mercari

Presentation Material

FY2026.6

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FY2026.6 Summary/ Progress Toward Mid-Term Policy for FY2027.6

1 Achievement Status of Consolidated Business Forecast

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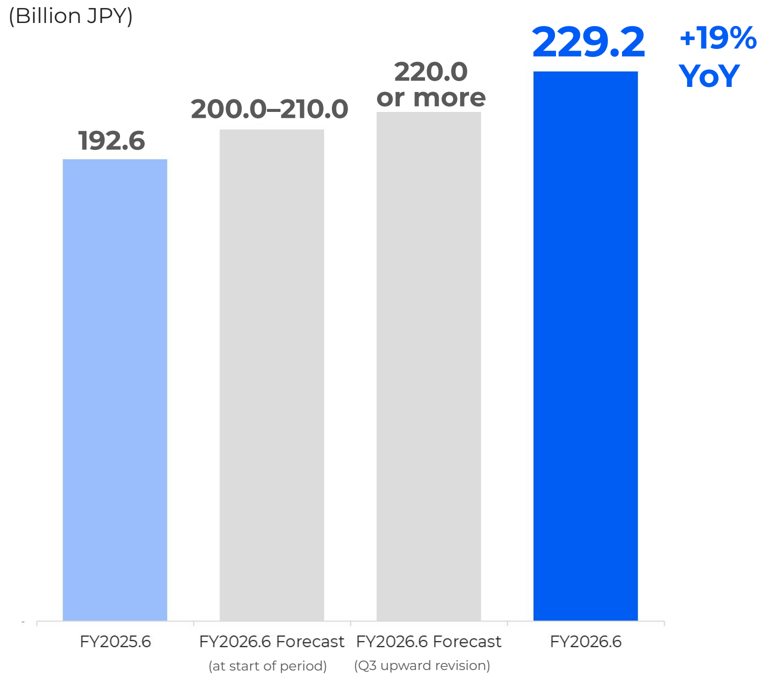
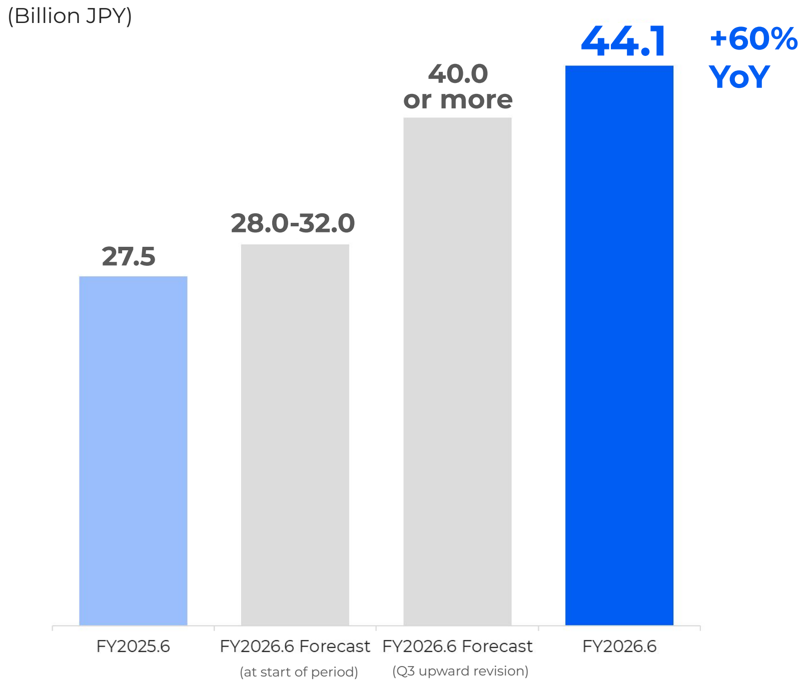
- Achieved the forecast revised upward in Q3 for both revenue and core operating profit[1] to reach record-high results
- Revenue returned to double-digit growth for the first time since FY2023.6

Revenue



Core Operating Profit



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

Financial Results Presentation Material

FY2026.6 Summary

Business Objectives at the Start of FY2026.6

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

Returned to Double-Digit Growth of Revenue

Marketplace

Enhancements to the core product experience resulted in GMV increase of **15%** YoY

Fintech

Expansion of payments outside *Mercari* resulted in an increase in revenue of **29%** YoY

US

Continued to break even, while GMV increased **11%** YoY

Established the Revenue Base of the Group

Increased both income and profit for all three main businesses to achieve **record-breaking profit**

Balanced strengthening investment in focus areas and planting seeds for future growth with decisions to withdraw from business areas based on priorities and impact of investment

Improved productivity with company-wide investment in AI, contributing to the enhancement of the revenue base

Future Challenges

Further create and expand Group synergy

Accelerate MAU[1] growth

Accelerate GMV growth rate in the US

1. 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)

1-Year Progress Since AI-Native Declaration

- Through the AI Task Force, we have completed the foundation for our AI-Native transformation and have now shifted to a value creation phase

Productivity Boosts Owing to AI-Native Transformation

Promoting AI Usage and Improving Productivity

- We have achieved a state where **100%** of employees use AI tools[1]. Currently, we are holding an initiative called "AI Agent Day" where engineers and non-engineers alike create AI agents designed to solve issues faced during daily work, thereby further improving employees' AI abilities.
- Productivity improvements reached approximately **495,000 hours** out of an estimated 1 million-hour potential. We have also identified a further 770,000 hours of potential improvements through work process transformation premised on AI[2].
- Average development output per engineer has increased **7.6 times** compared to before adopting AI (FY2024.6)[3].

Business Results and Structure Behind Value Creation

Product and Business Results

- Contributed to business outcomes through AI adoption in our products and AI-Native transformation of our development processes
  - Improved recommendation accuracy for search and home screen
  - Increased listing completion rate through AI Listing Support feature, which uses AI to make suggestions
  - Further established a safe and secure transaction environment through enhanced fraud monitoring utilizing AI
  - Built and added features to the *Mercari Mobile* service in a short period of time with smaller teams using AI-first development
- Automated video ad creative production using AI, winning multiple industry awards, such as gold and silver prizes in the YouTube Works Awards

Speed and Safety

- Balanced the speed of our AI-Native transformation and ensured safety through establishing a dedicated AI governance organization[4] and formulating the Mercari Group AI Usage Policy[5]

1. The percentage of Group employees (excluding employees on leave, employees with confirmed resignations, and Kashima Antlers employees) who use any of the major AI tools (ChatGPT, Gemini, Claude, Cursor, LiteLLM, and Notion AI) as of January 31, 2026
2. Calculated by assuming a 100% AI tool utilization rate among employees (as of January 31, 2026) and applying a work-reduction rate achieved by adopting AI for applicable tasks
3. Per-engineer development output in Mercari Group, calculated separately for FY2024.6 and FY2026.6, by dividing the number of code changes in each year by the number of engineers employed at that time
4. Established in October 2025 5. Formulated in March 2026

Future Direction of AI-Native Transformation

- With the previous CTO[1] appointed to CHRO and CAIO (Chief AI Officer), we will establish an integrated AI and HR framework and redesign workflows and organizational structures based on AI agents, accelerating product transformation and organizational reform

Product Innovation

- Accelerate development of a proprietary AI model based on Mercari's own data and use cases; introduce a model developed through initiatives[2] selected for GENIAC[3] into our search and recommendation features, further enhancing the user experience
- Enhance CS capabilities through AI; build mechanisms that let users resolve issues without needing to contact customer support, and employ AI agents to handle inquiries to improve response speed and enable multilingual support
- Further strengthen early automated detection and removal of fraudulent activity; build a safe and secure usage environment by improving authenticity appraisal quality and processing efficiency, among other measures
- Advance development of AI features, such as a shopping agent, to deliver AI-centric user value

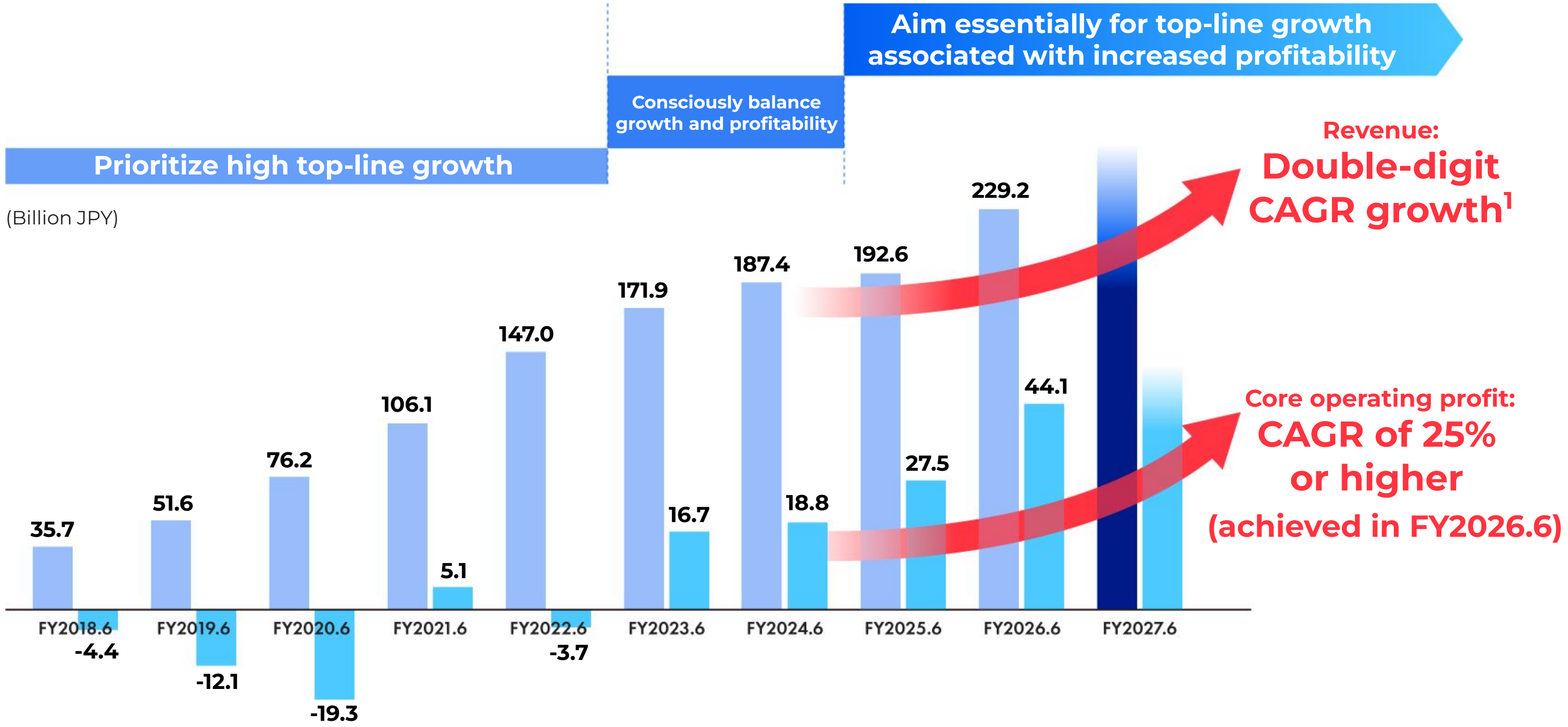
Organizational Reform

- Expand AI agent development across the entire organization, including non-engineering divisions, completely establishing an environment where AI agents collaborate across all business domains
- Roll out a company-wide “AI Pods” development style, where members in small teams transcend organizational roles and handle the entire development process, from defining specs to QA and release, enabling more projects and accelerating new business creation and new AI-based user experiences
- In addition to strengthening AI-based decision support, redesign AI implementation and evaluation systems as a single, integrated effort, including delegating authority to frontline teams and renewing approval processes, thereby accelerating business execution
- Employ AI for business reviews conducted by the risk management division and build a system that achieves both review quality assurance and faster turnaround times

