Financial Results Presentation for the Three Months Ended June 30, 2025

Net Protections Holdings, Inc.

(TSE Prime Market: 7383)

Highlights of Financial Results

Group total

Achieved 20%+ YoY growth in GMV. Operating profit increased 2.8x.

Group total GMV*1 **JPY180.2bn**

+20.6% YoY
(B2C +7.1%, B2B +43.4%)

Q1 operating profit **JPY767mn**
+180.9% YoY

B2C *atone*

Q1 GMV **JPY13.3bn**
+65.3% YoY

Topics

GMV grew significantly driven by increased transactions with existing merchants and the onboarding of new merchants.

B2C NP *Atobarai* and other

Q1 gross profit **JPY2.05bn**
+28.1% YoY

Topics

Gross profit increased due to the addition of late payment administration fees that began in Q2 FY3/25.

B2B NP *Kakebarai*

Q1 GMV **JPY79.6bn**
+43.4% YoY

Topics

Achieved high growth driven by increased transactions with existing merchants and the onboarding of new large merchants.

*1 GMV: Gross merchandise value for the Group's payment services

GMV growth exceeded 20%.
Operating profit is ahead of the plan, having already reached 30% of the full-year projection.

Summary

(JPY in millions)	FY3/26 Q1		Full-year earnings forecast*5	
	Results	YoY percentage change	Amount	Progress rate
GMV (non-GAAP)*1	180,282	+20.6%	742,000	24.3%
Total operating revenue	6,163	+17.3%	25,410	24.3%
Gross profit (non-GAAP)*2	2,919	+29.3%	11,390	25.6%
SG&A expenses (non-GAAP)*3	2,320	+8.6%	9,380	24.7%
Operating profit	767	+180.9%	2,600	29.6%
Profit before income taxes	776	+204.9%	2,440	31.8%
Profit attributable to owners of parent	474	+250.5%	1,440	32.9%
Basic earnings per share	4.77 yen	-	14.50 yen	32.9%
EBITDA (non-GAAP)*4	1,196	+75.6%	4,300	27.8%

*1 GMV: Gross merchandise value for the Group's payment services
*2 Gross profit: Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)
*3 SG&A expenses: Operating expenses - (Invoicing related expenses + Bad debt related expenses + Other operating expenses + Other payment related expenses)
*4 EBITDA: Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment losses - Gain from reversal of impairment losses)
*5 Consistent with Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 and Financial Results Presentation dated May 15, 2025

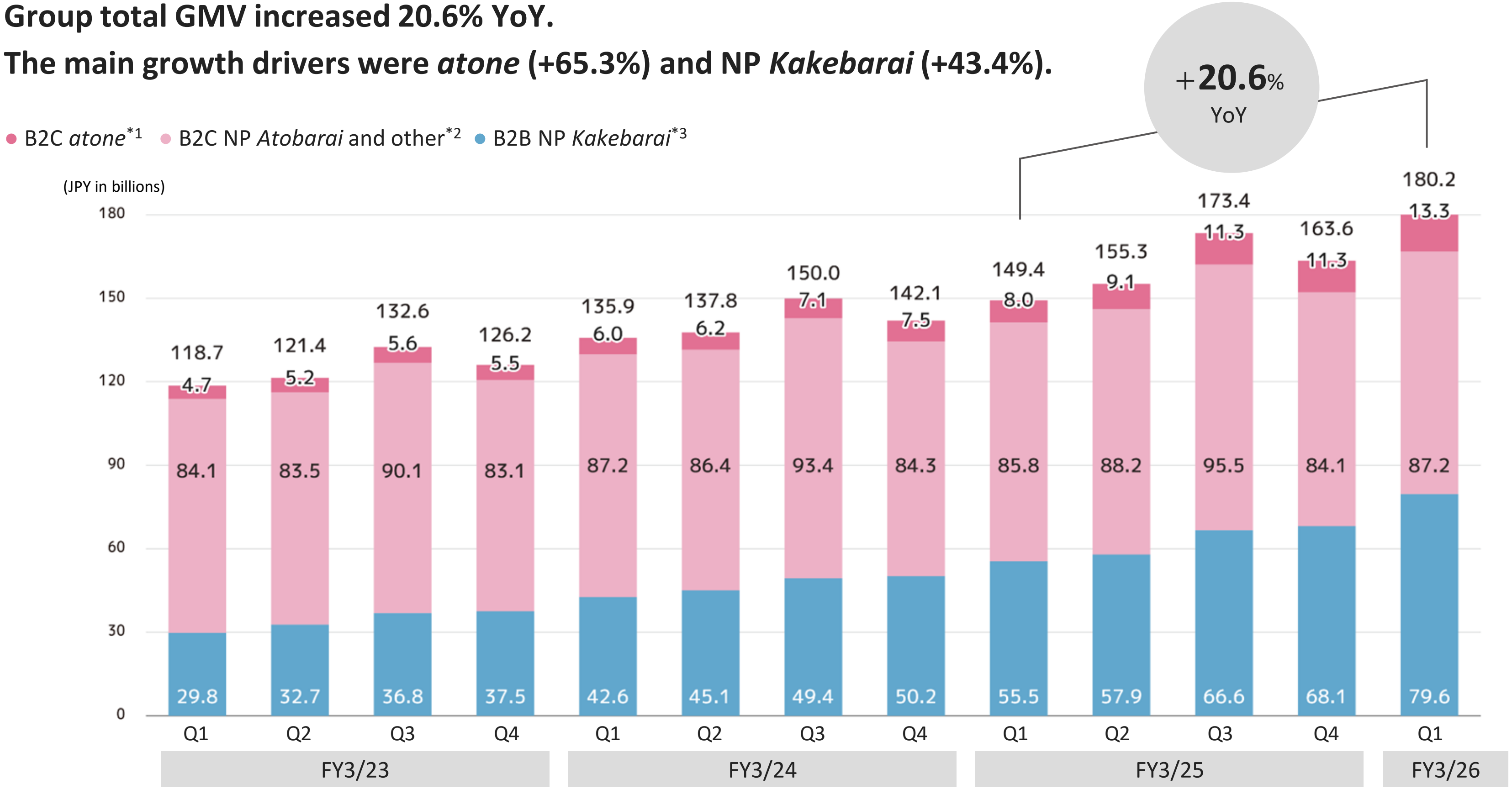
We have revised the full-year forecast upward due to strong performance in the Q1 results.
Operating profit has been adjusted from JPY2.6 bn to JPY2.84 bn to reflect the increase in GMV and cost improvements.

(JPY in millions)	Previous full-year forecast (A)			Revised full-year forecast (B)			(B) – (A) Amount change	(B) / (A) Percentage change
	Full-year	H1	H2	Full-year	H1	H2	Full-year	Full-year
GMV (non-GAAP)*1	742,000	353,000	389,000	**749,000**	360,000	389,000	7,000	+0.9%
Total operating revenue	25,410	12,270	13,140	**25,500**	12,360	13,140	90	+0.4%
Gross profit (non-GAAP)*2	11,390	5,470	5,920	**11,630**	5,710	5,920	240	+2.1%
Operating profit	2,600	1,080	1,520	**2,840**	1,320	1,520	240	+9.2%
Profit before income taxes	2,440	1,020	1,420	**2,680**	1,260	1,420	240	+9.8%
Profit attributable to owners of parent	1,440	600	840	**1,580**	740	840	140	+9.7%
EBITDA (non-GAAP)*3	4,300	1,910	2,390	**4,540**	2,150	2,390	240	+5.6%

*1 GMV: Gross merchandise value for the Group's payment services
*2 Gross profit: Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)
*3 EBITDA: Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment losses - Gain from reversal of impairment losses)

Quarterly Changes in GMV

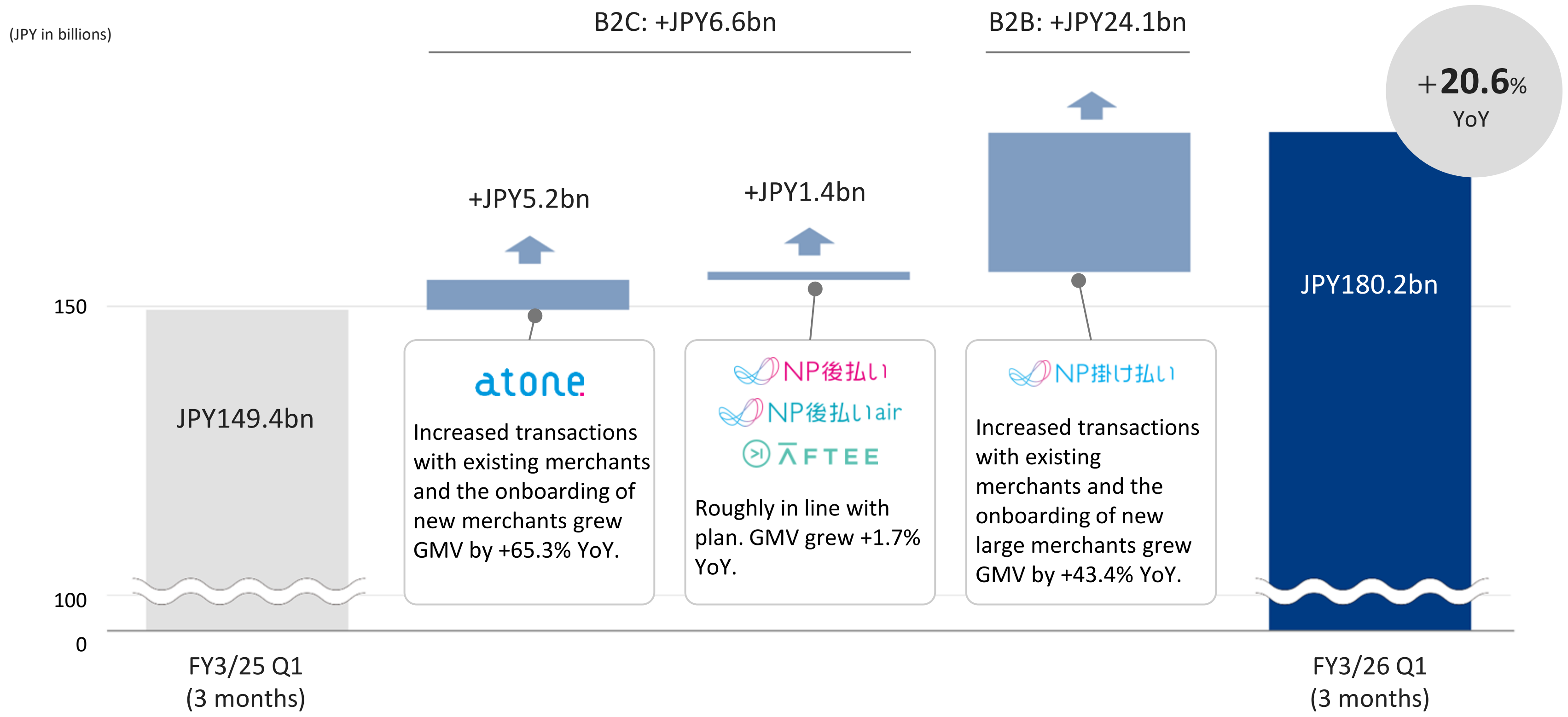
Group total GMV increased 20.6% YoY.
The main growth drivers were *atone* (+65.3%) and NP *Kakebarai* (+43.4%).



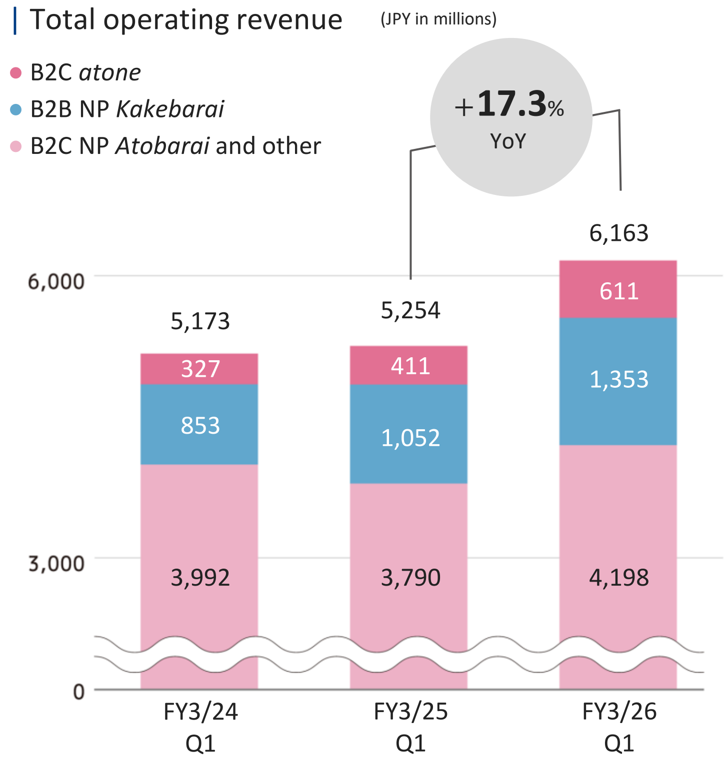
*1 Total amount of payments (including consumption tax) made through *atone* provided by the Group
*2 Total amount of payments (including consumption tax) made through NP *Atobarai*, NP *Atobarai air*, and *AFTEE* provided by the Group
*3 Total amount of payments (including consumption tax) made through NP *Kakebarai* provided by the Group

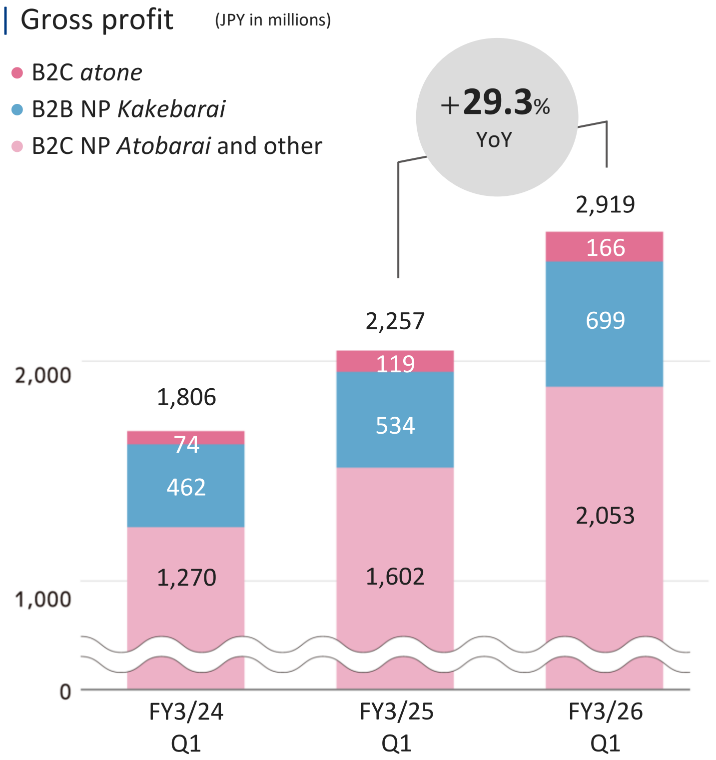
Year-on-Year Change in GMV

The Group total GMV was JPY180.2bn, up 20.6% YoY
due to year-on-year increase of JPY6.6bn in B2C and JPY24.1bn in B2B.



