FY2025 Business Plan and Growth Potential

June 12, 2025

Smaregi, Inc.
Securities code: 4431

1. **Company Overview**
2. Service Overview
3. Financial Highlights
4. Growth Strategies
5. Business Risks

Philosophy

Corporate Philosophy

Making the future even better

Management Philosophy

OPEN DATA, OPEN SCIENCE!

Aim to improve profitability through open POS data and improve in-house productivity through data-driven management.

Mission Vision Value

MISSION

Dynamic stores bring about dynamic towns.

Through the services that we provide, Smaregi aims to address issues faced by small and midsize businesses, including recruitment, education, labor shortage, and supporting inbound demand, and to revitalize stores and society as a whole.

VISION

Japan’s largest holder of sales data.

Promoting the shift to a cashless society.

Promoting the use of ICT among small and midsize businesses.

Corporate Information

Providing cloud-based solutions for POS, cashless payments, and workforce management.

Company name	Smaregi,Inc.
Established	May 24, 2005
Locations	Osaka (HQ), Tokyo, Nagoya, Fukuoka, Hokkaido (CS base), Netshop Supporters Co., Ltd. (subsidiary)
Showrooms	Osaka, Tokyo (Shinagawa, Ebisu and Ikebukuro) , Nagoya, Fukuoka and Okinawa
Representative Director	Ryuhei Miyazaki (CEO)
Services	Smaregi (POS) PAYGATE Smaregi TimeCard

Net sales	Operating profit	Sales growth YoY
¥11.0 billion	¥2.3 billion	32.0%

ARR	Subscription ratio	Employees[*1]
¥8.6 billion	67.1%	435

*As of the end of April 2025.

*1 Excluding temporary, part-time employees and unconsolidated Vietnam development subsidiary.

Smaregi’s Management Team

Representative Director

RYUHEI MIYAZAKI

Joined Smaregi in 2011. After participating in development as a founding member of Smaregi, launched the Smaregi TimeCard in 2014. After serving as Head of Development, appointed Director in July 2019, overseeing both Development and Customer Success.
Promoted to CEO in July 2024.

Chairperson

HIROSHI YAMAMOTO

Engaged with business systems development as an IT engineer since 2003. Launched the cloud-based POS cash register service, Smaregi, in 2011.
*Will resign from the position of Director at the conclusion of the Annual General Meeting of Shareholders in July 2025 and will be appointed as an Advisor.

Director
Corporate Planning and Marketing

KOHEI TAKAMADATE

Joined the JAFCO Group in 2007. Worked in the areas of venture investment, M&A, and stock listing, appointed president and representative director of Sekaie in 2013, then joined Smaregi.

Outside Director
Branding/Communication strategy

SAKI IGAWA

After serving as Head of Asia at BLUE BOTTLE COFFEE Inc., founded Inflorescence in 2022.
*Will resign from the position of Director at the conclusion of the Annual General Meeting of Shareholders in July 2025.

Executive Vice President
and Director Business Planning

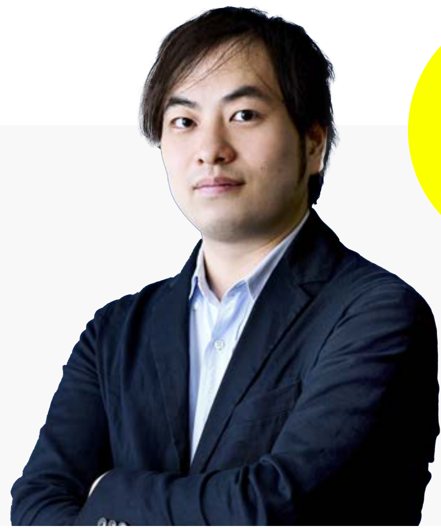
RYUTARO MINATO

An IT engineer who has been involved in many large-scale development projects including financial systems and POS. Developed the Smaregi cloud-based POS system in 2011.
*Will resign from the position of Director at the conclusion of the Annual General Meeting of Shareholders in July 2025 and will be appointed as an Advisor.

Outside Director
IT Venture Investments

SHINJI ASADA

Worked at ITOCHU Corporation, ITOCHU Techno Solutions Co., Ltd., and Salesforce Ventures Japan representative, then founded One Capital Co., Ltd. in 2020.



NEW
Candidate

Outside Director
AI Strategy

YOUSUKE OKADA

Founded ABEJA, Inc.—Japan’s first startup specializing in deep learning—after gaining experience in the IT venture sector.
*Nominee for Outside Director to be proposed at the Annual General Meeting of Shareholders in July 2025.

Auditors and Executive Officers

Auditors

Full-time Corporate Auditor

TAKUYA MOCHIZUKI

In 2005, established genephics design, Inc. (now Smaregi Inc.) with Makoto Tokuda (a Smaregi Corporate advisor) and became a director of this company. Appointed as a full-time corporate auditor in 2017.

Outside Corporate Auditor

YUTAKA OHIRA

Certified public accountant and tax accountant. Worked as a professional accountant since 1994 after passing the national examination. Appointed as a corporate auditor in 2017.

Outside Corporate Auditor

MASAYUKI MURATA

Worked at the stock exchange for 27 years since 1991. Established PUBLIC GATE LLC in 2018, and appointed as a corporate auditor of Smaregi.

Executive Officers

Executive Officer
- In charge of Sales

SOSUKE SUGIMOTO

Joined in 2013 after working in a major enterprise in the apparel industry. Has served as section manager and general manager of the Sales Department.

Executive Officer
- In charge of Alliance/App Market

SHUGO SUZUKI

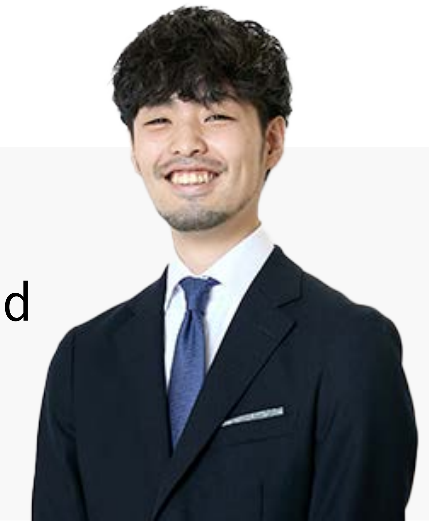
Joined in 2016 after working in manufacturing and retail companies. Involved in the launch of the business partner scheme and partner promotion department.

NEW

Executive Officer/CTO
- In charge of Development

NAOI OKADA

Joined in 2017. Has led development across both application and server sides, and also contributed to the establishment of the CTO Office.



Executive Officer
- In charge of CS/Smaregi TimeCard

DAI TAKEMURA

Joined in 2013. Engaged in the launch of the Customer Success Department, which covers a range of solutions from onboarding to after-sales support.

NEW
Candidate

Executive Officer
- In charge of Sales/Payment Services

TETSUYA TAKAHASHI

Joined in 2023. Led the PMI of the former Royal Gate merger as Head of the Payment Business, successfully achieving profitability.
*Nominee for Outside Director to be proposed at the Annual General Meeting of Shareholders in July 2025.

Advisors

Payment Services

KAZUYOSHI JIBIKI

Previously served as President & CEO of Zeus Co., Ltd. and Director & COO of SBI AXES Co., Ltd. Joined Smaregi, Inc. as an Outside Director in 2014, and was appointed as Director in 2015.
Brings extensive expertise and hands-on experience in the payments industry, contributing to the strengthening and expansion of the company's sales operations. Stepped down from the Board in 2021, and is scheduled to assume the role of Advisor for the payments business in July 2025.

Investor Relations

MAKOTO TOKUDA

IT engineer, UI/UX designer, and art director. Co-founded Smaregi, Inc. in 2005 and built the foundation of the Smaregi design system. After serving as President and Director, resigned from the Board in 2020.
Since 2020, has served as an IR Advisor to the company. Brings deep expertise and hands-on experience across marketing, design, branding strategy, IPO preparation, and investor relations, supporting the company as a cross-functional advisor.

Development and Operation

RYUTARO MINATO

IT engineer. Appointed as Director of Smaregi, Inc. in 2013 and has served as Executive Vice President since 2019. Has contributed to both development oversight and management decision-making. Combines hands-on engineering insight with strategic perspective, driving the company's growth as a leader with a dual vantage point.
And is scheduled to assume the role of Advisor in July 2025, continuing to support the company through technical and development-oriented guidance.

Corporate Management and Capital Strategy

HIROSHI YAMAMOTO

IT engineer and business executive. Joined Smaregi, Inc. in 2006 and has served as Director since 2007. Launched the cloud-based POS system "Smaregi" in 2011, and as President & CEO from 2013, played a central role in driving the company's growth. Appointed Chairman of the Board in 2024, and is scheduled to assume the role of Advisor in July 2025. Continues to support the company through strategic guidance on corporate management and capital policy.

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Businesses

Cloud Services

POS

Smaregi

A new, cloud-based POS system that enables efficient store management and data management.

PSP

PAYGATE

A multi-payment service that supports a variety of payment methods.

HR

Smaregi TimeCard

Smaregi's HR service—beyond traditional attendance management.

EC

Netshop Supporters (Subsidiary)

Integrated support services for e-commerce businesses, including inventory and customer management across multiple EC platforms.

Others

CVC

スマレジVentures

Venture investments business and Smaregi economic zone expansion business.

SES

Smaregi TechFarm

IT and creative human resources discovery and training business through SES.

Hardware sales

STORE STORE

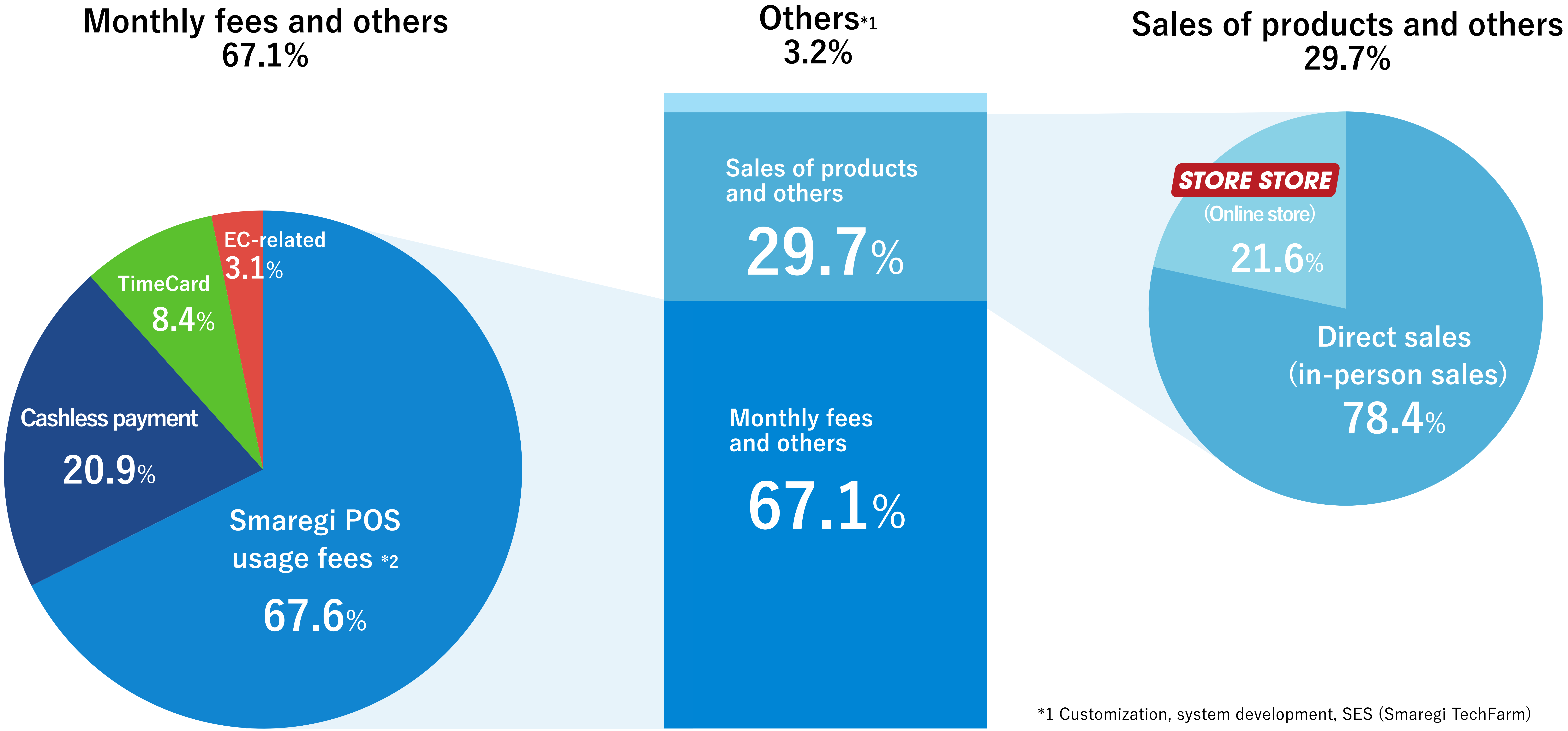
Online store for store peripherals.

Store management

Channeling Ground-Level Feedback for User-Centric Software Development through Store Management

Sales Components

Our flagship product, Smaregi (POS), is a distinctive cloud service accompanied by the sale of related products.



*1 Customization, system development, SES (Smaregi TechFarm)

*2 Smaregi POS usage fees (monthly fees, etc.) include monthly usage fees for Smaregi App Market (only for Smaregi's portion of earnings).

*Prepared by Smaregi based on sales results for FY2025 (May 2024 - Apr. 2025).

Smaregi POS

POS

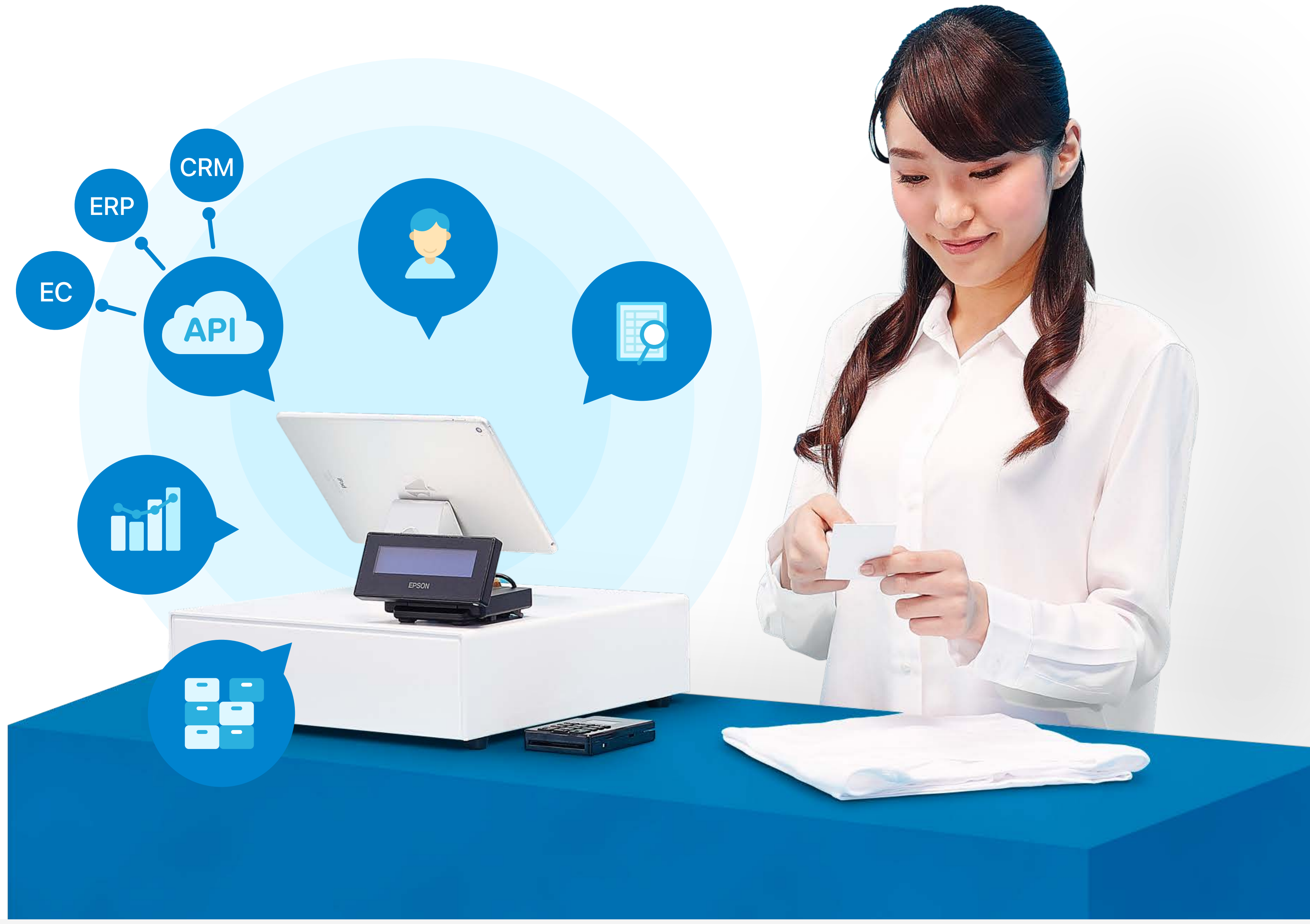
Advanced Cloud-based POS - Smaregi

Basic POS functions are free.
Advanced features like analytics and inventory available via paid plans for retail, F&B, and services.