1. Official title: Vice President, CTO (Japan Business)
2. Research and development of a foundation model for achieving high-precision AI search and recommendation based on Generative Retrieval technology, leveraging over 4 billion listing data points (data unique to the secondary distribution market) from the marketplace app *Mercari*, and led by Mercari’s in-house R&D organization R4D
3. A national project led by the Ministry of Economy, Trade and Industry (METI) and the New Energy and Industrial Technology Development Organization ("NEDO"), titled 'Development Project for the Enhancement of Post-5G Information and Communications Systems/Development of Competitive Generative AI Foundation Models (GENIAC)

1 Progress Toward Mid-Term Policy for FY2027.6

- Made steady progress on the FY2027.6 mid-term policy and achieved core operating profit for a second year in FY2026.6
- Also anticipate achieving target revenue, and aim for further growth of revenue and core operating profit



1. CAGR from FY2024.6
2. Following the transition to IFRS as of FY2024.6, disclosure is conducted based on IFRS beginning with the business results for FY2023.6.
3. In the event an opportunity arises for significant growth that will contribute to the future growth of the company, a temporary loss may be incurred resulting from making a flexible investment, but the company will explain the investment if this occurs.

1 FY2027.6—Mid-Term Objectives of Main Businesses

(This content was originally released in the FY2024.6 Q4 Summary; it was updated partially in FY2025.6 Q4)

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

- Enhance the product's core experience
- Redesign UI/UX using AI/LLMs
- Crossborder transactions/B2C
- Ads

Fintech

Objectives

- Expand Group synergy
- Lift core operating profit to 10B JPY or more 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.Removed the items regarding the on-demand work business in accordance with the discontinuation of the *Mercari Hallo* service

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

FY2026.6 Financial Overview

2 Achievement Status of Consolidated Results Forecast and Guidance for each Business

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Financial Results Presentation Material

Consolidated

	Forecast at start of period	Latest forecast[1]	Results
Revenue	200.0–210.0B JPY	220.0B JPY or more	**229.2B JPY**
Core Operating Profit	28.0–32.0B JPY	40.0B JPY or more	**44.1B JPY**

Per Business

		Guidance at start of period	Latest guidance[2]	Results
Marketplace	GMV growth rate	+3–5% YoY	+5–10% YoY	**+15% YoY**
	Core Operating Profit	32.0–36.0B JPY	35.0–39.0B JPY	**42.9B JPY**
Fintech	Core Operating Profit	5.0–7.5B JPY		**9.1B JPY**
US	GMV growth rate	Positive YoY growth		**+11% YoY**
	Core Operating Profit	Break even		**2.0B JPY**

1. Results forecast revised upward in the FY2026.6 Q3 financial results
2. Guidance revised upward in the FY2026.6 Q3 financial results (Guidance for Fintech and US remains unchanged from the start of FY2026.6)

Consolidated Results (Full Year)

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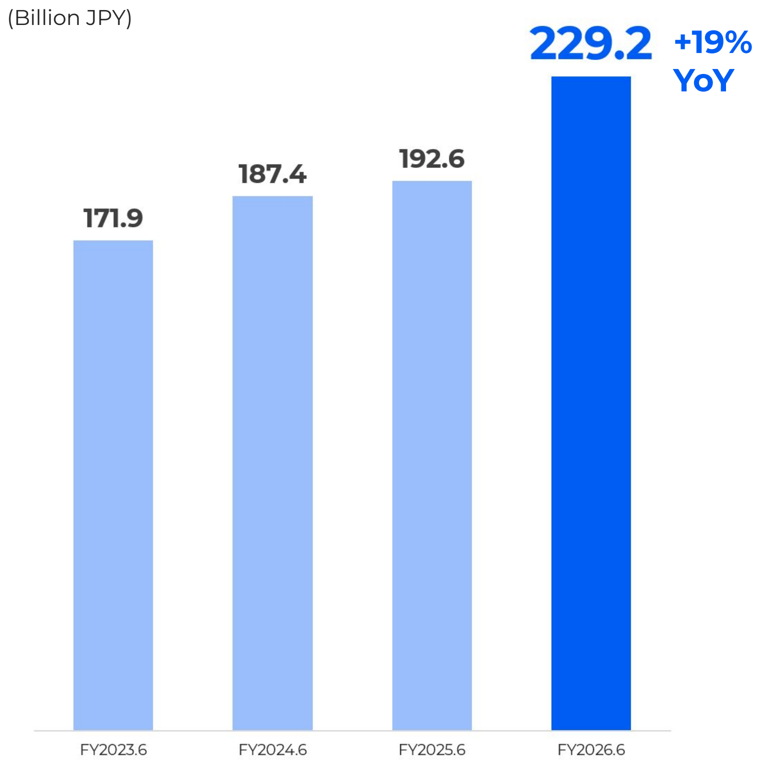
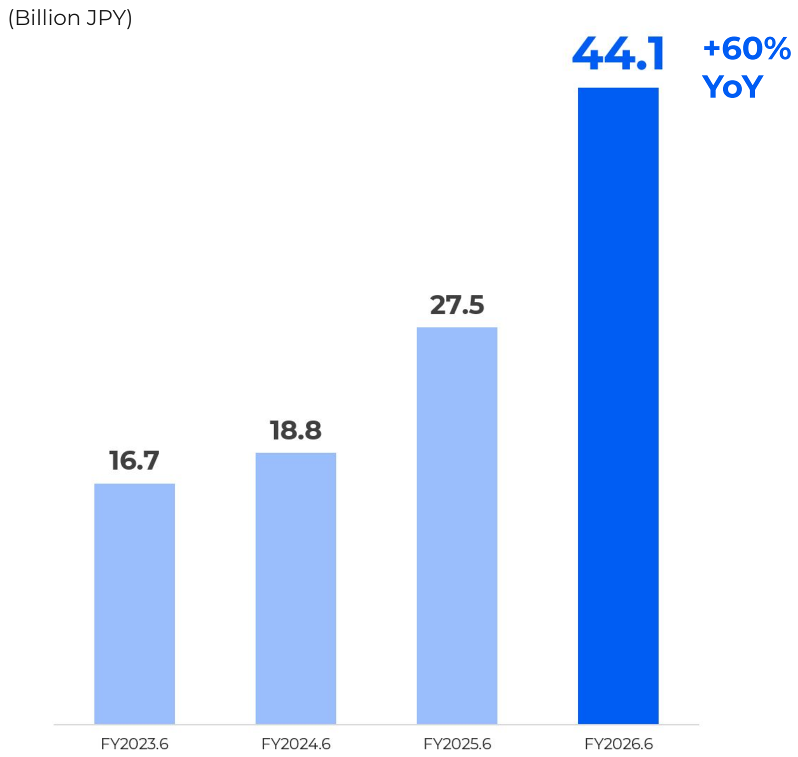
Revenue



Core Operating Profit[1]



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

Consolidated Results (Quarterly)

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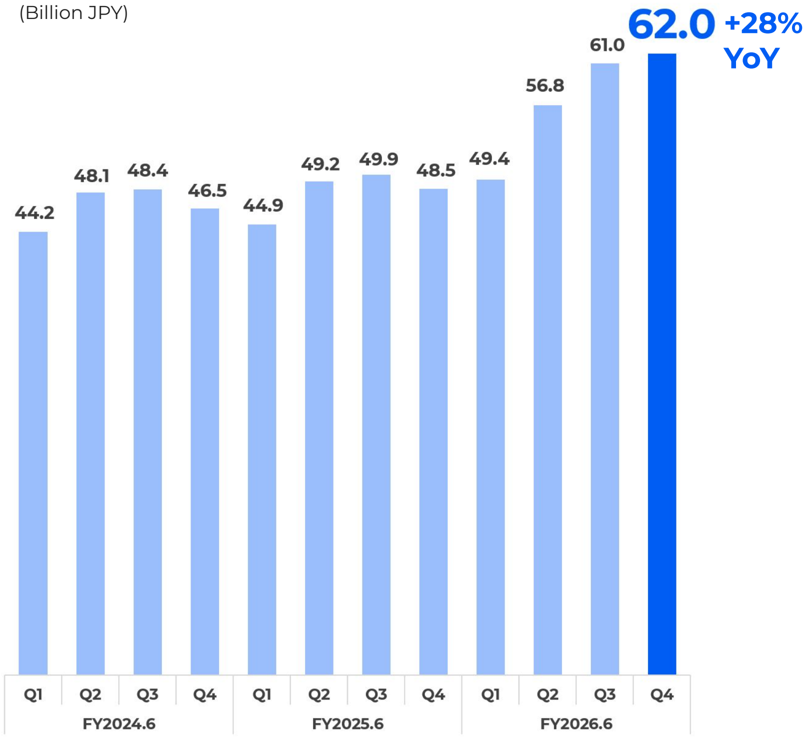
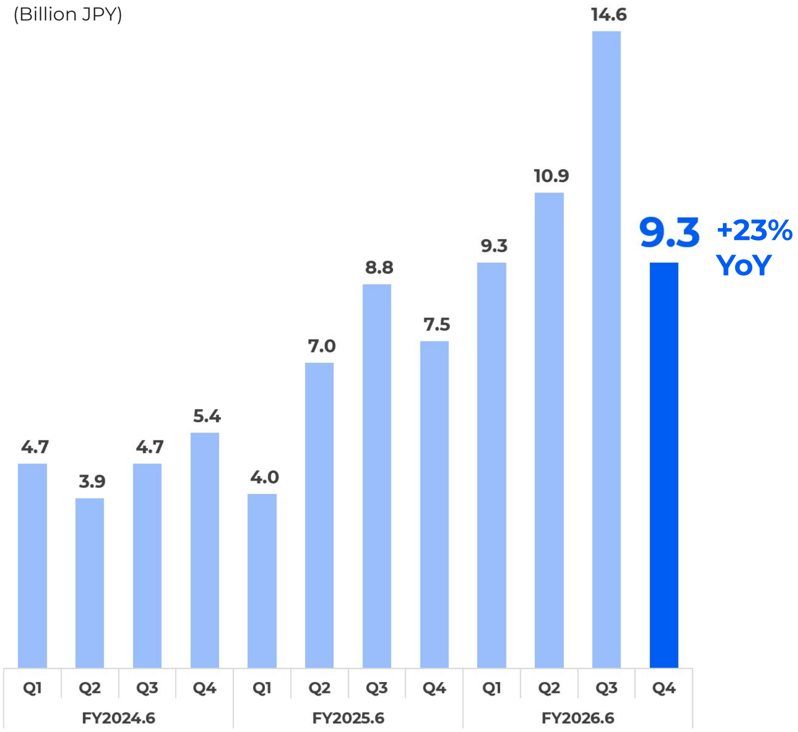
- As planned, in Q4 we made investments for future growth and saw a QoQ drop in core operating profit

Revenue



Core Operating Profit[1]



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

2 Marketplace—Summary

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 +5–10% YoY and core operating profit[1] of 35.0B–39.0B JPY**

Note: Guidance shown here is the figures adjusted in Q2
(Guidance at the start of FY2026.6: GMV growth rate of +3–5% YoY; core operating profit of 32.0–36.0B JPY)

MAU surpassed 24M, and the GMV growth rate for the full year was +15% YoY, returning to double-digit growth for the first time since FY2023.6. Following the upward climb of top-line growth, core operating profit significantly surpassed the guidance from the start of FY2026.6, landing at 42.9B JPY (+41% YoY) and further reinforcing the revenue base.