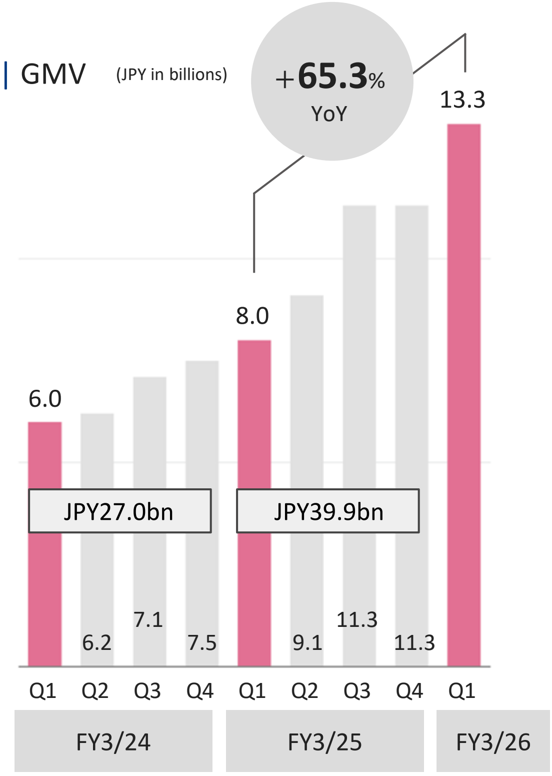
The Group total operating revenue and gross profit increased by 17.3% and 29.3%, respectively, due to late payment administration fees from NP *Atobarai* and increased GMV for *atone* and NP *Kakebarai*.

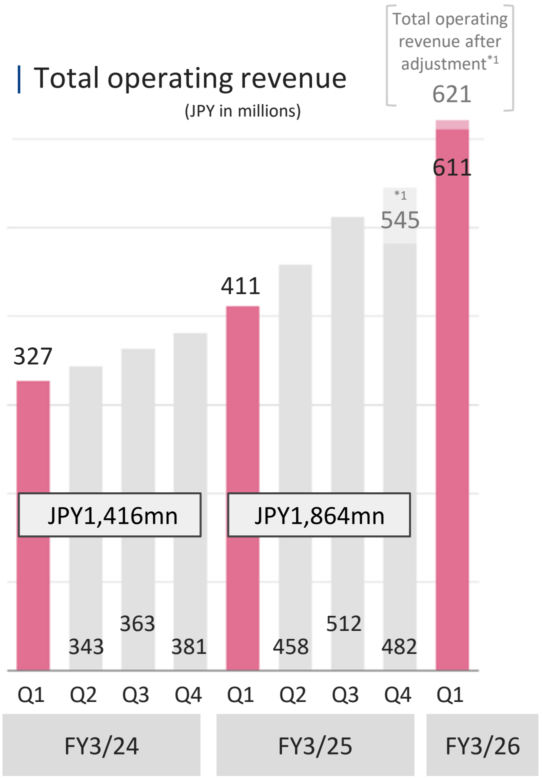


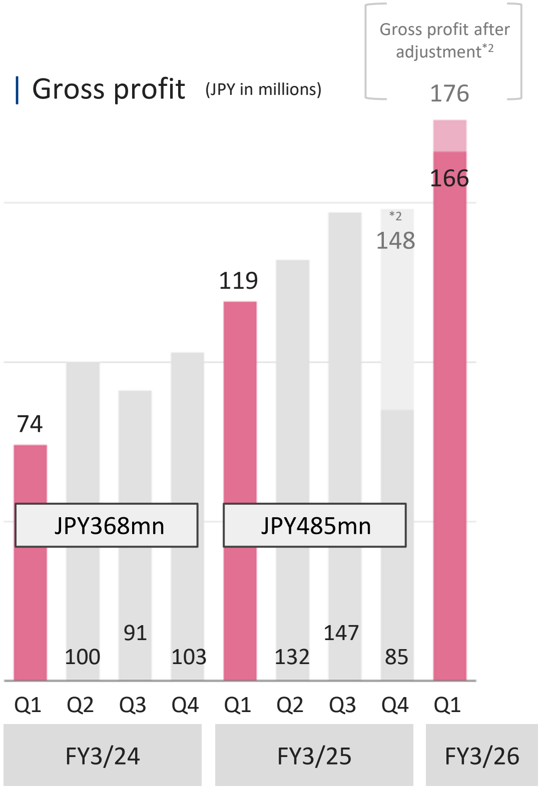


Financial Results by Service: B2C *atone*

GMV increased significantly by 65.3% driven by increased transactions with existing merchants and the onboarding of new merchants.





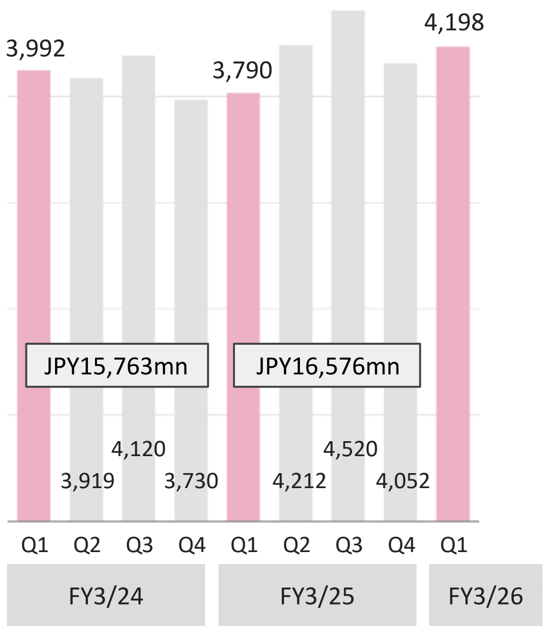


*1 Total operating revenue after adjustment: the amount by which the reduction in operating revenue due to the campaign was added back to operating revenue
*2 Gross profit after adjustment: the amount by which the reduction in gross profit due to the campaign was added back to gross profit

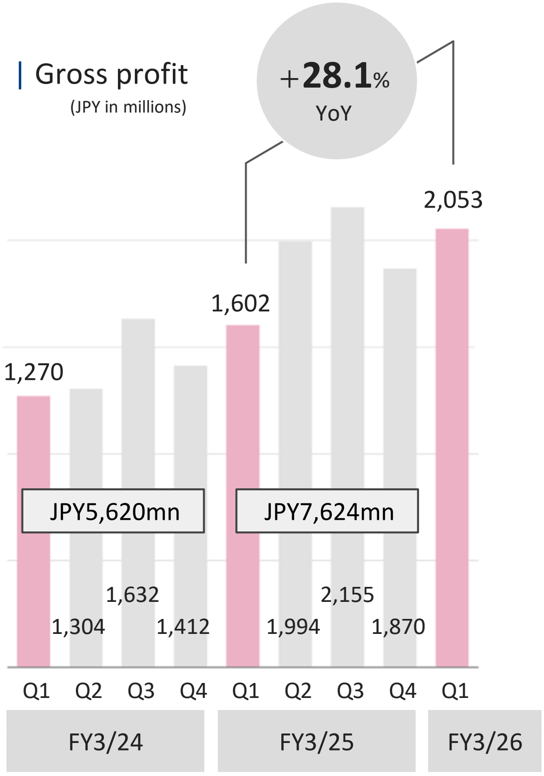
Gross profit increased by 28.1% due to the addition of late payment administration fees introduced in Q2 FY3/25.

GMV (JPY in billions)

Total operating revenue (JPY in millions)

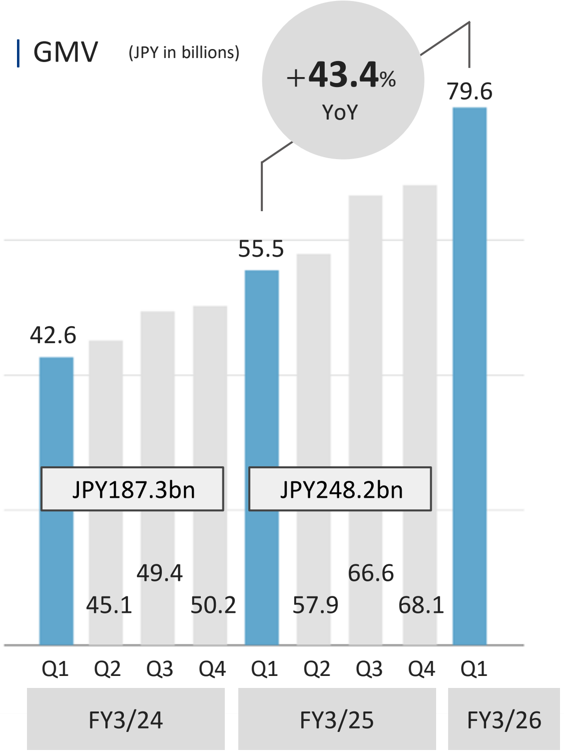


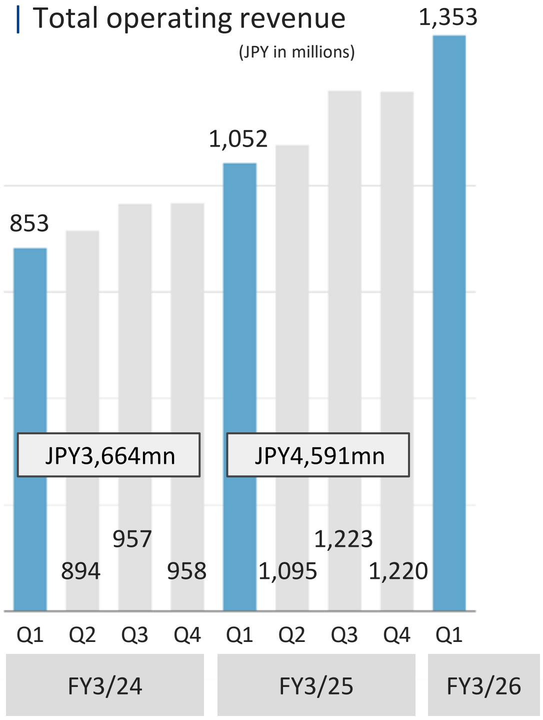
Gross profit (JPY in millions)

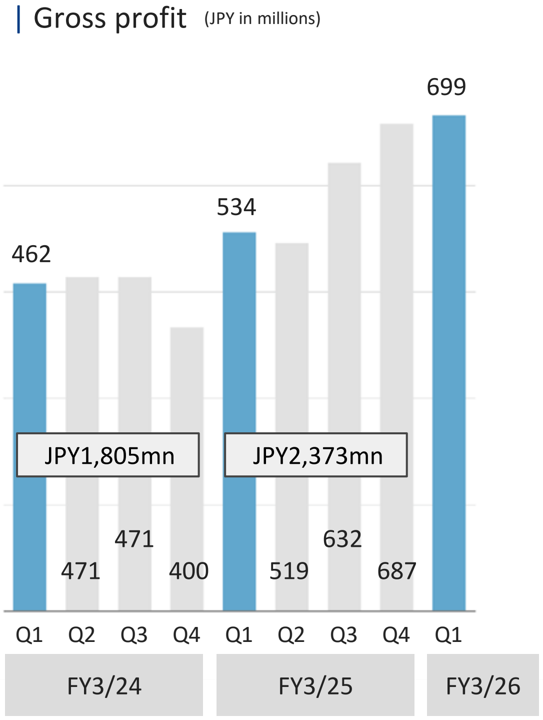


NP掛け払い

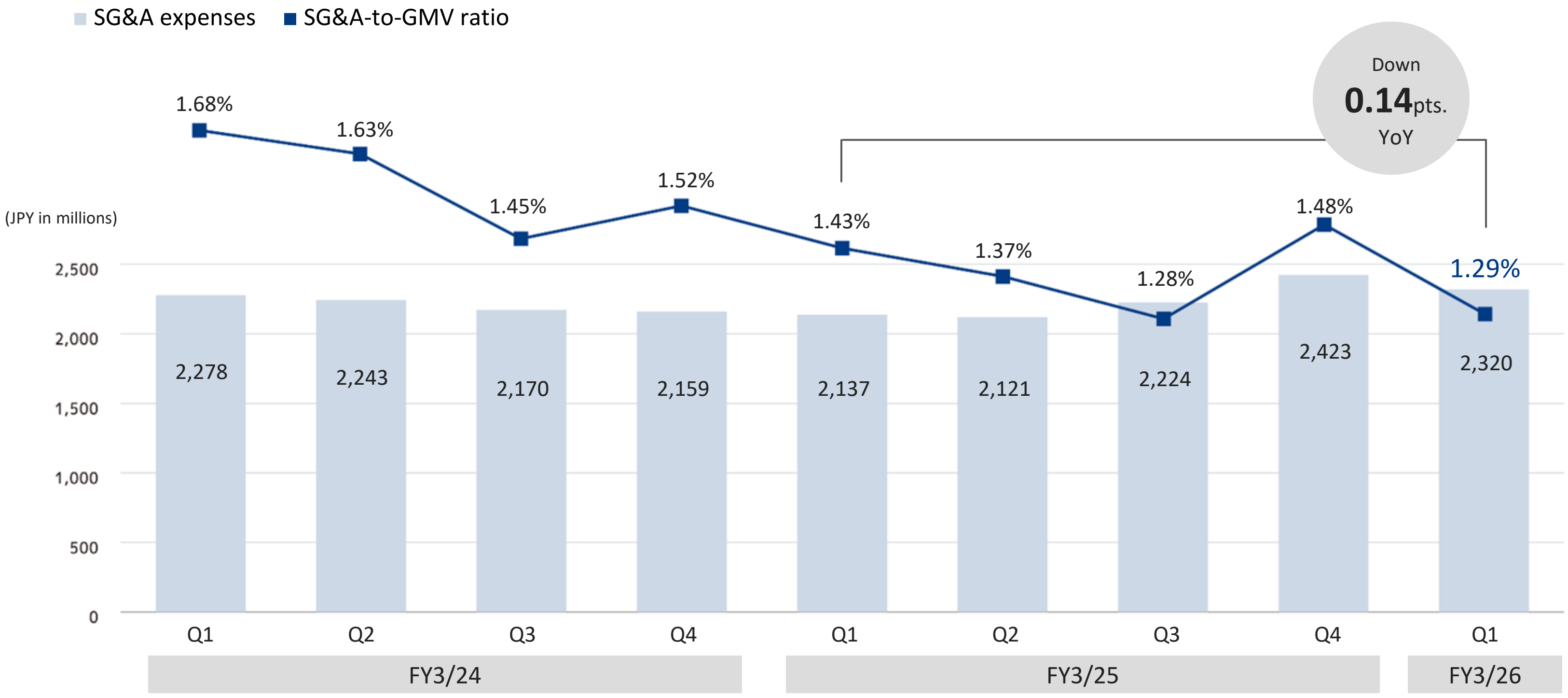
Achieved a strong growth of 43.4% driven by increased transactions with existing merchants and the successful onboarding of new large merchants.



