

mercari

Presentation Material

FY2026.6 Q1





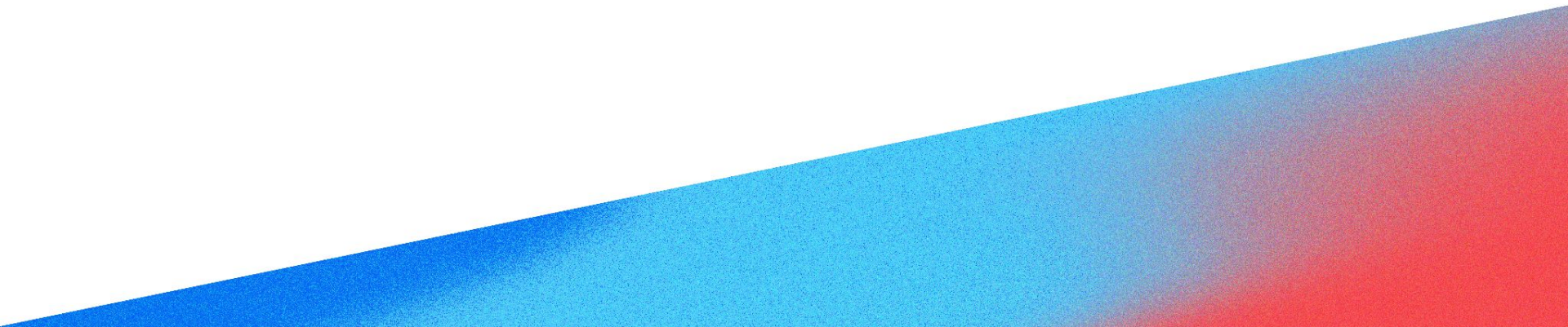
**Circulate all forms of value
to unleash the potential in all people**

Table of Contents

mercari

- 1** FY2026.6 Q1 Financial Overview
- 2** ESG
- 3** Appendix

FY2026.6 Q1 Financial Overview



Objectives Raised at Start of FY2025.6

Consolidated Results Forecast (Full Year)

Revenue	Core operating profit ¹
200.0–210.0 _{B JPY}	28.0–32.0 _{B JPY}

Group Policy/Major Initiatives

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

Q1 Highlights

Revenue

49.4_{B JPY}
(YoY +10%)

Core Operating Profit

9.3_{B JPY}
(YoY +128%)

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

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

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

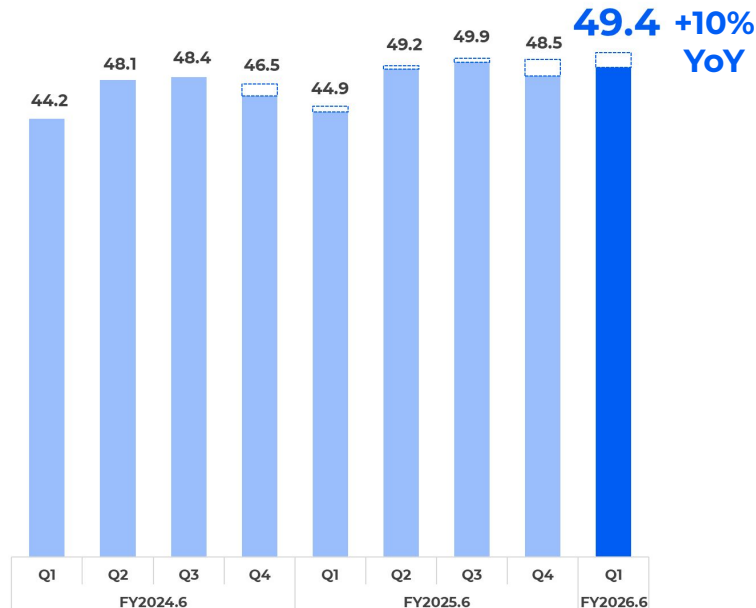
1 Consolidated Results (Quarterly)

mercari

Revenue

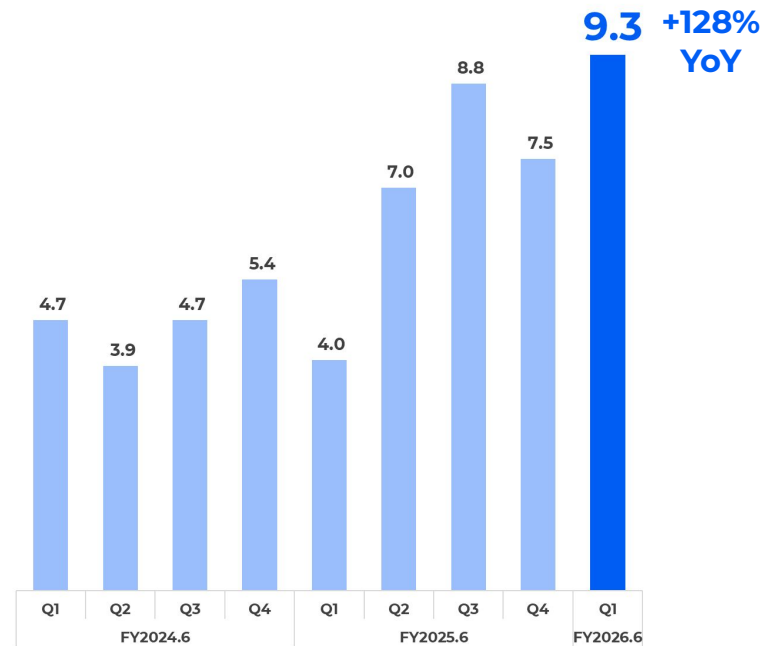
(Billion JPY)

Impact of a change in accounting methods such that a portion of point-related expenses is now deducted from revenue figures.¹
(Impact in Q1 was 1.5B JPY, YoY growth before deductions: +12%)



Core Operating Profit²

(Billion JPY)



