launched a feature that enables users to scan their belongings via camera or barcode and uses AI to provide an estimated price. The feature helps sellers decide on prices by saving appraisal results to an item list and enabling a seamless transition directly to listing.



1. Average handling time per transaction for transactions in which compensation was completed. Reduction in time is compared to January–June 2025.
2. Launched on September 17, 2026

In line with the policies we set at the start of the fiscal year, we made steady progress in enhancing the core experience leveraging AI and improving the user experience through strengthening customer support and releasing new features.
First, we improved the experience of receiving compensation. Using AI to partially automate the end-to-end compensation workflow, we successfully reduced the turnaround time from arrival at the item collection center to compensation issuance by 32 hours compared to the first half of 2025. In addition, the share of cases resolved within 48 hours remained at a high standard of 99.6%, driving steady improvements in the user experience.
Next is the release of new features. We launched “Belongings Appraisal,” a feature that enables users to scan items via camera or barcode and uses AI to provide an estimated price. Appraisal results can be saved to the user's item list and be seamlessly turned into listings, supporting users with deciding on item prices. Through this, we aim to further lower the barrier to listing.

1 Fintech—Summary

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Financial Results Presentation Material

FY2027.6 Business Objectives

- **Leverage partnerships to seamlessly connect payment, credit, and all other features, aiming for sustainable growth of transaction value and credit; aim to expand everyday use and create opportunities for credit**
- **Aim for a core operating profit[1] of 10.0B JPY or more**

Success of free *Mercard Gold* signup campaign and other promotions steadily increased Mercard holders and grew transaction value outside *Mercari*. Transaction value inside *Mercari* increased due to high Marketplace GMV growth, resulting in credit balance[2] growth rate remaining high at +45% YoY to land at 389.1B JPY.

Core operating profit landed at 5.9B JPY (+117% YoY), owing to an increase in profitability due to steady credit growth and the absence of large-scale marketing initiatives in Q1. For Q2, we expect a QoQ decline in profit as we ramp up investments to expand *Merpay*'s user base.

1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
2. *Merpay Deferred Payment* (lump-sum payment, fixed-amount payment, or installment payment) and *Smart Money* credit balance at the end of the quarter (excludes bankruptcy reorganization debt)

For Fintech, success of our free *Mercard Gold* signup campaign and other promotions steadily increased Mercard holders. As a result, transaction value outside *Mercari* grew, and transaction value inside *Mercari* increased due to high Marketplace GMV growth, resulting in credit balance growth rate remaining high at +45% YoY to land at 389.1B JPY.

Also, core operating profit in Q1 landed at 5.9B JPY, which is up 117% YoY, owing to an increase in profitability due to steady credit growth and the absence of large-scale marketing initiatives. For Q2, we expect a QoQ decline in profit as we ramp up investments to expand *Merpay*'s user base.

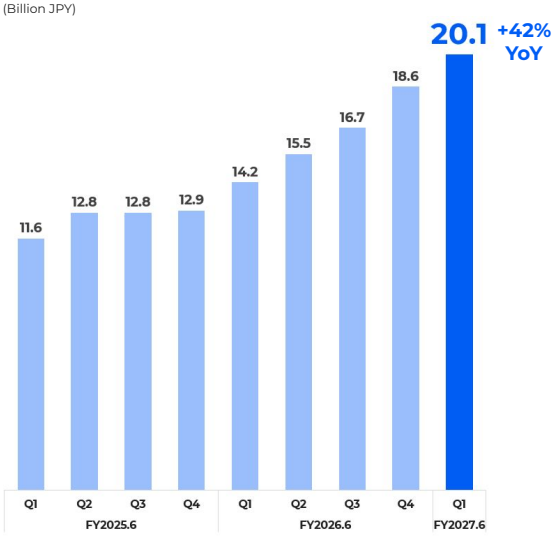
1 Fintech—Results (Quarterly)

mercari

Financial Results Presentation Material

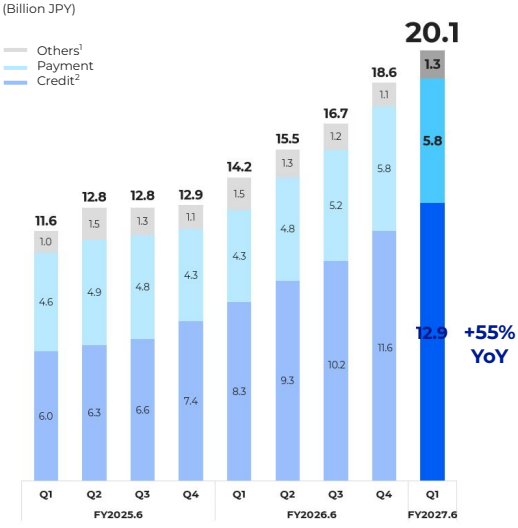
Revenue

(Billion JPY)



Breakdown of Revenue

(Billion JPY)



1. Includes revenue of Mercoin, Inc., bank withdrawal fees, expiration and seizure of sales balance, and *Mercard* reissuance fees, etc.
2. The annual effective interest rate for new credit of fixed-amount payment was revised to 18% effective January 1, 2025. The annual effective interest rate for new credit of installment payment (three installments or more) was also revised to 18% effective January 1, 2026.