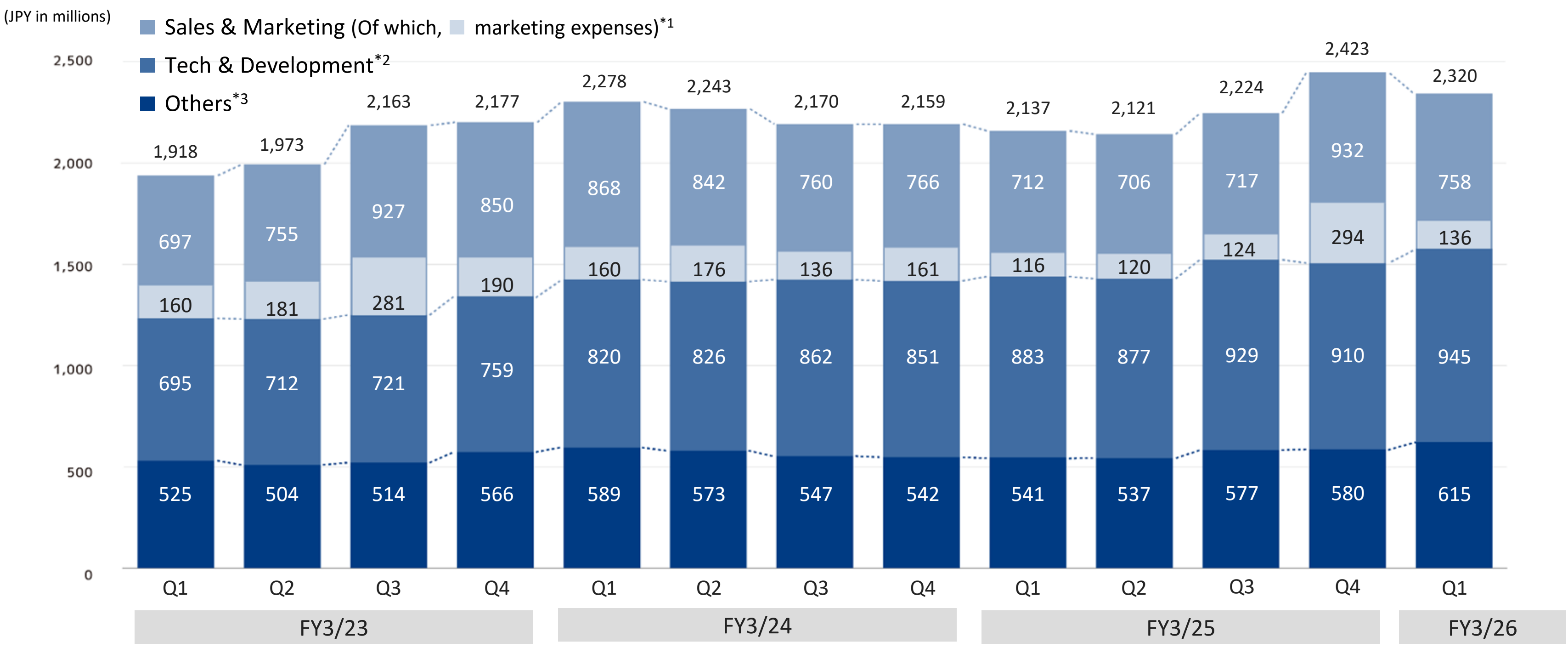




The SG&A-to-GMV ratio improved by 0.14 percentage points YoY to 1.29%.
Our continued efforts to control the SG&A-to-GMV ratio contributed to a decreasing trend.



System-related T&D expenses increased due to growth in transaction volumes across all businesses, while increases in S&M and other expenses were limited.

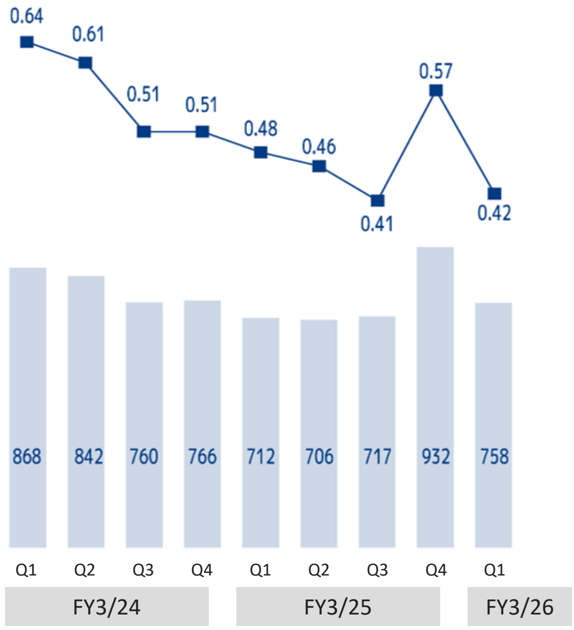


*1 Sales & Marketing: Personnel, outsourcing, operations related, marketing, and other expenses related to sales and marketing
*2 Tech & Development: Personnel, outsourcing, operations related, and other expenses related to system development, credit related operations, and other operations
*3 Others: SG&A expenses other than *1 and *2 (personnel and outsourcing expenses related to back-office operations, outsourcing expenses of help desk for services, etc.)

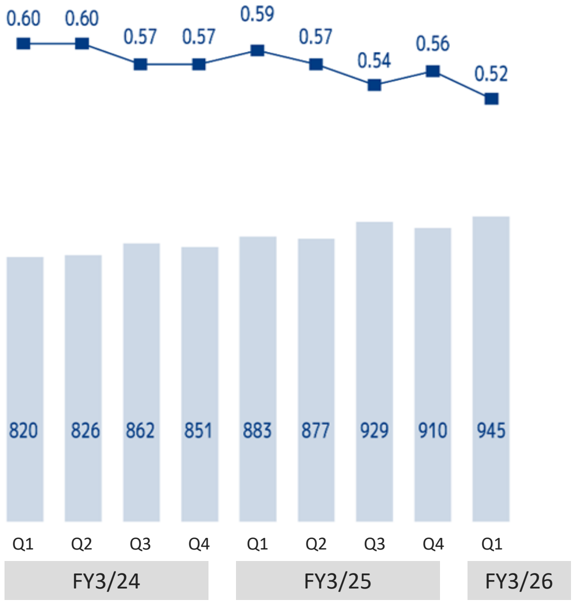
Operating leverage is working effectively across all expense categories.

SG&A expenses (JPY in millions)
SG&A-to-GMV ratio (%)

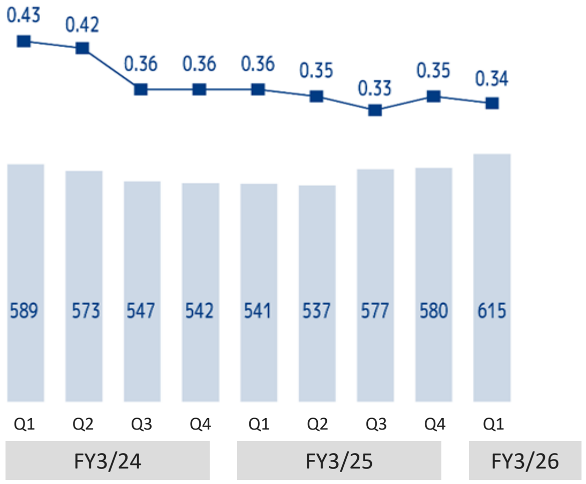
Sales & Marketing*1



Tech & Development*2



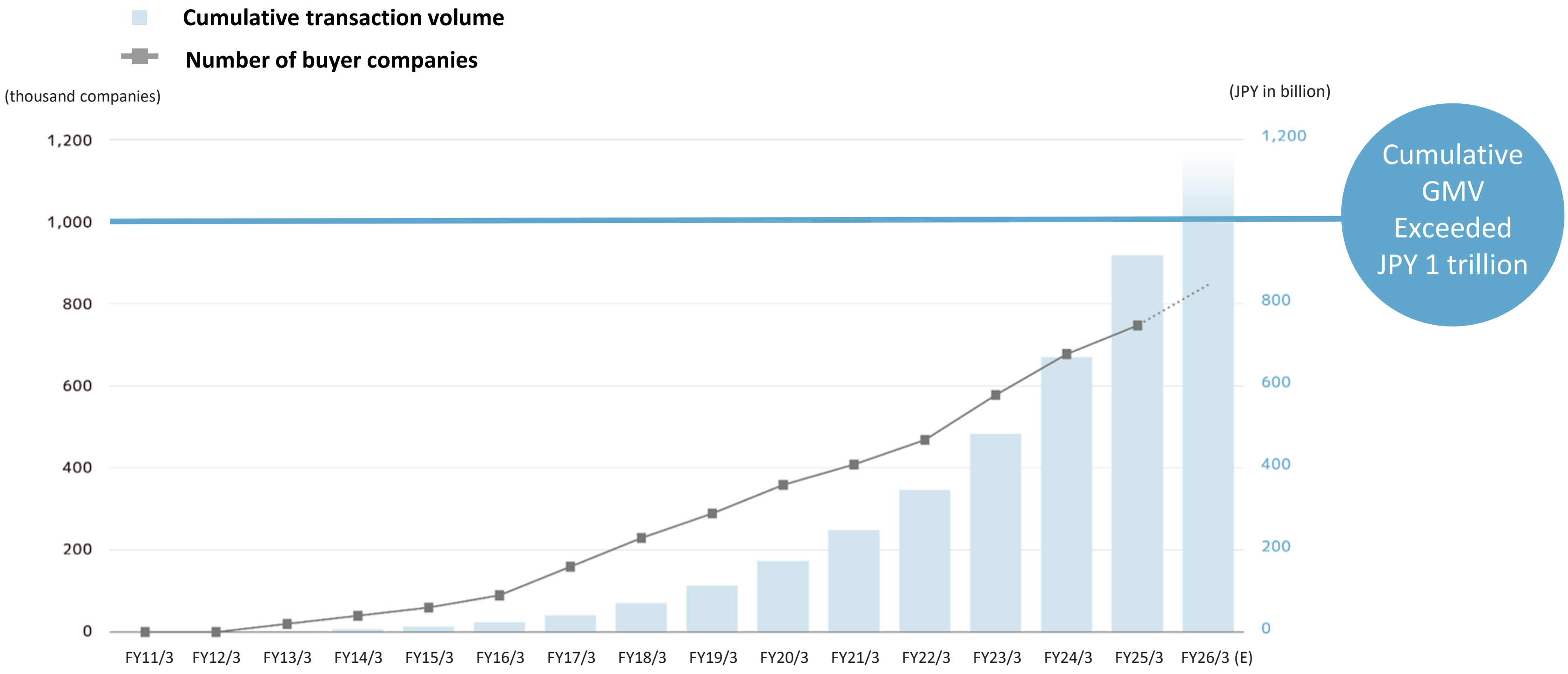
Others*3



*1 Sales & Marketing: Personnel, outsourcing, operations related, marketing, and other expenses related to sales and marketing
*2 Tech & Development: Personnel, outsourcing, operations related, and other expenses related to system development, credit related operations, and other operations
*3 Others: SG&A expenses other than *1 and *2 (personnel and outsourcing expenses related to back-office operations, outsourcing expenses of help desk for services, etc.)

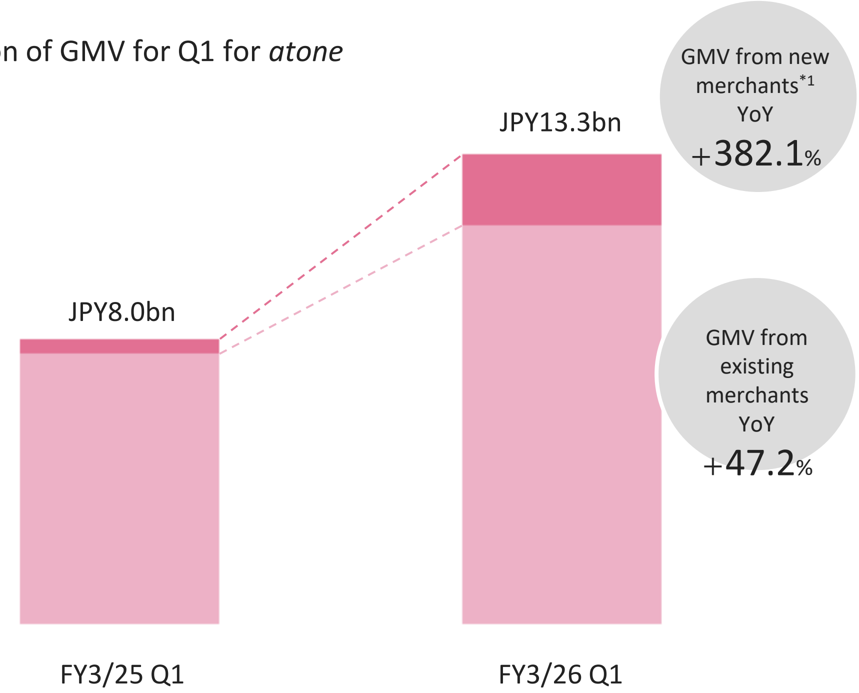
Management Topics

In July 2025, NP *Kakebarai* surpassed JPY 1 trillion in cumulative transaction volume since its service launch in 2011.



In addition to increased transactions with existing merchants, the acquisition of new merchants significantly contributed to GMV growth. *atone Plus* was officially launched on August 1.

Comparison of GMV for Q1 for *atone*



Main existing merchants contributing to GMV growth
● Qoo10 ● Other E-commerce merchants

Newly acquired merchants
● MUJI ● DMM ● Other digital content merchants

*1 GMV from merchants that have been active for less than one year as of the end of the quarter

B2B Growth Strategy
(from Company Presentation)

There are various players in the B2B payment processing service market in Japan. However, only few players can provide an one-stop solution.