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

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

1 FY2026.6 Q1—KPI Summary

mercari

Marketplace

GMV¹

270.3_B JPY
(+5% YoY)
excluding *Mercari Hallo*

Core Operating Profit²

8.4_B JPY
(+1.8B JPY YoY)
9.5B JPY excluding *Mercari Hallo*

Fintech

Credit Balance

269.1_B JPY
(+35% YoY)

Core Operating Profit

2.7_B JPY
(+2.3B JPY YoY)

US

GMV

194_M USD
(+0.4% YoY)

Core Operating Profit

0.6_B JPY
(+1.4B JPY YoY)

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

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

FY2026.6 Business Objectives

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

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

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

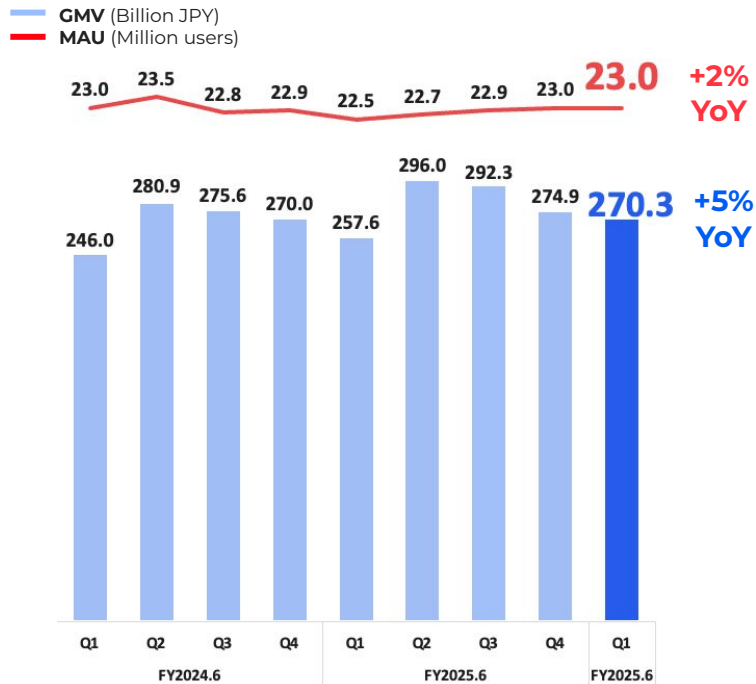
The core operating loss of *Mercari Halo* was 1.1B JPY, effectively reducing losses. Having examined the status of the business and market, we have decided to discontinue the service as of December 18.

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

1 Marketplace—Results (Quarterly)

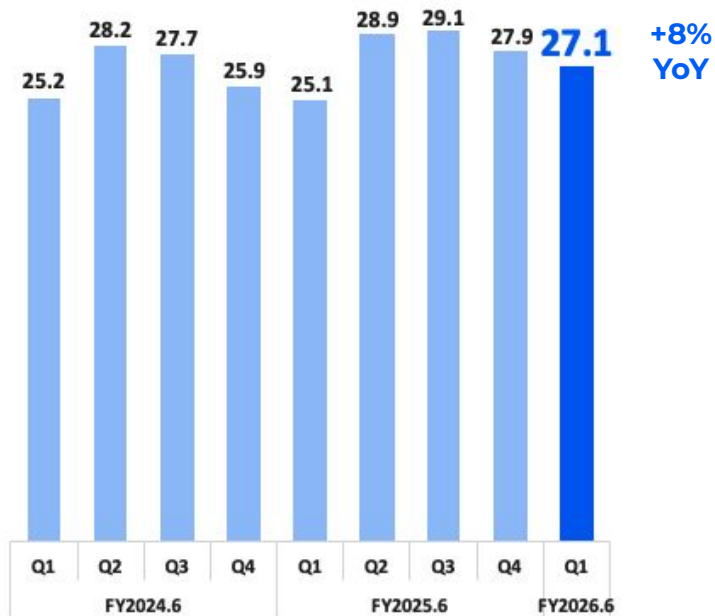
mercari

GMV¹/MAU²



Revenue³

(Billion JPY)



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

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

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

1 Marketplace—Results (Quarterly)

mercari

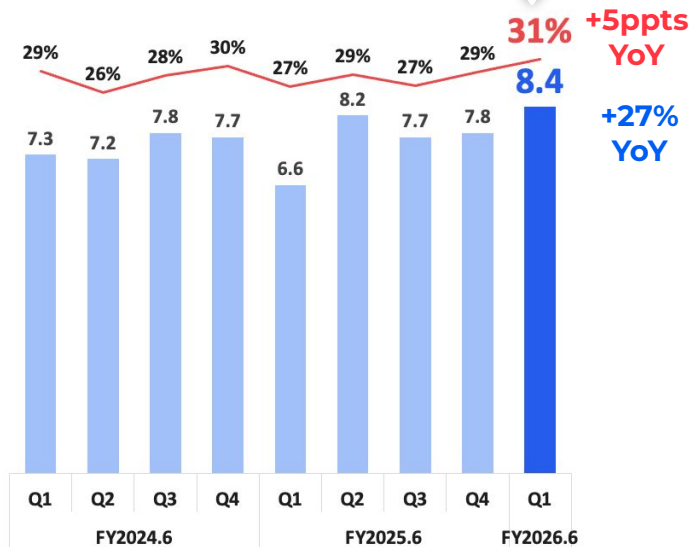
- Starting in FY2026.6 Q1, the Group discontinued adjustments based on internal transactions between Marketplace/Fintech¹ and now discloses (unadjusted) core operating profit²

Core Operating Profit/Margin

(Billion JPY)