GMV	Active stores	Churn rate
¥11 trillion	50,000+	0.48%

From legacy registers to data-driven Smaregi

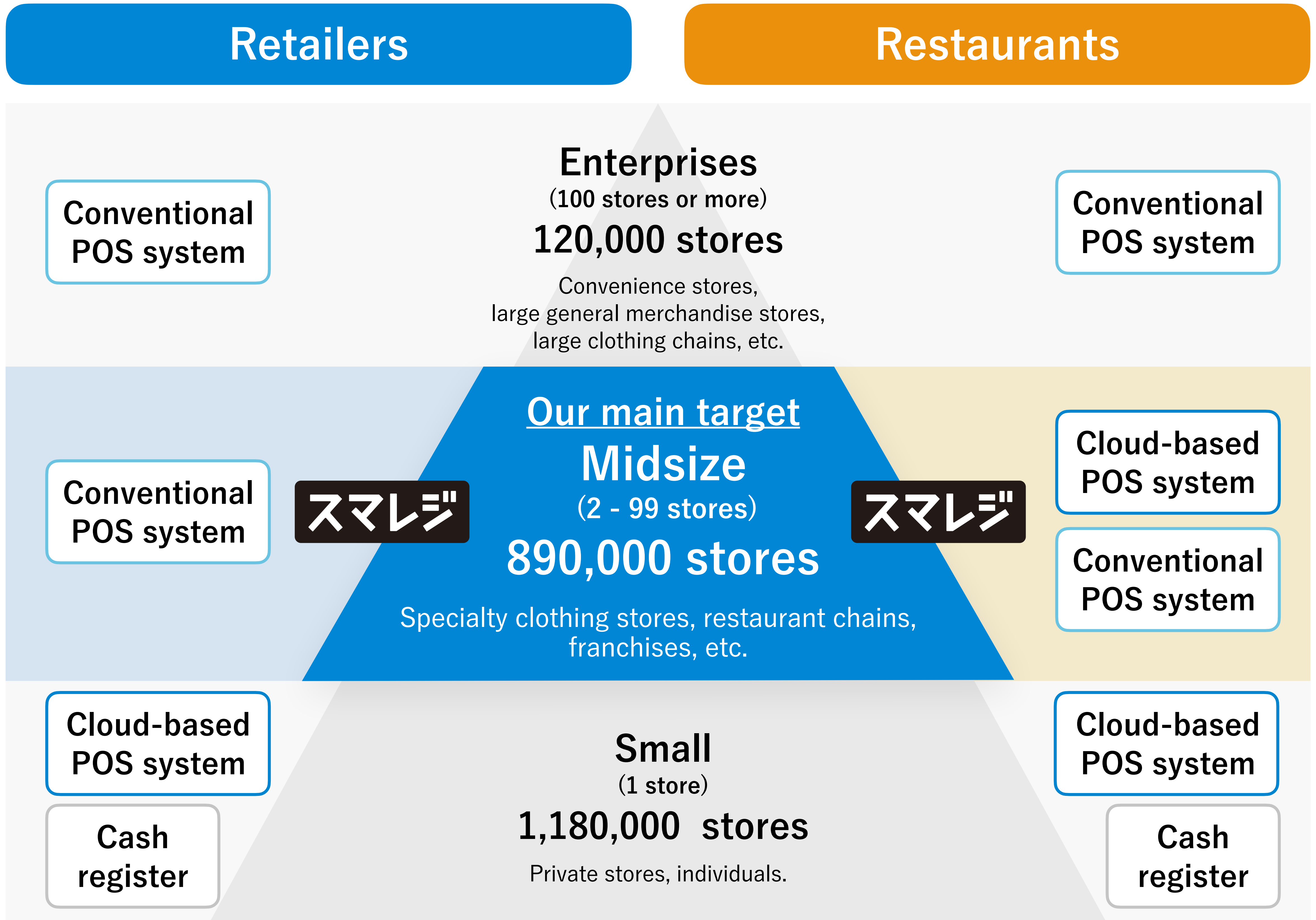
Empowering store operations with cloud-based POS data and actionable insights.



POS Domestic Market

Expanding market share mainly in the midsize segment by providing functions mainly targeting the midsize businesses.

Cloud adoption and DX are intensifying competition in the POS market, with firms vying for share even beyond core areas despite limited scale advantages.



Retailers

Restaurants

Enterprises
(100 stores or more)
120,000 stores
Convenience stores, large general merchandise stores, large clothing chains, etc.

Retailers: Conventional POS system
Restaurants: Conventional POS system

Our main target
Midsize
(2 - 99 stores)
890,000 stores
Specialty clothing stores, restaurant chains, franchises, etc.

Retailers: Conventional POS system, スマレジ
Restaurants: スマレジ, Cloud-based POS system, Conventional POS system

Small
(1 store)
1,180,000 stores
Private stores, individuals.

Retailers: Cloud-based POS system, Cash register
Restaurants: Cloud-based POS system, Cash register

Created by our company based on the results of the 2021 Economic Census by the Ministry of Economy, trade, and Industry, and the Ministry of Internal Affairs and Communications.

	 Cash registers	 **Conventional POS system** Dedicated device	 **Cloud-based POS system** PC or tablet
Device price	○ Low ¥10,000 - 100,000	× High ¥500,000 - millions +	○ Low ¥10,000 - 150,000
Maintenance costs	△ Replacement of malfunctioning devices	× Replacement of malfunctioning devices / Separate update fees required	○ Replacement by part. No update fees required
Ease of use	△ Complicated to use with many buttons	△ Complicated to use with many buttons	○ Easy to use iOS app
Functionality	× Basic performance	○ High performance	○ High performance & freely expandable
Support	× Generally none	○ Help desk, on-site support +	○ Help desk, email support, help site +

POS

Unique Features - Exceptional High Performance

A high-performance cloud POS that empowers data-driven store management.

Retailers

Operations	Orders/ incoming deliveries Merchandise registration Inventory operations Multi-store management
↓ Sales area	
↓ Checkout	Cash register function Sales analysis
↓ Consumers	Customer management

Restaurants

Operations	Customer management Customer arrival Management Menu registration Customer order input Printer link
↓ Kitchen	
↓ Table preparations ↓ Customer seating	Table management Menu management
↓ Checkout	Cash register function Sales analysis Multi-location management

Store staff's choice Excellent support No.1

Store staff's choice Trustworthy No.1

Store owner's choice Good quality No.1

Online survey by Shopper's Eye Inc. (June 2021)

Open API

Enterprise-ready scalability.

Easily linked with external services.

User-centered design

GOOD DESIGN

Resolves stores' challenges with design concepts.

Advanced inventory control

Why we win in retail.

Maximized performance through POS-integrated inventory management.

Sophisticated analysis

Real-time sales analytics, anytime, anywhere.

Omni-channel

\ NEW / Acquired EC-related systems.

Seamless online-offline integration enhances service quality.

Customer success

Churn rate 0.48%*1

Robust support drives satisfaction and retention.

App Market

Purchase what store want

Achieving a cross-industry approach.

Small to enterprise

Scalable from single store to enterprise-level operations.

Seamless payment

In-house payment service.

Seamless integration improves convenience and increases ARPU/ARPA.

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*1 MRR churn is the attrition rate calculated by using Smaregi monthly recurring revenue.The average is from May 1, 2024 to April 30, 2025.

PAYGATE

PAYGATE
INTERNATIONAL
1234 5678 9012 3456
PAYGATE STATION
00/00

PSP

Payment Service - PAYGATE

Smaregi’s payment service provider business.

The one-stop payment platform

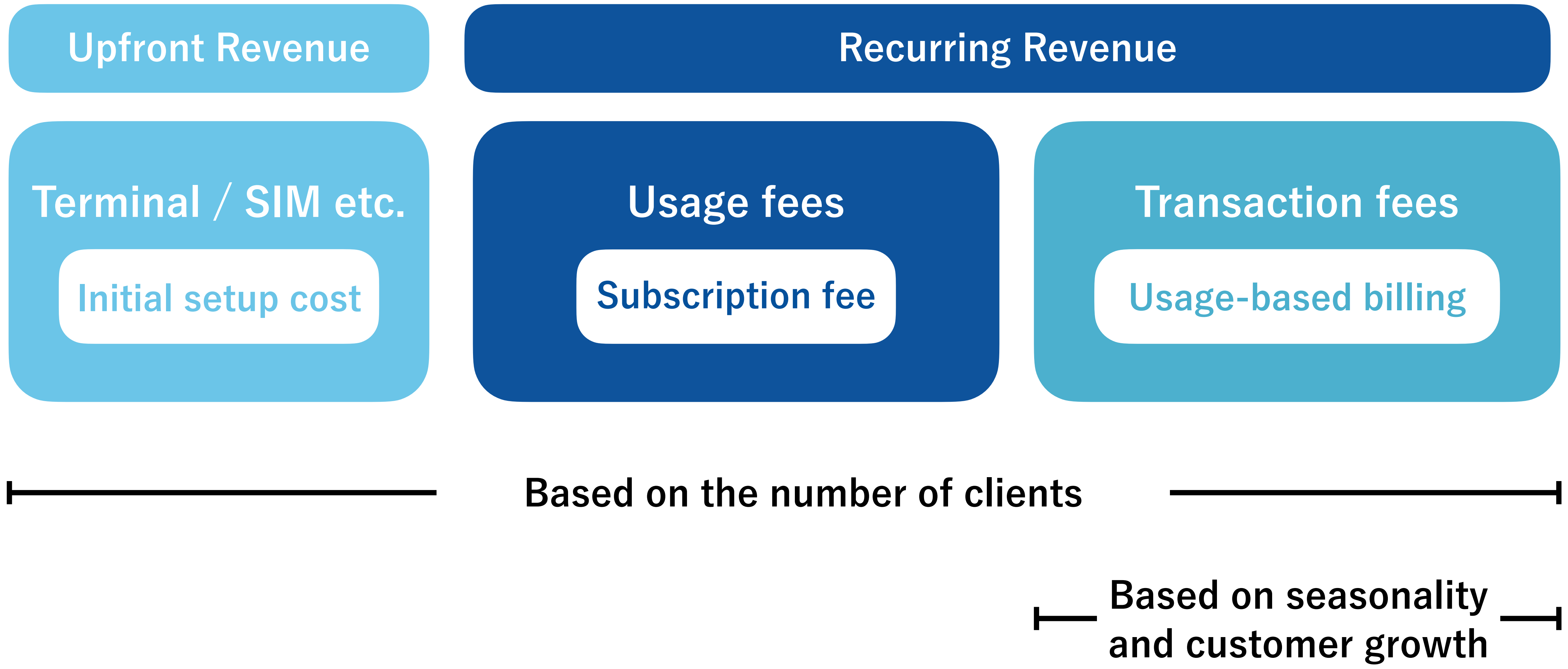
SUGOCA
Pay
AMERICAN EXPRESS
au PAY
Diners Club INTERNATIONAL
nimoca
支付宝 ALIPAY
mastercard
PayPay
ICOCA
d払い
JCB
R Edy
VISA
WAON
微信支付 WeChat Pay
iD
Suica
UnionPay 银联
R Pay
DISCOVER
はやかけん HAYAKAKEN
PASMO

LOWEST Level[*2]

Payment cycle	Transaction fees
Twice a month	**1.98**%～

Profit structure with pay-as-you-go billing based on merchant sales

Smaregi, Inc. acts as a PSP (Payment Service Provider)[*1], offering the multi-payment terminal "PAYGATE" with support for nearly all major cashless payment methods, including select contactless transactions via mobile ordering apps.



Upfront Revenue	Recurring Revenue	
Terminal / SIM etc.	Usage fees	Transaction fees
Initial setup cost	Subscription fee	Usage-based billing

Based on the number of clients

Based on seasonality and customer growth

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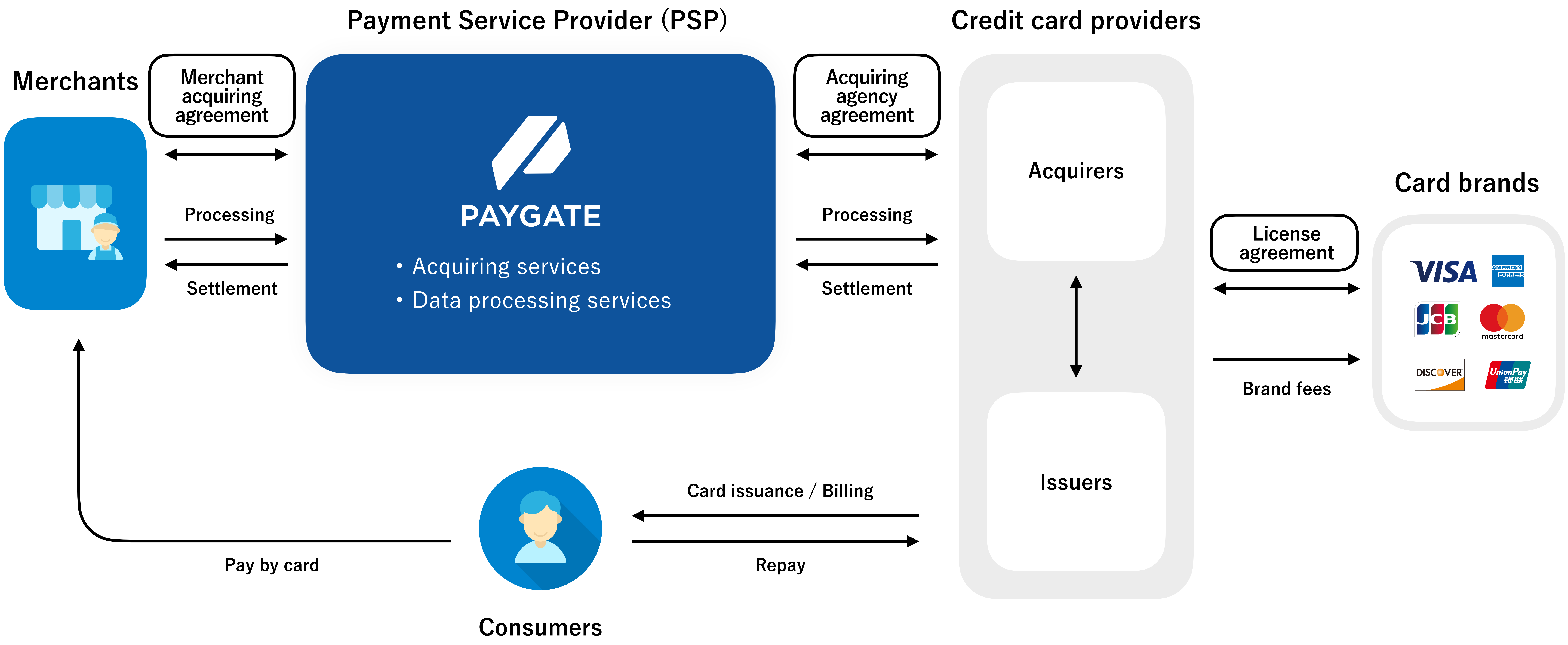
*1 A PSP facilitates the introduction of cashless payments for merchants by acting as an intermediary in contracts and transaction processing with credit card companies and other payment providers.