B2B payment processing service market

Credit screening	Invoice issuance	Payment management	Payment reminder	Risk assurance
Credit Safe	RakuRaku	V-ONE Cloud	Lecto	eGuarantee
RISK MONSTER	MakeLeaps	Bakuraku	Bakuraku	Orico
TDB	Misoca			URIHO
TSR	Freee	Tradeshift		

One-stop solution

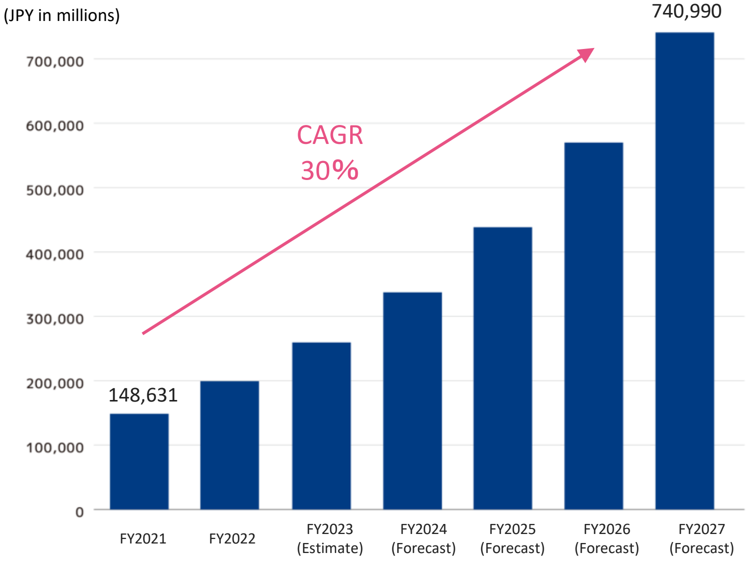
NP掛け払い

Share 72%*1

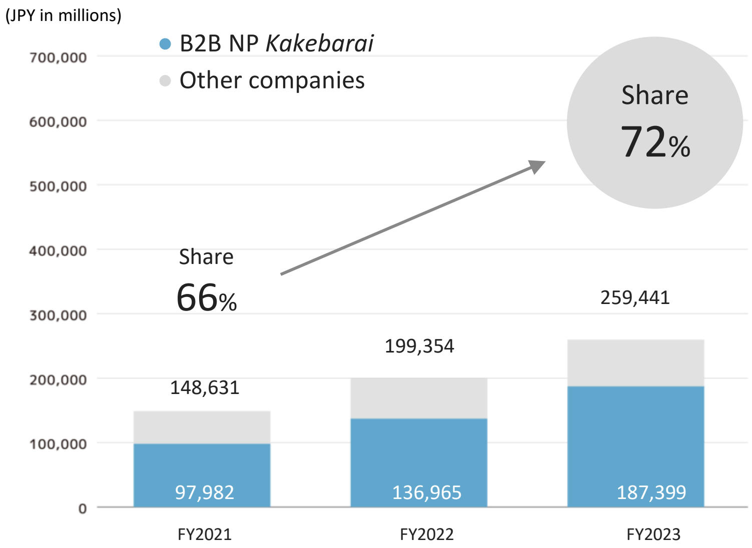
*1 Our estimate based on Yano Research Institute "B2B Payments Service Market in Japan: Key Research Findings 2024" (published July 1, 2024)

The B2B payments service market is growing and is expected to continue to expand.
The share of NP *Kakebarai* exceeds 70%, making us the No.1 player[*1] in the market.

B2B Payments Service Market Size Transition and Forecast[*2]



Our share in the B2B payments service market[*1]



*1 Our estimate based on B2B payment service market size data
*2 Source: Yano Research Institute "B2B Payments Service Market in Japan: Key Research Findings 2024" (published July 1, 2024)
Note 1: Based on transaction volume of service providers
Note 2: Figures are based on estimate for FY2023 and forecast for FY2024

Timee has rapidly expanded its business at an unprecedented pace and established itself as the market leader. By utilizing our B2B service, NP *Kakebarai*, *Timee* has built a solid foundation for its rapid growth.

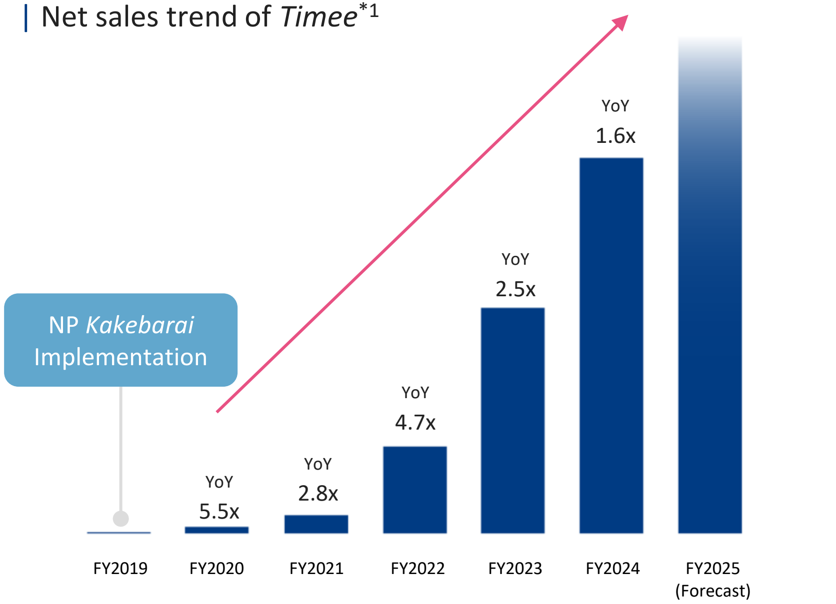
Challenges Before Implementation

- Thousands to tens of thousands of invoices are processed each month
- The back office team is limited in size
- Hiring cannot keep pace with the speed of business expansion

benefits after implementation

- Accurate solutions provided by billing professionals
- Now an essential part of the back office organization
- As a result, a healthy cash flow has been achieved

Net sales trend of *Timee*[*1]



The leading company in the on-demand work industry, boasting one of the largest numbers of registered users[*2] and job postings[*3] in the market

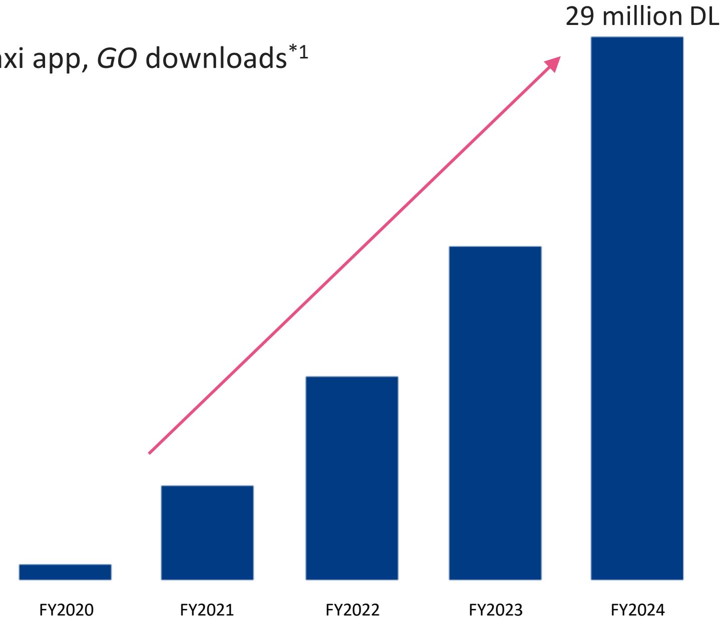
*1 Based on *Timee*, Inc.'s Q2 FY10/25 Earnings Presentation. Graphs created by our company using publicly disclosed information
*2 Survey agency: Macromill, Survey method: Online, Survey period: January 31 – February 4, 2025, Respondents: 1,033 men and women aged 18 to 69 who have worked on-demand jobs within the past year
*3 Market survey on on-demand job June 2025, Survey agency: Japan Marketing Research Organization, Survey period: May 13 – June 12, 2025

With the implementation of our B2B service, *GO Taxi*'s billing operations were reduced to one-third of their original volume, contributing to rapid growth. Our B2B service also enabled them to deal with clients who previously did not meet credit requirements, resulting in a substantial increase in transaction volume.

Challenges Before Implementation	
	• Many clients were unable to pass the internal credit screening • The operational workload was already heavy and expected to increase further

benefits after implementation	
	• With credit screening no longer required, the number of transactions increased significantly, resulting in rapid growth. • By streamlining billing operations, the back office team were able to focus more on client analysis and initiatives to drive greater usage

Taxi app, *GO* downloads*1



A leading taxi app
with one of the largest networks in Japan

*1 Based on the official website of GO Inc. Graphs created by our company using publicly disclosed information

By leveraging our strong track record, we are promoting implementation among leading players in each industry. we aim to achieve further growth through efficient and cost-effective sales activities with the existing track record.

B2B market size **JPY 180 trillion**[*1]

We focus our sales activities primarily on the industries below

Liquor wholesale industry Market size Approx. JPY4.9tn[*2] e.g. LIQUOR MOUNTAIN	Food wholesale industry Market size Approx. JPY?tn e.g. Sogo Shokuhin SE	SaaS industry Market size Approx. JPY2.5tn[*3] e.g. DONUTS
Recruitment advertising industry Market size Approx. JPY730bn[*4] e.g. Indeed Recruit P	Office furniture industry Market size Approx. JPY230bn[*5] e.g. OFFICECOM	On-demand work industry Market size Approx. JPY82.4bn[*6] e.g. Timee

focusing our sales activities on companies in the same industry with similar challenges

. . .

*1 Total amount of notes and accounts payable of SMEs: 50 trillion yen (Small and Medium Enterprise Agency: Basic Survey of SMEs in 2019 (actual results at the end of FY 2018)) x Annual turnover: 3.6 times (365 days / average payment site for promissory notes of SMEs: 101.1 days (Small and Medium Enterprise Agency: Report by Study Group to Improve Payment Terms including Promissory Notes)) *2 "Overview of the Alcoholic Beverage Manufacturing and Wholesale Industries (FY2024 Survey)," Liquor Tax Division, Taxation Department, National Tax Agency (December 2024) *3 "Software Business New Market 2024 Edition" (August 2024), Fuji Chimera Research Institute *4 "Survey Results on the Size of the Job Information Service Market" (February 2025), Association of Job Information of Japan *5 "Market Research Report: Japan Office Furniture Market Size & Share Analysis – Growth Trends & Forecasts (2024–2029)" (July 2024), Market Research Center *6 "Survey on the Spot Work Placement Service Market (2023)," Yano Research Institute

Appendix

- Financial Statements, etc.
- Company Profile
- B2C Services (*atone*, NP *Atobara*i and other)
- B2B Service (NP *Kakebarai*)
- IR Newsletter

Appendix

Financial Statements, etc.

Key Performance Indicators

	Three months ended June 30, 2024	Three months ended June 30, 2025	Percentage change
	(JPY in millions)	(JPY in millions)	%
GMV (non-GAAP)[*1]	**149,481**	**180,282**	**20.6**
B2C Services: NP *Atobarai* and other	85,828	87,255	1.7
B2C Services: *atone*	8,073	13,344	65.3
B2B Service	55,579	79,681	43.4
Total operating revenue	**5,254**	**6,163**	**17.3**
B2C Services: NP *Atobarai* and other	3,790	4,198	10.8
B2C Services: *atone*	411	611	48.6
B2B Service	1,052	1,353	28.6
– Other operating revenue	162	172	6.0
Revenue	**5,091**	**5,991**	**17.7**
– Invoicing related expenses (non-GAAP)[*2]	1,968	2,003	1.8
– Bad debt related expenses (non-GAAP)[*3]	766	942	23.0
– Other payment related expenses (non-GAAP)[*4]	100	125	24.8
Gross profit (non-GAAP)[*5]	**2,257**	**2,919**	**29.3**
B2C Services: NP *Atobarai* and other	1,602	2,053	28.1
B2C Services: *atone*	119	166	39.4
B2B Service	534	699	30.8
– SG&A and other operating expenses (non-GAAP)[*6]	2,146	2,323	8.3
Operating profit	**273**	**767**	**180.9**
+ Depreciation and amortization	401	425	5.8
+ Share-based payment expenses	2	1	(37.9)
+ Loss on disposal of property, plant and equipment	4	2	(46.4)
+ Impairment losses	—	—	—
– Gain from reversal of impairment losses	—	—	—
EBITDA (non-GAAP)[*7]	**681**	**1,196**	**75.6**

*1 GMV: Gross merchandise value for the Group's payment services
*2 Invoicing related expenses: Collection expense + Invoicing expense, primarily the amount of expenses incurred per invoice
*3 Bad debt related expenses: Allowance for doubtful accounts (addition) + Bad debt expense + Loss on sale of trade receivables, primarily the expenses incurred in proportion to the amount of invoice
*4 Other payment related expenses: Other expenses required for providing payment services, including credit screening costs and NP point expenses
*5 Gross profit: Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)
*6 SG&A and other operating expenses: Operating expenses –(invoicing related expenses + bad debt related expenses + other payment-related expenses)
*7 EBITDA: Operating profit + (Depreciation and amortization + Share-based payment expenses + Loss on disposal of property, plant and equipment + Impairment loss –Gain from reversal of impairment losses)

Consolidated Statement of Financial Position

(JPY in millions)

	As of March 31, 2025	As of June 30, 2025
Assets		
Cash and cash equivalents	17,039	20,113
Trade and other receivables	32,810	37,970
Operating loans	180	177
Inventories	28	28
Other current receivables	481	445
Total current assets	50,540	58,735
Property, plant and equipment	686	656
Goodwill	11,608	11,608
Intangible assets	4,886	4,951
Other financial assets	958	956
Deferred tax assets	1,884	1,898
Other non-current assets	282	276
Total non-current assets	20,307	20,349
Total assets	70,848	79,085

(JPY in millions)

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Trade and other payables	38,940	46,655
Short-term loans	4,766	4,843
Lease liabilities	262	287
Other current financial liabilities	9	4
Income taxes payable	780	526
Provisions	33	33
Liabilities for employee benefits	556	596
Other current liabilities	899	983
Total current liabilities	46,249	53,930
Long-term loans	4,984	4,987
Lease liabilities	270	233
Provisions	112	113
Total non-current liabilities	5,368	5,335
Total liabilities	51,618	59,265
Share capital	4,213	4,215
Capital surplus	14,275	14,278
Retained earnings	544	1,018
Other components of equity	136	244
Total equity attributable to owners of parent	19,169	19,756
Non-controlling interests	60	63
Total equity	19,229	19,819
Total liabilities and equity	70,848	79,085

Consolidated Statement of Profit or Loss

(JPY in millions)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Revenue	5,091	5,991
Other operating revenue	162	172
Total operating revenue	5,254	6,163
Operating expenses	(4,980)	(5,395)
Operating profit (loss)	273	767
Financial income	1	39
Financial costs	(19)	(30)
Profit (loss) before income taxes	254	776
Income tax expense	(123)	(305)
Profit (loss)	131	471
Profit (loss) attributable to:		
Owners of parent	135	474
Non-controlling interests	(3)	(2)
Profit (loss)	131	471
Earnings (loss) per share:		
Basic earnings (loss) per share (yen)	1.39	4.77
Diluted earnings (loss) per share (yen)	1.38	4.74

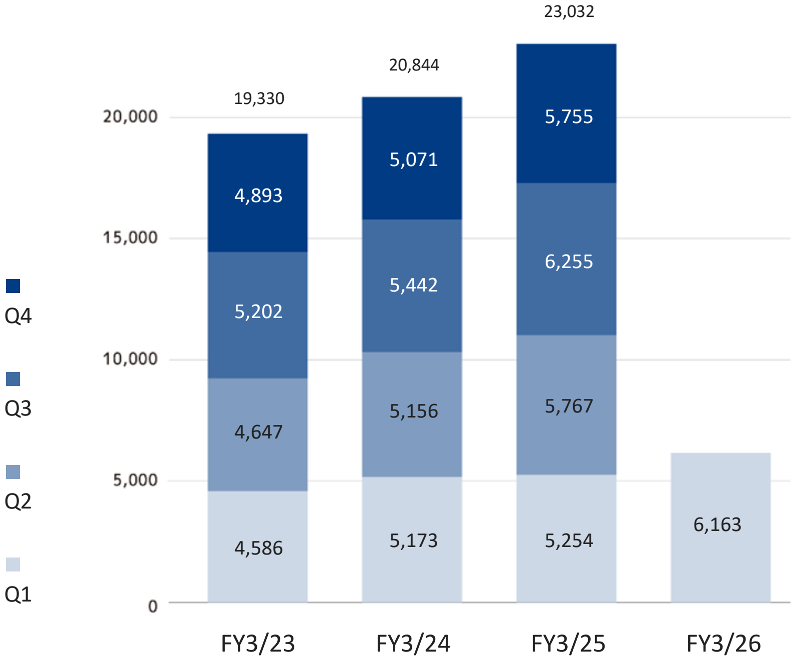
Consolidated Statement of Cash Flows

(JPY in millions)