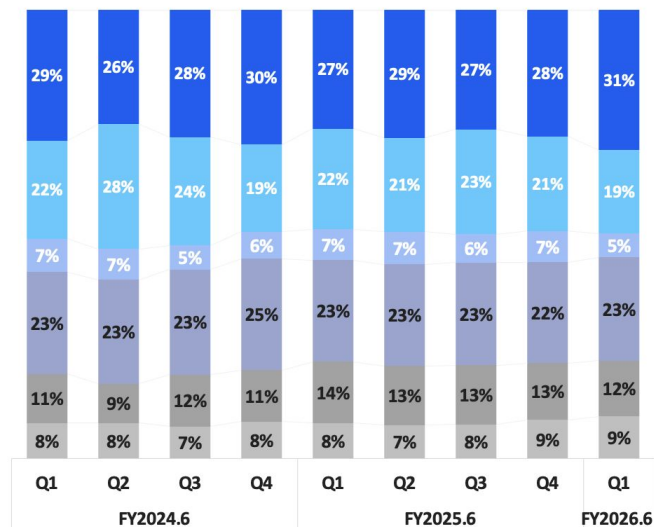
Core operating profit
Core operating margin

Excluding *Mercari Hallo*:
Core operating profit: **9.5B JPY**
Core operating margin: **35%**



Profit and Cost Composition

Other cost of sales
Personnel expenses
Commission fees
Other SG&A³
Promotion
Core operating profit



1. In association with the disclosure of core operating profit as a KPI starting from FY2026.6 Q1, the amounts of internal transactions between Marketplace and Fintech are disclosed retroactively, starting from FY2024.6. Furthermore, the disclosure of adjusted core operating profit in our data sheets will continue.

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

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

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

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

Policy	Implementation strategy	Results
 Thorough elimination of fraudulent users	• Make eKYC mandatory for high-priced items • Leverage AI to detect and score fraudulent users, and restrict account usage • Establish the Group-operated Mercari Appraisal Center	The percentage of transactions that result in inquiries¹ improved by 17% YoY from 0.48% to 0.40%
 Thorough aid for users	• Launch the Full Coverage Support Program	As a result of strengthening Mercari's involvement in transaction disputes, saw a 2.2 times YoY increase in the rate of resolution of inquiries associated with compensation being paid to a user²

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

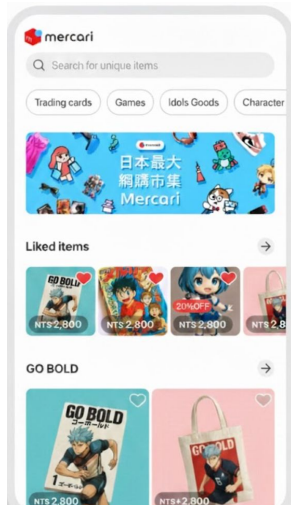
2. Percentage of inquiries regarding a defective item where the transaction led to compensation (described as the "rate of user compensation" in the Transparency Report)

Marketplace—Crossborder Product Initiatives

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

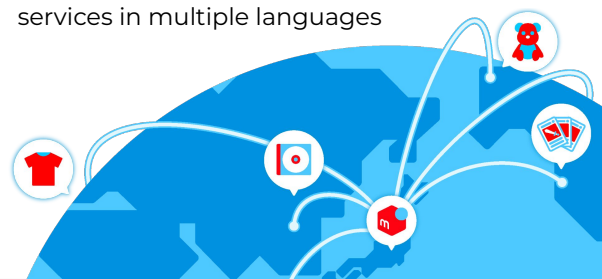
Global *Mercari* App for Users Overseas

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



Global Mercari E-Commerce Platform for Businesses in Japan

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



1. Started offering service on September 30, 2025

Background

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

Impact on Business Performance

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

1. As of June 2025

FY2026.6 Business Objectives

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

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

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

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

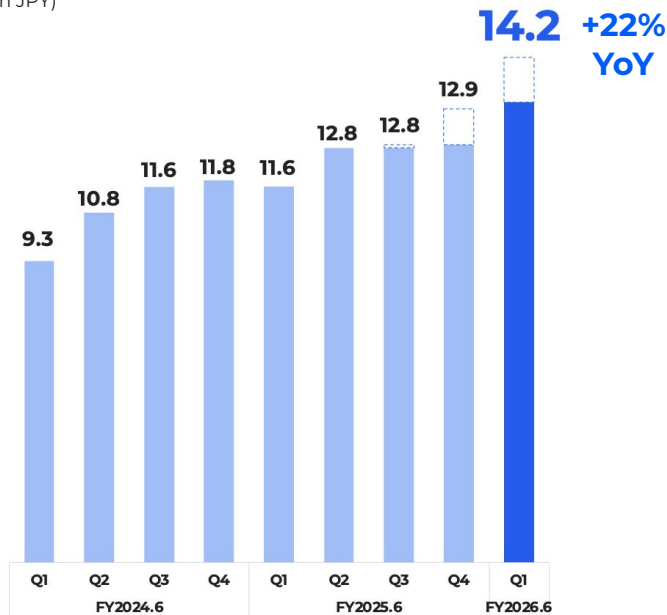
1 Fintech—Results (Quarterly)

mercari

Revenue¹

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

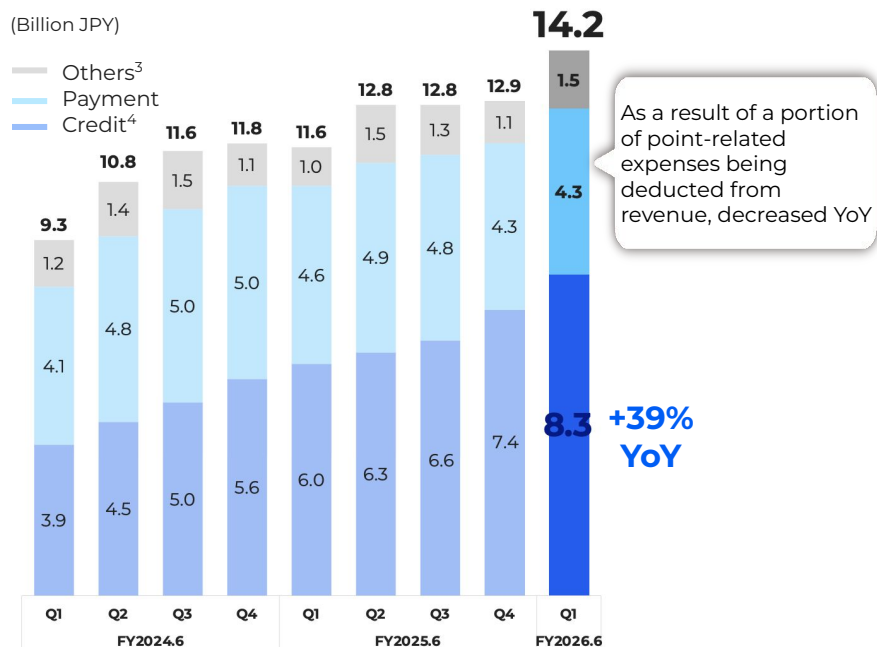
(Billion JPY)