*2 Transaction fees vary depending on the results of the screening process and specific contract terms.

Smaregi's Role in the Payment Service Provider (PSP) Business

Connecting merchants with multiple payment services to enable seamless, one-stop cashless transactions.

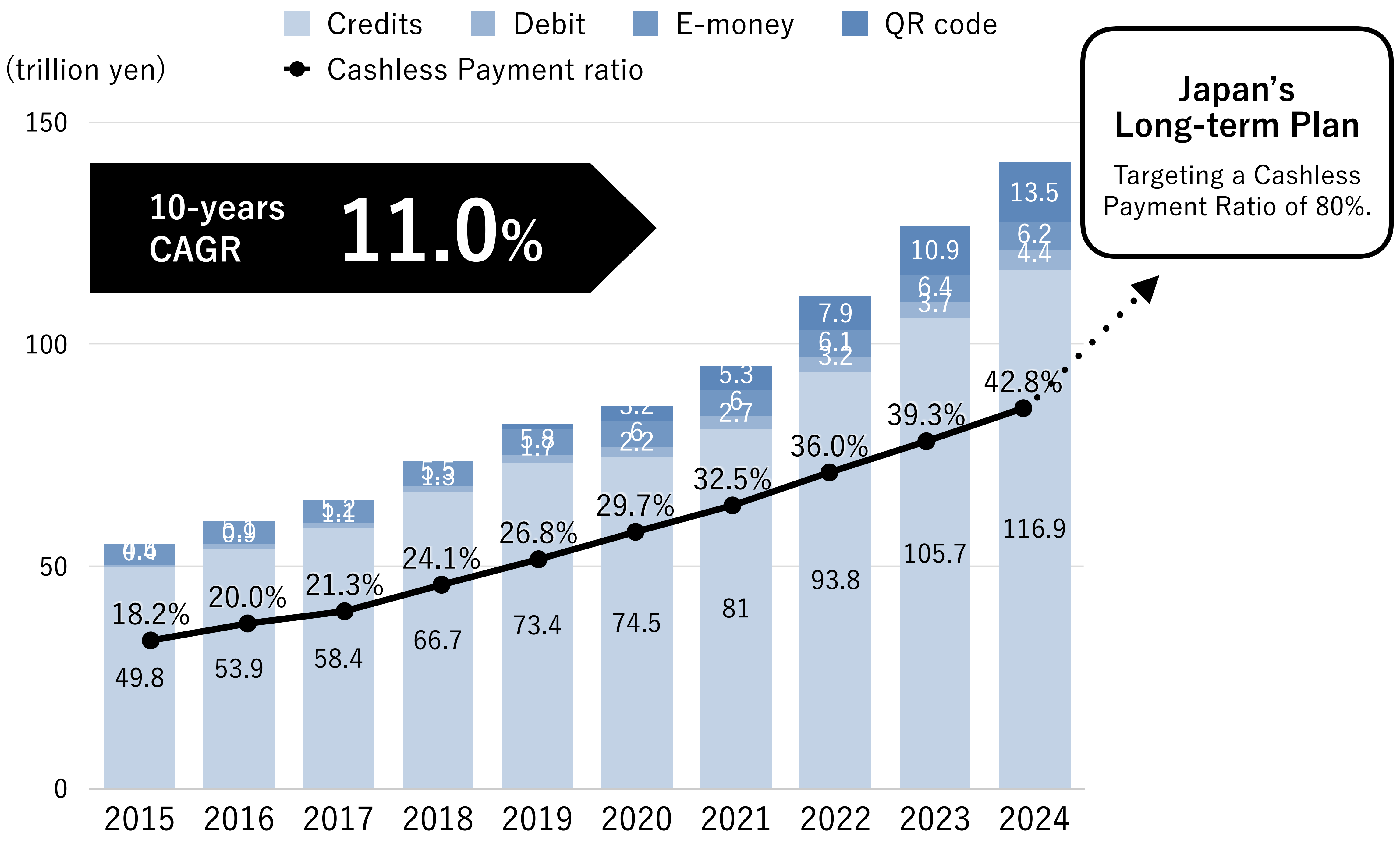

Payment Service Provider (PSP)
Credit card providers
Merchants
Merchant acquiring agreement
Processing
Settlement
PAYGATE
• Acquiring services
• Data processing services
Acquiring agency agreement
Processing
Settlement
Acquirers
Issuers
Card brands
License agreement
Brand fees
VISA
AMERICAN EXPRESS
JCB
mastercard
DISCOVER
UnionPay 银联
Card issuance / Billing
Repay
Pay by card
Consumers

*Example based on a credit card transaction. Actual fee structures may include additional components such as network connection fees.

PSP Trends in the Domestic Cashless Payment Market

Japan's cashless payment ratio stands at 42.8%. Driven by government-led initiatives[*1] and growing demand for contactless transactions, the domestic market is expanding rapidly.

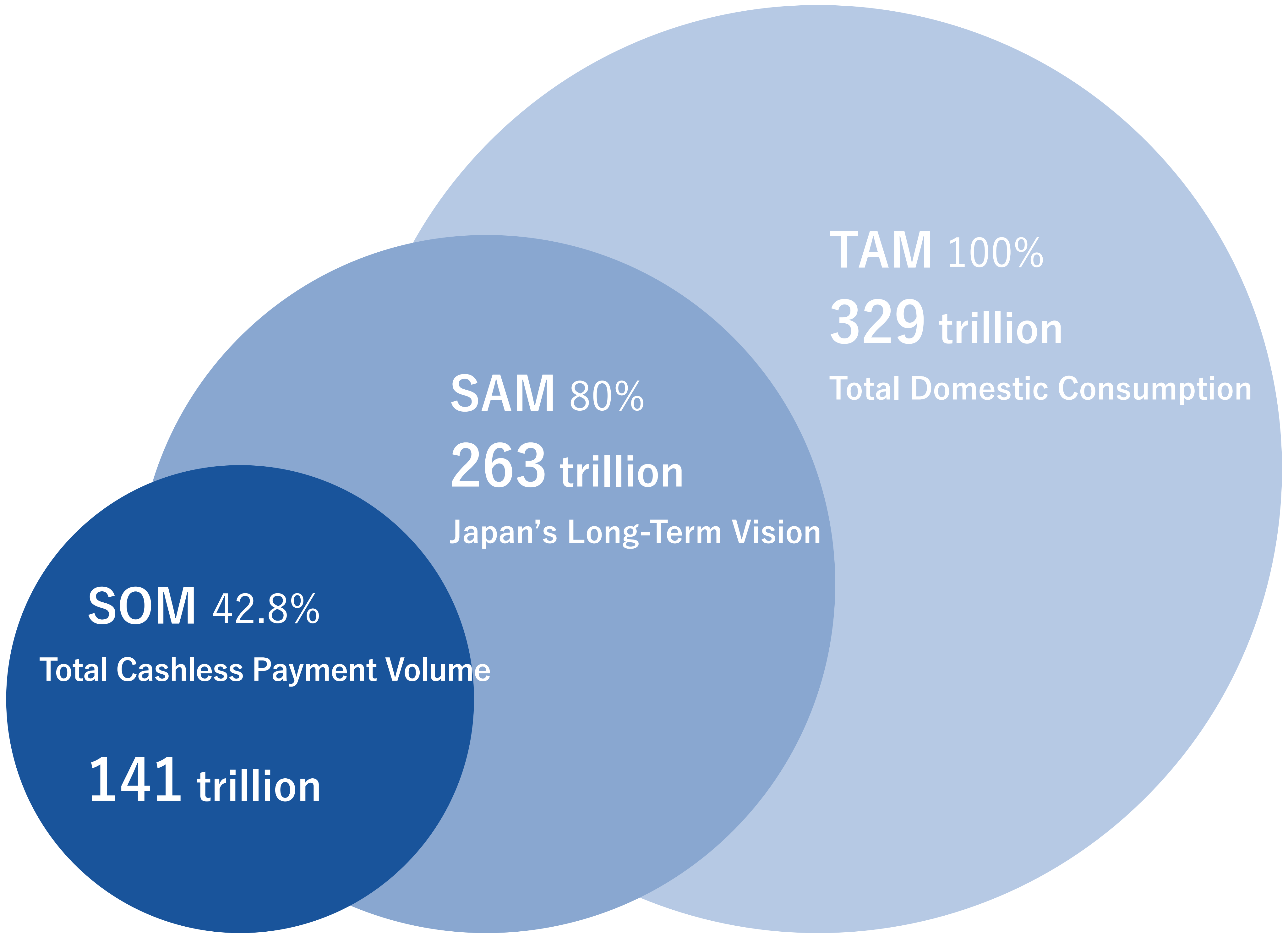
Breakdown and Trends in Japan's Cashless Payment Volume and Share



Ministry of Economy, Trade and Industry, "Trends in Cashless Payment Volume and Share" (Published March 31, 2025)

Size of the Domestic Cashless Payment Market (2024)

(yen)

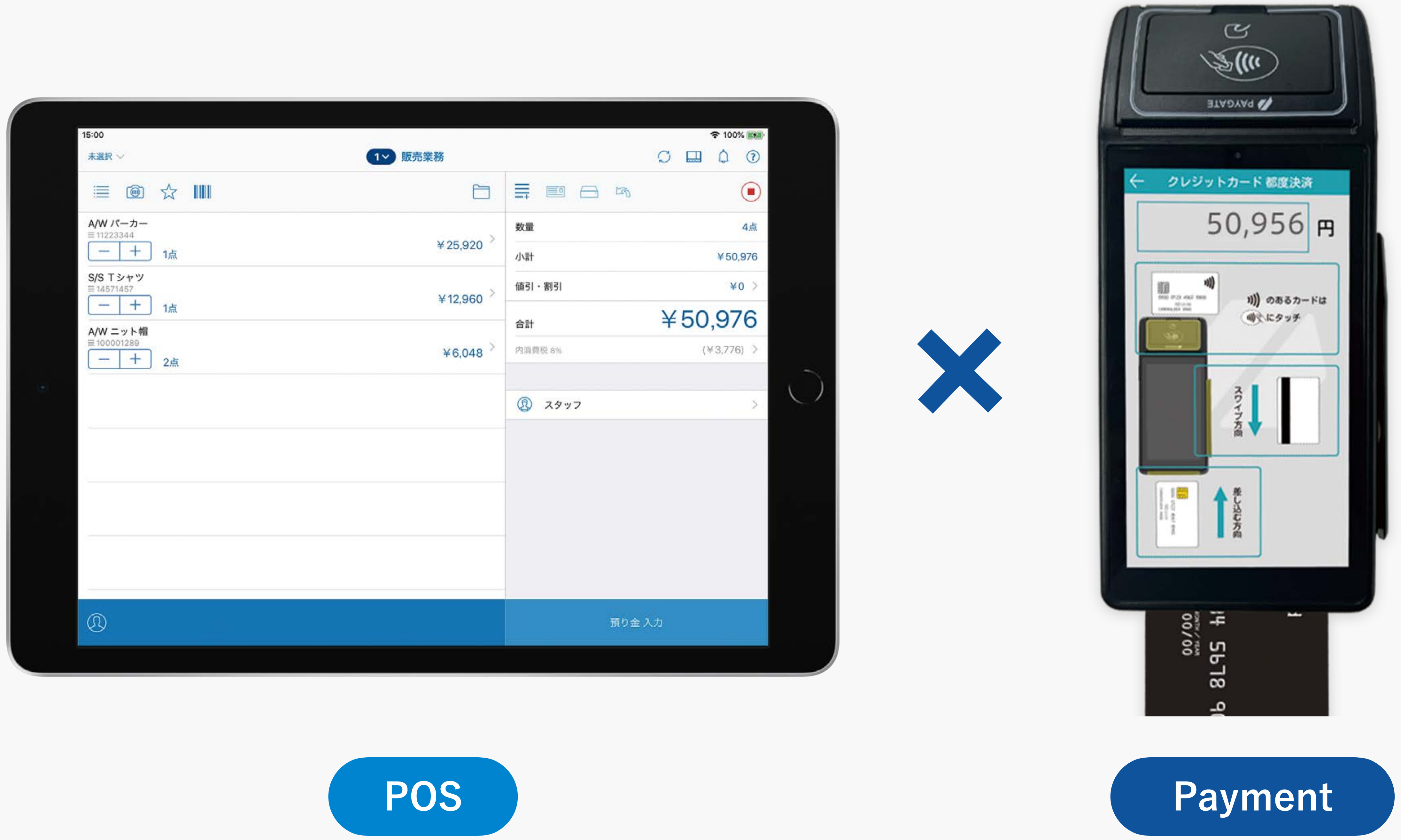

TAM 100%
329 trillion
Total Domestic Consumption
SAM 80%
263 trillion
Japan's Long-Term Vision
SOM 42.8%
Total Cashless Payment Volume
141 trillion

Prepared by the Company based on data from the Cabinet Office, "National Accounts (Nominal)" (Published March 11, 2025) and the Ministry of Economy, Trade and Industry, "Cashless Payment Ratio" (Published March 31, 2025)

[*1] In June 2019, the Cabinet approved a growth strategy follow-up targeting a doubling of the cashless payment ratio to around 40% by June 2025.

Key Features and Strengths

One-stop service delivery that leverages our strengths in the highly competitive payments market.

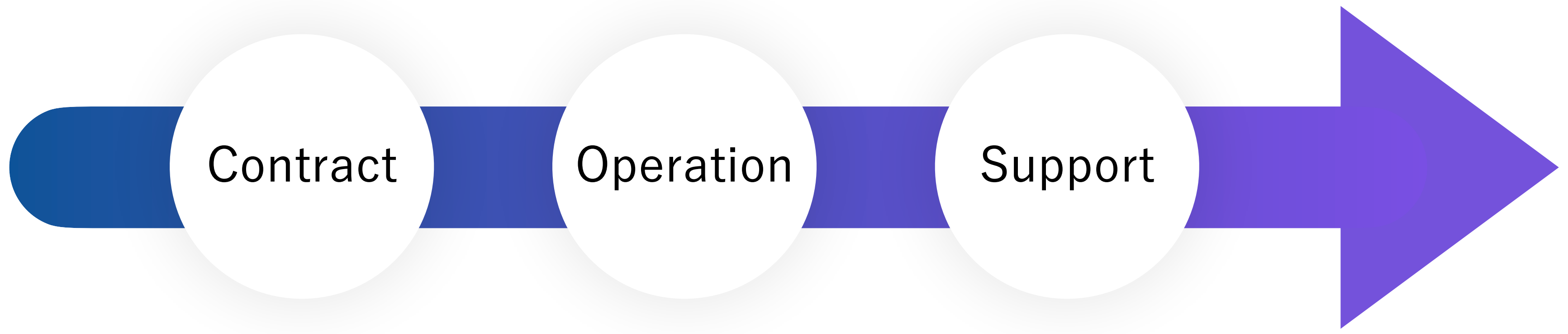


The Backbone of Store Operations

Integrated POS and payment solutions provide a competitive edge.

In a payments market where transaction fees are largely standardized, one-stop service that streamlines everything from contracting to operations creates a strong competitive advantage.

- Optimizing the end-to-end customer experience—from onboarding to operations and support.
- Contributes to higher ARPU and lower churn.



Smaregi TimeCard

9:18:56
出勤
退勤
休憩

HR Cloud-based HR Solutions - Smaregi TimeCard

An integrated attendance and labor management service covering clock-in/out, shift scheduling, and payroll.
Enhancing HR functions for retail operations to drive cross-selling with Smaregi POS.