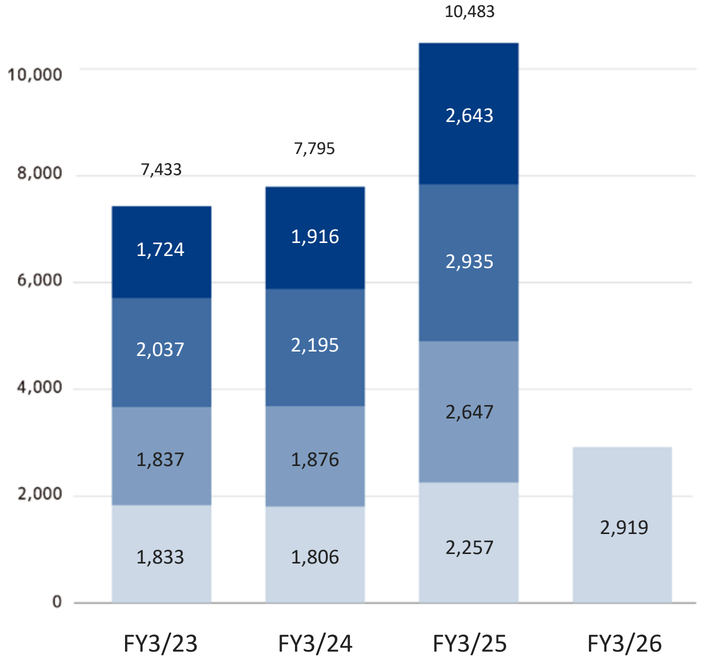
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Cash flows from operating activities		
Profit (loss) before income tax	254	776
Depreciation, amortization and impairment losses	401	425
Share-based payment expenses	2	1
Finance income and finance costs	19	(9)
Increase (decrease) in provisions	(28)	0
Loss on retirement of non-current assets	4	2
Decrease (increase) in inventories	(12)	0
Decrease (increase) in trade and other receivables	(1,086)	(5,159)
Decrease (increase) in operating loans	—	2
Increase in trade and other payables	63	7,714
Other	41	536
Subtotal	(340)	4,291
Interest received	0	1
Interest paid	(2)	(9)
Income taxes refund (paid)	(262)	(789)
Net cash provided by (used in) operating activities	(604)	3,494
Cash flows from investing activities		
Payments into time deposits	(0)	—
Proceeds from withdrawal of time deposits	—	0
Purchase of property, plant and equipment	(39)	(10)
Purchase of intangible assets	(380)	(389)
Payments of guarantee deposits	(0)	—
Proceeds from collection of guarantee deposits	106	2
Net cash provided by (used in) investing activities	(313)	(397)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	2,514	—
Repayments of lease liabilities	(80)	(71)
Proceeds from issuance of shares	4	3
Net cash provided by (used in) financing activities	2438	(67)
Effects of exchange rate changes on cash and cash equivalents	0	44
Net increase in cash and cash equivalents	1,520	3,073
Cash and cash equivalents at the beginning of the period	10,810	17,039
Cash and cash equivalents at the end of the period	12,330	20,113

Financial Results: Quarterly Trends of Total Operating Revenue and Gross Profit

Total Operating Revenue (JPY in millions)



Gross Profit (non-GAAP)*1 (JPY in millions)



*1 Gross profit: Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)

Our trade receivables and payables are well-balanced over the short term. We therefore have limited financial risk even in the current phase of rising interest rates.

Balance Sheet (as of June 30, 2025)

Collection Cycle*1

Due in 14 days from the date an invoice is issued

Trade and other receivables*2

JPY44,947mn

Total assets: JPY79,085mn

Trade payables

JPY46,655mn

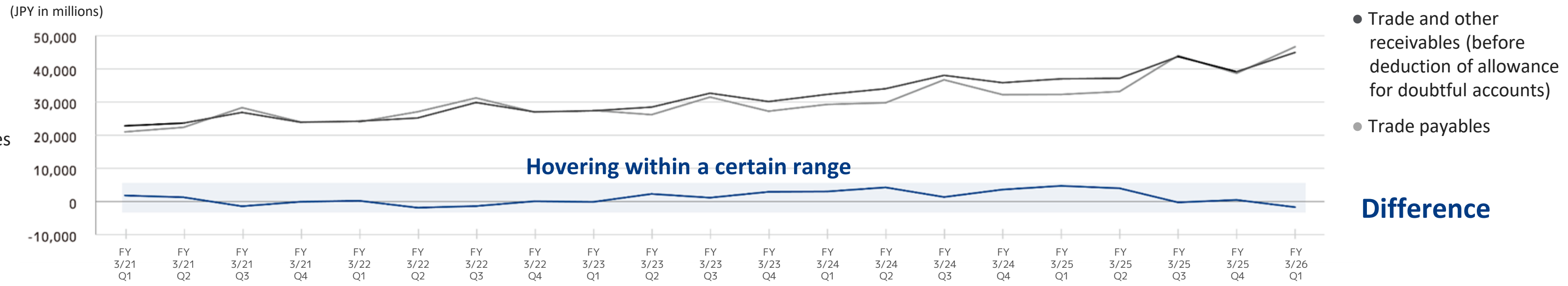
Total liabilities: JPY59,265mn

Total equity: JPY19,819mn

Payment Cycle*1

Two payment options are available to merchants: monthly or semimonthly payment

Quarterly changes in trade receivables & payables

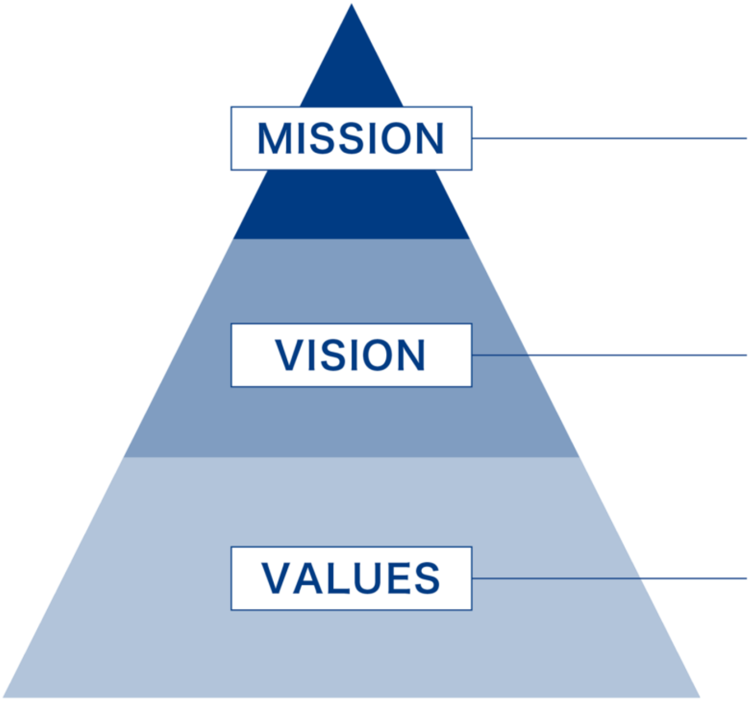


*1 In case of NP *Atobarai*
*2 Trade and other receivables represent the figures before deduction of allowance for doubtful accounts

Appendix

Company Profile

With our mission "Create New Standards,"
we aim to create an innovative structure for both our business and organization.



Create New Standards

We will promote a seamless structure to create new standards.

Expand Our Possibilities

We will provide new opportunities through both our business and organization to open up the possibilities of each and every person.

Capture the Essence of Things in Order To Keep Changing

We will capture the essence from every aspect so that both our business and organization can keep changing and trying new things.

A leading BNPL company with over 20 years of experience in the industry.
We are one of the few BNPL specialists in the world that offers both B2C and B2B BNPL services.

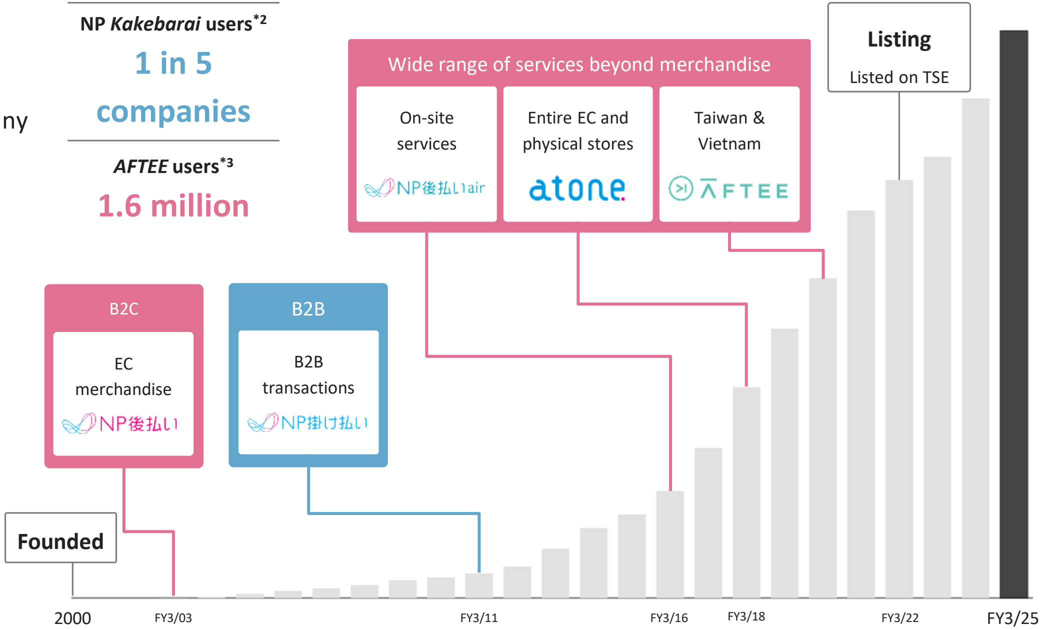
FY3/25 GMV
JPY641.9bn

Company name	Net Protections Holdings, Inc.
Representative	Shin Shibata, CEO
Founded	January, 2000 ※operating company
Capital	JPY 4.13 billion
# of employees	320 (as of March 2025) ※operating company
Head Office	4-2-6 Kojimachi, Chiyoda-ku, Tokyo, Japan
Other offices	Kyoto, Aichi, Ehime, Fukuoka
Subsidiaries	NP Taiwan, Inc.
	Net Protections Vietnam Co., Ltd.
	NP Finance, Inc.

Individual users[*1]
1 in 7 people

NP *Kakebarai* users[*2]
1 in 5 companies

***AFTEE* users[*3]**
1.6 million

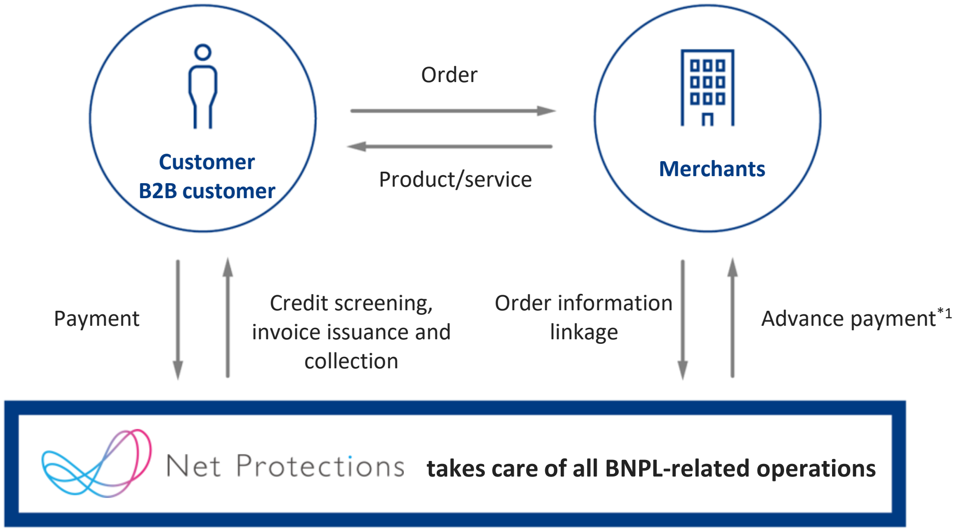


JPX PRIME
10820422
GRCS - 2302
ICMS-SR0171 / JIS Q 27001

*1 Population of 109.7 million people aged 15 and over (as of April 1, 2025, based on statistics from the Ministry of Internal Affairs and Communications' Statistics Bureau) ÷ our annual unique users of 15 million in FY3/25
*2 Approximately 3.67 million companies in Japan (Ministry of Internal Affairs and Communications and Ministry of Economy, Trade and Industry "2021 Economic Census - Activity Survey Results") ÷ the annual 740,000 unique B2B clients in FY3/25
*3 The number of unique members as of March 31, 2025

Customers can make a payment immediately without a credit card. Customers and B2B customers can purchase products/services in a safe, convenient and affordable manner while merchants can expand sales opportunities and reduce their workload.

Service scheme



Benefits

Customers

- Receive products first
- No credit card required
- Earn points

Merchants

- Increase sales
- Acquire new customers
- Risk-free guaranteed

*1 The guarantee only covers transactions approved by our credit screening system. In the event that a dispute between a merchant and a customer over a transaction arises and it cannot be immediately resolved, or Net Protections deems there is a risk of such a dispute, or the transaction otherwise falls under any of the grounds set forth in the merchant agreement, such a transaction will not be guaranteed, even though it has been approved

Service Lineup and Target Markets

As a comprehensive BNPL provider covering both B2C and B2B, we offer optimal services to a wide range of markets.