Breakdown of Revenue

(Billion JPY)

Others³
Payment
Credit⁴



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

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

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

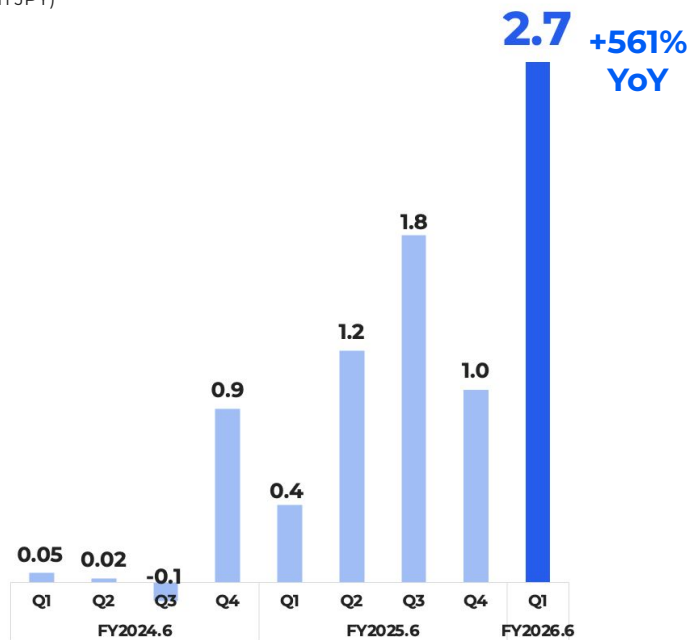
4. The annual effective interest rate for new credit of fixed-amount payment was revised to 18% effective January 1, 2025. The annual effective interest rate for new credit of installment payment (three installments or more) is also scheduled to be revised to 18% effective January 1, 2026.

1 Fintech—Results (Quarterly)

mercari

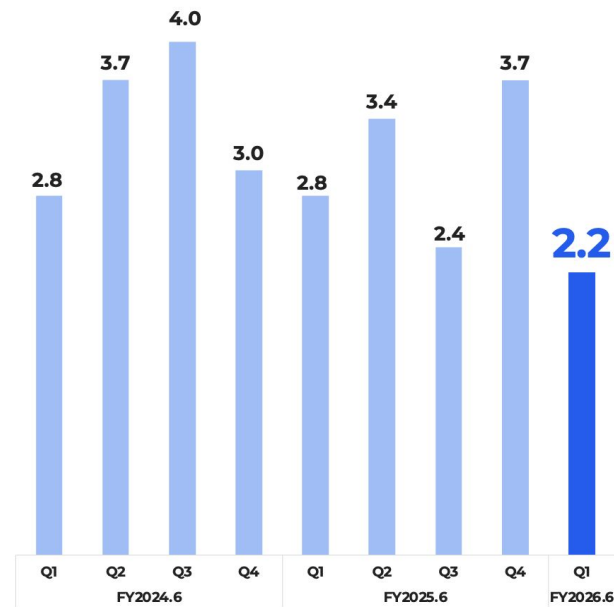
Core Operating Profit¹

(Billion JPY)

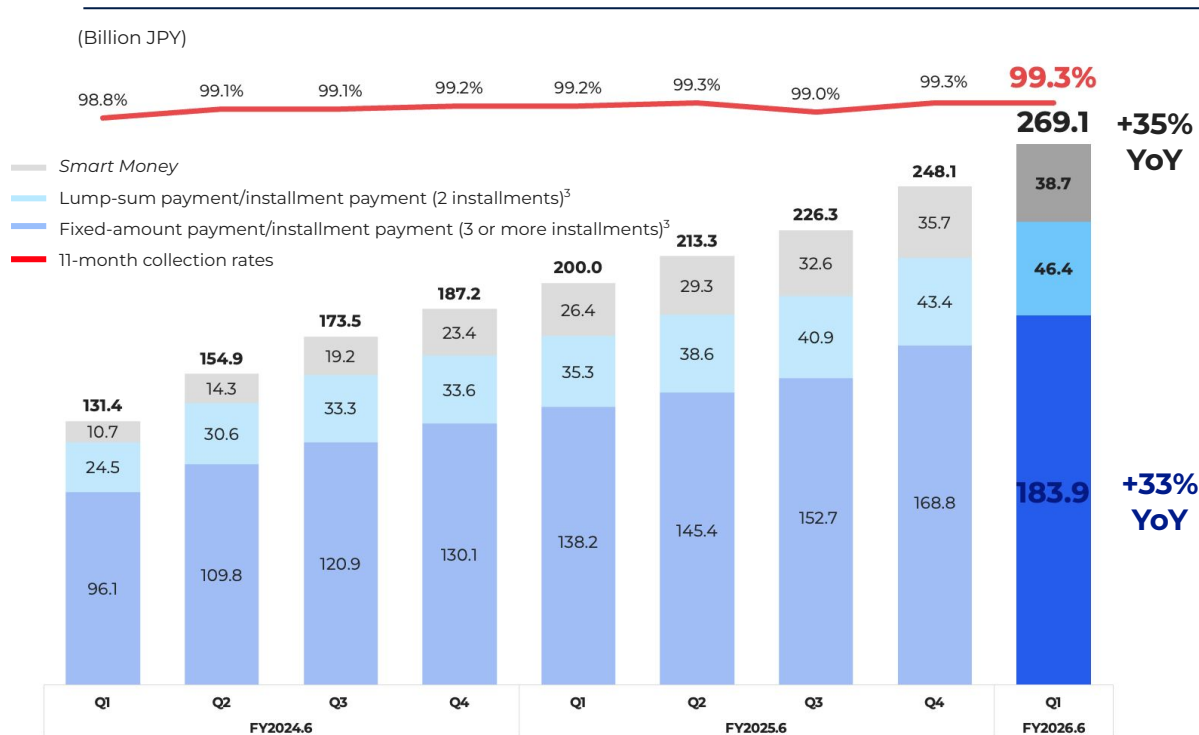


Advertising Costs

(Billion JPY)