In addition to the high growth rate of credit, payments also grew solidly, bringing revenue up 42% YoY to 20.1B JPY.

1 Fintech—Results (Quarterly)

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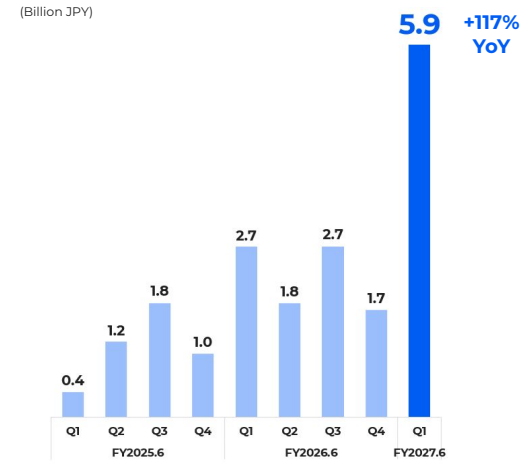
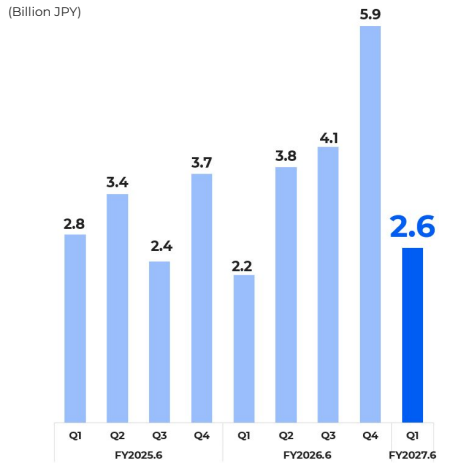
Financial Results Presentation Material

Core Operating Profit[1]



Advertising Costs[2]



1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
2. In addition to advertising expenses for such things as TV commercials and online advertising, the cost of free points, including regular point-back rewards, are also included in advertising costs.

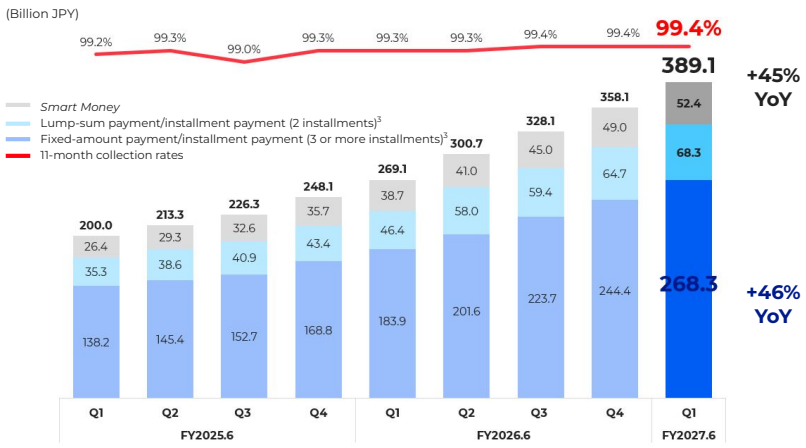
Core operating profit landed at 5.9B JPY, up 117% YoY.
Advertising costs decreased significantly compared to FY2026.6 Q4, during which we strengthened investments. We anticipate a QoQ increase as we ramp up investments to expand *Merpay*'s user base in Q2.

1 Fintech—Expansion of Credit Balance

mercari

- Maintained high collection rates[1] through appropriate risk assessment based on our proprietary AI credit model, alongside steady accumulation of credit balance[2] driven by *Mercard* growth

Credit Balance and Collection Rates



1. Weighted average 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 *Smart Money* billed in the past 11 months (excludes bankruptcy reorganization debt).
2. *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, or installment payment) and *Smart Money* credit balance at the end of the quarter (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, and therefore, credit balance is disclosed together with fixed-amount payment.

Driven by the steady growth of *Mercard*, credit balance sustained high growth and was up 45% YoY to 389.1B JPY. The collection rate remained high at 99.4% through appropriate risk assessment based on our proprietary AI credit model.