By enhancing the product's core experience centered on building a safe and secure transaction environment, we established a foundation that balances the growth of the number of users, unit prices, and frequency of use. With this as a base, we have created a positive cycle of creating and maintaining GMV growth momentum through large-scale marketing initiatives such as *Super Mercari Market Days*.

For the focus area of crossborder transactions, we saw strong demand in Entertainment & Hobbies categories, with GMV growing steadily to 112.2B JPY (approximately 9% of total GMV). We also made progress with our initiatives for future growth with such things as launching direct crossborder transactions in the US through the new global app in addition to expanding our inventory through a partnership with Suruga-ya.

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

2 Marketplace—Results (Full Year)

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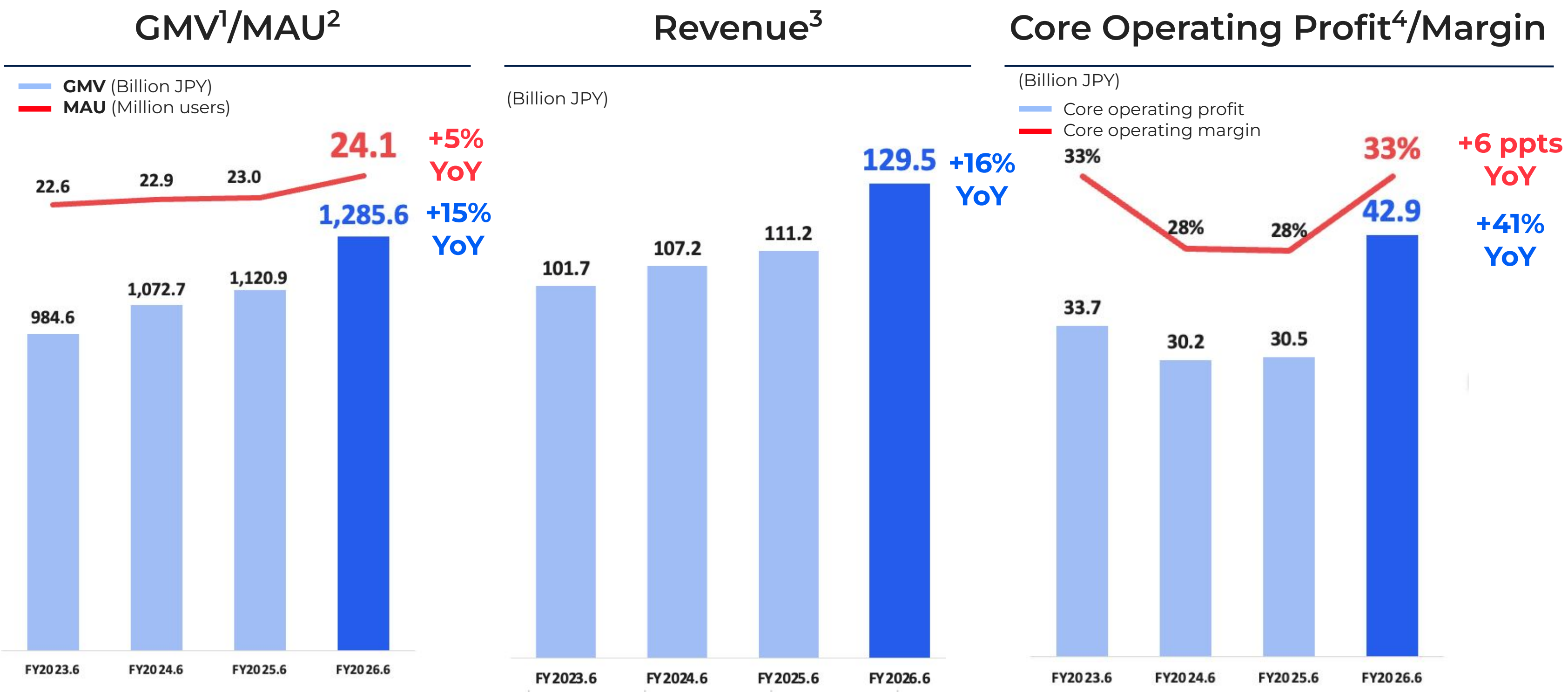

1. Aggregate transaction value after adjusting for cancellations (includes transaction value of *Mercari NFT*)
2. Quarterly average number of registered users who browsed our service (app or web) at least once during a given month, both domestically and internationally. (Note: Does not include crossborder 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)
4. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

2 Marketplace—Results (Quarterly)

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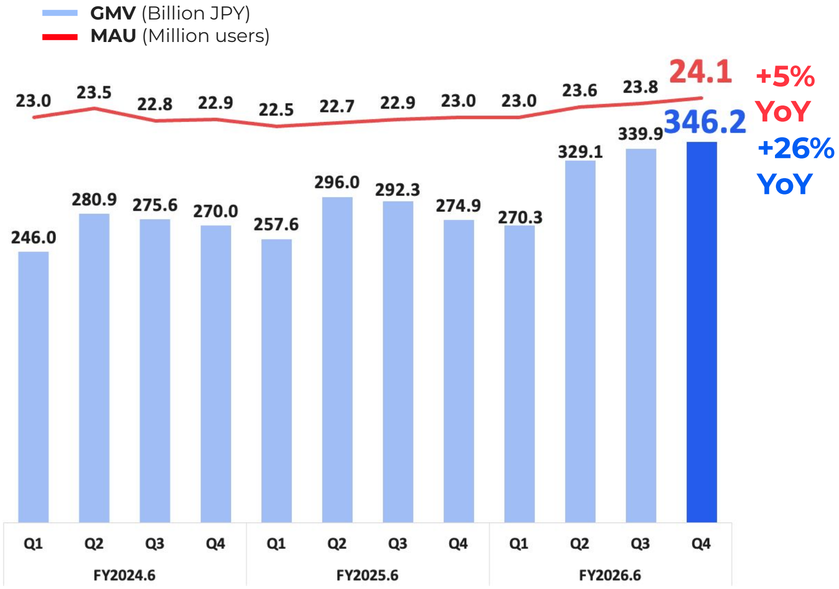
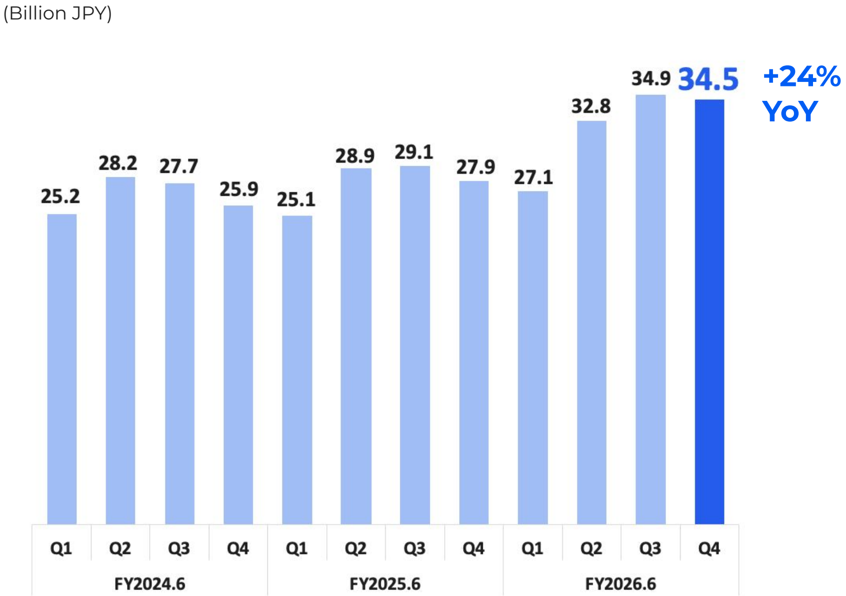
- Further to the low bar set in the previous fiscal year (FY2025.6 Q4: +2% YoY), the GMV growth rate landed at an exceptionally high level, hitting +26% YoY due to the combined effect of *Super Mercari Market Days* and favorable results in Entertainment & Hobbies categories

GMV[1]/MAU[2]



Revenue[3]



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

Marketplace—Results (Quarterly)

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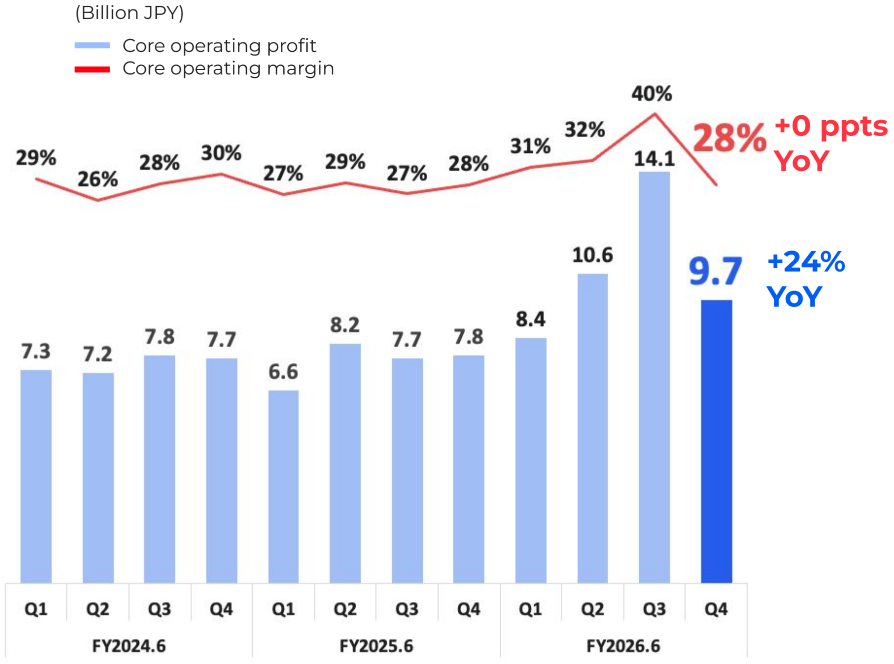
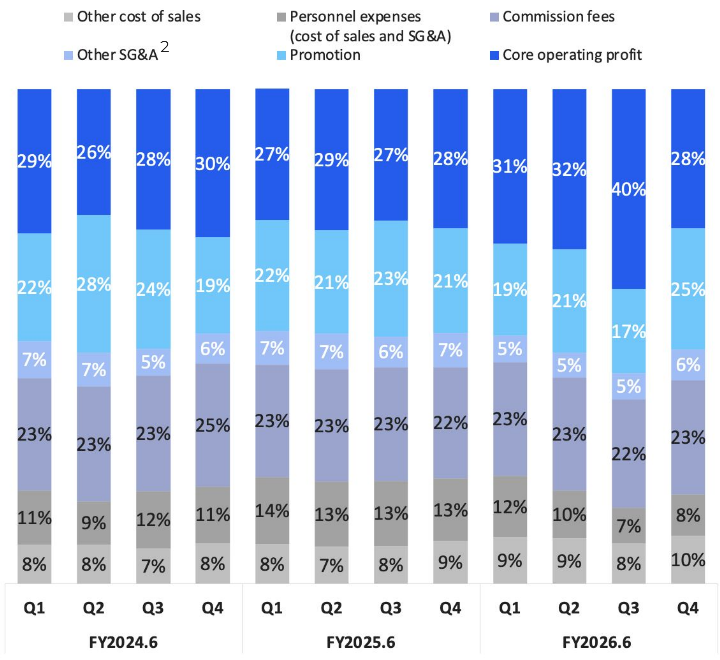
- Compared to Q3, during which we did not hold any large promotional campaigns, in Q4, core operating profit[1] margin dropped QoQ due to marketing strategies like *Super Mercari Market Days* and active investment for future growth in FY2027.6 and beyond