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

Credit Balance¹ and Collection Rates²

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

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

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

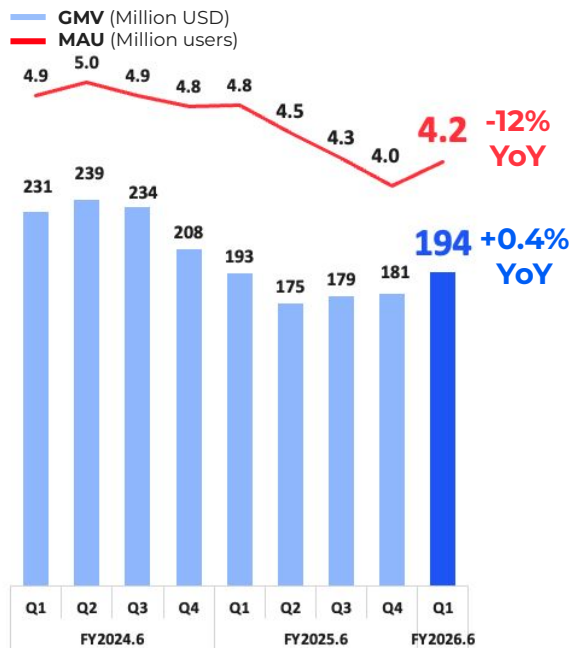
**FY2026.6
Business
Objectives**

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

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

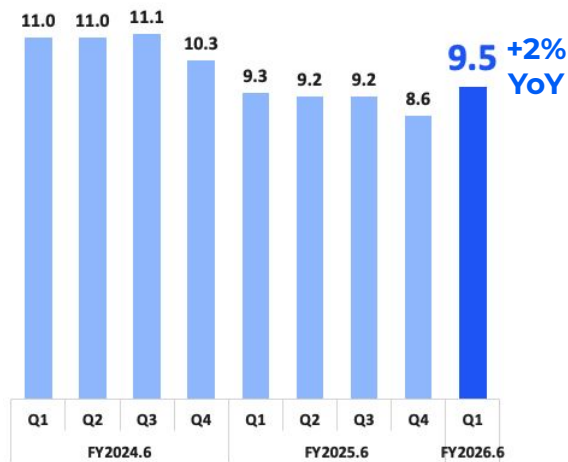
While carrying out initiatives such as providing competitive shipping options and implementing marketing centered on CRM initiatives and new user acquisition, continued to break even with a core operating profit¹ of 0.6B JPY.

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

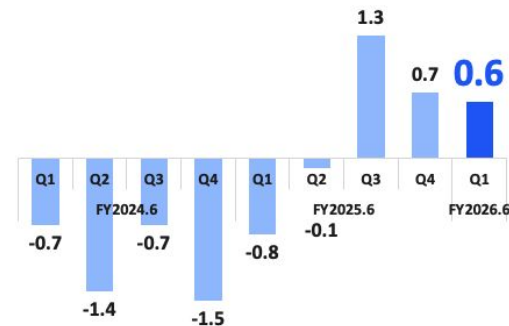
GMV¹/MAU²

Revenue

(Billion JPY)

Core Operating Profit³

(Billion JPY)