B2C

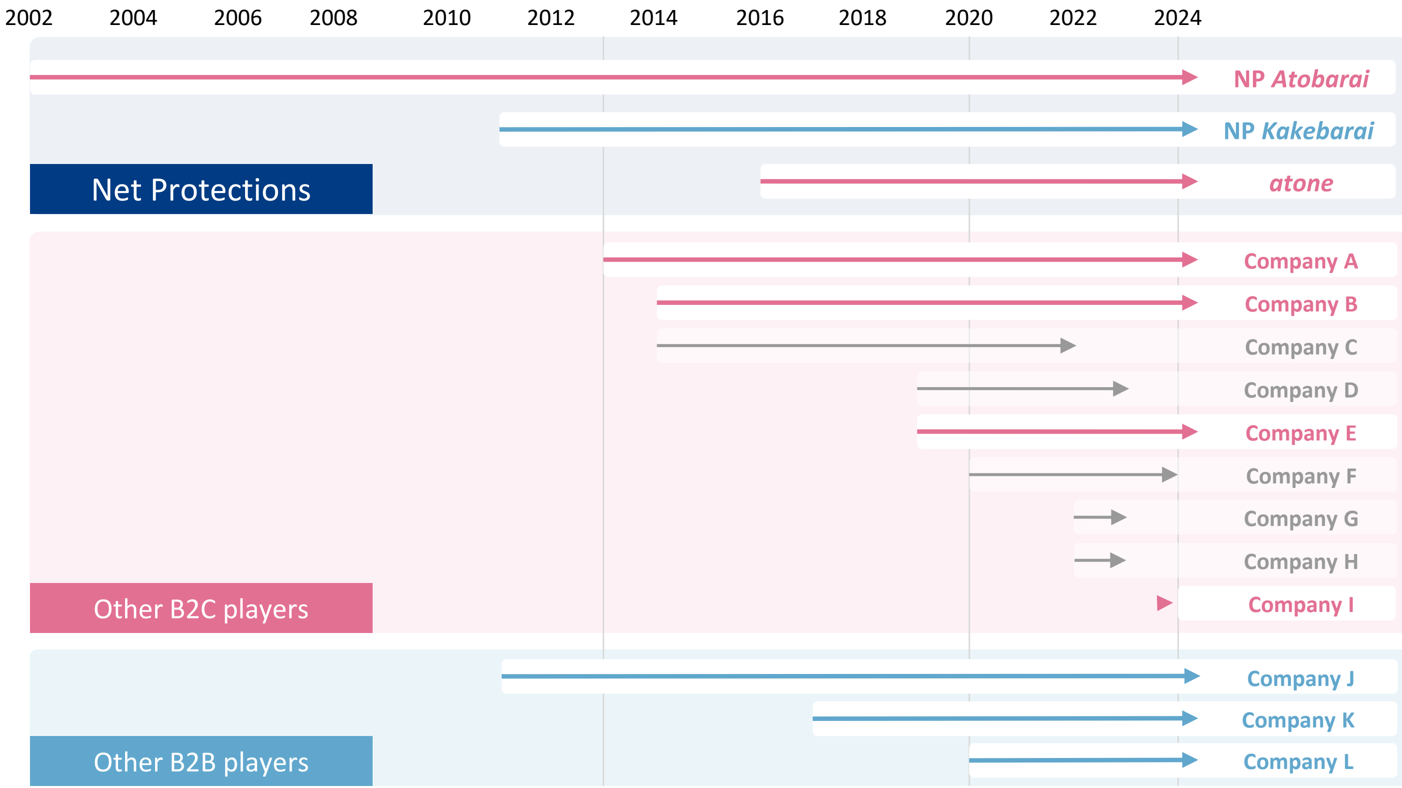
	Market size		
EC merchandise	JPY 14.0 tn	NP後払い	BNPL service for EC merchandise with the largest market share
EC non-merchandise	JPY 8.7 tn	atone	Available not only for EC merchandise and EC non-merchandise, but also for physical stores by downloading the app.
Physical stores	JPY 293 tn	atone	
On-site services	JPY 18.6 tn	NP後払いair	BNPL service optimized for on-site services such as house renovation, housekeeping, moving, and cram schools.
Overseas	JPY 9.8 tn	AFTEE	Localized BNPL service for overseas.

B2B

	Market size		
Domestic B2B	JPY 180 tn	NP掛け払い	BNPL service with the No. 1 track record*1 in B2B PSP service market

*1 Based on our annual GMV for FY2023 from Deloitte Tohmatsu MIC Research Institute "MIC IT Report November 2024 – Survey on B2B Payment Service Provider Market (https://mic-r.co.jp/micit/2024/)"
Source: Those figures are calculated using our analysis based on certain assumptions with reference to the following various data:
"Cashless Vision" (P. 70), "Cashless Payment Ratio in Japan, Payment Providers, and the State's Disclosure Policy" (P. 21), and "Current Survey of Commerce (2020)" by the Ministry of Economy, Trade and Industry,
"Taiwan Cards and Payments - Opportunities and Risks to 2024" (P. 26 and 30) by GlobalData, and "e-Conomy SEA 2024" etc.

Many players have attempted to enter the BNPL industry, but most have failed to achieve profitability and have withdrawn from the market.

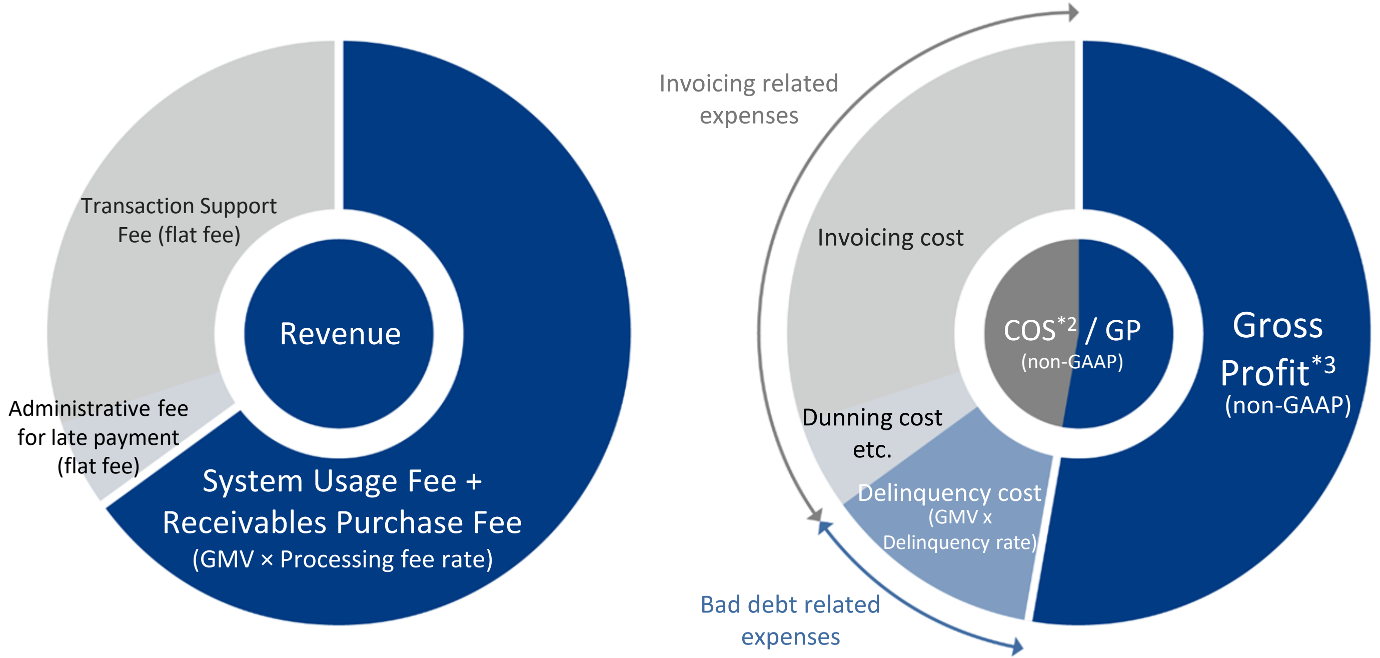


- The longest-established BNPL provider

- Many players were unable to make a profit and withdrew.
- Remaining players are doing BNPL business as a non-core business.

- Credit screening is more difficult than B2C, few players only.

Revenue mainly consists of the service fees paid by merchants based on GMV (non-GAAP)[*1].
The gross profit margin varies depending on delinquency cost as part of cost of sales (COS)[*2].



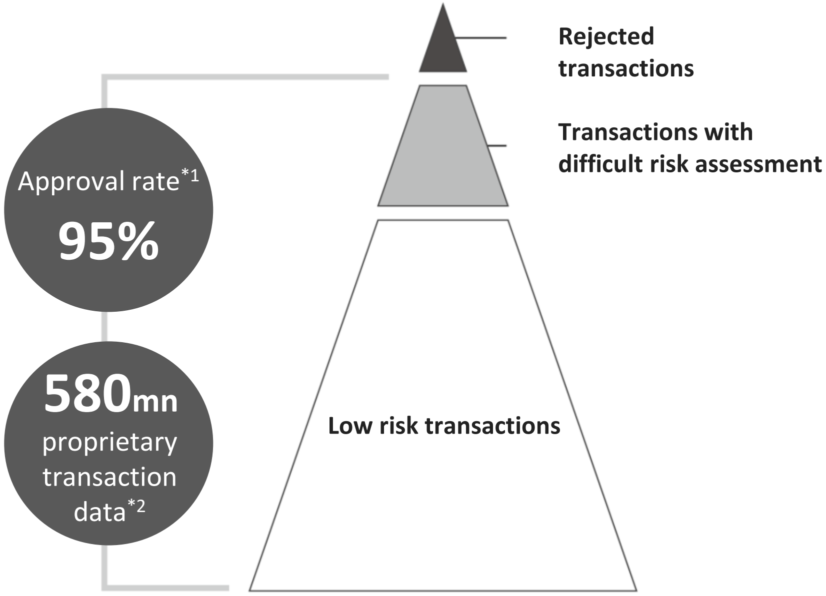
Sales increase in line with a growth in GMV.

Profit increases as the delinquency rate declines.

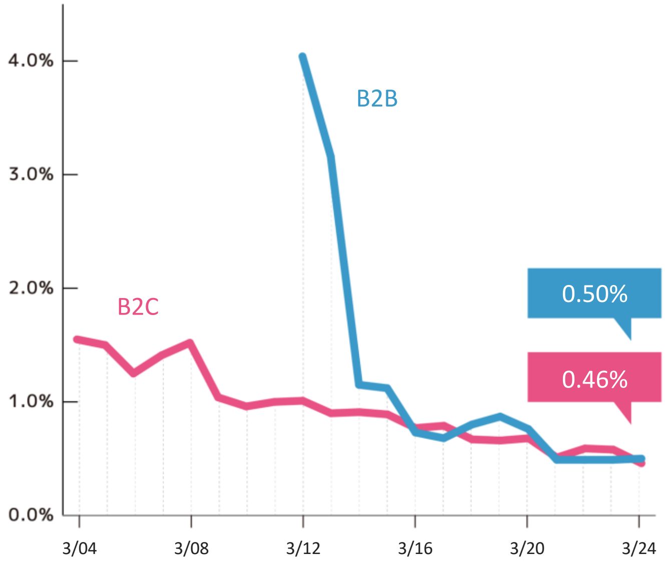
*1 GMV: The total amount of payments (including consumption tax) made through services provided by the Group, such as NP *Atobarai*, *atone*, NP *Kakebarai*, and *AFTEE*
*2 COS : Doubtful accounts related cost, Invoicing fee, postal fee, and operational cost
*3 Gross profit: Total operating revenue - (Invoicing related expenses + Bad debt related expenses + Other operating revenue + Other payment related expenses)

We have achieved low delinquency rate by utilizing our proprietary data accumulated over 20 years to decisively screen transactions with difficult risk assessment.

Credit approval rate



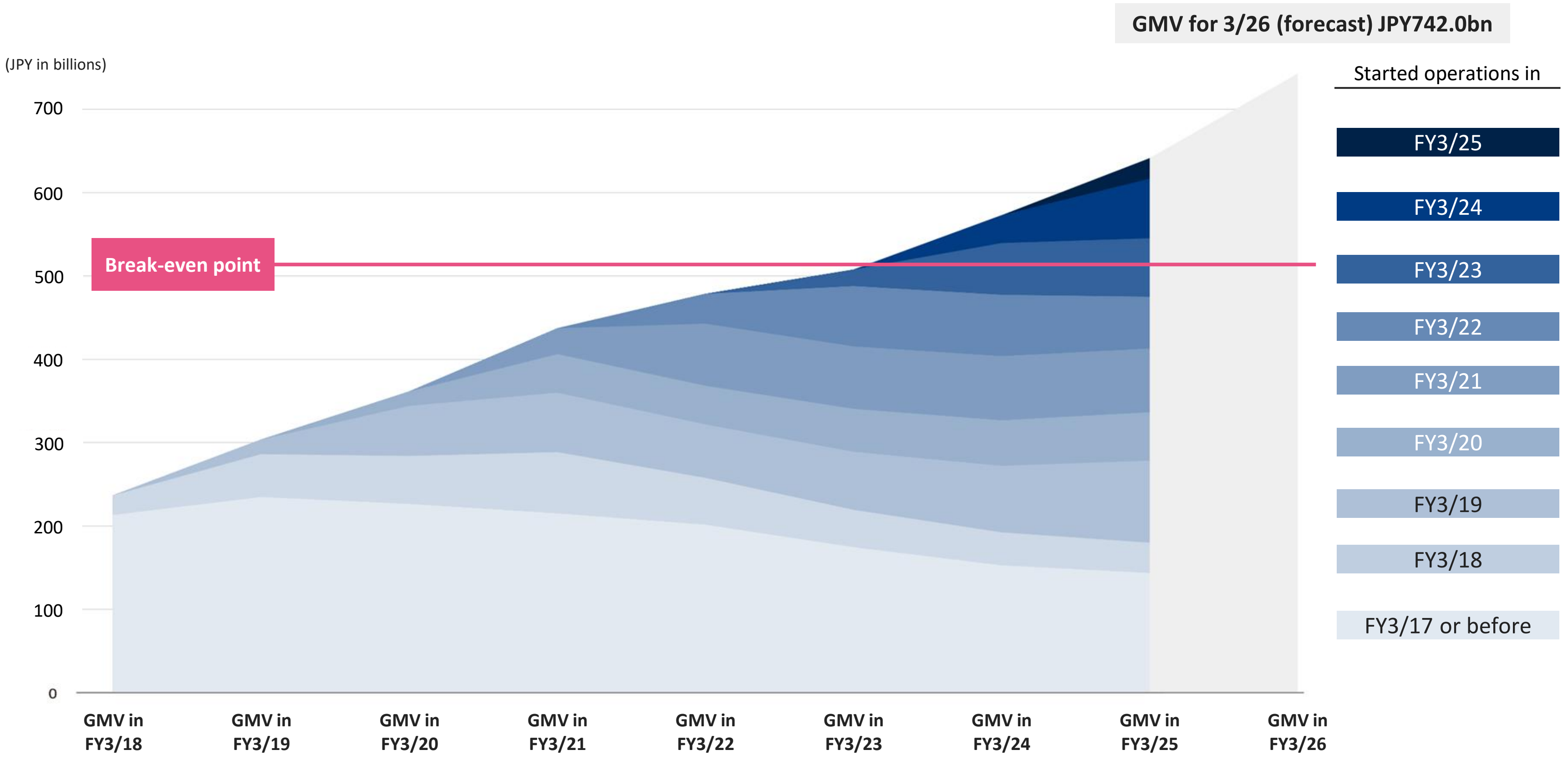
Delinquency rate*3*4



*1 The ratio of approved transactions to transactions denied by our credit screening system for NP *Atobarai* and NP *Atobarai air* during FY3/25 (limited to unique users)
*2 As of March 31, 2025
*3 Ratio of outstanding unpaid transactions for NP *Atobarai* and NP *Atobarai air* in excess of 18 months to total transactions recorded during such fiscal period on a GMV basis. The ratio for FY3/24 is based on unpaid transactions as of the end of March 2025 (including transactions prior to writing off of delinquent debt)
*4 Ratio of outstanding unpaid transactions for NP *Kakebarai* in excess of 14 months to total transactions recorded during such fiscal period on a GMV basis. The ratio for FY3/24 is based on unpaid transactions as of the end of March 2025 (including transactions prior to sale of receivables and writing off of delinquent debt)

Accumulated GMV by Fiscal Year

The retention rate is high, and the accumulated GMV directly translates into profits.