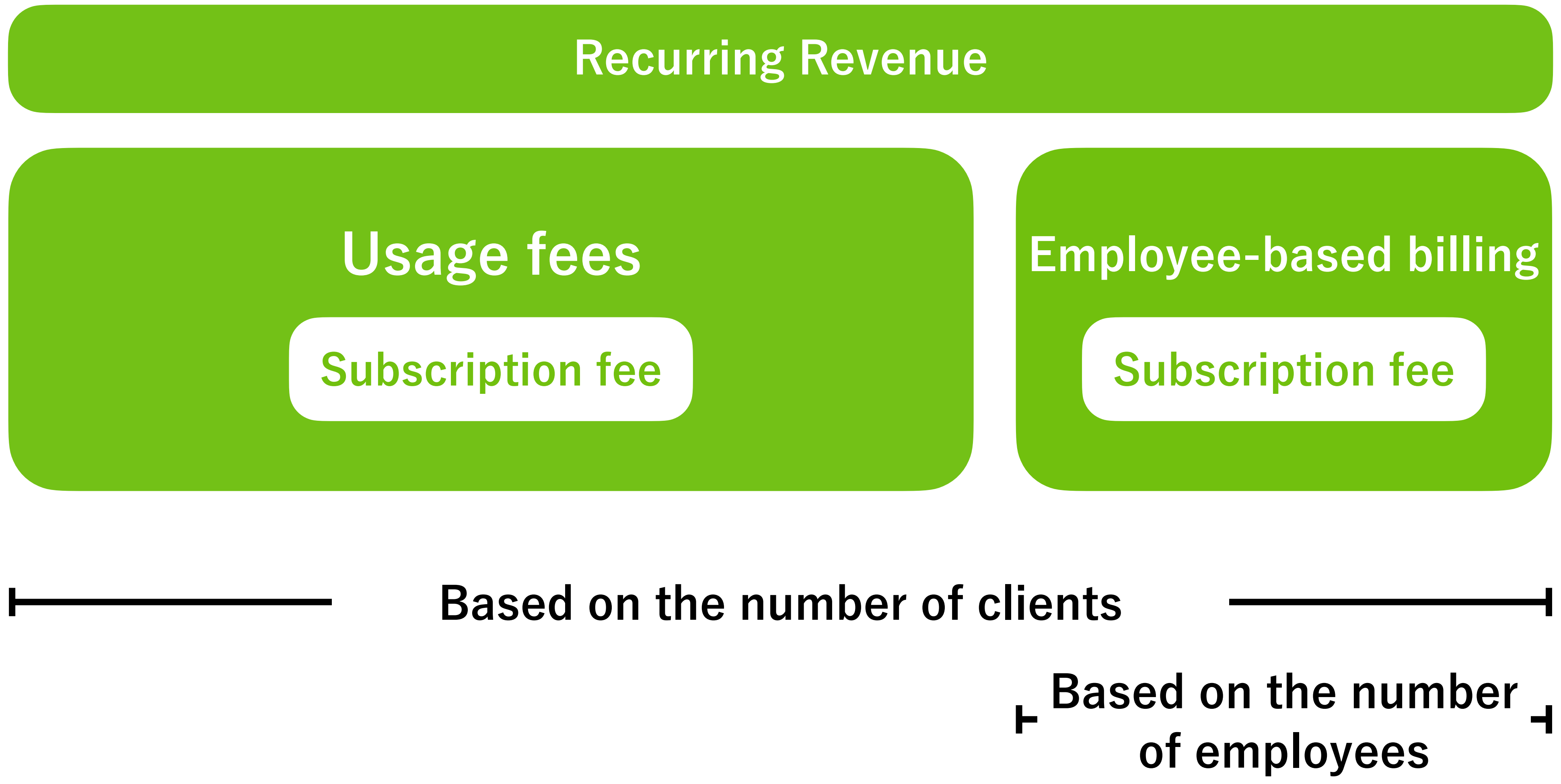
Flexibly complies with work style reform regulations.

Streamlining back-office operations.

1,234
9:18
TIME CARD

A revenue model centered on recurring subscription income.

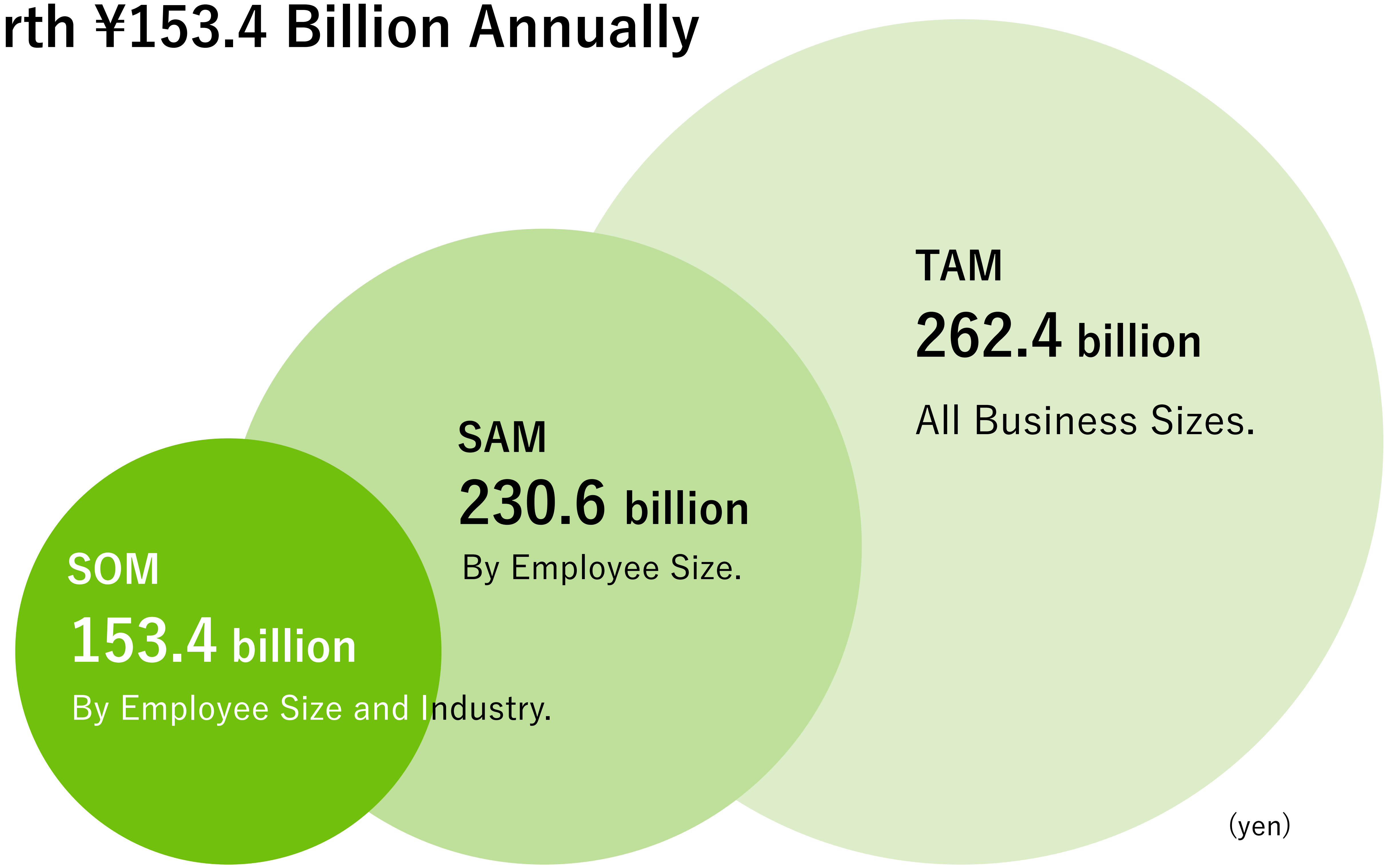
Combining a fixed monthly fee with employee-based usage charges, the service enables a stable, recurring revenue model. Adoption is expanding not only through cross-selling with POS, but also as a standalone solution.


Recurring Revenue
Usage fees
Subscription fee
Employee-based billing
Subscription fee
Based on the number of clients
Based on the number of employees

Trends in Attendance and Labor Management Market

A high-potential growth market in Japan. Demand for cloud-based attendance solutions is rising, driven by regulatory changes under work style reforms and the need to support diverse working styles such as remote work.

Targets a Market Worth ¥153.4 Billion Annually



TAM
262.4 billion
All Business Sizes.

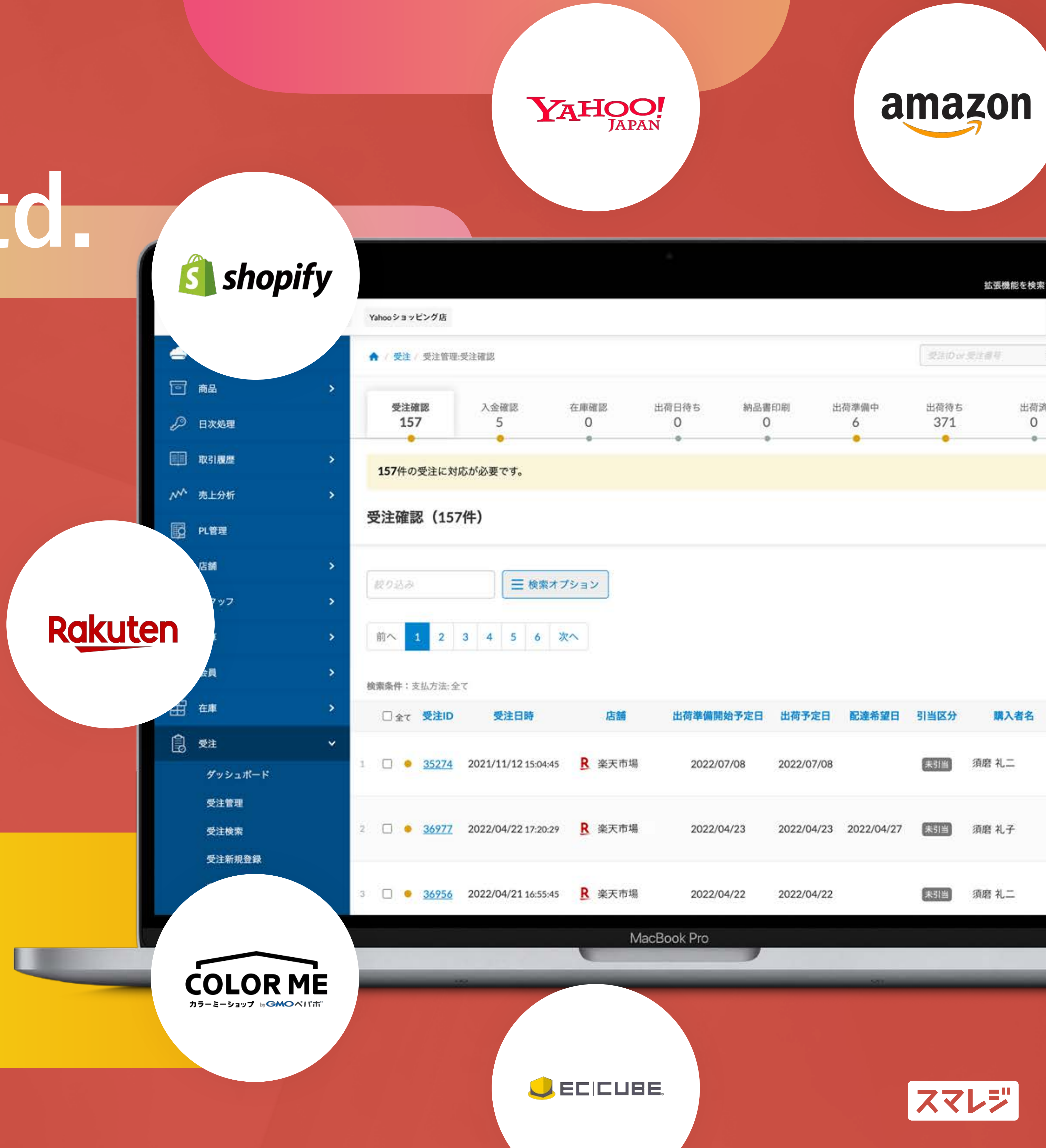
SAM
230.6 billion
By Employee Size.

SOM
153.4 billion
By Employee Size and Industry.

(yen)

Prepared by the Company based on data from the 2021 Economic Census by the Ministry of Economy, Trade and Industry and the Ministry of Internal Affairs and Communications, as well as Smaregi TimeCard's per-employee pricing.

Netshop Supporters Co., Ltd.


YAHOO! JAPAN
amazon
shopify
Rakuten
COLOR ME カラーミーショップ by GMOペパボ
EC-CUBE
スマレジ
拡張機能を検索
Yahooショッピング店
商品
日次処理
取引履歴
売上分析
PL管理
店舗
会員
在庫
受注
ダッシュボード
受注管理
受注検索
受注新規登録
受注 / 受注管理:受注確認
受注ID or 受注番号
絞り込み
☰ 検索オプション
前へ 1 2 3 4 5 6 次へ
MacBook Pro

受注確認	入金確認	在庫確認	出荷日待ち	納品書印刷	出荷準備中	出荷待ち	出荷済
157	5	0	0	0	6	371	0

157件の受注に対応が必要です。

受注確認（157件）

検索条件：支払方法: 全て

	☐ 全て	受注ID	受注日時	店舗	出荷準備開始予定日	出荷予定日	配達希望日	引当区分	購入者名
1	☐ ●	35274	2021/11/12 15:04:45	R 楽天市場	2022/07/08	2022/07/08		未引当	須磨 礼二
2	☐ ●	36977	2022/04/22 17:20:29	R 楽天市場	2022/04/23	2022/04/23	2022/04/27	未引当	須磨 礼子
3	☐ ●	36956	2022/04/21 16:55:45	R 楽天市場	2022/04/22	2022/04/22		未引当	須磨 礼二

EC About Netshop Supporters Co., Ltd.

Providing specialized services for e-commerce operators, focused on boosting profitability and streamlining operations.

A one-stop SaaS solution for solving EC operational challenges.

“Assist Tencho” is the flagship e-commerce management tool, enabling centralized control of orders, inventory, and customer information across multiple malls and online stores.

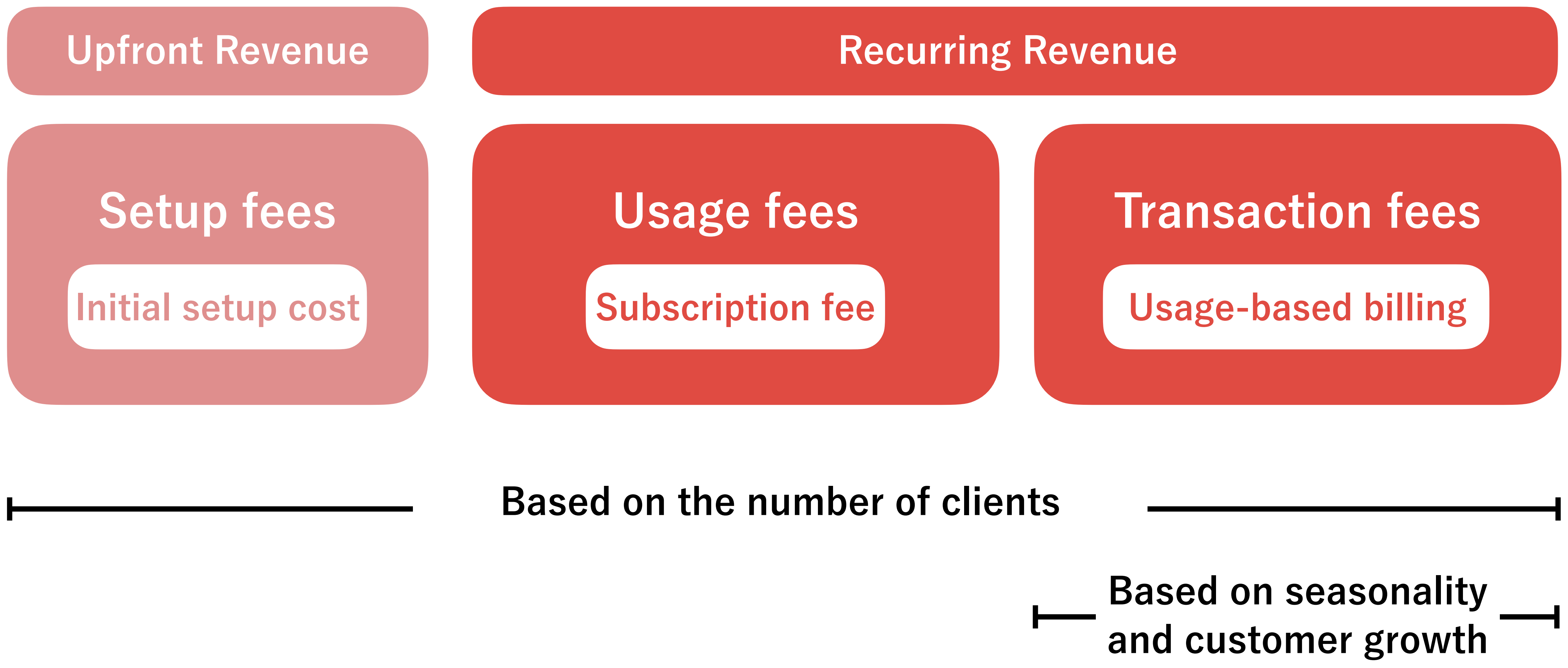
Assist Tencho
Multi-channel E-Commerce management service.