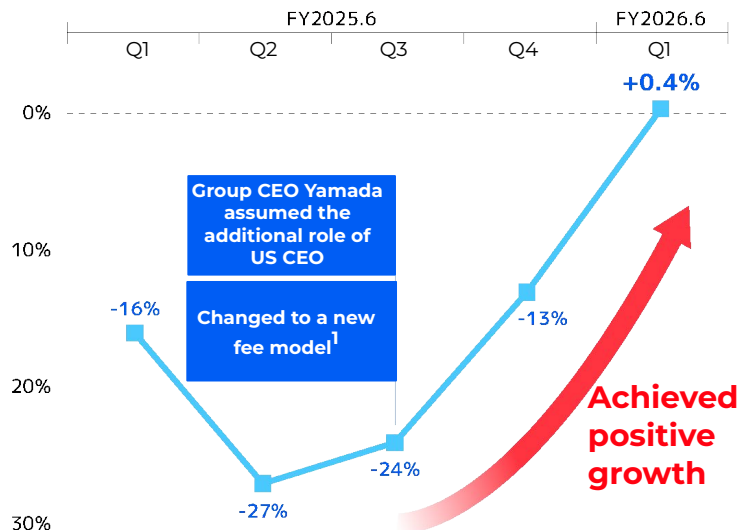


1. Aggregate transaction value after adjusting for cancellations

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

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

YoY GMV Growth Rate



Main Initiatives in Q1

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

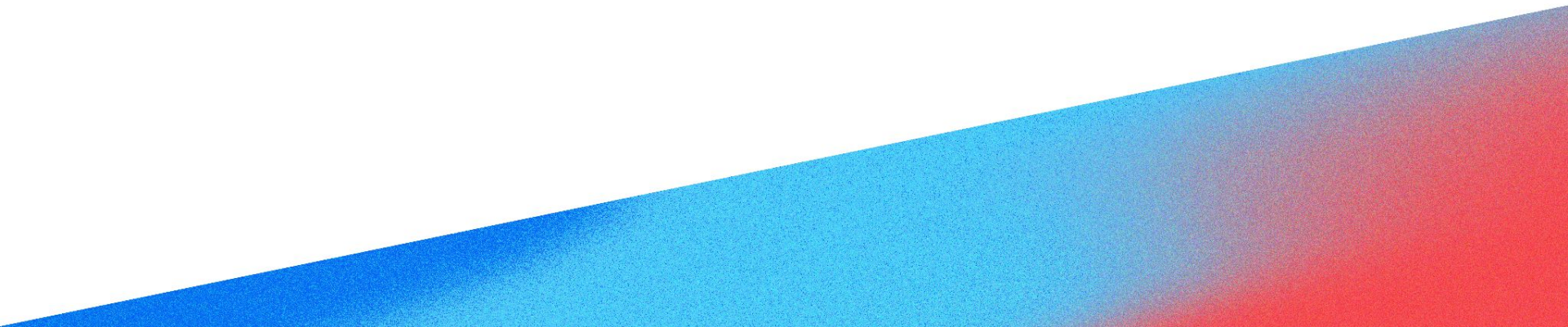
1. Changed to a fee model where the seller pays a selling fee of 10% and the buyer pays a buyer protection fee of 3.6%

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

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

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

ESG



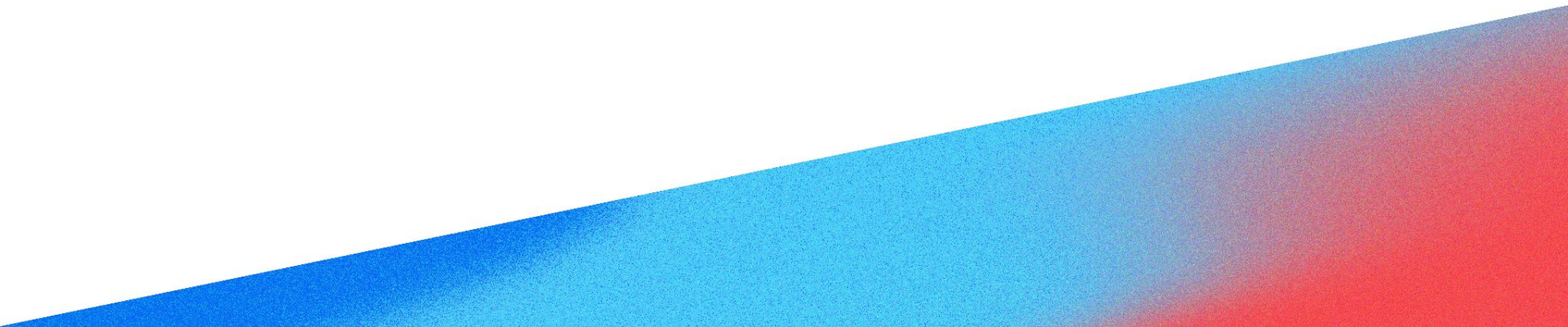
- Published the [FY2025.6 Impact Report](#) summarizing our ESG initiatives and results in FY2025.6¹
- For the first time, published the [Transparency Report: First Half of 2025](#) to regularly report the status and results of our efforts to build a safe and secure transaction environment²



1. Published September 25, 2025

2. Published September 2, 2025

Appendix



Board of Directors Structure

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

12 Directors

Directors (4)



Shintaro Yamada

Representative Executive
Officer and CEO



Fumiaki Koizumi

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



Sayaka Eda

Executive Officer, Senior Vice
President of Corporate, and CFO



Mayumi Tochinoki

Independent Directors (8)



Kazuhiko Toyama

Lead Independent Director
Chair of the Nominating
Committee



Makiko Shinoda

Chair of the
Compensation
Committee



Shiho Konno

Chair of the Audit
Committee



Takuya Kitagawa



Mayumi Umezawa



Kikka Hanazawa



Kumi Fujisawa



Masahiro Kotosaka

(new)

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

Governance Structure (Independent Directors)



Kazuhiko Toyama

Lead Independent
Director
Chair of the Nominating
Committee



Makiko Shinoda

Chair of the
Compensation
Committee



Shiho Konno

Chair of the Audit
Committee

Background

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

Reasons for Selection as Independent Directors

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



**Takuya
Kitagawa**



Mayumi Umezawa



Kikka Hanazawa

Background

- Director of Rakuten Data Marketing, Inc.
- Co-founder and Director, Public Interest Well-being for Planet Earth Foundation (current position)
- Managing Executive Officer, Chief Data Officer of Technology Division of Rakuten, Inc.
- President and Director of QuEra Computing (current position)
- Representative Director, President of QuEra Computing Japan, Inc. (current position)

- Joined the Tokyo office of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
- Umezawa Accountant Office (currently Mayumi Umezawa CPA Office) (current position)
- Joined McDonald's Company (Japan), Ltd.
- Finance Manager of Disney Store Department at The Walt Disney Company (Japan) Ltd.
- Director of Accounting Labo (currently Accounting Labo Co., Ltd.) (current position)
- Outside Audit & Supervisory Outside Director (Audit and Supervisory Committee Member) of Retty Inc.
- Supervisory Director of Japan Hotel REIT Investment Corporation (current position)
- Outside Director of Wellness Communications Corporation
- Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd. (current position)

- General Manager, Itochu Fashion System Co., Ltd. New York office
- Vice President of Marketing, Cygne Designs, Inc.
- CEO of CYGNE INTERNATIONAL
- Director of Strategic Planning, Link Theory Holdings Co., Ltd
- CEO of VPL
- President of Fashion Girls for Humanity (current position)
- Co-founder of Yabbey (current position)
- Director of Columbia University (current position)

Reasons for Selection as Independent Directors

- Expert knowledge in technology areas such as AI and data science
- Extensive experience and profound insight in AI and data usage for business creation and social issue resolution

- Specialized expertise in the fields of finance and accounting
- Profound insight into the fields of risk management, compliance, and corporate governance

- Extensive experience in business management, primarily in the US, tackling social issues through businesses
- Profound expertise in the field of sustainability