Core Operating Profit/Margin



Profit and Cost Composition



Financial Results Presentation Material

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

2 Initiatives for Creating a Safe & Secure Marketplace and the Results

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- In FY2026.6, we promoted a rapid succession of initiatives while leveraging AI, which had a concrete impact on our results and contributed greatly to significant GMV growth

Main Initiatives

Expand user support and compensation

- Started offering full coverage support program[1]
- Started offering anonymous returns service
- Started offering feature for receiving sales balance without waiting for rating

Authentication and rule management

- Established the Mercari Appraisal Center[2], and waived appraisal cost for items over a certain price[3]
- Updated our Marketplace Principles[4] to better address items that could significantly impair the safety and security of the marketplace, and newly applied them to expanded an range of products
- Made eKYC mandatory for high-priced items

Enhance fraud prevention and security

- Used AI to create fraud detection scores and tightened account restriction

Results

- The rate of inquiries related to transactions dropped; made steady progress on enhanced compensation and appraisal features
  - Compared to two years ago, the rate of inquiries related to transactions[5] dropped from 0.49% to **0.35%**
  - Of the transactions that ended in compensation under the full coverage support program, the percentage of transactions in which users were compensated within 48 hours improved from last year's figure of 40.1% to **92.6%**
  - The number of items Safe Appraisal was used on was **nearly triple YoY**, demonstrating its contribution to anti-counterfeiting measures

1. Program that compensates users for the purchase price or sales profit of an item in the event a dispute occurs involving a transaction on *Mercari*, provided certain conditions are met.
2. Established the Mercari Appraisal Center, which is operated by Mercari, in September 2025. Previously, we provided appraisal services in collaboration with external parties.
3. Free for Sneaker and Fashion category items priced 100,000 JPY or higher and trading card category items priced 150,000 JPY or higher.
4. Established a policy to address items considered likely to significantly impair safety and security, including banning listings, at Fifth Advisory Board meetings held in July and September 2025.
5. Percentage of the total number of transactions that raised an inquiry (e.g., defective or undelivered items) (described in the Transparency Report as the "transaction dispute rate").

2 Fintech—Summary

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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 profit[1] of 5.0–7.5B JPY**

In addition to an increase in transaction value on *Mercari* associated with favorable GMV growth on the marketplace, a steady increase in the acquisition of *Mercard* holders and the expansion of usage situations contributed to the growth of transaction value outside of *Mercari*. As a result, credit balance[2] reached 358.1B JPY (+44% YoY), and revenue landed at 65.1B JPY (+29% YoY).

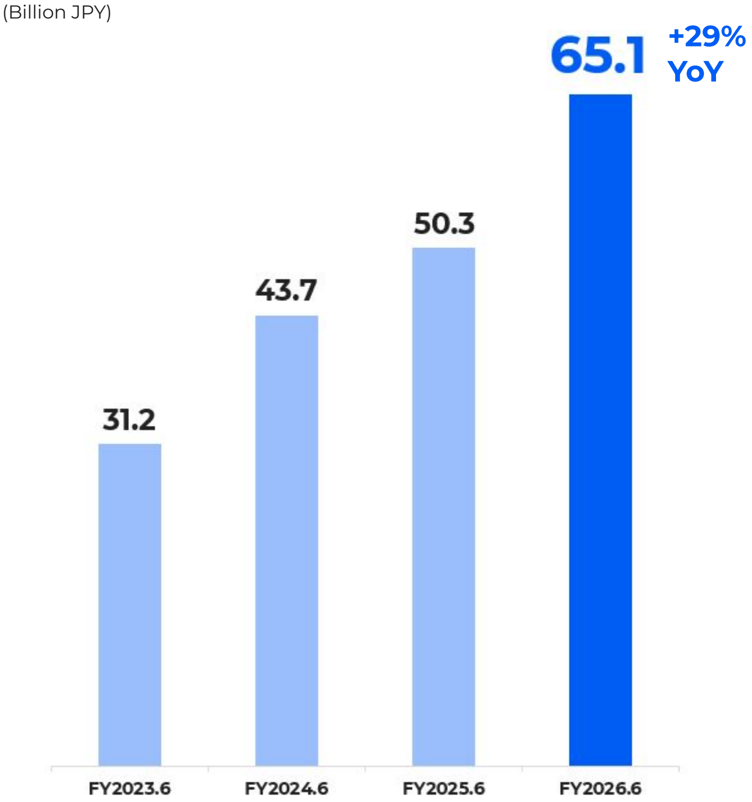
Enhanced profitability with the steady growth of credit to significantly surpass our initial guidance and achieve a core operating profit of 9.1B JPY (+4.6B JPY YoY) even as we conducted active investments.

The Fintech business made steady progress, with *Mercard* reaching 6.32M cards issued[3] and 4M cryptoasset trading accounts opened[4]. The expansion of features that leverage our partnerships also saw progress, such as the provision of a BaaS feature[5] and the increase in the cryptoassets we handle resulting from our partnership with Coincheck, Inc.[6] We also moved forward with building a foundation to become a product that is chosen by users for all payment/credit use cases.

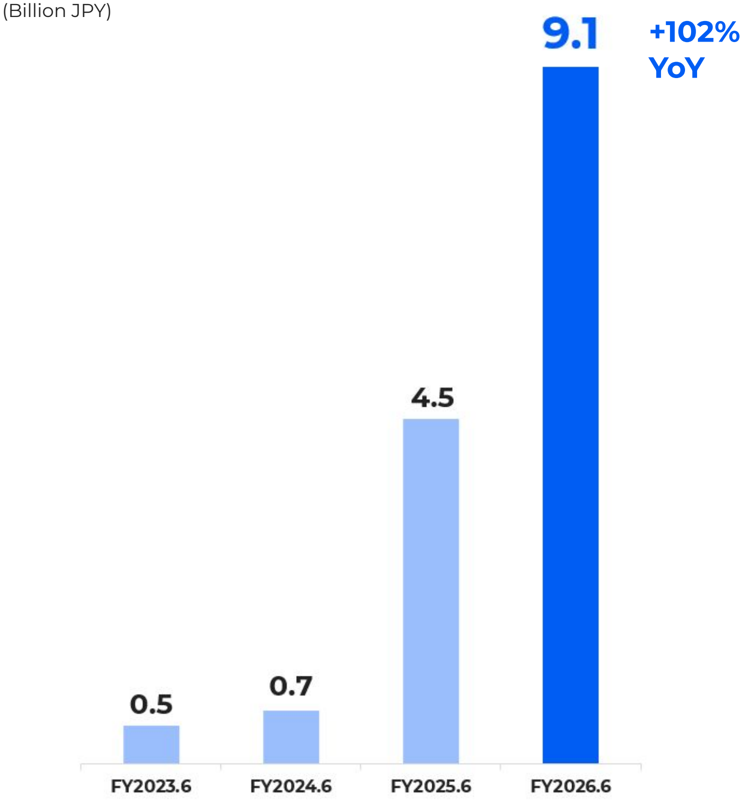
1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
2. *Merpay Deferred Payment* (lump-sum payment, fixed-amount payment, or installment payment) and *Smart Money* credit balance at the end of the quarter (excludes debt converted into bankruptcy reorganization debt)
3. As of June 30, 2026
4. As of March 31, 2026
5. On December 18, 2025, Mercari launched a new service, in partnership with Minna Bank, Ltd., that allows users to withdraw their *Mercari* sales balance (or *Merpay* balance) quickly and without service fees.
6. On June 8, 2026, Mercari began providing a service, in partnership with Coincheck, Inc., that allows users to trade 12 different cryptoassets, such as Shiba Inu and Dogecoin, on the *Mercari* app.

Fintech—Results (Full Year)

Revenue



Core Operating Profit[1]



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.

2 Fintech—Results (Quarterly)

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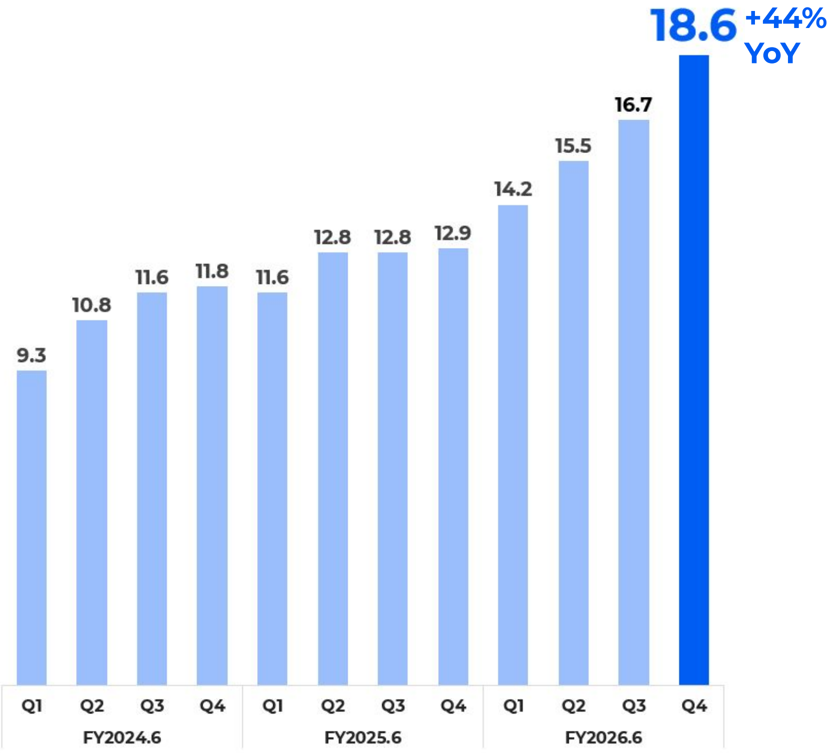
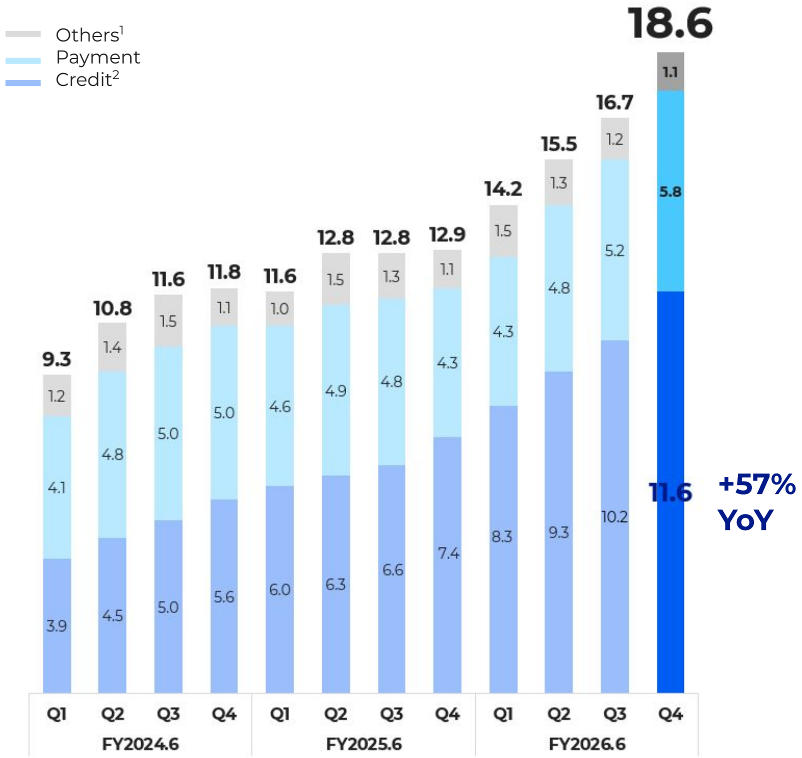
Revenue