Raku-raku B2B
Wholesale-focused B2B cart solution.

Raku-raku Repeat
CRM cart solution for subscription and repeat E-Commerce.

Usage-Based revenue model linked to transaction volume.

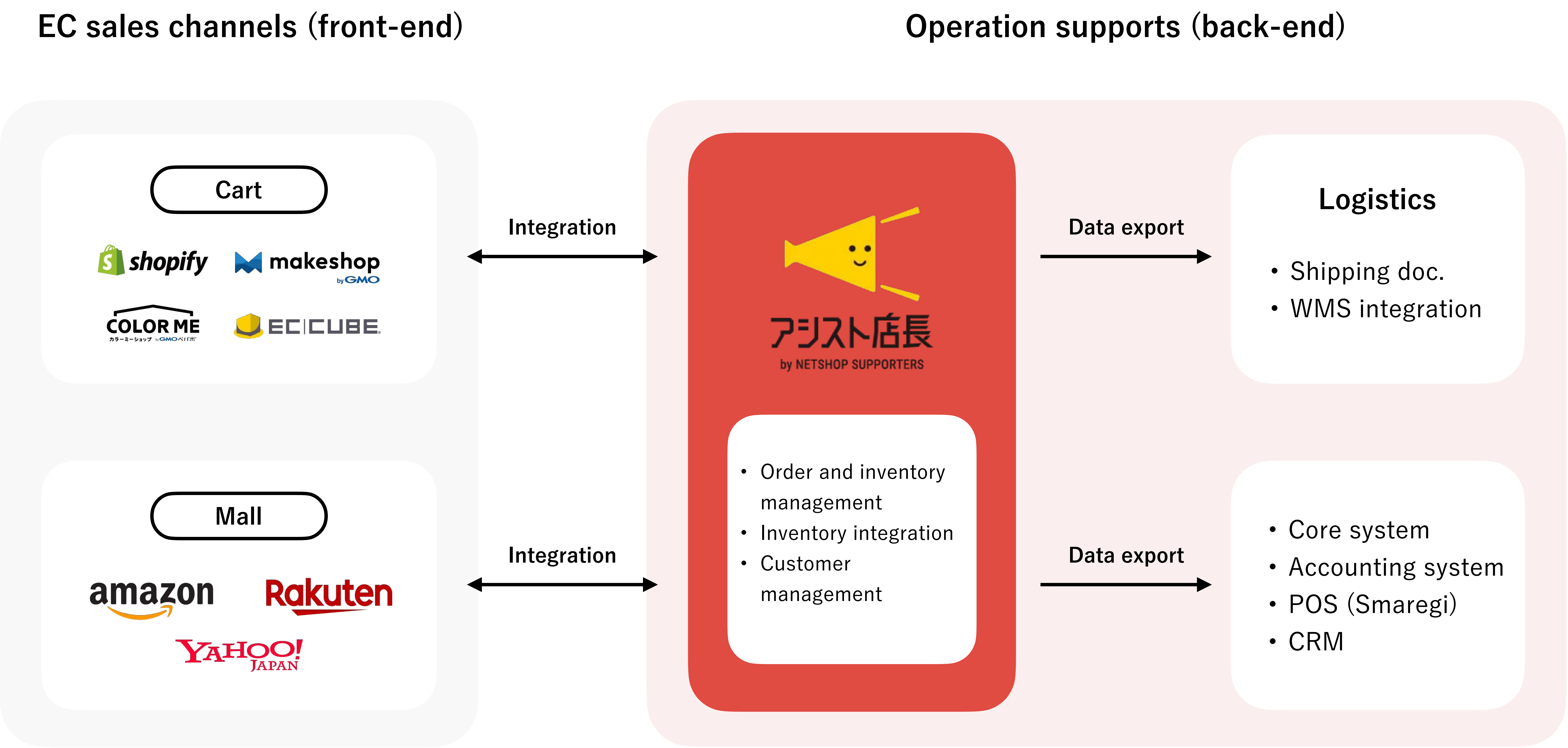
A recurring revenue model combining system usage fees with transaction-based charges. Approximately 90% of total revenue comes from recurring income.


Upfront Revenue
Recurring Revenue
Setup fees
Initial setup cost
Usage fees
Subscription fee
Transaction fees
Usage-based billing
Based on the number of clients
Based on seasonality and customer growth

EC

Positioning of “Assist Tencho” within E-Commerce-Related Services

Unlike e-commerce sales platforms, this service supports the operational backbone of online businesses.



EC sales channels (front-end)

Cart

shopify

makeshop by GMO

COLOR ME カラーミーショップ by GMOペパボ

EC-CUBE

Mall

amazon

Rakuten

YAHOO! JAPAN

Integration

Integration

Operation supports (back-end)

アシスト店長 by NETSHOP SUPPORTERS

- Order and inventory management
- Inventory integration
- Customer management

Data export

Logistics

- Shipping doc.
- WMS integration

Data export

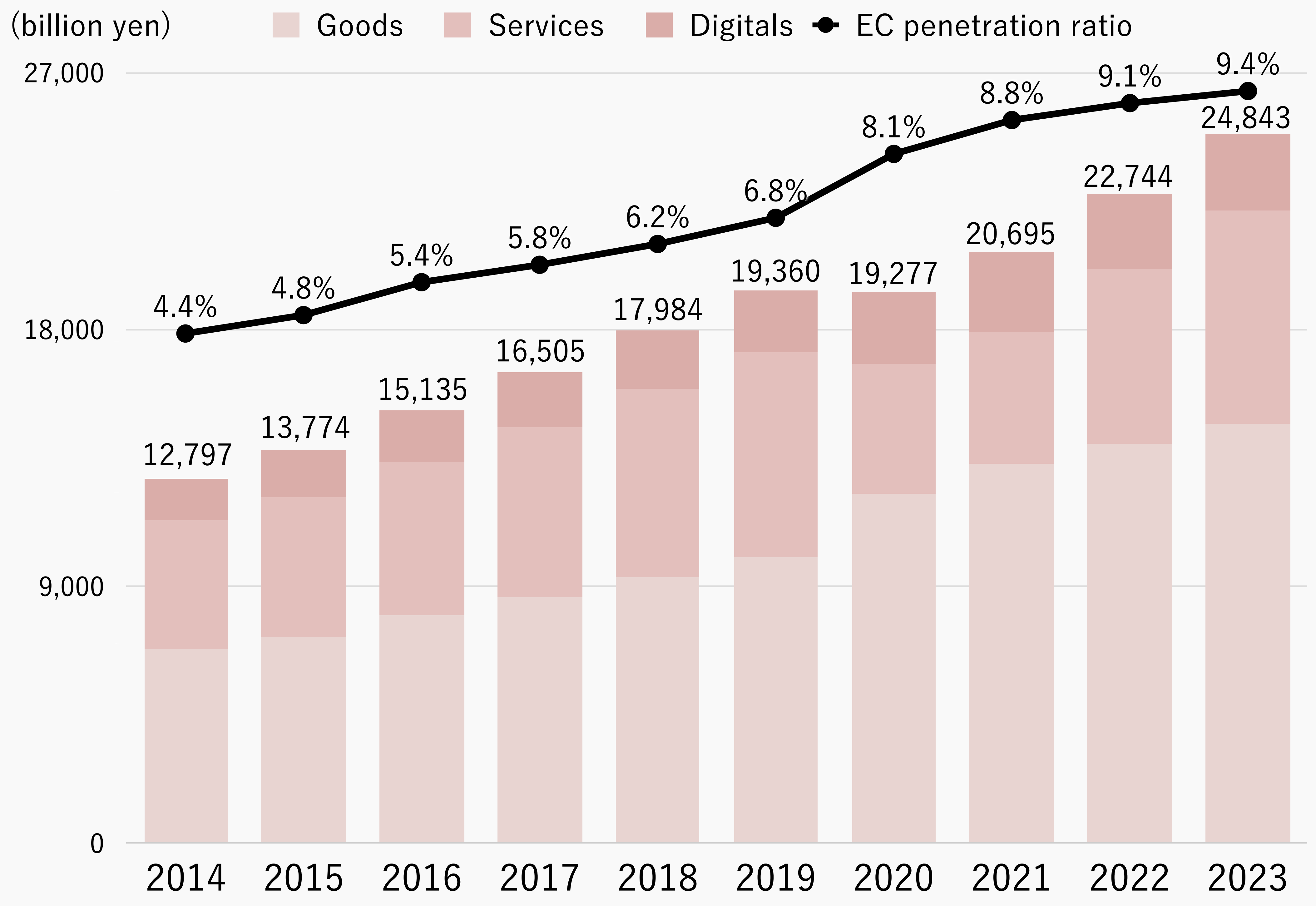
- Core system
- Accounting system
- POS (Smaregi)
- CRM

*Key services shown based on actual system integration records.

Trends in the E-Commerce Market

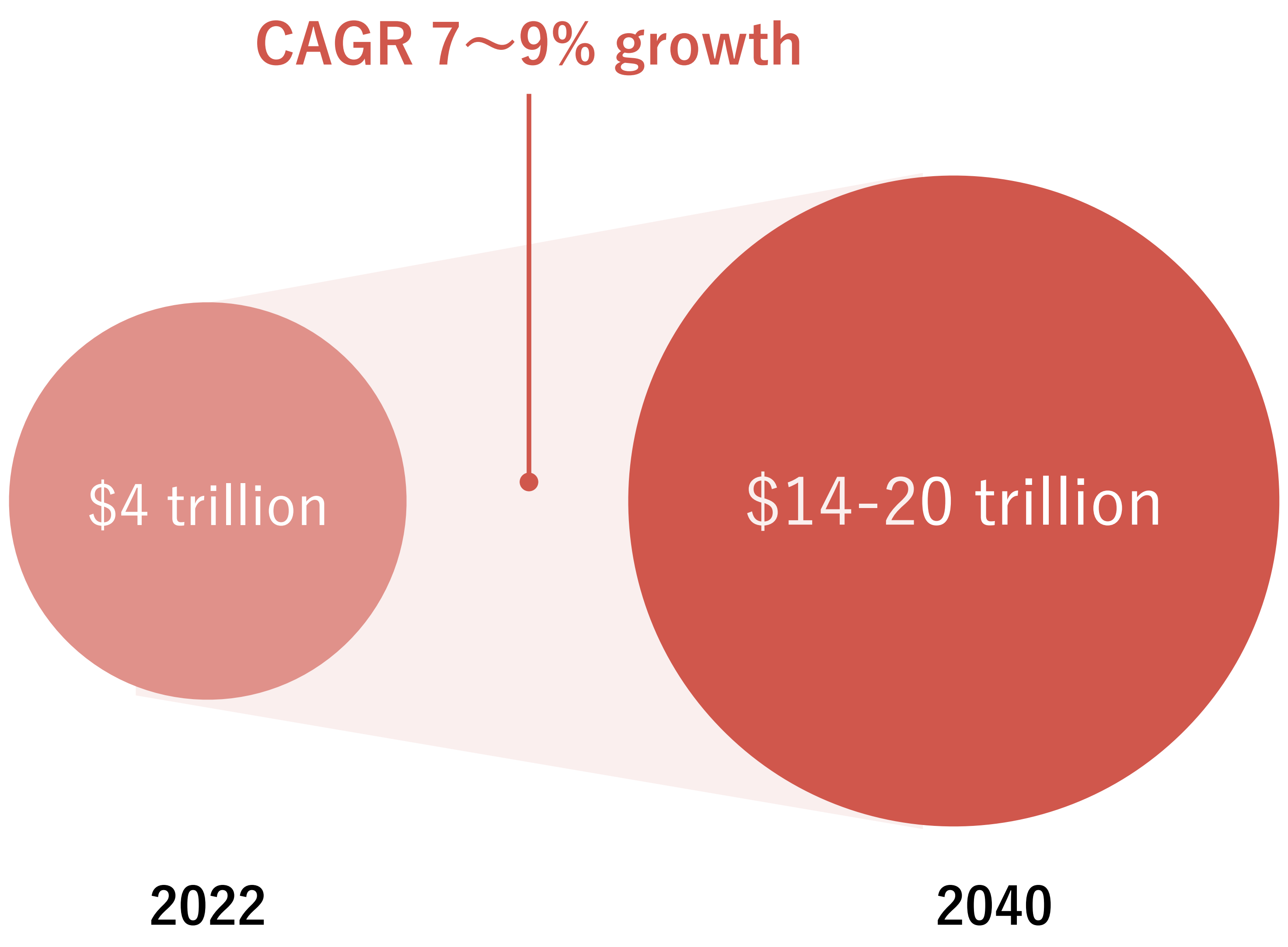
As the e-commerce market expands, operational efficiency through technology is becoming increasingly essential. We aim to grow market share by enabling centralized management of customer data and synchronized inventory across multiple EC malls and physical stores.

Growth of the B2C E-Commerce Market



Global E-Commerce Market

The global e-commerce market, valued at $4 trillion in 2022, is projected to grow to between $14 trillion and $20 trillion by 2040.



*Ministry of Economy, Trade and Industry, “FY2023 Market Survey on Electronic Commerce”

*McKinsey & Company, “The Next Arena for Competition”

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28

Annual Recurring Revenue (Subscription Sales)

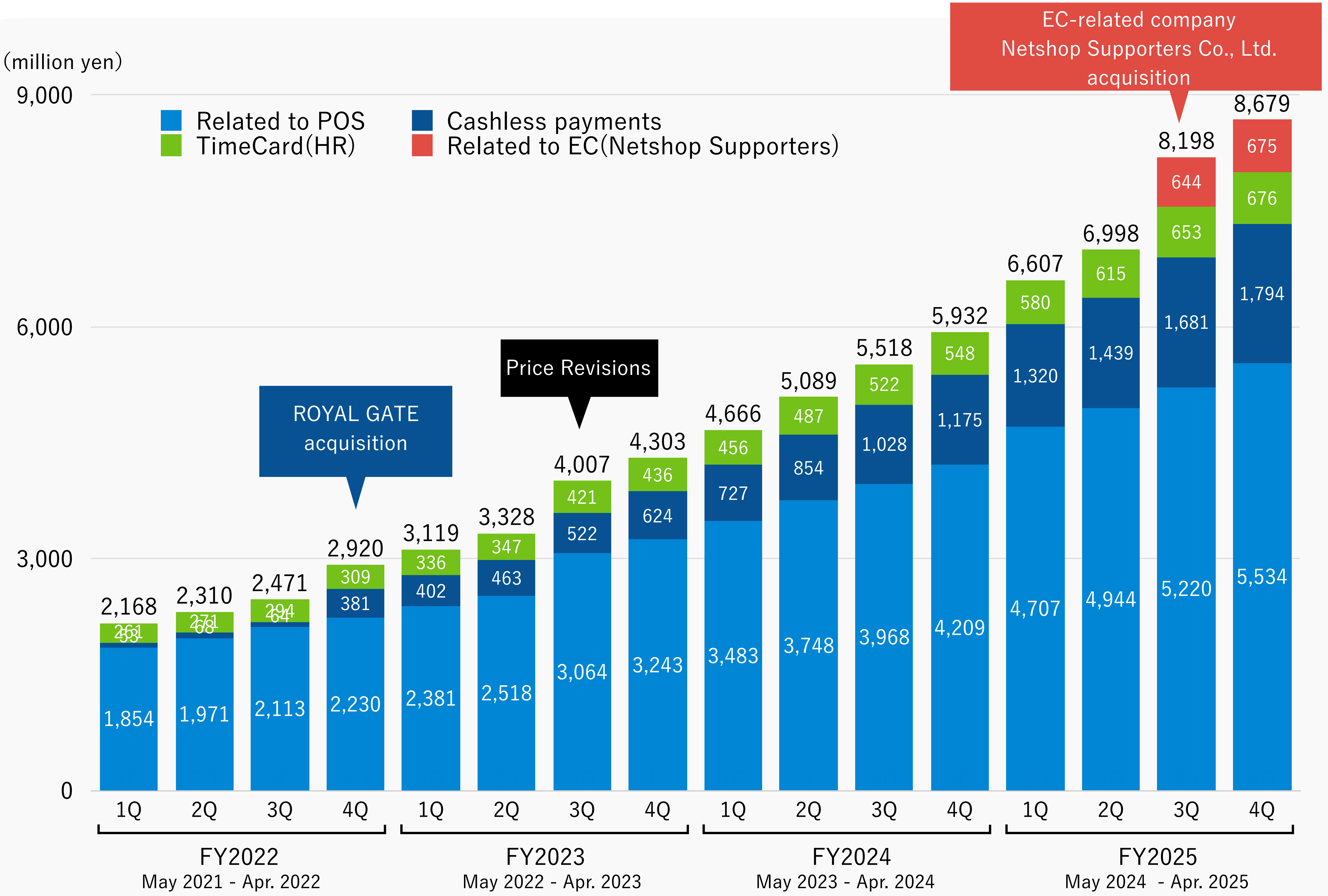
Driven by strong cross-selling of POS × payment solutions and the addition of EC-related ARR through M&A, ARR grew 46.3% YoY to ¥8.67 billion. This result exceeded the mid-term management plan ARR target of ¥7.27 billion by 19.4%.