Kumi Fujisawa



Masahiro Kotosaka
(new)

Background

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

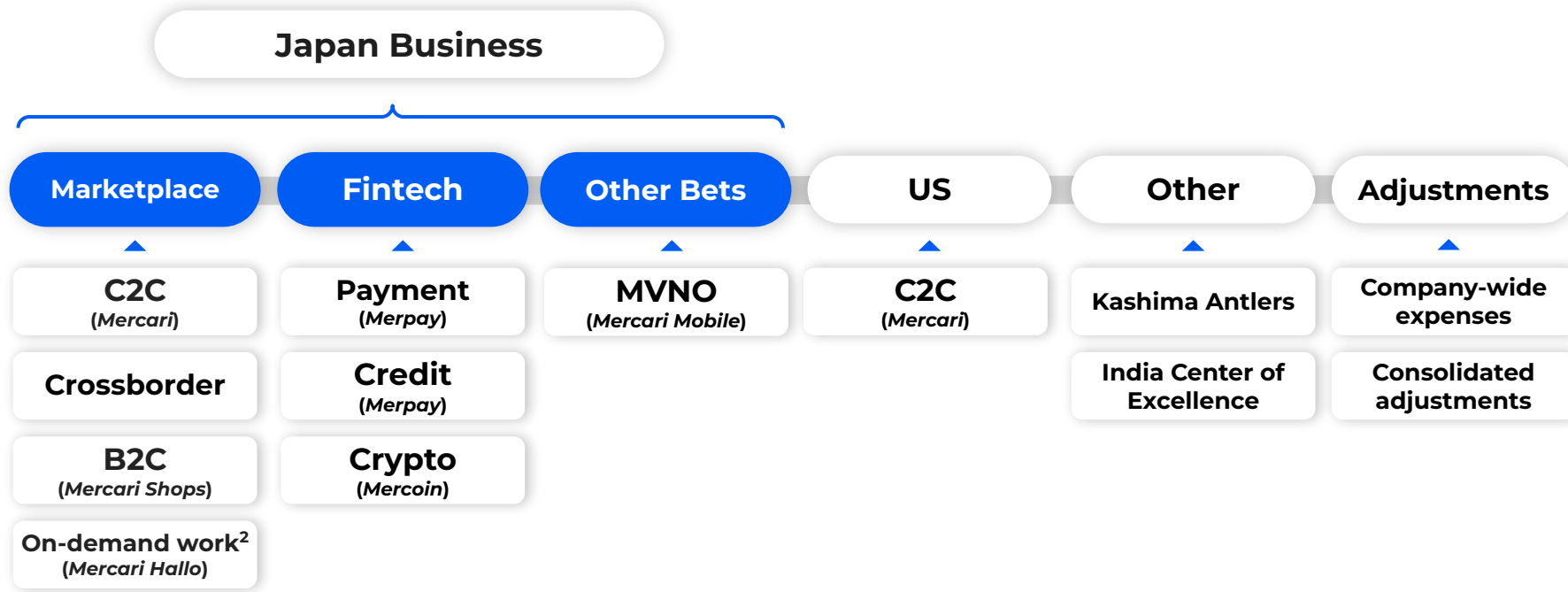
- Joined McKinsey & Company, Inc.
- Associate Professor of College of Business Administration, Ritsumeikan University
- Outside Director of Appirits Inc.
- External Audit & Supervisory Board Member of Uzabase, Inc.
- Outside Corporate Auditor of RAKSUL INC.
- External Director of Euglena Co., Ltd. (current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

Reasons for Selection as Independent Directors

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

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

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



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

2. Scheduled to discontinue service on December 18, 2025

Approach to Capital Allocation

(Excerpt from FY2025.6 Q4 Presentation Materials)

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

Internal Reserve Levels

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

Capital Allocation Priorities

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

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

Group-wide

Mid-Term Objectives

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

Marketplace

Objectives

- In addition to the stable growth of C2C, lead the market with high growth of crossborder transactions and B2C

Focus Areas

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

Fintech

Objectives

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

Focus Areas

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

US

Objectives

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

Focus Areas

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

1. The underlined items indicate additions/modifications to the mid-term objectives announced in FY2024.6 Q4
 2. Removed the items regarding the on-demand work business in accordance with the discontinuation of the Mercari Hallo service

FY2026.6—Business Objectives

(Excerpt from FY2025.6 Q4 Presentation Materials)

Consolidated

Guidance

Revenue

200.0–210.0B JPY

Core operating profit¹

28.0–32.0B JPY

Policy/Major Initiatives

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

Marketplace

Guidance

GMV growth rate: Approx. +3–5%

Core operating profit¹: 32.0–36.0B JPY

Policy/Major Initiatives

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

Fintech

Guidance

Core operating profit¹: 5.0–7.5B JPY

Policy/Major Initiatives

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

US

Guidance

Break even³

Positive full-year GMV growth YoY

Policy/Major Initiatives

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

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

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

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

Major Itemization of Consolidated BS

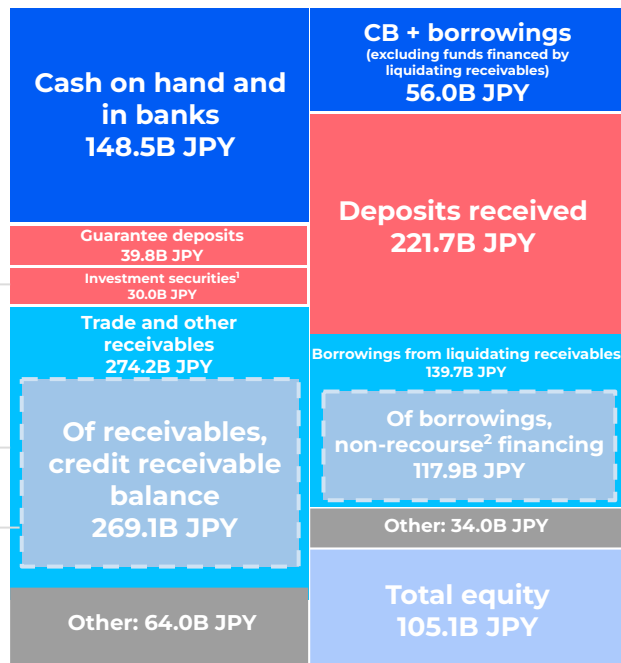
- We will continue to leverage various methods of financing and appropriately control our balance sheet to maintain a sound financial foundation

Primarily deposits related to user funds and government bonds

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

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

Credit balance from *Merpay*’s credit services



Convertible bonds and long-term borrowings

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

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

Funds financed by liquidating receivables

Liquidated lump-sum payment and fixed-amount payment receivables for *Merpay Smart Payments*. Starting FY2023.6, we have carried out non-recourse² financing for a portion of liquidated receivables.