1 Fintech—Balancing Growth With Risk Management

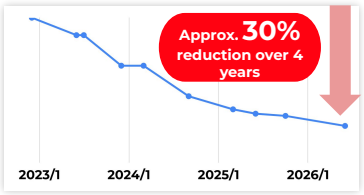
- Credit quality and collection rates[1] improved in a sustainable manner due to the sophistication of Mercari's proprietary AI credit
- Rating agencies' assumed default rates[2] for non-recourse receivables liquidation[3] continued to improve compared to historical levels

Our Proprietary AI Credit

- **Sophistication of AI credit models**
  - Improve our credit model according to the continuous analysis of *Mercari* and *Merpay* usage history and behavior data
  - Leverage external credit information
- **Risk control toward healthy growth**
  - Expand credit limits gradually according to the user's creditworthiness
  - Optimize risk by re-evaluating credit limits once a month

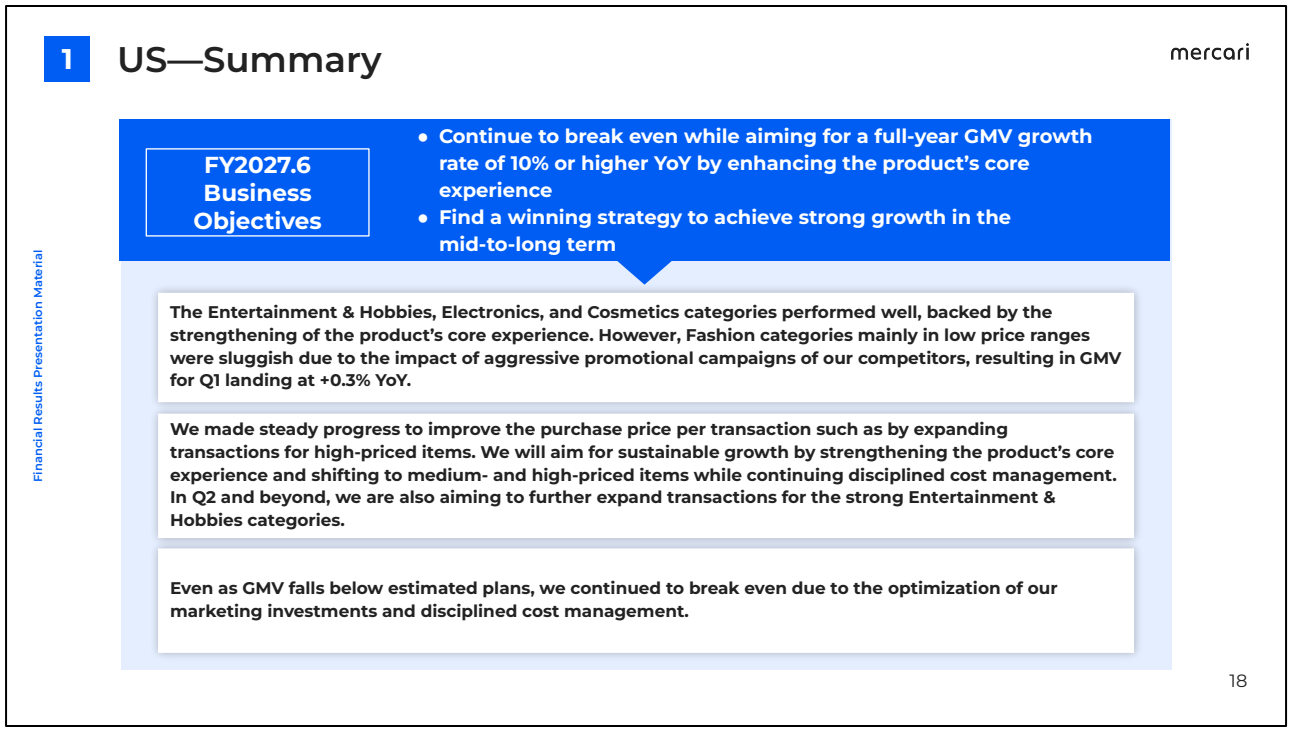
Decline in Rating Agencies' Assumed Default Rates

- For fixed-amount payments, started carrying out non-recourse financing with ratings in November 2022
- The assumed default rate for rating purposes, established by rating agencies based on historical default rates and adjusted for stress factors, has improved by approximately 30% over four years, contributing to better financing terms