Breakdown of Revenue

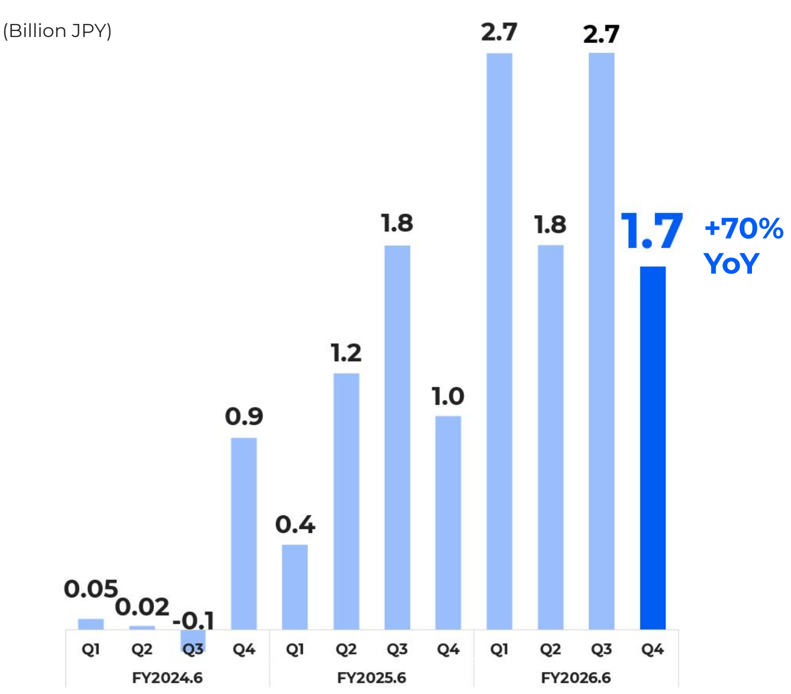


1. Includes revenue of Mercoin, Inc., bank withdrawal fees, expiration and seizure of sales balance, and *Mercard* reissuance fees, etc.
2. The annual effective interest rate for new credit of fixed-amount payment was revised to 18% effective January 1, 2025. The annual effective interest rate for new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

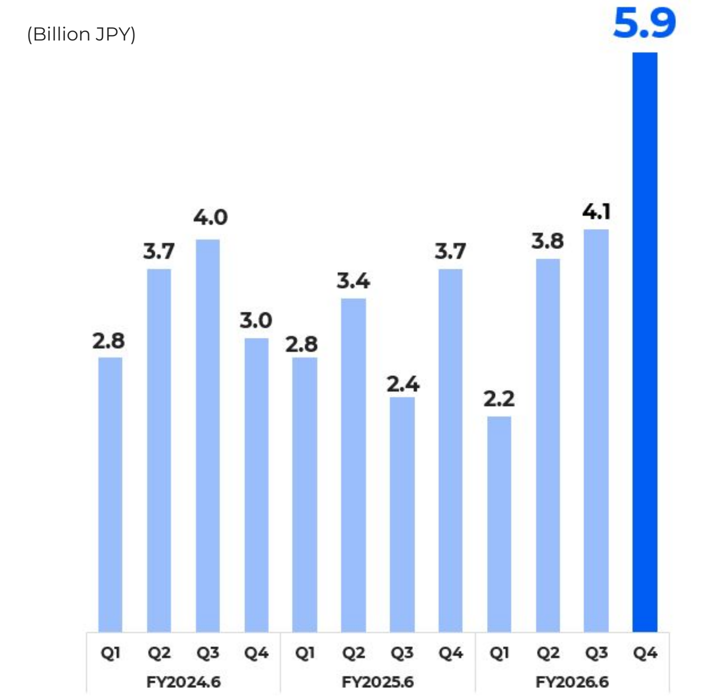
Fintech—Results (Quarterly)

- As planned, advertising costs[1] increased significantly due to our strengthening of investments to acquire *Mercard* holders and expand *Merpay* user segments

Core Operating Profit[2]



Advertising Costs

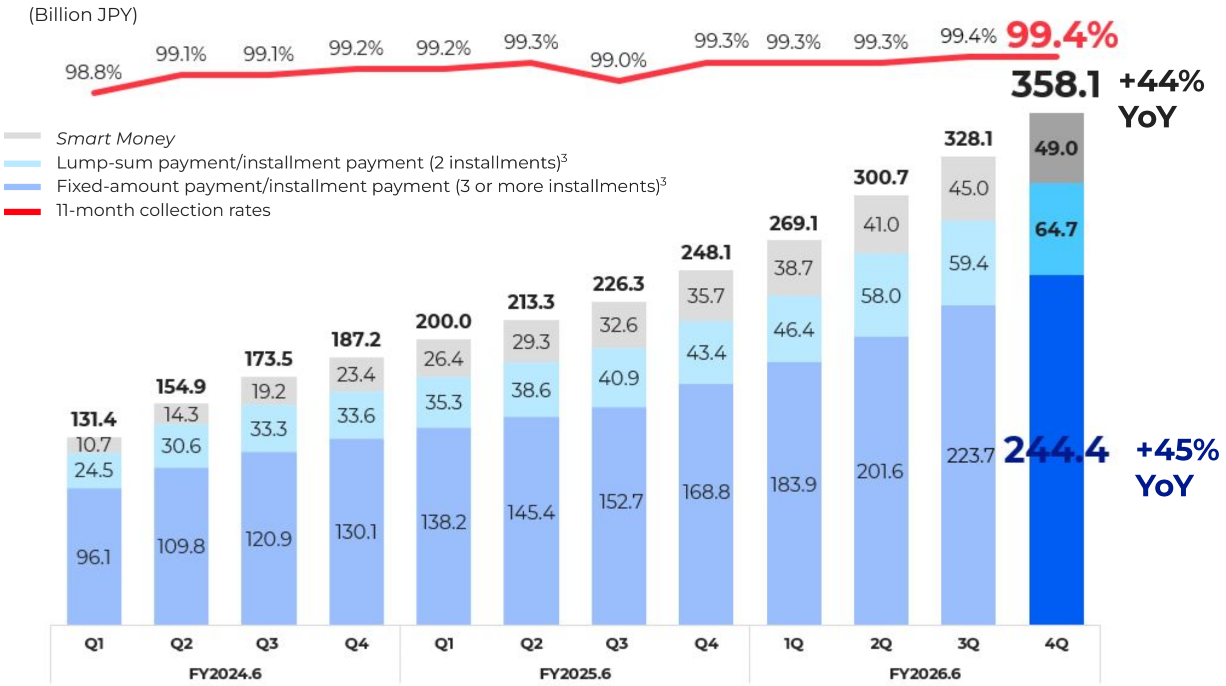


1. In addition to advertising expenses for such things as TV commercials and online advertising, the cost of free points, including regular point-back rewards, are also included in advertising costs.
2. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc. Starting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

Fintech—Expansion of Credit Balance

- Continued to achieve both credit balance[1] growth and high collection rates[2] as a result of appropriate risk assessment and gradual expansion of credit limits resulting from the Group's original AI credit model, as well as the steady growth of *Mercard*

Credit Balance and Collection Rates



1. *Merpay Deferred 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 Deferred 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, and therefore, credit balance is disclosed together with fixed-amount payment.

US—Summary

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

In addition to the combined effect of enhancing the product's core experience and carrying out effective marketing initiatives, such as category-specific CRM measures and shipping discount promotions, we successfully captured strong demand in Entertainment & Hobbies categories, and we achieved double-digit GMV growth for the full year. By maintaining disciplined investment, even as we implemented these marketing initiatives, core operating profit[1] landed at 2.0B JPY.

The effects of steady product initiatives led to faster-than-expected results, which allowed us to achieve our guidance. We established a foundation for positive GMV growth while continuing to break even.

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

2 US—Results (IFRS[1] / Full Year)

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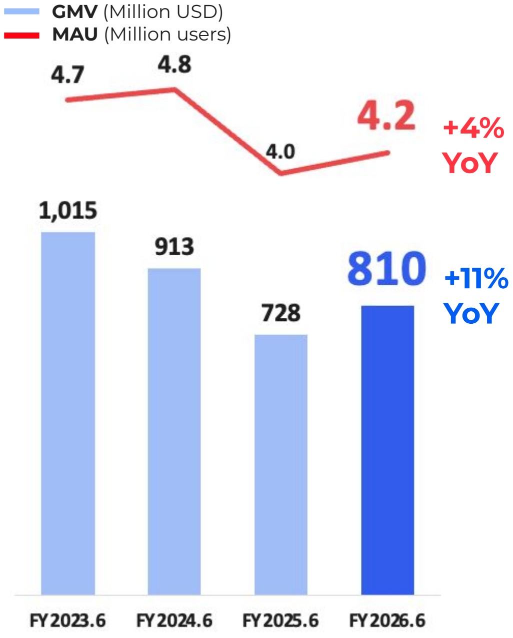
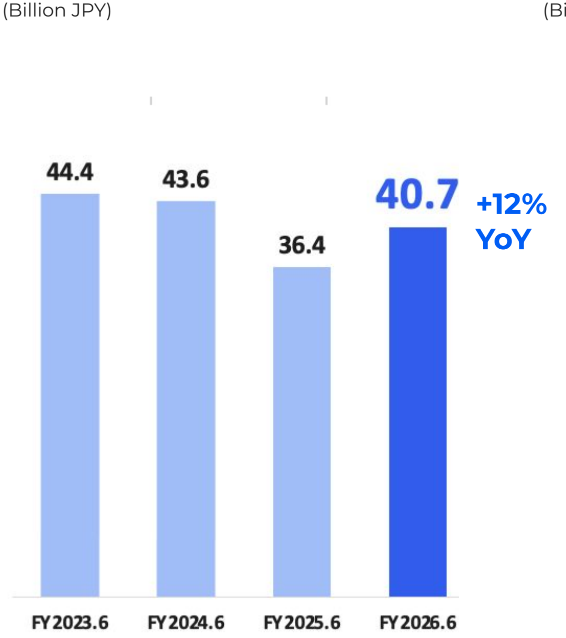
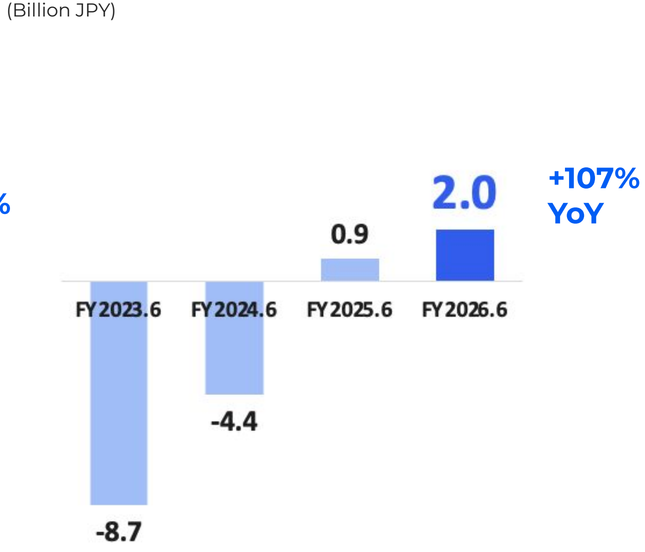
GMV[2]/MAU[3]