ARR*

8.67 billion yen

YoY	QoQ
+46.3%	+5.9%

* Based on 12 times the MRR at the end of each quarter
* ARR: Annual Recurring Revenue
* MRR: Monthly Recurring Revenue



ROYAL GATE acquisition

Price Revisions

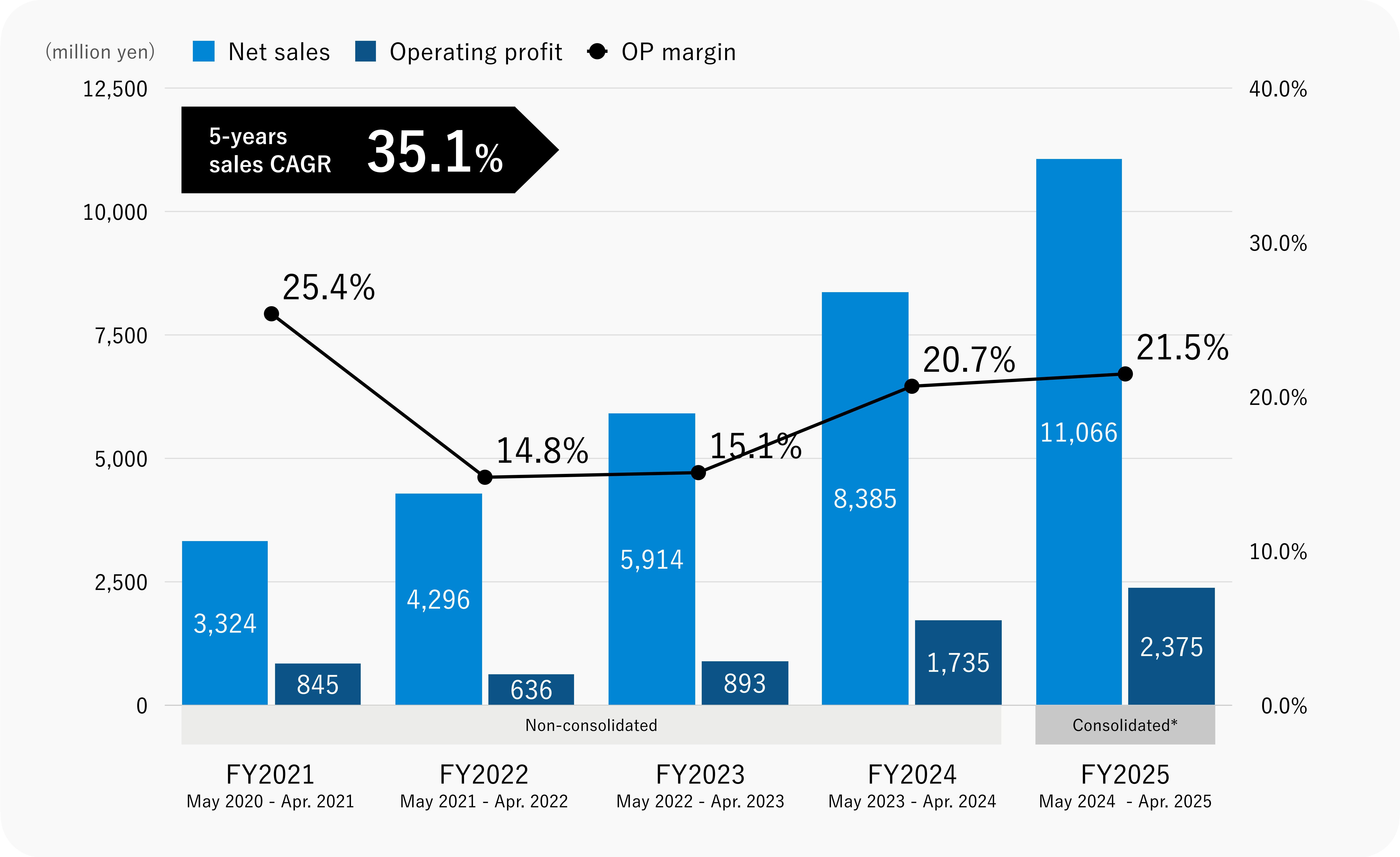
EC-related company Netshop Supporters Co., Ltd. acquisition

POS: POS monthly fees, equipment subscription, additional options (terminal addition fees, self-checkout fees, member-limit additional fees, third-party payment terminal integrations fees* etc.), Smaregi App Market, etc **Cashless payments**: Consisting of fixed charges and usage-based charges. Breakdown: Fixed: 44% Usage-based: 56% (as of the end of April 2025) **EC (Netshop Supporters)**: Support services for online store operations, including Assist Tencho, Rakuraku Repeat, and Rakuraku B2B. Primarily fixed-fee pricing with some usage-based charges. *Starting from FY2025 1Q, we have reclassified expenses related to third-party payment terminal integrations from 'Cashless Payments' to 'Related POS.'

Consolidated

Changes in Net Sales, Operating Profit, and Operating Margin

Achieved net sales growth (+32.0% YoY) and operating profit growth (+36.9% YoY).
Continued strategic investments in sales & marketing to drive ARR growth, while maintaining disciplined control over operating margin.



FY2025
May 2024 - Apr. 2025

Net sales YoY

+32.0%

Operating profit YoY

+36.9%

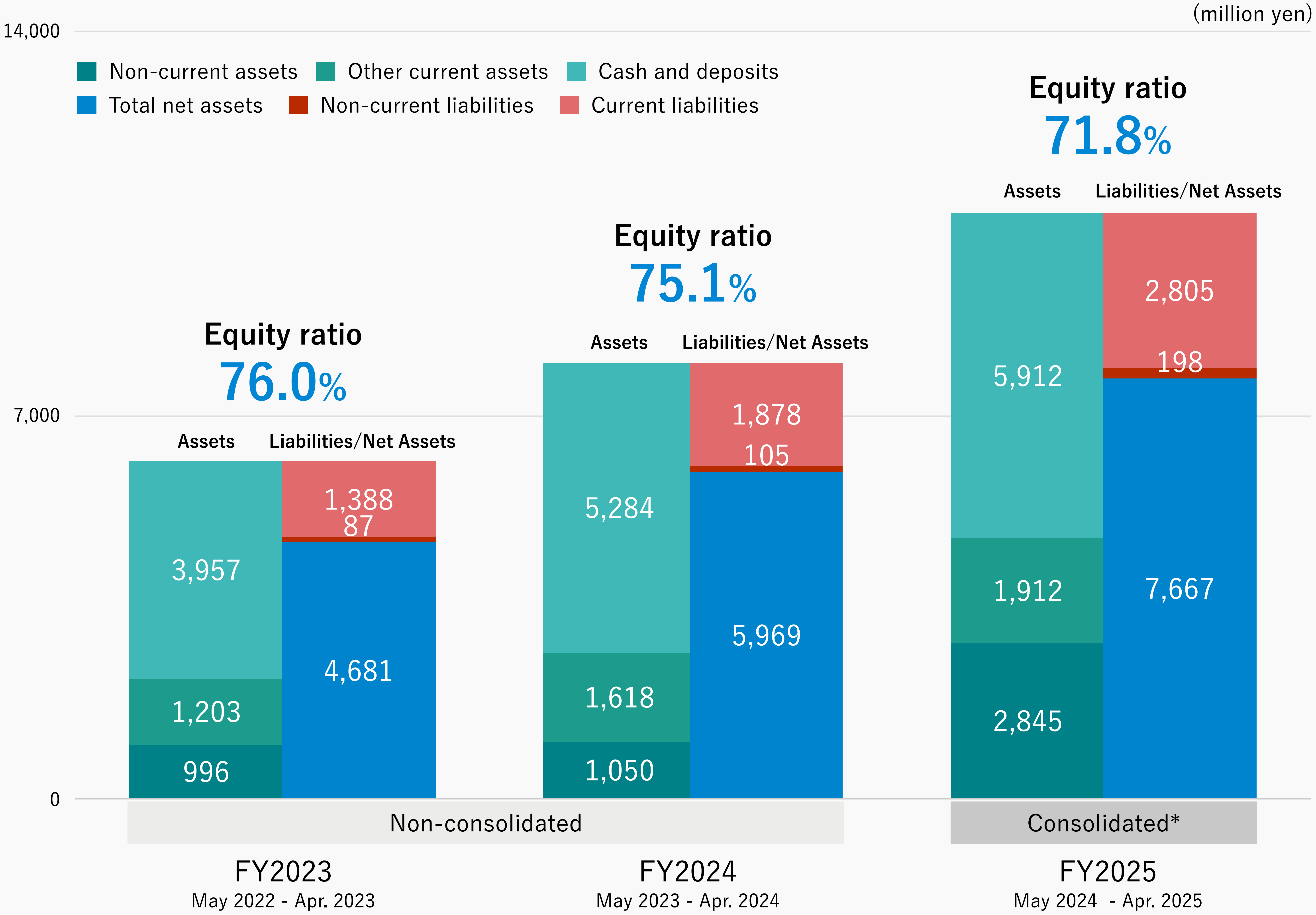
*Consolidated financial reporting begins from FY2025 3Q.

Trends in the Balance Sheet

Optimizing Capital Efficiency

Since its founding, the Company has maintained a strong financial foundation by prioritizing cash flow and avoiding reliance on external funding.

Moving forward, we will continue to uphold financial soundness while gradually considering capital policies aimed at optimizing capital efficiency, based on internal reserves and the progress of growth investments.



*Consolidated financial reporting begins from FY2025 3Q.

1. Company Overview
2. Service Overview
3. Financial Highlights
4. **Growth Strategies**
5. Business Risks

VISION 2031 TO BE THE NEW STANDARD

Smaregi aims to be the top in Japan

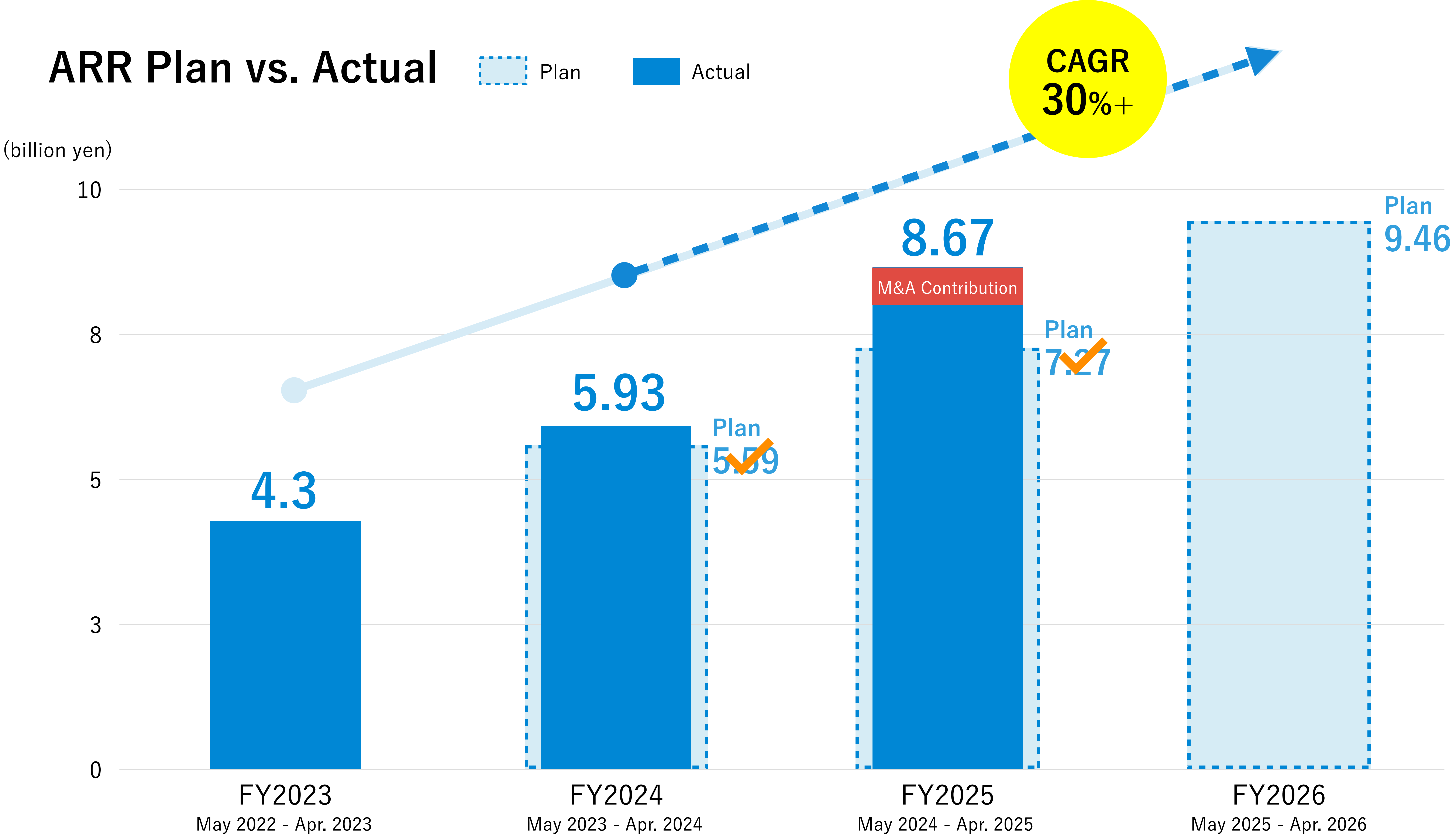
Dynamic stores bring about dynamic towns.
Dynamic towns bring about dynamic societies.
By supporting stores, we aim to revitalize society as a whole.

Smaregi aims to be the market leader in Japan. Based on our management philosophy of "OPEN DATA, OPEN SCIENCE!," we aim to carve out an "era of data access and utilization for everyone."

Progress of ARR in the Medium-Term Management Plan

Against the FY2025 ARR target of ¥7.27 billion, we achieved a strong result of ¥8.67 billion, consisting of ¥8.00 billion from existing businesses and ¥0.67 billion from M&A contributions*1. We will continue to focus on early achievement of the FY2026 target of ¥9.46 Billion.

ARR Plan vs. Actual



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*1 ¥0.67 billion in ARR from Netshop Supporters Co., Ltd., which became a wholly owned subsidiary through M&A.

Basic Strategy for the Second Medium-term Management Plan

Increase the number of contracts

Marketing, Sales strategy

Acquire new users

Focus on Mid- to Large-scale Projects	Continue
Continue with S&M investment	Continue
Approach EC businesses	NEW

×

Increase customer unit price

Customer success, Upselling/cross-selling measures

Expand usage by existing customers

- Upsell
- Cross-sell

Enhance payment services	Continue
Strengthen App Market	Continue
Strengthen Smaregi TimeCard	Continue
Strengthen omni-channel functions (linkage between stores and EC)	NEW

Following the acquisition of an EC-related company as a subsidiary, we have revised one of our initially announced initiatives—"Strengthen targets through market segmentation strategy"—to focus instead on "Approach EC businesses." That said, we continue to view market segmentation as a medium- to long-term strategic issue and will pursue it accordingly.