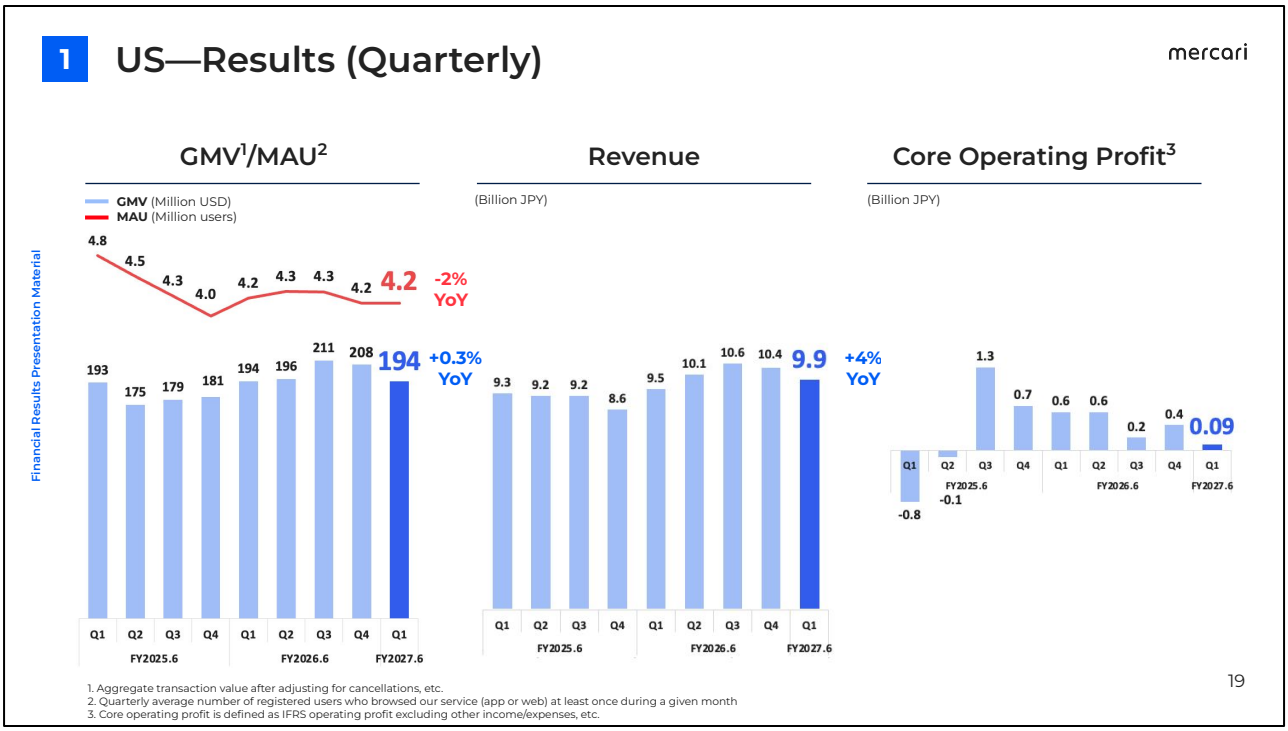


1. Weighted average rate of the quarterly cumulative collections completed within the past 11 months compared to the amount of *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment) and *Smart Money* billed in the past 11 months (excludes bankruptcy reorganization debt).
2. The assumed default rate level determined by rating agencies factoring in a certain degree of stress, based on historical receivables performance, portfolio characteristics, and potential future changes. While receivables in legal bankruptcy or delinquent for four cycles are excluded from liquidation, Mercari Group continues recovery efforts thereafter; therefore, this figure differs from the actual business ultimate default rate. Furthermore, due to the limited historical track record of installment payment receivables, they are not included in the assumed default rate disclosed here; however, the assumed default rate currently set for them is lower than that of fixed-amount payments.
3. 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. Started non-recourse liquidation of fixed-amount payment receivables in November 2022 and installment payment receivables in October 2025.

Mercari positions balancing credit balance growth with risk management as a top priority and is undertaking a variety of initiatives to achieve this.
In addition to our proprietary AI credit scoring model, which reflects continuous analysis of usage and behavioral data across *Mercari* and *Merpay*, we also incorporate external credit bureau information to further enhance the sophistication of our model. Building on this, we gradually expand credit limits based on user creditworthiness while optimizing risk through monthly credit limit reviews, driving sustainable improvements in both credit quality and collection rates.
As a result, assessments by rating agencies in our receivables liquidation have also continued to improve. For the non-recourse liquidation of fixed-amount payment receivables launched in November 2022, we have obtained external credit ratings from rating agencies. The assumed default rate for rating purposes, which is determined by rating agencies based on historical receivables default rates and factoring in stress factors, has improved by approximately 30% over four years. This third-party recognition of our improved credit quality and collection performance has led to lower assumed default rates and contributed to more favorable financing conditions.



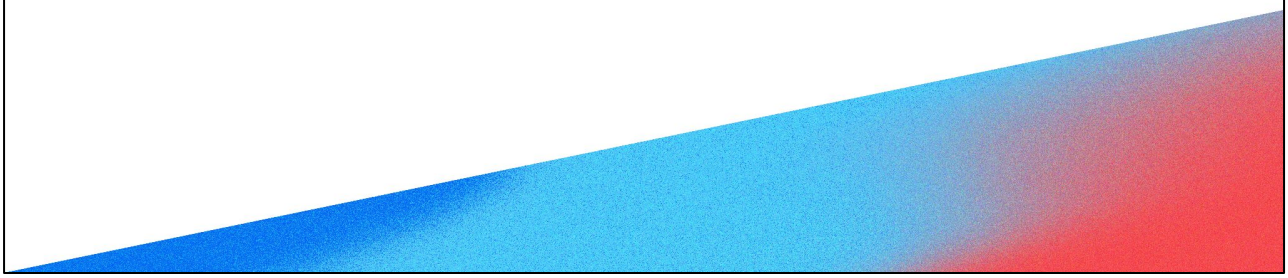
In the US business, the Entertainment & Hobbies, Electronics, and Cosmetics categories performed well, backed by the strengthening of the product's core experience including improving ease of use and enhancing safety and security. However, Fashion categories—mainly in low price ranges—were sluggish due to the impact of aggressive promotional campaigns of our competitors, resulting in GMV for Q1 landing at +0.3% YoY.
In addition, we made steady progress to improve the purchase price per transaction such as by expanding transactions for high-priced items. In Q2 and beyond, we will aim for sustainable growth by shifting to medium- and high-priced items while continuing disciplined cost management. In tandem with this, we will search for ways to further expand transactions in the strong Entertainment & Hobbies categories.
Even as GMV falls below our planned estimates, core operating profit continued to break even due to the optimization of our marketing investments and disciplined cost management.