Revenue



Core Operating Profit[4]



Financial Results Presentation Material

1. Adopted IFRS in FY2024.6 and disclosed IFRS numbers for FY2023.6 as well to enable YoY comparisons
2. Aggregate transaction value after adjusting for cancellations
3. Quarterly average number of users who browsed our service (app or web) at least once during a given month; graph compares the averages for Q4 of each fiscal year
4. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.

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US—Results (Quarterly)

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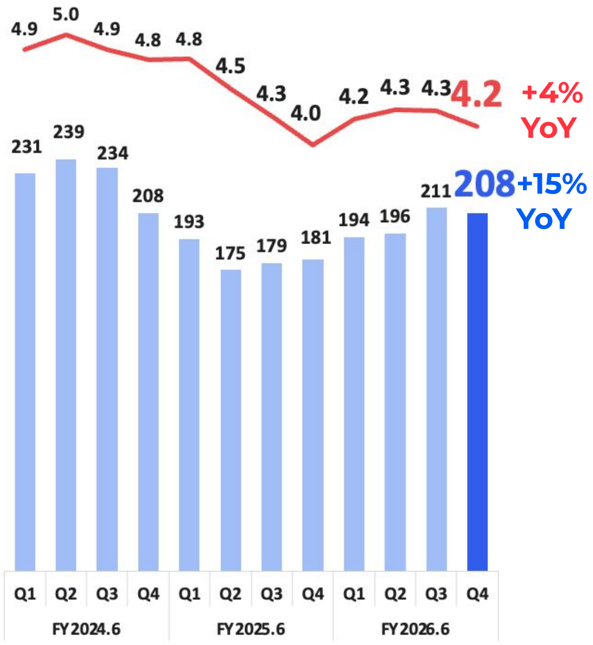
Financial Results Presentation Material

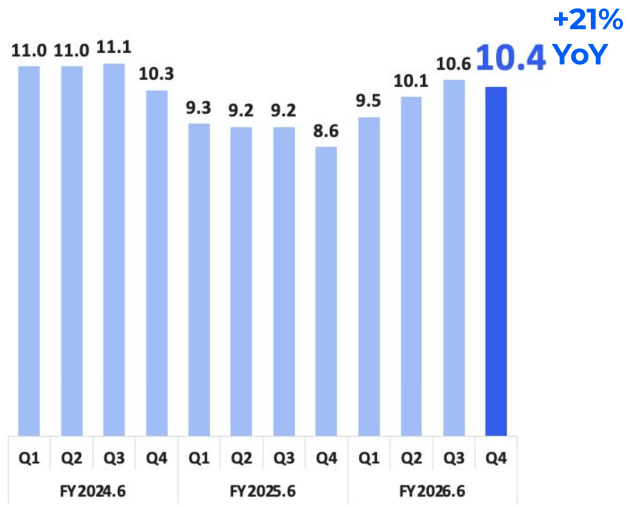
GMV[1]/MAU[2]

GMV (Million USD)
MAU (Million users)



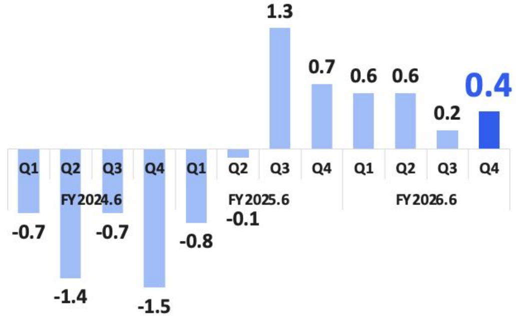
Revenue

(Billion JPY)



Core Operating Profit[3]

(Billion JPY)



1. Aggregate transaction value after adjusting for cancellations
2. Quarterly average number of registered 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.

FY2027.6 Financial Forecast/ Business Objectives

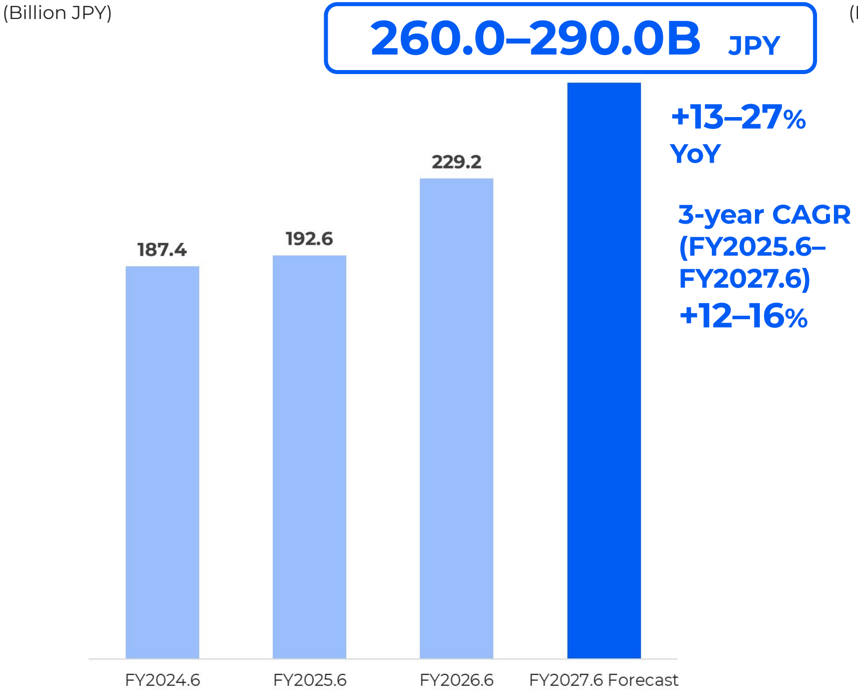
3

FY2027.6 Consolidated Financial Forecast

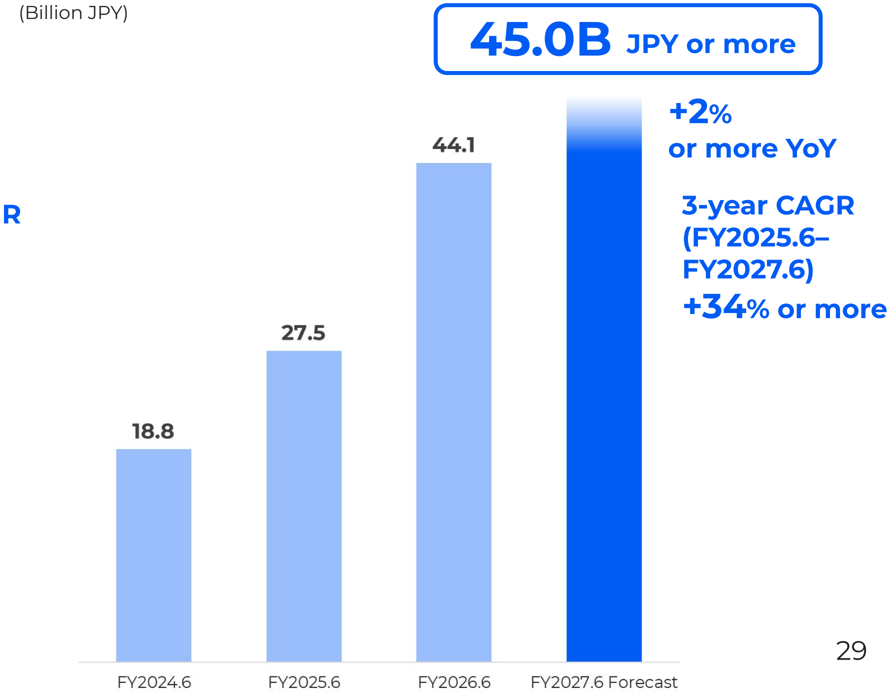
mercari

- We aim to balance ongoing high growth with investment for mid- to long-term growth, while maintaining the top-line growth that will lead to increased profits
- In consideration of the uncertainty of one-year investment plans, for core operating profit, we will disclose the minimum value, with revisions considered as necessary based on our performance in the first half of the fiscal year
- We expect to achieve the mid-term policy for FY2027.6 and will aim for further growth

Revenue



Core Operating Profit



3 FY2027.6 Business Objectives

- In the final fiscal year of our current mid-term plan, aim to deliver on the FY2027.6 guidance and medium-term goals through strategic policies and initiatives

Consolidated

Guidance

Revenue
260.0–290.0B JPY

Core operating profit[1]
45.0B JPY or more

Policy/Major Initiatives

- Balance ongoing high growth with investment for mid- to long-term growth
- Essentially aim for top-line growth that will lead to increased profits
- Promote a shift toward AI-Native with AI agents as a foundation

Marketplace

Guidance

GMV growth rate: +10–15% YoY
Core operating profit: 45.0B JPY or more

Policy/Major Initiatives

- Enhance the product's core experience
- Increase time spent on the app by enhancing entertainment value
- Expand direct crossborder transactions[2]

Fintech

Guidance

Core operating profit: 10.0B JPY or more

Policy/Major Initiatives

- Expand user demographics and promote app usage
- Continuously accumulate credit balance premised on appropriate risk management
- Release more app features by leveraging partnerships

US

Guidance

GMV growth rate: +10% or more YoY
Continue to break even[3]

Policy/Major Initiatives

- Enhance the product's core experience
- Increase the average purchase amount

1. Core operating profit is defined as IFRS operating profit excluding other income/expenses, etc.
2. Consumers overseas sign up for *Mercari* and purchase items through the global app, which supports local languages and currencies; the app offers inspections of all items by Mercari to ensure quality before overseas shipment, as well as a consistent UX where all processes from payment to package tracking are available in the app
3. Envisioning break-even based on IFRS core operating profit

Marketplace—Business Objectives

Objectives

- Aim to maintain a high GMV growth rate by focusing on strengthening crossborder transactions while continuing to enhance the product's core experience
- Aim for GMV growth rate of +10–15% YoY and core operating profit of 45.0B JPY or more

Enhancing the Product's Core Experience

Drive continuous enhancements to the product's core experience leveraging AI; invest in building a stronger product foundation by strengthening the CS structure and expanding the authentication feature