EC PMI Progress and Future Outlook for Netshop Supporters Co., Ltd.

Following full subsidiarization in December 2024, PMI is progressing smoothly, strengthening of omnichannel capabilities and expanding sales channels to EC operators.

Acquired 100% of shares in Netshop Supporters Co., Ltd., a provider of EC-focused inventory and order management systems, making it a wholly owned subsidiary as of the end of December 2024.

Supporting EC Operators in Enhancing Operational Efficiency and Revenue Growth.
Approximately 90% of Revenue Comes from a Subscription-Based Model.

Netshop Supporters Co., Ltd.

Founded: 2013 **Representative:** Yoichi Takezawa

アシスト店長

Assist Tencho

A comprehensive EC platform with built-in CRM functionality. Provides unified management for order processing, inventory management, email distribution, and customer relationship management.

楽楽B2B

Rakuraku B2B

BtoB Cart System. Enables BtoB transactions such as ordering, shipping, invoicing, and payments.

楽楽リピート

Rakuraku Repeat

D2C Repeat Commerce Cart System. Specializes in repeat sales with features like step mail, customer analysis, and tailored response functions.

End of December 2024 →

Phase 1

Launch with minimal integration first, then define direction and proceed to phase 2 and beyond.

In Progress

System integration, data integration, and sales strategy.

- Ongoing system and data infrastructure integration & optimization.
- Developing marketing and sales strategy.

Within 2025

- **Launch with minimal integration.**
- **Rebranding.**

2026 and beyond →

Phase 2 & Beyond

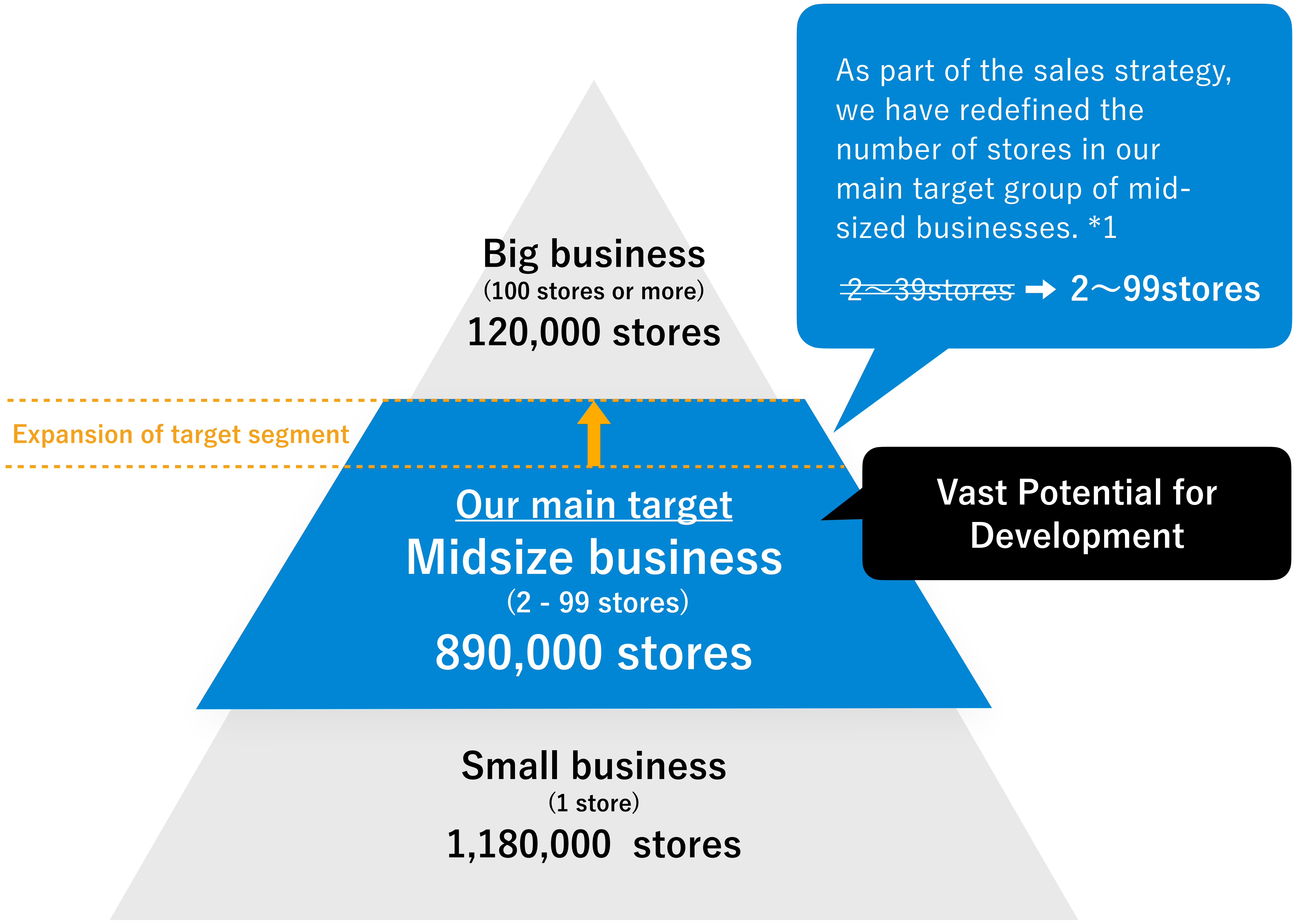
Accelerating EC strategy to strengthen Smaregi's competitive advantage.

Sales channel expansion & upselling/cross-celling.

- Enhancing competitive edge through EC functionality expansion.
- Expanding sales channels to EC operators.
- Increasing customer spend through cross-selling & upselling between POS and EC services.

Towards ARR Growth - Focus on Mid- to Large-scale Projects

Expanding the main target in line with market conditions and sales strategy.
Actively approaching mid- to large-scale businesses.


Big business
(100 stores or more)
120,000 stores
Expansion of target segment
Our main target
Midsize business
(2 - 99 stores)
890,000 stores
Small business
(1 store)
1,180,000 stores

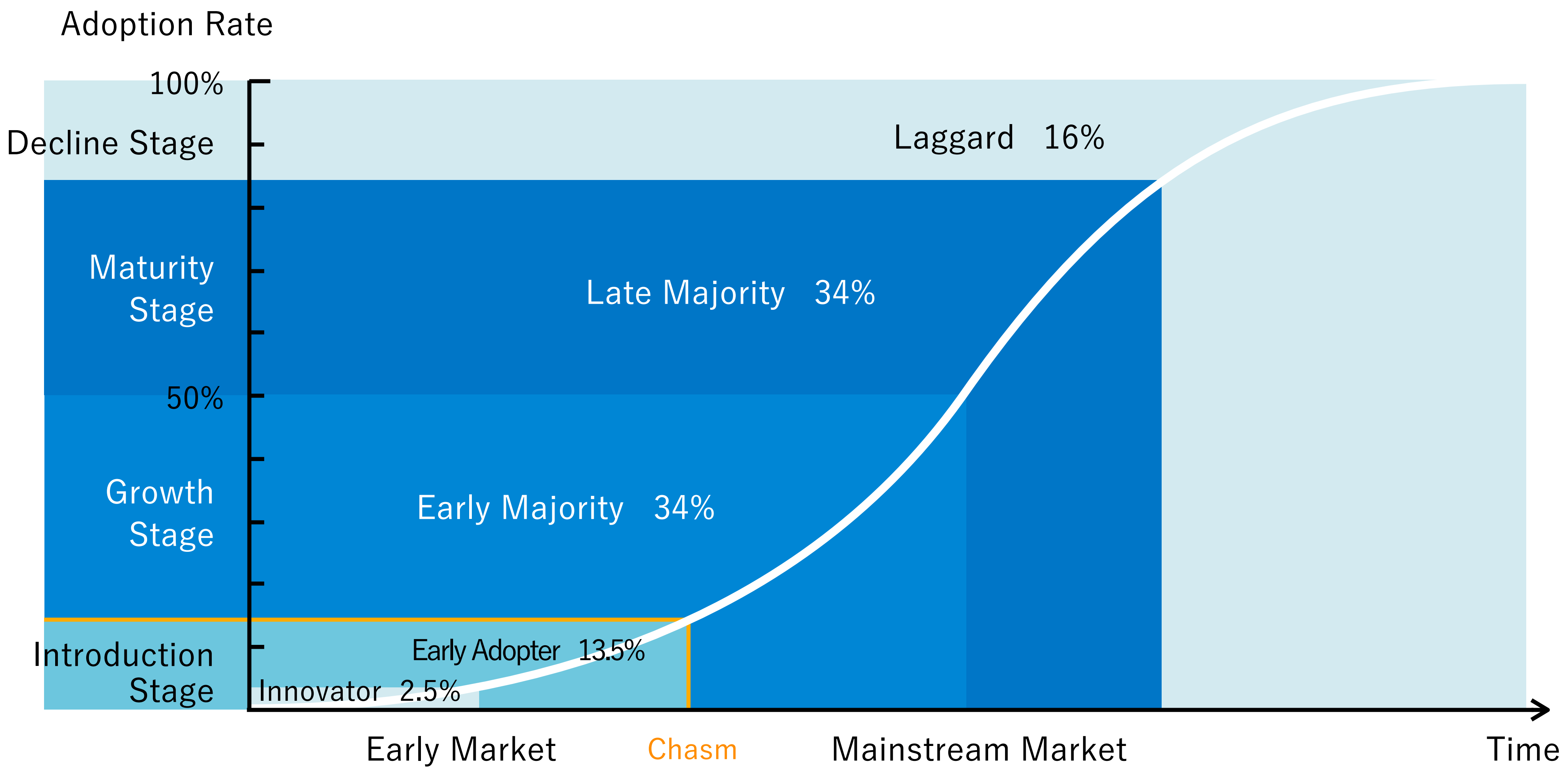
As part of the sales strategy, we have redefined the number of stores in our main target group of mid-sized businesses. *1

~~2～39stores~~ ➡ **2～99stores**

Vast Potential for Development

Prepared by Smaregi based on the 2021 Economic Census conducted by the Ministry of Economy, Trade and Industry and the Ministry of Internal Affairs and Communication.

The domestic cloud POS register market has crossed the chasm and entered the mainstream market, where full-scale competition takes place. As security, reliability, and a proven track record become essential for mid-to-large-scale customers, Smaregi aims to capture replacement demand by leveraging its strong track record, scalability, and multifunctionality.



Key Strategies

- **Establishing a sales system specialized for enterprise clients**
- **Strengthening integration development with core systems**

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*1 Due to the expansion of the target segment, we have redefined the mid-sized business classification from "2 to 39 stores" to "2 to 99 stores" (July 2024).

Toward the Plan for Increasing ARR - Continue with S&M Investment

Implement measures tailored to each marketing funnel and increase CVR at each stage.

Awareness

Interest/Concern

Comparison/ Review

Purchase

1 Awareness acquisition

- **Advertising and publicity** (Programs and commercials on mass media, social media advertising, specialized magazines, food fair sponsorship, etc.)

Achievements

- We launched commercials and YouTube videos focusing on user interviews to highlight customer experiences.
- Distribution of SNS advertisements with short videos.

2 Lead nurturing

- **Online marketing** (Listing, affiliates, owned media, etc.)
- Holding events such as exhibitions, seminars, etc.

Achievements

- Rolled out lead generation initiatives while improving CPA (Cost Per Acquisition).
- Enhanced lead acquisition in the payments domain through webinars, trade shows, and related channels.
- Deepened customer engagement via regularly held user community events.

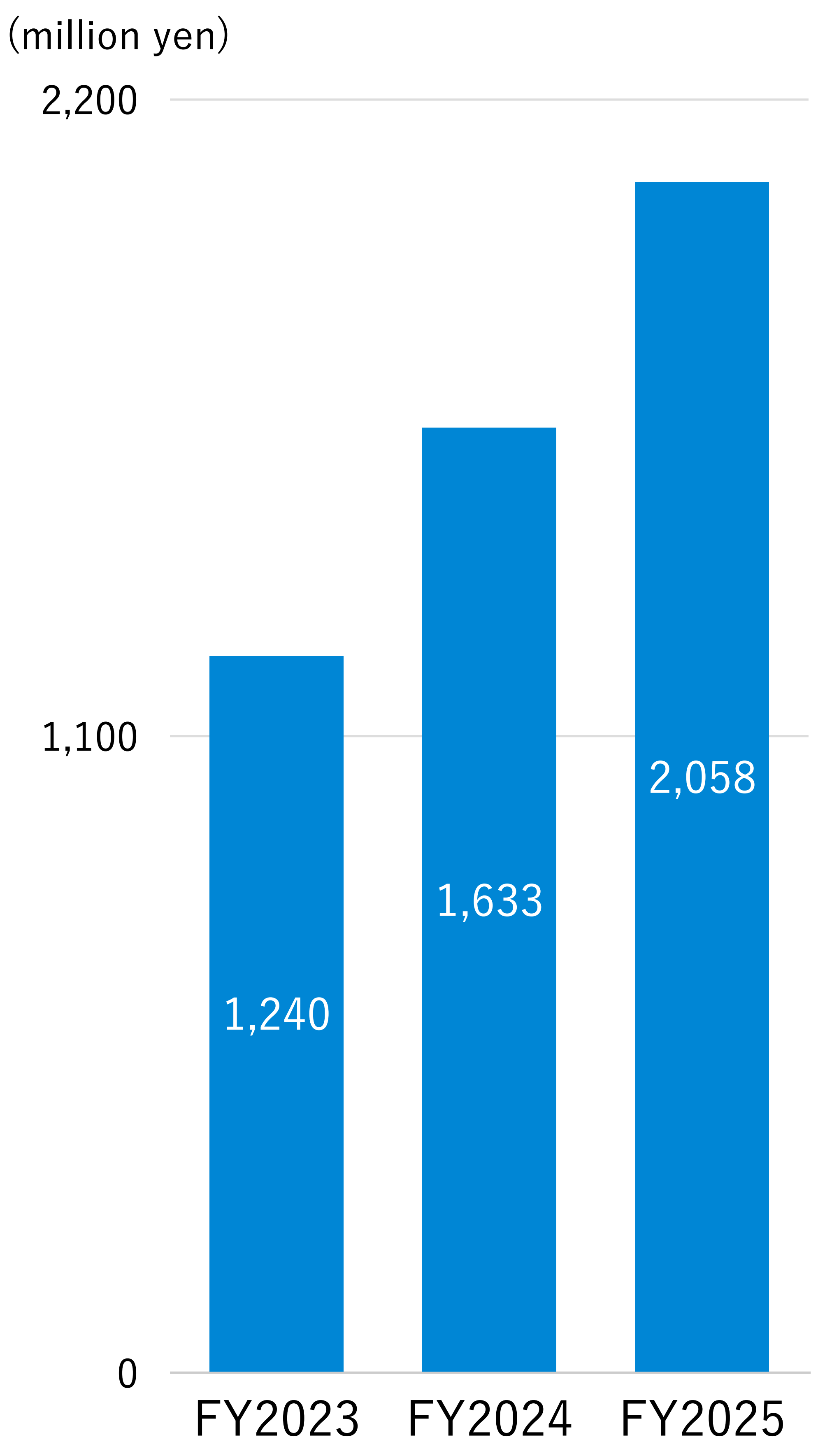
3 Inside sales, field sales

- **Attracting customers from comparison sites and media with cash register demand** (Restaurant, retail, medical sector, etc.)
- **Showroom expansion/extension**
- **Increasing the number of online business meeting points**

Achievements

- Expanded sales training framework to improve close rates.
- Strengthened showroom presence: new location in Ikebukuro, relocation in Fukuoka, and mobile setups for regional outreach.
- Established consultative sales structure with a focus on cross-selling complementary solutions.

Changes of S&M



Toward the Plan for Increasing ARR - Increase Customer Unit Price

Improve competitive advantage and customer satisfaction by expanding usage by existing customers, and increase unit price per customer through upselling and cross-selling.

App Market

Improve customer satisfaction customer

- Aim to increase customer unit price and improve customer experience (CX) by providing industry-specific niche functions.
- Aim to strengthen collaboration with development partners and increase the number of apps.
- Strengthen EC cart and social media tie-up for retailers. Enhance the OMO/omni-channel domains.