GMV increased slightly to 194M USD (+0.3% YoY). While the Entertainment & Hobbies, Electronics, and Cosmetics categories performed well, backed by the strengthening of the product's core experience, Fashion items in low price ranges were sluggish due to the impact of aggressive promotional campaigns of our competitors. MAU decreased -2% YoY to 4.2M.

Even as GMV falls below our planned estimates, we recorded a core operating profit of 0.09B JPY and continued to break even due to the optimization of our marketing investments and disciplined cost management.

ESG



2 Impact Report

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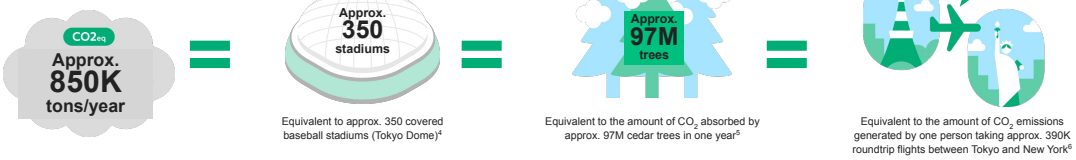
- Published the FY2026.6 Impact Report summarizing our ESG initiatives and results in FY2026.6[1]
- In our calculations, we found that approximately 850,000 tons[2,3] of greenhouse gas emissions are avoided annually through transactions in select categories on *Mercari*

Avoided greenhouse gas emissions



Equivalent to approx. 350 covered baseball stadiums (Tokyo Dome)[4]

Equivalent to the amount of CO_2 absorbed by approx. 97M cedar trees in one year[5]

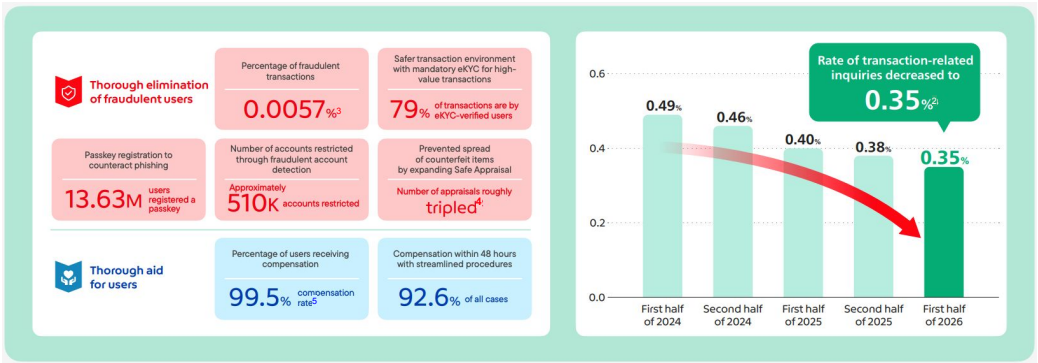
Equivalent to the amount of CO_2 emissions generated by one person taking approx. 390K roundtrip flights between Tokyo and New York[6]

1. Published on September 17, 2026
2. Target categories: Clothing; Electronics; Media (books, CDs, DVDs, etc.); Bags; Shoes; Washing Machines; and Toys. Note that for FY2026.6, earbuds were added to the Electronics category; for Clothing, Bags, and Shoes, results from categories other than fashion categories (e.g., Sports; Outdoor Activities, Fishing & Travel Supplies) were added to calculations, and the Toys category was newly added to calculations.
3. Calculations based on items for which a transaction was completed in the target categories on the *Mercari* Japan and *Mercari* US services from April 2025 to March 2026. The transactions in this category represent 46.5% of the total.
4. CO_2 equivalent to one covered baseball stadium: approx. 2,436t-CO_2 (covered baseball stadium volume: 1.24M KL; 1 mol = 22.4 L = 44 g-CO_2; Source: Tokyo Dome)
5. From "How Much Carbon Dioxide Do Forests Absorb?" published on the website of the Forestry Agency (available only in Japanese)
6. From "Carbon Dioxide Emissions in the Transport Sector" published on the website of the Ministry of Land, Infrastructure, Transport and Tourism (available only in Japanese)

We published the FY2026.6 Impact Report summarizing our ESG initiatives and results in FY2026.6.
In this year's report, we added the Toys category to calculations for positive impact (contribution to avoided emissions) generated through our business, while also revising our calculation methodology. For the calculation period (April 2025 to March 2026), we found that approximately 850,000 tons of greenhouse gas emissions were avoided through transactions in the target categories on *Mercari* in Japan and the US combined.