Enhancing Entertainment Value

Aim to increase time spent on the app and usage frequency by boosting the entertainment value of the user experience through initiatives such as an auction feature and evolving the app into one that users want to use every day

Crossborder Transactions

Focus on Entertainment & Hobbies categories such as anime and comics and capture global demand by expanding direct crossborder transactions[1] to more countries and regions and enhancing UI/UX

1. Consumers overseas sign up for *Mercari* and purchase items through the global app, which supports local languages and currencies; the app offers inspections of all items by Mercari to ensure quality before overseas shipment, as well as a consistent UX where all processes from payment to package tracking are available in the app

3 Marketplace—Increasing Time Spent on App by Enhancing Entertainment Value

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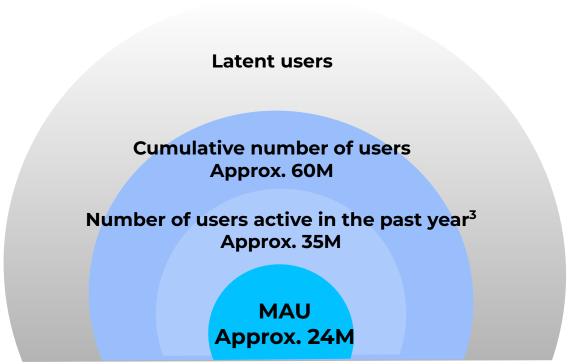
- Aim for sustainable growth through increasing both MAU[1] and time spent on the app by enhancing the entertainment value of the product, in addition to continuous enhancements to the core user experience

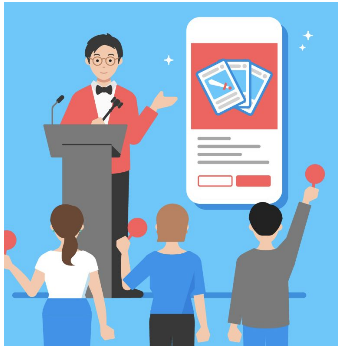
Increasing MAU

- The cumulative number of *Mercari* users exceeds 60M[2], and there is significant potential to increase MAU by activating infrequent users
- Will promote acquisition of new users and expansion overseas through crossborder transactions, in addition to activating existing users



Increasing Time Spent on App

- There is also significant potential to increase the time users spend on the app; will aim to shift from a purpose-specific service to a place people visit for fun
  - Will increase entertainment value through initiatives such as an auction feature and enhancing the discovery/search experience



1. 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)
2. Total number of registered users who browsed our service (app or web) at least once between July 2013 and June 2026 (excluding users who have been suspended, etc.)
3. Total number of registered users who browsed our service (app or web) at least once between July 2025 and June 2026 (excluding users who have been suspended, etc.)

3 Marketplace—Expanding Crossborder Transactions

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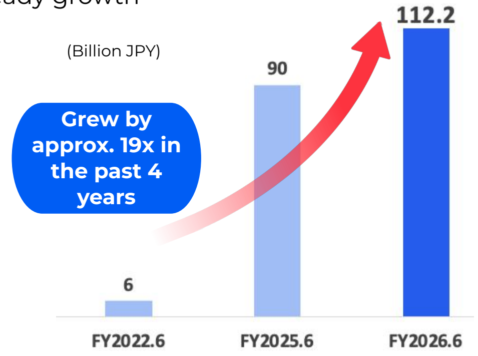
- Aim to grow direct crossborder transactions[1] in Taiwan, Hong Kong, and the US, while also expanding the service to other countries and regions
- Strengthen partnerships with B2C companies, such as Suruga-ya, to expand inventory of items in Entertainment & Hobbies categories, which are in high demand

Crossborder GMV

- The crossborder business has grown significantly in a short period of time, with a GMV of 112.2B JPY in FY2026.6 (approx. 9% of Marketplace's overall GMV)
- In Taiwan[2], the percentage of direct crossborder transactions now exceeds the percentage of transactions made through partner sites, indicating steady growth



Enhancing Direct Crossborder Transactions

- In FY2026.6 Q4, we released *Mercari* global app in the US, an extremely promising market; will take on this market as the core of our future growth
- Will accelerate global expansion by expanding *Mercari* global app to at least 50 countries and regions by 2028 and at least 100 in the mid-to-long term

1. Consumers overseas sign up for *Mercari* and purchase items through the global app, which supports local languages and currencies; the app offers inspections of all items by Mercari to ensure quality before overseas shipment, as well as a consistent UX where all processes from payment to package tracking are available in the app
2. Launched direct crossborder transactions in August 2024

3 Marketplace—Major Investment Areas

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- Looking toward mid- to long-term growth, we will carry out proactive investments to enhance marketing and further strengthen the foundation of *Mercari*'s core user experience

Core Product Experience

- **Strengthen our CS structure**
  - Expand our CS structure to balance business growth and higher user satisfaction in FY2027.6, while promoting AI use in the mid-to-long term
- **Enhance authentication**
  - Consider initiatives such as expanding the categories eligible for the *Safe Appraisal* service
- **Proactively hire selected AI-Native talent**
  - Secure talent to support business growth

Marketing/New Initiatives

- **Strengthen *Super Mercari Market Days***
  - Maximize our growth momentum on a foundation of enhancements to the core experience
- **Carry out regular marketing initiatives**
  - Boost awareness of our safety and security-related initiatives
  - Carry out creative/CRM measures leveraging AI
- **Carry out local marketing for our direct crossborder transaction service**
  - Carry out promotions to enhance local brand recognition and activate transactions, mainly in the US
- **Carry out new initiatives**
  - Release *M Department*[1], which carries professionally authenticated brand-name items and refurbished items

1. Released on July 14, 2026, as an e-commerce site independent from the *Mercari* app

Fintech—Business Objectives

Objectives

- Leverage partnerships and enhance the user experience 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 of 10.0B or more

Increasing Total Transaction Value

In addition to adding basic product features and redesigning the payment experience, work to enhance the convenience of cryptoasset transactions, expand user demographics, and boost usage frequency to increase total transaction value

Build Further Trust

Enhance credit building by increasing the users eligible for credit through the Group's unique AI credit model, which is based on usage history and behavioral data from *Mercari* and *Merpay*

3 Fintech—Credit Growth Through Increasing Transaction Value and Building Trust

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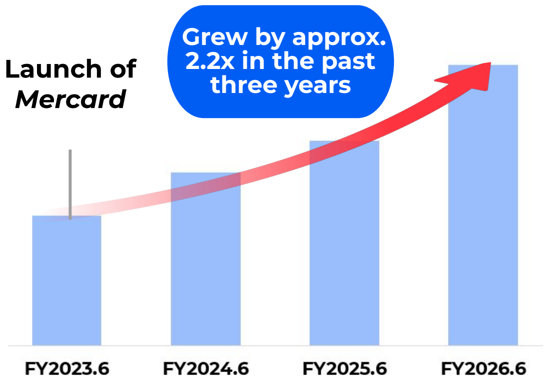
Increasing Total Transaction Value

- The widespread adoption of *Mercard*[1] and *Mercard Gold*[2] has contributed to the total transaction value increasing 2.2 times over three years
- Will work to increase total transaction value further by expanding basic features for the promotion of everyday use, enhancing the user experience of receiving points for making continued payments, and expanding the varieties of cryptoassets available for trading



Building Further Trust

- Create opportunities to build trust using *Mercard* by releasing a card for payments using balance and points and expanding the range of eligible users
- While expanding the range of users eligible for credit, implement gradual expansion of credit limits with appropriate risk assessment based on the Group's original AI credit model
- Drive the sophistication of risk management through efforts such as continuous evolution of the Group's original AI credit model

1. Launched on November 8, 2022
2. Launched on March 17, 2025

US—Business Objectives

Objectives

- Continue to break even while aiming for a full-year GMV growth rate of 10% or higher YoY by enhancing the product's core experience
- Find a winning strategy to achieve strong growth in the mid-to-long term

Enhancing the Product's Core Experience

Aim to activate transactions by continuing to work on UI/UX updates that leverage AI and enhancement of CS/fraud prevention measures

Driving Bigger Baskets

Through initiatives such as enhancing the bundle purchase feature, aim to increase the average purchase amount per transaction and drive the activation of transactions across categories

3 US—Strengthening the Foundation for Future Growth

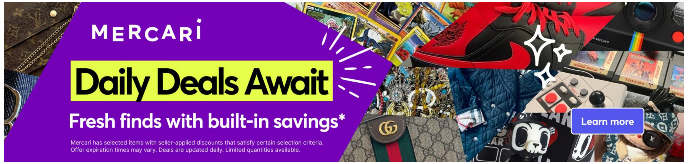
- On July 1, 2026, former Mercari, Inc. (US) Vice President of Growth Jeff LeBeau was appointed as Chief Executive Officer of Mercari, Inc. (US)
- The new CEO will take charge of everyday business management and decision-making, while the previous CEO Shintaro Yamada will focus on establishing the mid- to long-term strategy for the US business's disruptive growth as Mercari Group CEO

Continuously Improving the Product's Core Experience

- Continue to improve UI/UX and enhance fraud prevention measures, aiming for a product that is incredibly easy to use
  - Promotion of purchases
    - Enhancing the bundle purchase feature
    - Expanding item return services
    - Expanding shipping insurance
  - UI/UX improvements
    - Enhancing personalization
  - Trust and safety
    - Enhancing identity verification and expanding fraud prevention measures

Driving Bigger Baskets

- Aim to drive bigger baskets through initiatives such as enhancing the bundle purchase feature, while keeping low-price-range items at our core
- Activate transactions across categories, rather than in specific categories such as Fashion and Entertainment & Hobbies



Capital Policy

4 First Purchase of Treasury Shares

Background

- As a result of efforts to enhance profitability of not just Marketplace, but Fintech and US, and strengthen Mercari Group's revenue base, we achieved positive retained earnings in FY2026.6 both on a consolidated basis and for Mercari, Inc. on a non-consolidated basis
- Based on our approach to capital allocation disclosed previously, and given the current relatively low stock price level, we have decided to carry out purchases of treasury shares in addition to other investments to achieve our mid-term objectives for FY2027.6 and long-term growth
- Going forward, we will flexibly consider additional purchases of treasury shares, taking into account the relative benefits compared to growth investments as well as our financial situation, stock price levels, and other factors

Details of Purchase

- Total number of shares to be purchased: Up to 4M shares
  - Percentage of the total number of issued shares (excluding treasury shares): 2.4%
- Total purchase price of shares: Up to 10B JPY
  - Purchase to end upon reaching the upper limit of total number of shares or total purchase price
- Method of purchase: Open-market purchase on the Tokyo Stock Exchange based on a discretionary trading agreement
- Scheduled cancellation date: November 12, 2026

Purchase Period

- From August 6, 2026, to October 30, 2026

4

Revision of Executive Compensation Policy to Realize Disruptive Growth

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- The Compensation Committee has resolved to introduce performance stock units (PSUs) as mid- to long-term incentives for executive officers.
- This policy change sets achieving a market capitalization of at least 2T JPY as a performance condition, aligning executive compensation with shareholder value and encouraging risk-taking for disruptive growth

Current Policy (Until FY2026.6)

- The policy includes the following two mid- to long-term compensation incentives:
  - Restricted stock units (RSUs)
  - Phantom stock

New Policy

- PSUs are granted based on the role and expected responsibilities of each executive position
- Mid- to long-term incentives for the Representative Executive Officer and CEO consist exclusively of PSUs to reinforce commitment to enhancing corporate value
- Incentives are a granted on an ad hoc basis, aimed at driving disruptive growth, and annual grants are not anticipated

Representative Executive Officer and CEO

In place of previous RSUs and phantom stock, **only PSUs** will be granted

Executive Officers

Awards will primarily consist of existing RSUs and phantom stock, with **PSUs** granted on a limited basis

- **Performance Conditions for PSUs**
  Within five years of the PSU grant date[1], the company's market capitalization shall be at least 2T JPY for a period of 60 consecutive business days (if this performance condition is not met, no stock shall be delivered)
- **When Shares Vest**
  Number of shares to be delivered: 898,970 shares (0.544% of total shares granted, of which the Representative Executive Officer and CEO is granted 0.5%)
  Total issue price: Approx. 4.1B JPY (calculated estimate based on the TSE closing price on the business day preceding the grant date)
  Total value of stock compensation realized upon achieving 2T JPY: Approx. 10.9B JPY (of which the Representative Executive Officer and CEO is granted the equivalent of approx. 10B JPY)

1. July 29, 2026

Appendix

5 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.