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

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

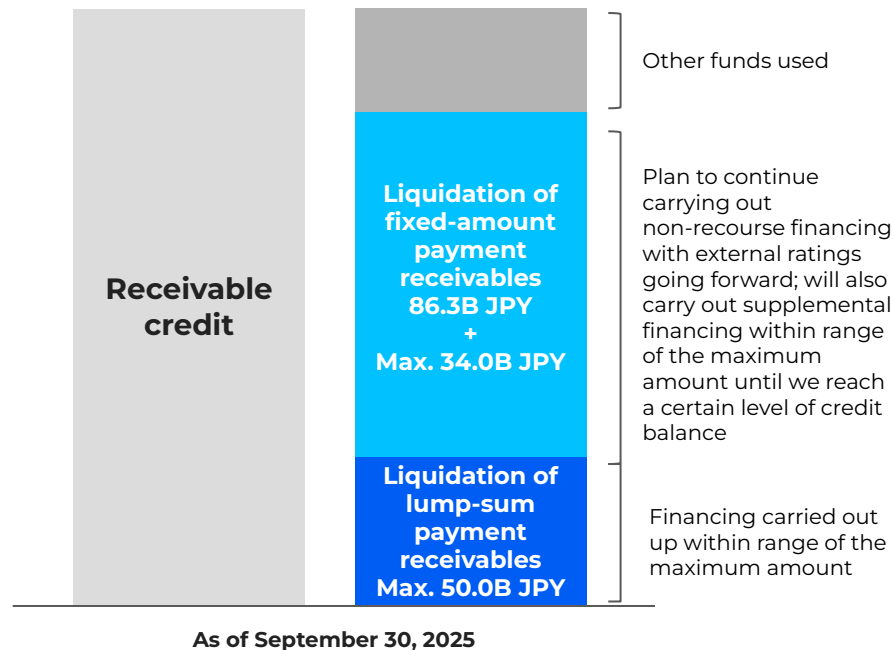
2. A method of financing in which the amount collected from the credit is the only source of repayment, and the repayment obligation is not borne by Mercari

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

Approach to Financing for Credit Services

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

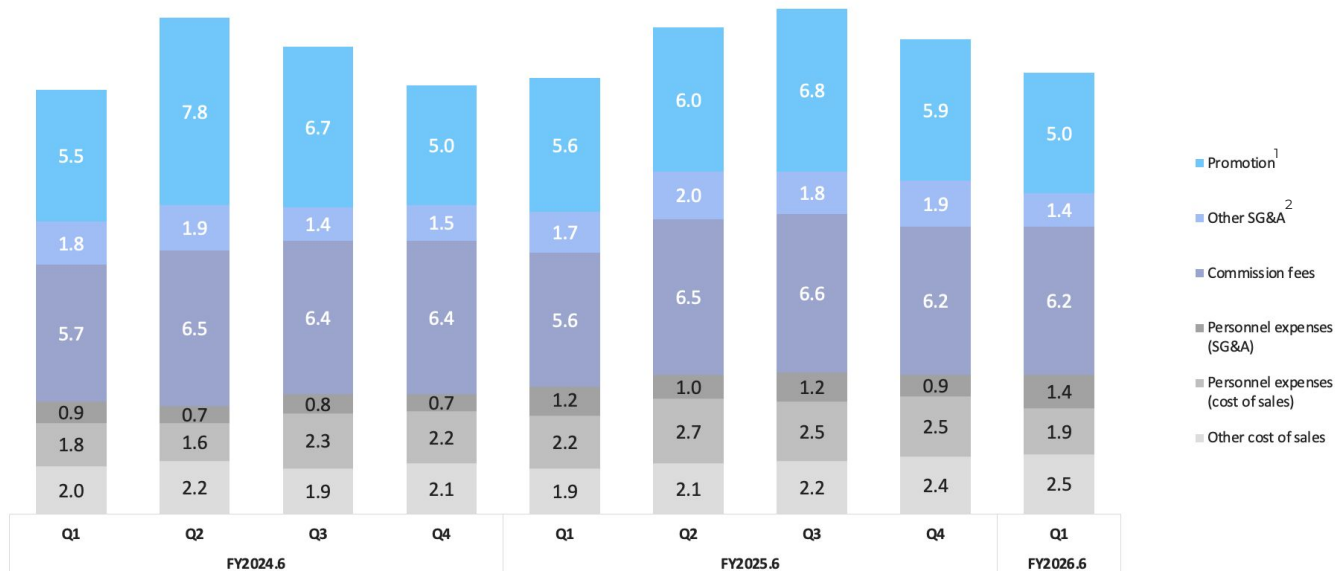
- We have received an external rating for *Merpay Smart Payments* fixed-amount payment receivables and carried out non-recourse¹ financing for a total of 86.3B JPY as of the end of FY2026.6 Q1.
- Additionally, we have liquidated receivables in line with the growth of our credit balance per month, with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



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

Marketplace—Cost Composition (Quarterly)

(Billion JPY)



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

2. Outsourcing expenses, depreciation, land rent etc.

Disclaimer

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

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

mercari

Mercari, Inc. TSE: 4385