Payment services

Expand revenue model

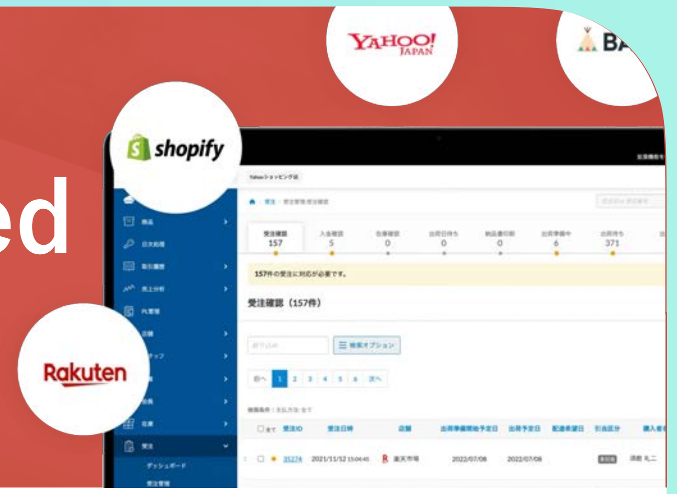
- Build a revenue model with GMV as its source.
- Continue to improve the business (PMI and rebuilding) of ROYAL GATE INC. which Smaregi absorbed through a merger.
- Expand cross-selling with Smaregi, centred on sales as a package with POS services.
- Take up the challenge of the online payment domain. (advance booking, advance orders, table orders, etc.)

Smaregi TimeCard

Strengthen functionality for stores and strengthen HR

- Develop functionality for retail, apparel, and F&B businesses, which is Smaregi's strength.
- Strengthen employee management and overall work attendance and salary management as a means of acquiring CV regardless of industry and preventing cancellations resulting from scaling up.
- Air commercials, participate in exhibitions, and reinforce upselling efforts to existing customers.

EC-related services



Strengthen omni-channel functions

- Acquired Netshop Supporters Co., Ltd., which provides "Assist Tencho" that integrates multiple EC-mall and in-house EC sites. Began offering solutions that integrate stores and EC.
- High-unit-price proposals incorporating order and inventory management and CRM functions through bundle sales with POS.
- Responding to the needs of store operators aiming to strengthen EC and omni-channel.

M&A Strategy

We are actively considering M&A with a focus on companies that have direct business synergies.
We are also considering acquiring IT engineers as well.

1

Acquire Customer Numbers

M&A to speed up customer acquisition or expand target areas.

Target Companies

Cloud-based POS vendors.

2

Increase Revenue per Customer

(Full lineup of products/services)

M&A of companies that can functionally complement Smaregi. Aim for cross-selling and up-selling.

Target Companies

Companies that have software for stores and that likely have direct synergy with Smaregi.

3

Acquire IT Engineers

Companies that have web engineers. The companies don't have to own a product.

Target Companies

System development companies, systems integrators, and production companies.

Smaregi's AI Strategy

Through enhancements to both product functionality and internal operations, we aim to improve customer satisfaction and operational efficiency—creating positive ripple effects for all stakeholders. Our AI investments are focused not on automation alone, but on driving quality improvement.

Product Innovation

AI utilization
Product

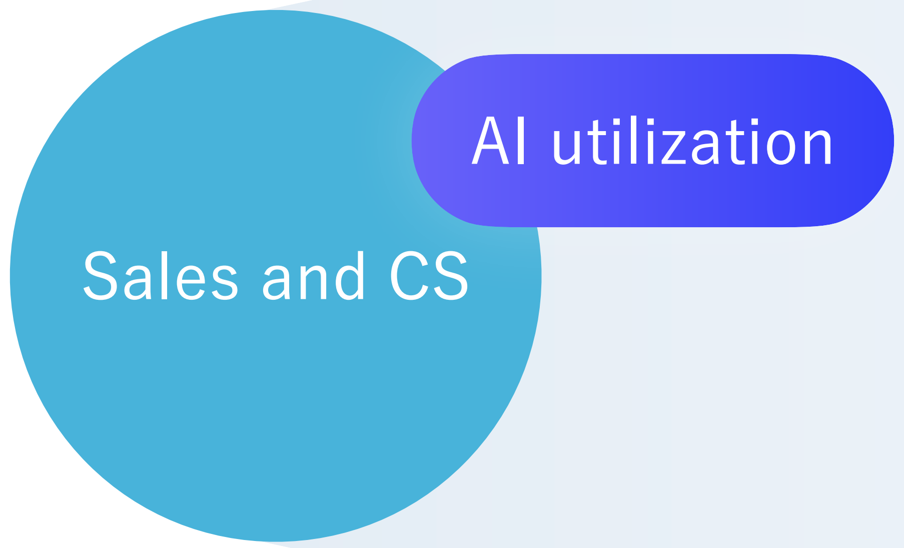
Customer Satisfaction

- Reduce losses through demand forecasting and inventory optimization
- Lower costs through operational automation
- Enable data-driven decision-making

Sales Forecasting, Data Analysis, Report Generation, and BI Capabilities.

Leveraging generative AI trained on in-store data, we offer sales forecasting, data analysis, and automated report generation such as daily summaries. By incorporating trends by industry and business type, we provide tailored insights and recommendations to strongly support store management.

Operational Efficiency



Customer and Employee Satisfaction

- Provide accurate 24-hour support
- Lower costs through operational automation
- Enable data-driven decision-making

Enhancing Customer Success, Sales, and Onboarding.

Utilizing customer success knowledge as collective intelligence, we deliver accurate, 24-hour support based on all past cases. AI continuously learns and improves through ongoing feedback, enhancing the customer experience across all touchpoints.

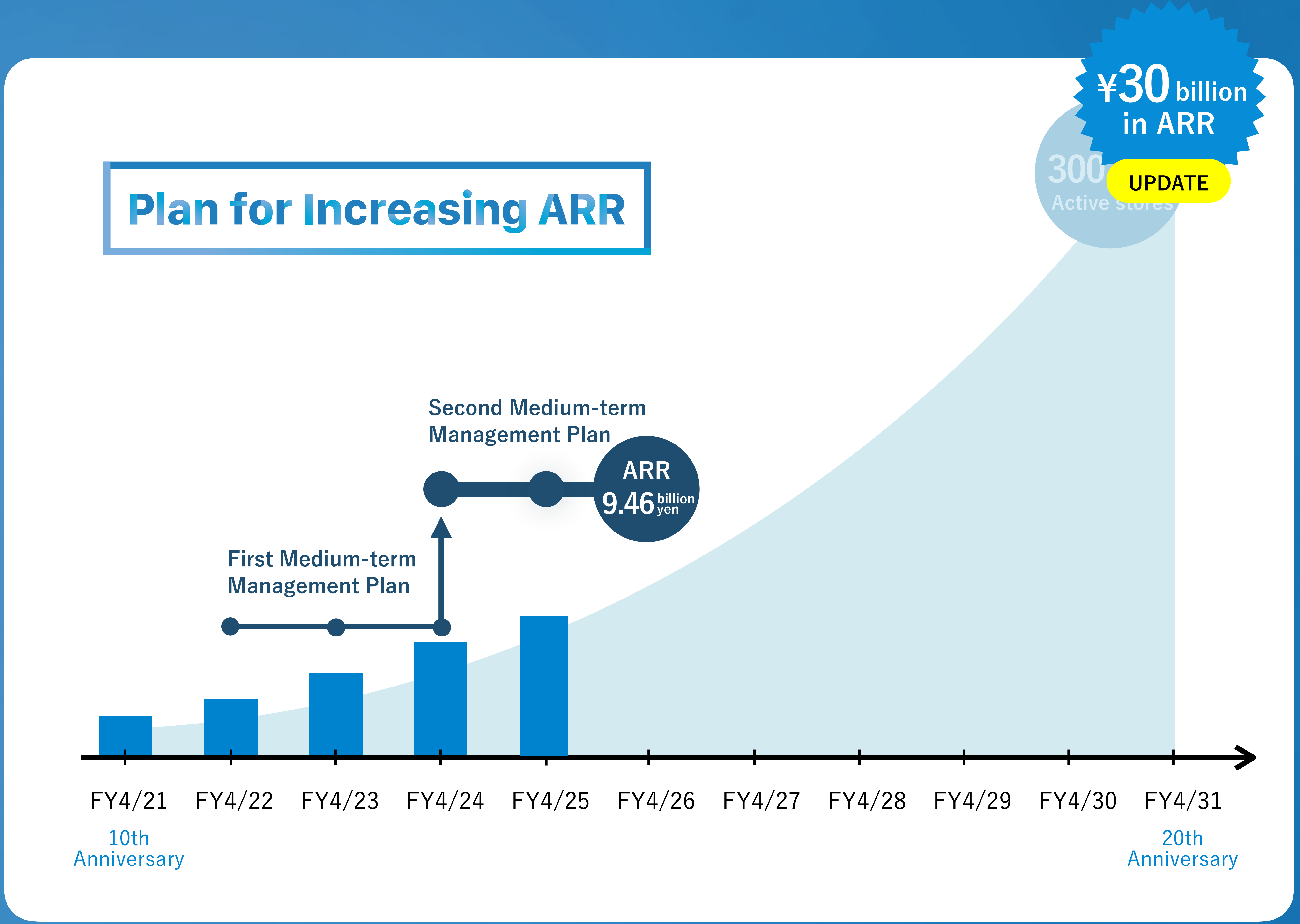
Long-term Vision and Medium-term Management Plan

VISION 2031 TO BE THE NEW STANDARD

Sep. 12, 2024 UPDATE

Aiming for
¥30 Billion
ARR!

Jun. 12, 2025 Reviewed and updated our four key initiatives, introducing E-commerce-related initiatives as a new pillar.



VISION 2031

Smaregi Long-term Vision and Medium-term Management Plan, VISION 2031

https://corp.smaregi.jp/en/ir/management/vision2031.php

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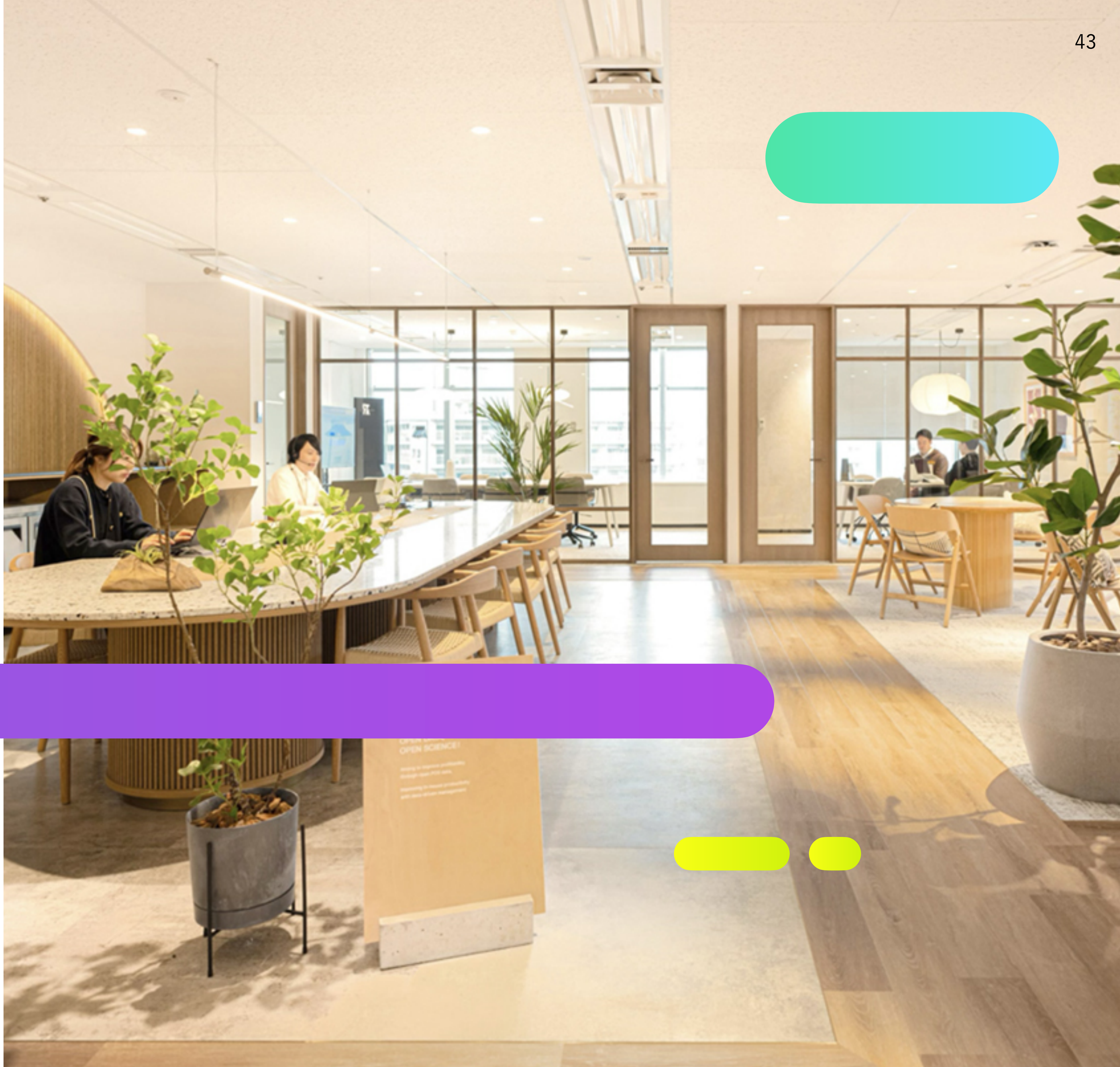

Business Risks and Measures Policy

Major risks affecting the realization of growth and the execution of the business plan

	Key risks	Likelihood of ccurrence	Potential impact	Risk management measures
Securing Technicians (Software engineers)	There is a risk that business operations will be affected by a lack of progress in securing and training human resources in line with the scale of our business.	Medium	Medium	Operates "Smaregi Tech farm" for the purpose of discover and develop young talent.We will work to train entry-level engineers while striving to secure outstanding human resources by utilizing various recruitment methods.
Reliance on Specific Suppliers	There is a risk that changes in transaction volumes or terms and conditions may affect our business and performance.	Medium	Medium	We have strengthened cooperation with suppliers (detailed delivery management, etc.) and established a system allowing us to always secure our required volumes. We will also aim to quickly build out an alternative supply system with multiple suppliers.
Economic fluctuation/ customer trends	The electronic payments market is growing steadily as a result of increasing demand, but in cases where contractions in the value of payments or number of member stores occur accompanying market downturns triggered by economic fluctuations and so forth, there is a risk business performance will be affected.	Low	Large	Because the Company's core business is a stable subscription-type business that covers a great variety of member stores, the Company is endeavouring to stabilize its revenue base through share expansion. We will engage in strengthening the business model in order to minimize impacts on the Group as a whole.
The Relationship with Apple Inc.	Dependence on iOS Platform for "Smaregi" POS Functionality: Our cloud-based POS system, "Smaregi," operates solely on the iOS platform. Therefore, any strategic shifts or developments by Apple Inc. could potentially impact our business operations and financial performance.	Medium	Large	Proactive Monitoring and Response to Apple's Strategic Moves: We continuously monitor Apple's business strategies and related developments. To address these promptly, we keep establishing a management and coordination framework within our administrative and operational departments.

Please refer to the "Risks Related to Our Business" section of our securities report for information on other business risks. (In Japanese)

Disclaimer

Business plans, forecasts, and other forward-looking statements in this presentation are based on the reasonable judgments of Smaregi based on information that was currently available. The actual results of operations may differ because these statements include uncertainties involving market conditions, political events, the economy, and other items.
The purpose of this presentation is not to encourage investors to buy or sell Smaregi stock or make any other investment decisions. Investors are responsible for making these decisions on their own.

Disclosure Policy

The Company plans to disclose the latest information, including the status of progress, at the end of each fiscal year under the section of “Business Plan and Growth Potential”. However, the Company’s financial data and key performance indicators are planned to be disclosed at the end of each quarter.

Business Plan and Growth Potential 2025

June 12, 2025

Smaregi, Inc.