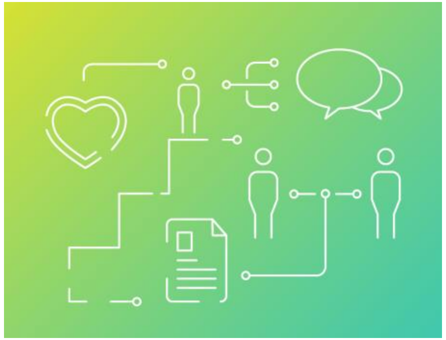


We support the growth of talented individuals with a will for transformation, helping them develop a long-term perspective. We are committed to creating an environment and organization where our team members can think independently about their roles and collaborate flexibly with others.

Recruitment and growth support

Characteristics

- Recruiting talent whose values closely align with ours
- Six months of training for new graduates, along with ongoing learning support
- Making growth support one of key competencies and ensuring continuous development opportunities



A self-managing, decentralized, and collaborative teal organization

Characteristics

- The “Natura” HR evaluation system, which has eliminated the traditional manager role
- Fluid staff deployment that avoids silos and promote flexible collaboration
- Interaction among team members that forms the basis of the organization

Creating an inclusive environment that enables everyone to reach their full potential

Characteristics

- A flat organization where various skilled talents deliver decent performance
- Flexible working styles to support diversity in lifestyles and working practice
- Information open to everyone

We have valued the growth opportunities and job satisfaction of our team members, creating a high-performing organization.

Comprehensive rating ranking (n=182,212 companies)

1st	Boston Consulting Group, LLC
2nd	Recruit Management Solutions Co., Ltd.
3rd	Bain & Company Japan Incorporated
4th	McKinsey & Company Japan
5ht	IBM Japan Systems Engineering Co., Ltd.
6th	**Net Protections, Inc.**
7th	BOX JAPAN, Inc.
8th	ONE CAREER Inc.
9th	Google LLC
10th	Skylight Consulting Inc.

No. 6

Comprehensive rating ranking in the Internet industry (n=5,710 companies)

1st	**Net Protections, Inc.**
2nd	Google LLC
3rd	Feedforce, Inc.
4th	Nyle Inc.
5th	Facebook Japan LLC (formerly Facebook Japan, Inc.)

No. 1

Company evaluation by employees

Comprehensive rating: Ranked Top 1%

*Source: "OpenWork," a one-stop job and recruitment information platform (As of October 3, 2024)

We are featured as one of 15 "growth-oriented companies" that are committed to investing in their employees. The book highlights our unique corporate culture and showcases our advanced initiatives as a leading example.

published at
the end of May

File.00

株式会社
ネットプロテクションズ

「つぎのアタリマエをつくる」をミッションに、
事業及び組織の両面で革新的な仕組みづくりを目指しています

PART 2

こんな会社で働きたい 成長環境企業編

Net Protections

ネットプロテクションズってどんな会社?

株式会社ネットプロテクションズは、2000年に創業し、「つぎのアタリマエをつくる」をミッションに掲げるBNPL（Buy Now, Pay Later：今買って、後で支払う）のリーディングカンパニーです。2002年に世界初となる後払い決済サービス「NP後払い」を開始し、現在では年間1500万人以上が利用する社会インフラへと成長しました。

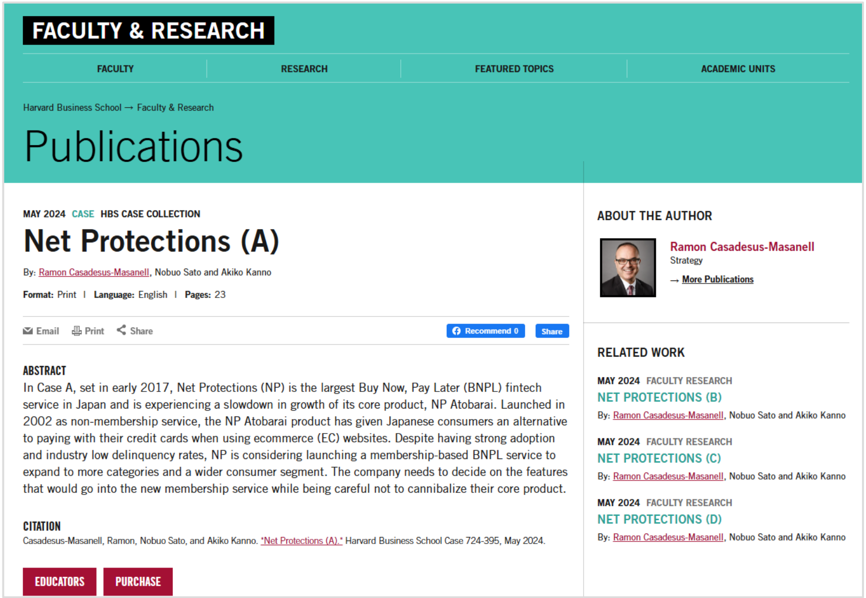
組織面では、マネージャーが存在しない「ティール組織」を採用。社員は、基本的に自分の意思で自分の携わるプロジェクトを選ぶことができ、自分で意思決定しながら業務を進めていきます。常識にとらわれることなく本質を追求し、「自律」「分散」「協調」の企業文化を構築。自分で考え、自分で決める環境だからこそ身につくスキルがあり、そこからさまざまなキャリアの可能性が広がります。

1

Featured as a Case Study by Harvard Business School (HBS)

Our business was featured as a case study in a class taught by Professor Ramon Casadesus-Masanell of Harvard Business School (HBS).

The article describes our growth into Japan's largest BNPL service provider through the development of multiple BNPL services tailored to various needs.



Available for purchase as case study material on the Harvard Business Publishing website

Since we provide payment services for domestic transactions, we are not directly affected by tariffs.

Payment services for domestic transactions

Customer / B2B customer

Order

Shipping / service provision

Merchant

Domestic consumers and businesses

Net Protections

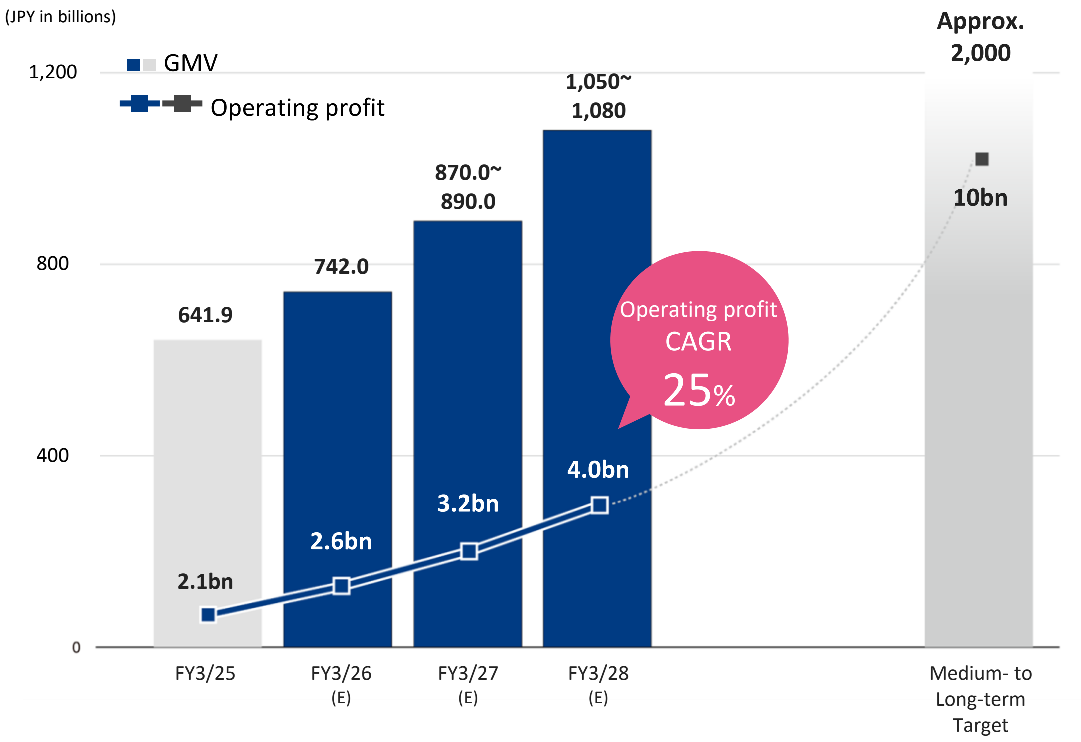
e.g. groceries, cosmetics, fashion items, and services

※Our businesses in Taiwan and Vietnam are also conducted within their respective domestic markets.

Appendix

Medium-Term Management Policy

For FY3/28, we target GMV over JPY1tn and operating profit of JPY4bn.
The three-year operating profit CAGR is projected to be 25%.



Medium-term plan
(3 years from now: FY3/28)

GMV

JPY1,050bn - 1,080bn

(three-year CAGR: 16% - 19%)

Operating profit

4.0bn

(CAGR25%)

Medium-to long-term target

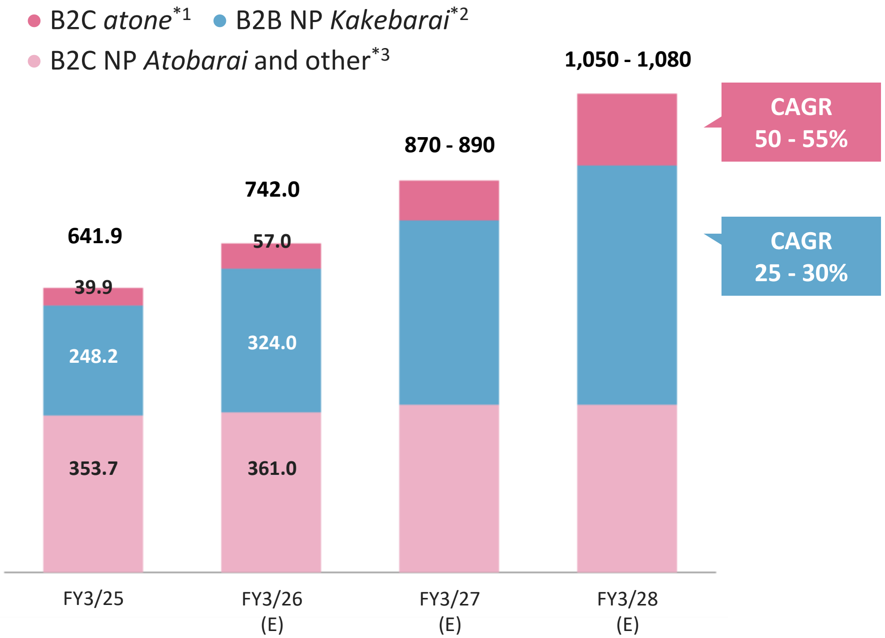
GMV: Approx. **JPY2tn**

Operating profit: JPY10bn

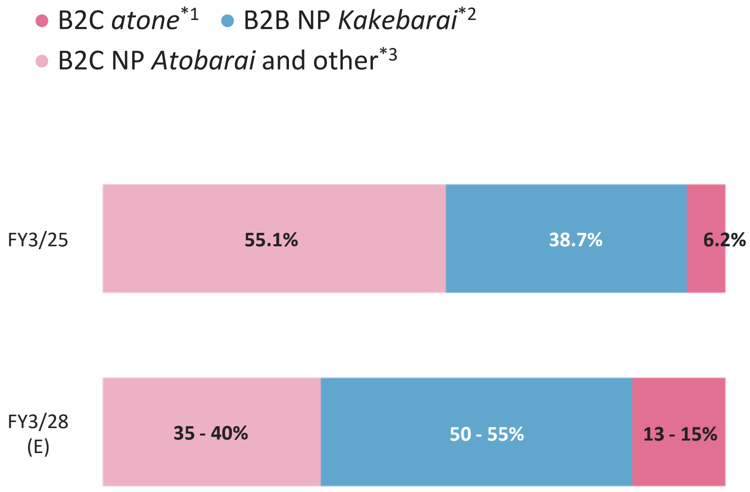
Portfolio (GMV Growth Rate and GMV Composition by Service)

For B2C, we aim for a CAGR of 50 - 55% for *atone* while maintaining NP *Atobarai* as a stable profitable business.
For B2B, we aim to achieve a CAGR of 25–30%, establishing a dominant No.1 position in the market.

GMV growth rate by business segment (JPY in billions)



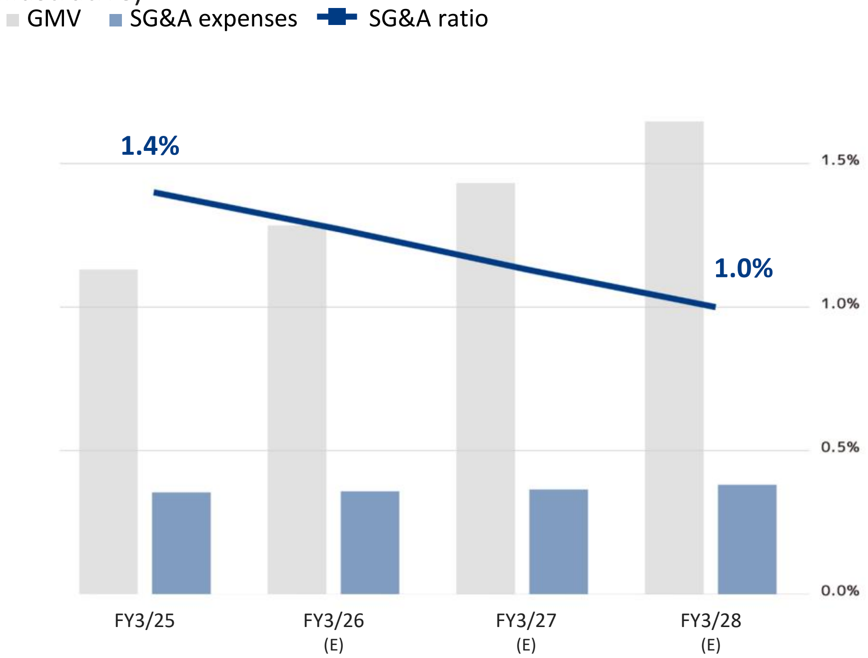
Composition in FY3/28 (vs. to FY3/25)



*1 Total amount of payments (including consumption tax) made through atone provided by the Group
*2 Total amount of payments (including consumption tax) made through NP *Kakebarai* provided by the Group
*3 Total amount of payments (including consumption tax) made through NP *Atobarai*, NP *Atobarai air*, and *AFTEE* provided by the Group

We will continue to maintain a cost structure with strong operating leverage.
As GMV increases, we plan to keep SG&A expenses to a minimal increase, thereby driving further profit growth.

Trend of SG&A ratio (vs. GMV) (illustrative)



Major SG&A Expense Policy

Total Expense Control

We plan to limit the annual increase in total SG&A expenses to approx. JPY500mn, with adjustments made as necessary based on progress toward profit targets.

Sales & Marketing

While personnel and outsourcing costs are expected to rise as transaction volumes expand, these increases will remain moderate relative to GMV growth. Marketing investments will be made in a disciplined manner, focusing on initiatives that drive growth.