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

Kazuhiko Toyama

- Boston Consulting Group
- Representative Director and President of Corporate Directions Inc.
- Executive Managing Director and 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 General Incorporated Association Japan Association of Corporate Directors (current position)
- Outside Director of Kuroda Precision Industries Ltd.
- Chairman & CEO of Japan Platform of Industrial Transformation, Inc. (current position)

Makiko Shinoda

- 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)
- Director (Audit and Supervisory Committee Member) of M3, Inc. (current position)

Shiho Konno

- 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

Kazuhiko Toyama

- Extensive knowledge and deep insight in the areas of management and corporate governance
- Deep experience in promoting innovation to solve social issues

Makiko Shinoda

- Professional knowledge and deep experience in I&D, sustainability, finance, etc.

Shiho Konno

- 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

Governance Structure (Independent Directors)

Takuya Kitagawa

Mayumi Umezawa

Kikka Hanazawa

Background

Takuya Kitagawa

- 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 Inc. Japan, Inc. (current position)

Mayumi Umezawa

- 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
- Outside Director of Wellness Communications Corporation
- Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd. (current position)

Kikka Hanazawa

- 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
- Director of Columbia University (current position)

Reasons for Selection as Independent Directors

Takuya Kitagawa

- 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

Mayumi Umezawa

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

Kikka Hanazawa

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

Governance Structure (Independent Directors)

Kumi Fujisawa

Masahiro Kotosaka

Background

Kumi Fujisawa

- 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)

Masahiro Kotosaka

- 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.
- 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

Kumi Fujisawa

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

Masahiro Kotosaka

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

5 Business Segments

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- Starting FY2026.6, we moved MVNO from Marketplace to a new segment under Japan Business[1] called "Other Bets," established based on nature of profitability

Japan Business: Marketplace, Fintech, Other Bets

Marketplace	Fintech	Other Bets	US	Other	Adjustments
C2C *(Mercari)*	**Payment** *(Merpay)*	**MVNO** *(Mercari Mobile)*	**C2C** *(Mercari)*	**Kashima Antlers**	**Company-wide expenses**
Crossborder	**Credit** *(Merpay)*			**India Center of Excellence**	**Consolidated adjustments**
B2C *(Mercari Shops)*	**Crypto** *(Mercoin)*				

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

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

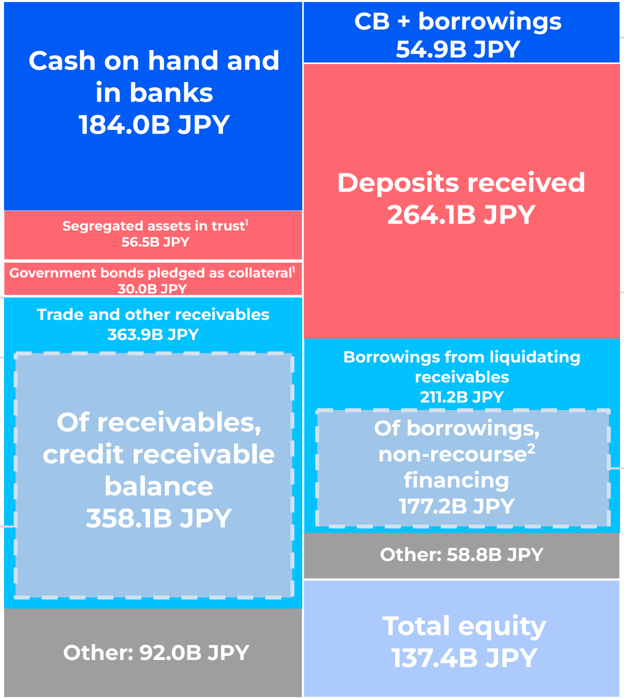
5 Major Itemization of Consolidated BS

- 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 carried out 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 FY2026.6 Q4: **726.6**B 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, 56.5B JPY corresponds to segregated assets in trust, and 30.0B JPY corresponds to government bonds pledged as collateral
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

5 Fintech—Liquidation of Receivables

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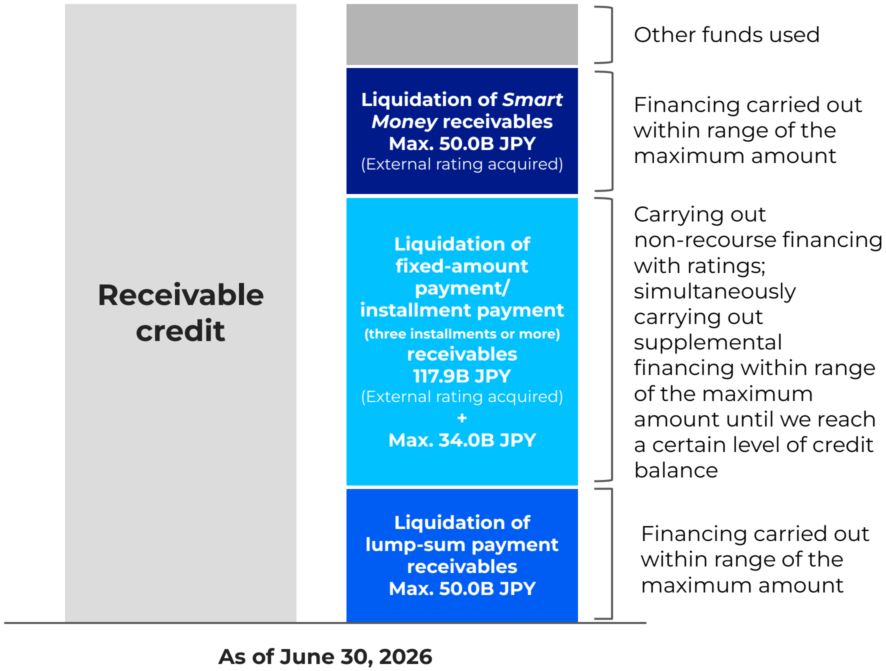
- Expanding and diversifying financing in sync with the growth of our credit services centered on non-recourse receivable liquidation

FY2026.6 Review

In FY2026.6, we carried out the following initiatives to solidify our financing structure in sync with the growth of our credit services.

- By expanding liquidation to include installment payment (three installments or more) receivables, secured a financing method for installment payment, which continues to grow
- Began liquidation of *Merpay Smart Money* receivables, enabling non-recourse[1] financing for all major credit services; diversified risks by financing from different arrangers/investor groups for each service



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

Marketplace—Cost Composition (Quarterly)

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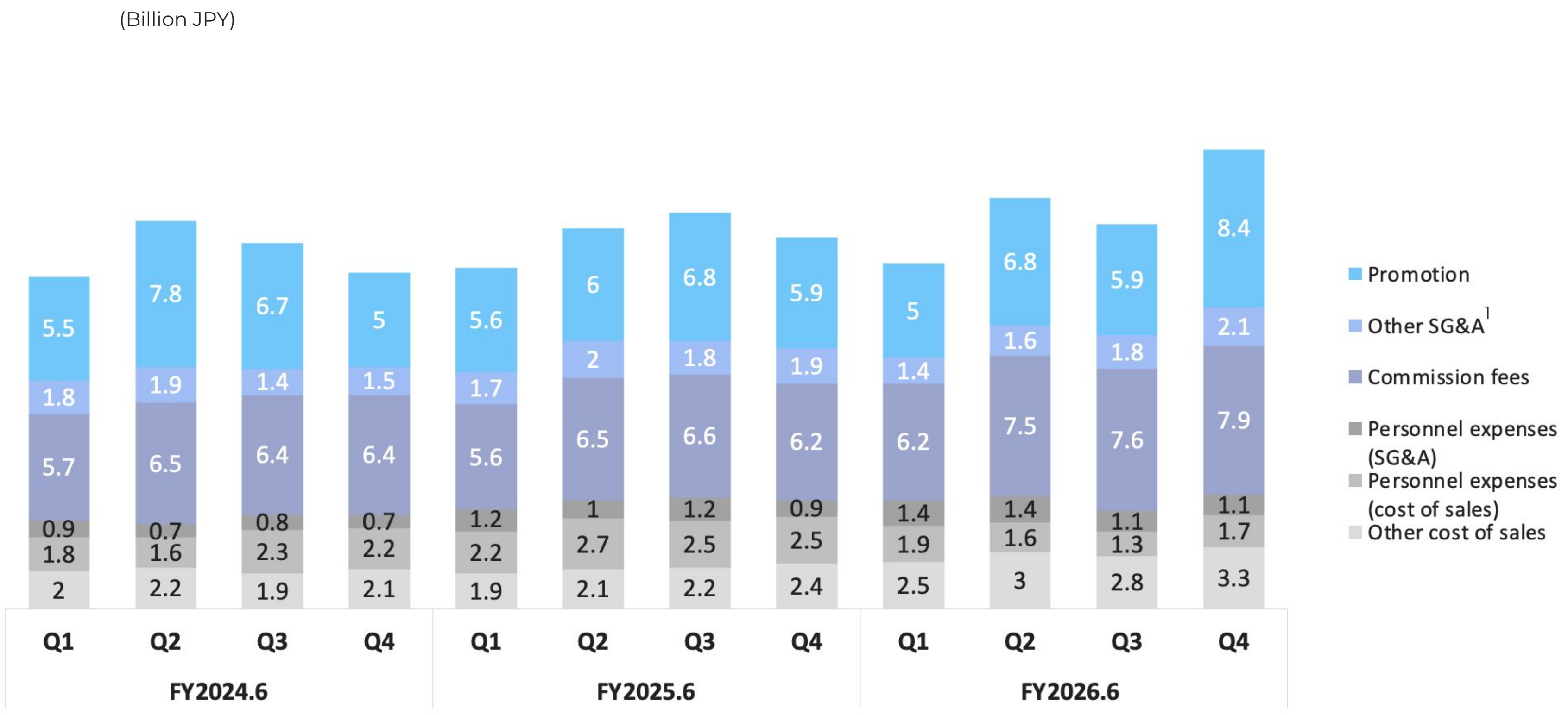

1. Outsourcing expenses, depreciation, land rent etc.

Disclaimer

The FY2027.6 Q1 financial results are scheduled to be released at 15:30 or later on November 12, 2026.

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