2 Transparency Report

- Published the Transparency Report: First Half of 2026 to report the status and results of our efforts to build a safe and secure transaction environment[1]
- Rate of transaction-related inquiries[2] fell to a record low of 0.35%, and the percentage of items compensated through our Full Coverage Support Program reached 99.5%, showing that compensation was provided in almost all applicable cases



1. Published on August 3, 2026
2. Transaction-related inquiry rate: Transaction dispute rate as referred to in the previous two transparency reports; percentage of the total number of transactions that raised an inquiry (e.g., defective or undelivered items)
3. Fraudulent transaction encounter rate: Percentage of transactions determined to be fraudulent or involve repeated improper use
4. Compared to the same period last year (first half of 2025)
5. Percentage of items received at the item collection center for which compensation was provided (compensation was not provided primarily in cases where the transaction was canceled)

We published the Transparency Report: First Half of 2026 to report the status and results of our efforts to build a safe and secure transaction environment for users. The rate of transaction-related inquiries fell to a record low of 0.35%, and the percentage of users who received compensation through our Full Coverage Support Program reached 99.5%, showing that compensation was provided in almost all applicable cases.
Going forward, we will continue to publish regular progress updates about initiatives focused on thorough elimination of fraudulent users and thorough aid for users, to make progress on these initiatives while ensuring transparency.

Appendix

3 Board of Directors Structure

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- Appointing Independent Directors with a wealth of knowledge and experience in a variety of areas to realize a transparent and highly diverse organization
- In September 2025, established the Lead Independent Director[1] role to further enhance the independence and strengthen the highly effective supervision of the Board of Directors

12 Directors

Directors (4)



Shintaro Yamada
Representative Executive Officer and CEO



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



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



Mayumi Tochinoki

Independent Directors (8)



Kazuhiko Toyama
Lead Independent Director
Chair of the Nominating Committee



Makiko Shinoda
Chair of the Compensation Committee



Shiho Konno
Chair of the Audit Committee



Takuya Kitagawa



Mayumi Umezawa



Kikka Hanazawa



Kumi Fujisawa



Masahiro Kotosaka

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

3 Business Segments

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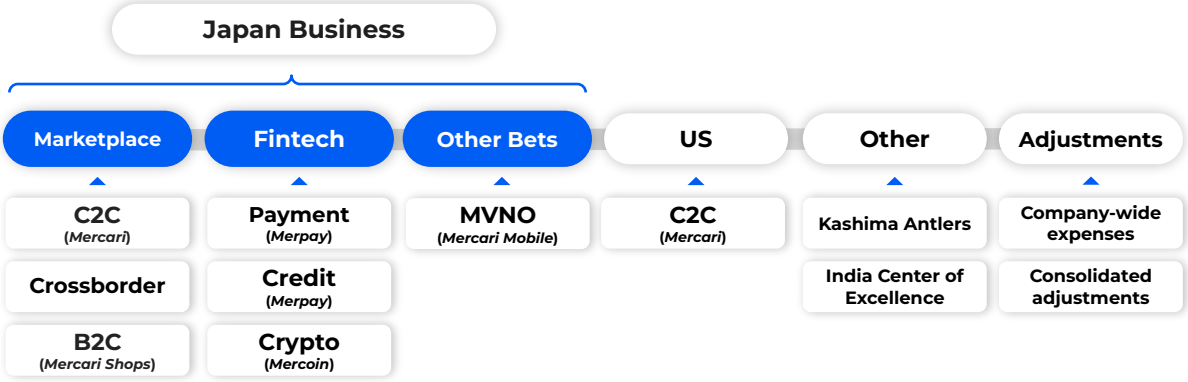

Financial Results Presentation Material

3 Approach to Capital Allocation

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- Retained earnings became positive in FY2026.6, and in August 2026 we carried out our first purchase of treasury shares; completed cancellation of purchased treasury shares on November 12, 2026

Financial Results Presentation Material

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

3 Major Itemization of Consolidated BS

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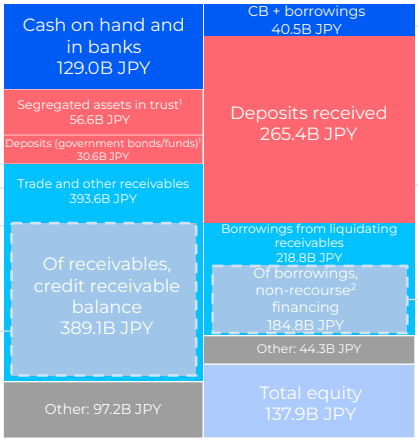
- We will continue to leverage various methods of financing and appropriately control our balance sheet to build a sound financial foundation

Mainly bonds and asset segregation to safeguard user funds
With regard to preservation of user funds, we act in accordance with laws regarding funds transfer services, etc., and as a replacement for the deposits of funds carried out previously, we pledged government bonds as collateral in FY2025.6 Q4 and began asset segregation in FY2026.6 Q2 from the perspective of generating interest. We have also concluded 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



Total assets at end of FY2027.6 Q1: 707.2B JPY

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)
In July 2026, completed redemption of the remaining 13.3B JPY worth of bonds due in 2026

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

Funds financed by liquidating receivables
Liquidated lump-sum payment, fixed-amount payment, and installment payment (three installments or more) receivables for *Merpay Deferred Payments*, as well as *Merpay Smart Money* receivables. Our policy is to mainly carry out non-recourse financing.

1. Within current assets, under other financial assets, 56.6B JPY corresponds to segregated assets in trust and 20.0B JPY corresponds to government bonds pledged as collateral; within non-current assets, 10.6B JPY of guarantee deposits corresponds to deposits of funds. All are recorded under Merpay, Inc.
2. A method of financing in which the amount collected from the credit is the only source of repayment, and the repayment obligation is not borne by Mercari

3 Fintech—Liquidation of Receivables

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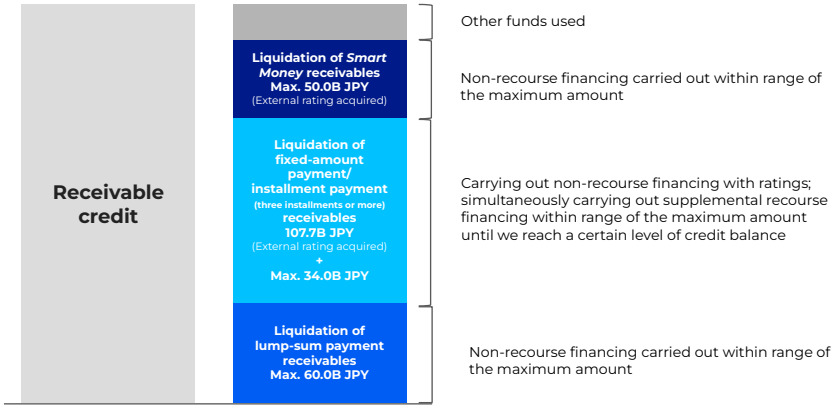
- Increased the maximum amount for non-recourse[1] liquidation of lump-sum payment receivables to 60.0B JPY in line with transaction volume growth
- Continue to diversify risk by raising funds through different arrangers and investor groups for each service



As of September 30, 2026

Financial Results Presentation Material

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

3 Marketplace—Cost Composition (Quarterly)

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(Billion JPY)



1. Outsourcing expenses, depreciation, land rent etc.

Financial Results Presentation Material

3 Marketplace—Market Data

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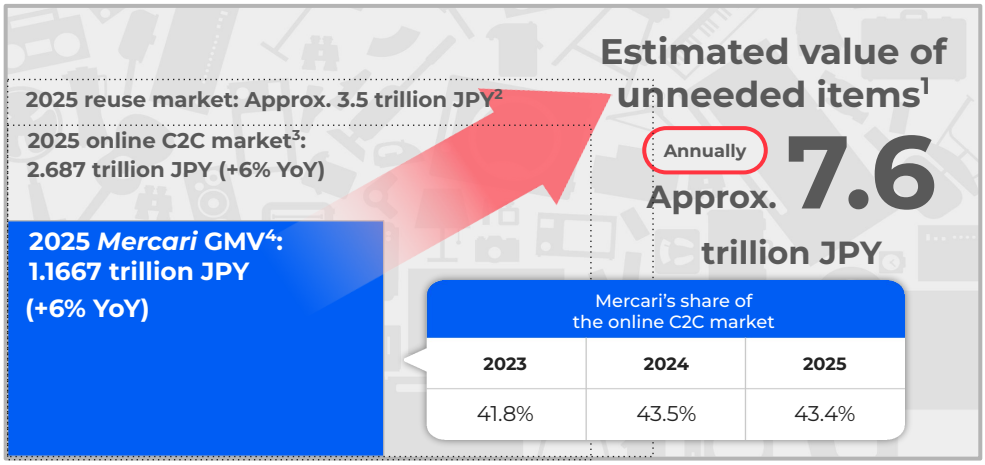
- *Mercari*'s GMV share of the online C2C market remains high as the market expands



1. Source: Ministry of Economy, Trade and Industry (April 2017, April 2018). The total market size of sales of secondhand goods in stores, sales of secondhand goods online, auctions, etc. Excludes automobiles, motorcycles, and motor scooters.
2. Source: "Estimated Market Size of the Reuse Industry in 2026 (2025 Edition)", The Reuse Economic Journal.
3. Source: "FY2025 E-Commerce Market Survey Report", Ministry of Economy, Trade and Industry (published October 21, 2026). Includes B2B and B2C transactions in addition to C2C transactions.
4. Source: Company materials. Aggregate transaction value (including *Mercari NFT*) after adjusting for cancellations, etc. for the 12 months from January 2025 to December 2025.

3 Driving AI-Native Product Innovation

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- We leverage AI as a foundation for our development structure, safety and security initiatives, and the creation of diverse user experiences

Product Innovation

Development Structure

New: Additional GENIAC selection
An additional Mercari-authored paper was selected for GENIAC.
Selected Jun. 2026: "Development of a High-Precision Search and Recommendation Platform Model for the Secondary-Distribution Market Using Generative Retrieval Technology"
Selected Sep. 2026: "Research and Development on Leveraging AI Robots for Listing and Inspection Tasks"

AI Pods
Realizing new service architecture and features with smaller teams in shorter times thanks to development with AI as a foundation

Crossfunctional development
Promoting development with engineers going beyond their roles and specializations

Safety and Security

Marketplace

Sophistication of fraud detection

Further enhancing automatic early detection and elimination of fraudulent use to build a safer and more secure usage environment

Marketplace

Utilization of AI in CS

Creating mechanisms enabling users to solve issues independently without having to submit an inquiry and implementing AI agents into the inquiry response process

User Experience

New: Belongings Appraisal (Sep. 2026)

Enables users to assess the value of their belongings simply by taking a picture



New: Virtual Fitting Room (Sep. 2026)

Enables users to virtually "try on" clothing when using the web version of *Mercari Shops*



New: Reply Assistant (Aug. 2026)

Creates drafts of replies to comments from prospective buyers



Apps in ChatGPT (Jun. 2026)

Enables users to search for items and prepare listings through conversations with ChatGPT

Generative AI-powered advanced search (Mar. 2026)

Enables users to refine their searches using natural language, such as "My budget is 10,000 yen"

Mercari Easy Trading Card Listing (Mar. 2026–) (gradual rollout)

Identifies trading cards based on a picture and automatically fills in the item name, item description, and more

AI Listing Support (Sep. 2024)

Enables users to leverage AI to automatically fill out the item name, item description, price, and more when listing items; won the 2025 Good Design Award

Note: This page is an excerpt of our major AI-related initiatives. Initiatives with no date are ongoing.

3 Driving AI-Native Organizational Transformation

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- As we shift from use of AI by individuals to business transformation on a team level, we are establishing structures to drive this shift, a shared company-wide foundation, and risk assessment mechanisms

Organizational Transformation

Organizational Foundations

New: Establishing a company-wide AI work environment
Establishing connections between the company-wide shared AI environment and major internal SaaS products to build a foundation for employees to leverage AI in their everyday work

New: Extending AI Agent Day to US and India (Aug.–Sep. 2026)
Extended our program for all non-engineers to transform their own work using AI agents from our Japan offices to our overseas offices

New: Establishing permanent AI Management Office (Jul. 2026)
Turned our AI Task Force into a permanent organization

Consolidating the CHRO and CAIO roles (Jun. 2026)
Unified our AI strategy and HR strategy

Establishing standards for knowledge management
Establishing an environment in which AI agents structuralize meeting records and decision-making as much as possible for employees to easily reference as context

Launching the AI Task Force (Declaring our AI-Native transformation) (Jul. 2025)
Created a crossfunctional organization with approx. 100 members selected from across the company to promote business transformation

AI Governance/Security

New: Enhancing security measures
- Starting operation of threat detection/analysis leveraging AI
- Implementing an application security foundation, including by detecting and prioritizing vulnerabilities with the support of AI

New: Launching trials of leveraging AI in risk assessments
Implementing AI agents to identify and assess risks from the requirement discussion stages and launching trials of their usage in business divisions and risk management divisions

Enhancing our AI governance structure (Mar. 2026)
Formulated the Mercari Group AI Usage Policy

Establishing an AI governance organization (Oct. 2025)

AI-Native Transformation in Non-Engineering Areas

New: Establishing a structure for promoting AI in each non-engineering area
Assigning an owner and a person in charge of promotion for each area to promote the migration from individual use of AI to the use of agents for work on a team level

Implementing AI agents in HR tasks
Made progress implementing AI agents in the goal setting and evaluation areas; in the process of extending to hiring, talent development, and payroll areas as well

Note: This page is an excerpt of our major AI-related initiatives. Initiatives with no date are ongoing.

Disclaimer

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The FY2027.6 Q2 financial results are scheduled to be released at 15:30 or later on February 8, 2027.

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