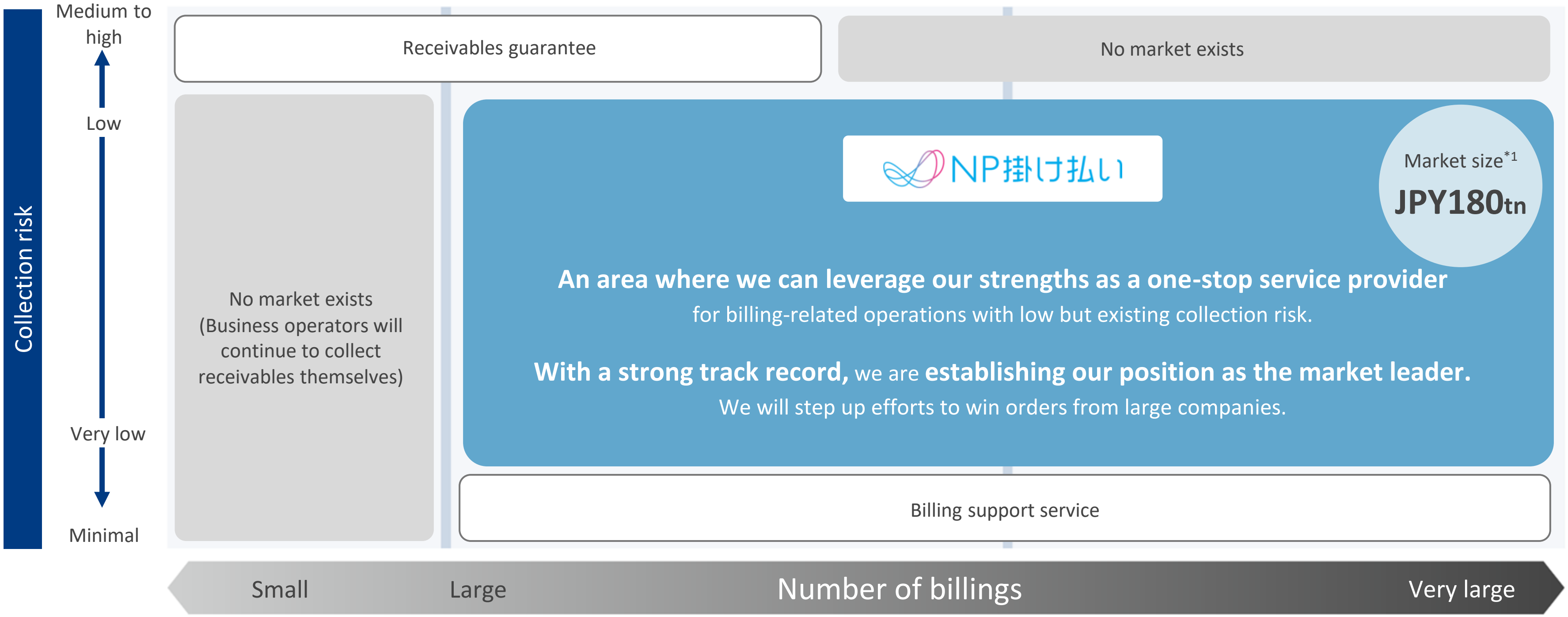
Tech & Development

We do not anticipate any significant increases in development costs. Maintenance and operational expenses are also expected to increase moderately in line with GMV growth.

NP *Atobarai* will maintain and continue its established profit-generating structure.
NP *Kakebarai* is focused on the acquisition of large merchants, and *atone* is entering a phase of full-scale expansion.

	FY3/25	FY3/26 (forecast)	FY3/27 (forecast)	FY3/28 (forecast)
NP後払い	Maintain and continue its established profit-generating structure			
	Credit screening improvement Administrative fees for late payments	We will continue to target the transition of e-commerce companies from in-house BNPL to our service.		
NP掛け払い	Marketing measures	Pursue the acquisition of large merchants		
	Increasing brand awareness and generating sales pipeline	We will pursue contracts with major enterprise clients to drive continued GMV growth. In addition, we will further strengthen our financial services for our network of over 700,000 buyer companies.		
atone	Enhancement of functions		Expansion of merchant network	Expansion of user base
	Initiatives for acquiring new merchants and members	New initiatives are currently being prepared. The impact of these new initiatives is not included in the current three-year plan.		

Although the collection risk is low, the large volumes of small-value billing tasks is substantial. Many companies still handle these processes in-house, so we aim to capture this demand by offering comprehensive outsourcing solutions.



*1 Total amount of notes and accounts payable of SMEs: 50 trillion yen (Small and Medium Enterprise Agency: Basic Survey of SMEs in 2019 (actual results at the end of FY 2018)) x Annual turnover: 3.6 times (365 days / average payment site for promissory notes of SMEs: 101.1 days (Small and Medium Enterprise Agency: Report by Study Group to Improve Payment Terms including Promissory Notes))

We plan to officially launch *atone Plus* in the middle of this fiscal year. Following the launch, we will focus on expanding the number of merchants where *atone* is accepted and growing our user base.

FY3/26 (forecast)	FY3/27 (forecast)	FY3/28 (forecast)
Enhancement of functions	**Expansion of merchant network**	**Expansion of user base**

Official launch of *atone Plus*

Mid FY3/26

Plan to proceed gradually while closely monitoring profitability

Overview of *atone Plus* specification

- No monthly fees
- 1.5% reward points for online purchases
- Installment payment options available

Unlocking *atone* for all NP *Atobarai* merchants

Mid FY3/27

make *atone* available at a majority of NP *Atobarai* merchant stores

▼

expand the number of merchants where *atone* is accepted

Accelerating customer transfer on *atone shops* and promoting *atone Plus* usage

- Encourage NP *Atobarai* users and existing *atone* members to use *atone Plus*
- Utilize *atone shops* as a strong marketing tool

We will continue to review our approach to shareholder returns, taking into account the accumulation of profits in the future.

Profit growth

Cash generation from business expansion

Having established strong cash flow generation, we will consider shareholder returns at an appropriate time, while balancing these with growth investments.

Shareholder returns

- Share buybacks
- Dividends

After establishing a stable financial base for sustainable growth, we will implement shareholder returns such as share buybacks or dividends.

Growth investment

- Development investment
- Marketing investment

To achieve continued mid- to long-term growth, we will make investments in expanding our capabilities and marketing strategies.

Appendix

B2C Services
(*atone*, NP *Atobarai* and other)

Next-generation BNPL service for both online and in-store purchases.

Easy

One-click for online shopping
and with-app for in-store
purchases

Flexible

Pay in 10 Days
or
Pay Next Month

Beneficial

Earn points
every time you use it!
1 point = JPY 1 yen

atone

7,600,000
members

Available for both
online and in-store shopping

Adaptable with White Label and OEM
(Digital optimized)

Web portal with
13 million PV / month

atone is available at approx. 1.3M stores. In addition to our direct merchants, members can enjoy _atone_ at physical stores accepting Smart Code™ payment and in-app stores with _atone_ app-exclusive card.

Stores where *atone* is available (non-exhaustive list)

Online stores

Marketplace

amazon *2
Qoo10
YAHOO! JAPAN ショッピング

Apparel, cosmetics

GRL
しまむら オンラインストア
NANO universe
Nailie ネイリー

Entertainment

チケットぴあ
animate
まんが王国
TAKARA TOMY タカラトミーモール
ticket board
DMM.com

Others

ニトリ
食べチョク TABE CHOKU
高速バスドットコム
mercari

Physical stores*1

Convenience stores, supermarkets

FamilyMart
LAWSON
Seicomart
OK 高品質・Everyday Low Price

Drugstores

Kirindo
サツドラ
YAKUODO 薬王堂

Restaurants

KFC
珈琲所 コメダ珈琲店

Daily necessity stores

Toys"R"Us
Babies"R"Us
YAMADA

*1 Some stores are not available
*2 Amazon, Amazon.co.jp and their logos are trademarks of Amazon.com, Inc. or its affiliates

B2C: Strategy of *atone*

With *atone*, a membership-based service, we aim to newly enter a market that has been difficult for conventional BNPL services to penetrate, and to be used in both online and offline transactions.

B2C market*1
JPY316tr

- **E-commerce market** **JPY22.7tr**
  - **Merchandise** **JPY14.0tr**: Beauty & Health / Food & Beverage / Miscellaneous Goods / Home Appliances
  - **Service** **JPY6.1tr**: Travel / Transportation / Tickets / Food Delivery
  - **Digital** **JPY2.6tr**: E-comic / Other E-Publishing / Music & Video Streaming / Online Games
- **Physical store market** **JPY293tr**: Convenience Store / Drugstores / Supermarket / Restaurants

Markets covered by traditional BNPL service

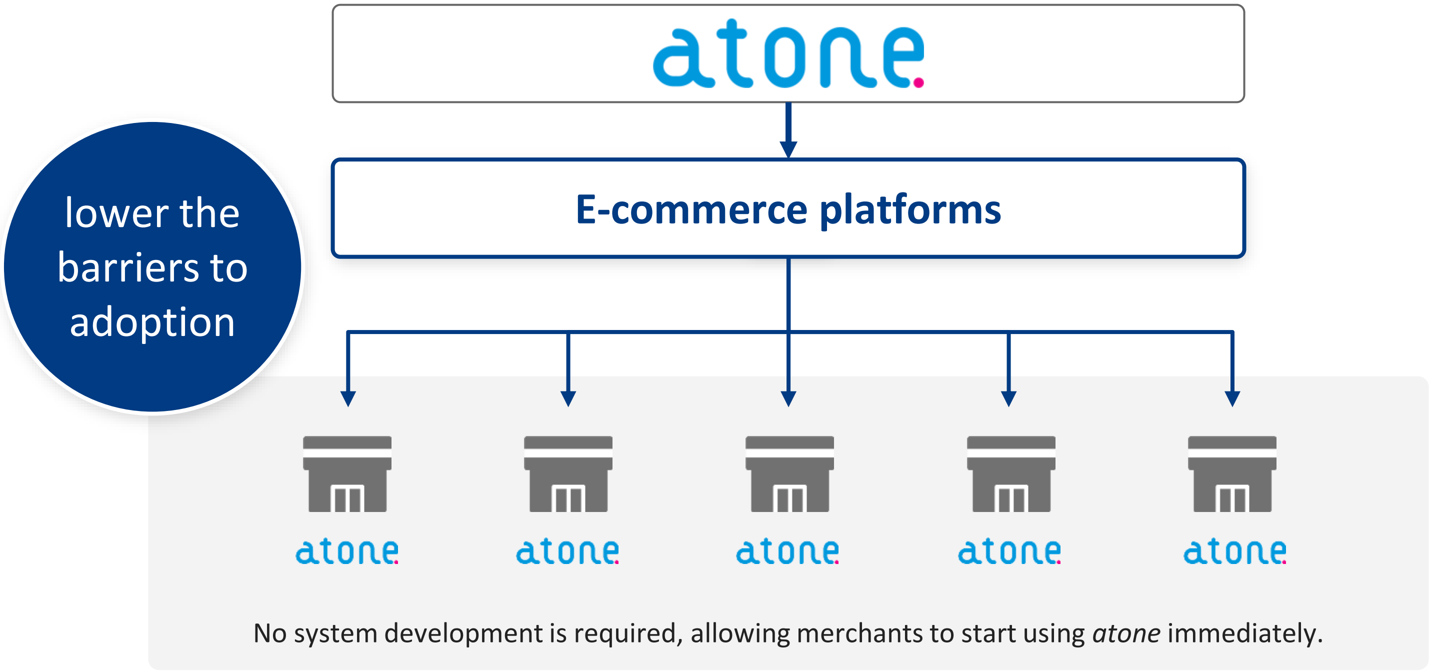
***atone*'s strategic markets**

Examples of stores available

*1 Ministry of Economy, Trade and Industry, "FY2022 E-Commerce Market Survey," Payments Japan, "Cashless Roadmap 2023," Cabinet Office, "System of National Accounts, GDP Statistics"

atone shops **is Japan's first web portal for BNPL that consolidates information on stores, hot deals, and coupons.**
atone **users can enjoy new stores and hot deals.**

E-commerce businesses using the *atone* integrated platform can introduce atone quickly and easily.
We expect *atone* to rapidly expand to a large number of e-commerce businesses and drive further GMV growth.



B2C e-commerce BNPL service with top market share, used by 1 in 7 people. No sign-up or credit card is required to use.

NP後払い

No credit card required

No credit card required, no worry about information leakage or unauthorized use

No sign-up required

One-click payment without complicated procedures

Payment after receiving goods

Pay easily by preferred payment method after confirming the goods

Number of annual unique users
Over 15 million*1

Accumulated transactions
exceeded 480 million

Merchants
203,000 stores

*1 The number of NP *Atobarai* users from April 1, 2021 to March 31, 2022, for whom both name and phone number match

NP *Atobarai air* is a risk-free guaranteed payment collection service that provides on-site service providers with an environment where they can concentrate on their main business.

NP後払いair

No need to pay cash on the day	Safe and secure with no cash handling	Pay wherever you want
No need to have cash in advance	Those who are uncomfortable with direct cash transactions can be reassured that they can pay later with an invoice	Pay easily anytime, anywhere

Examples of industries to use

- Renovation / Construction work
- Repair / Maintenance
- Housekeeping service
- Moving
- Rental
- Electricity / Gas

Significant reduction of the burden
on cash and receivables management

No collection operations required and
100% guarantee of the invoiced amount assured

No portable device required and
immediately available for use on-site

Introduction support available for
smooth operations

	NP *Atobarai*	*atone*	
		Pay in 10 Days	Pay Next Month
Payment term	**Pay for each purchase** within 14 days	**Pay for each purchase** within 10 days	**Consolidated** Pay the following month
Billing method	Paper invoice (E-billing available)	E-billing (email / SMS)	E-billing (App / email / SMS)
Payment method	Convenience store, Bank, Post office	Convenience store, Bank	Convenience store, Bank, Direct debit
Membership	Not required	Not required	Required
Point reward	O (0.5%)	O (sign-up required)	O (0.5%)
Target market	E-commerce merchandise	E-commerce merchandise, non-merchandise	E-commerce merchandise, non-merchandise, physical stores

B2C: Why Customers Prefer BNPL

Budget Control

1 Pay cash each time to prevent overspending

- ✓ By paying for each transaction, customers feel in control of their expenditures
- ✓ Easy to control the budget because customers only need to monitor cash movements

2 Pay when you want within the due date

- ✓ No cash preparation is necessary, unlike in case of Cash on Delivery
- ✓ Customers do not have to wait until payday for shopping

Security

3 No risk of credit card info leakage or unauthorized uses

- ✓ Credit card info is not required
- ✓ No risk of fraudulent payments, since customers must actively make the payment

4 Easy to cancel and return

- ✓ No automatic payments without notice

Convenience

5 No credit card / No sign-up is required

- ✓ One click payment
- ✓ Can purchase with confidence even with the first-visiting online store
- ✓ No need to use credit cards
- ✓ Mobile-friendly

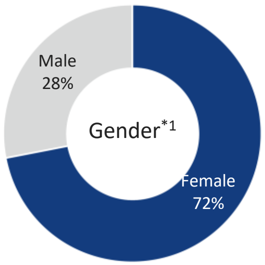
6 Payment made after the arrival of goods

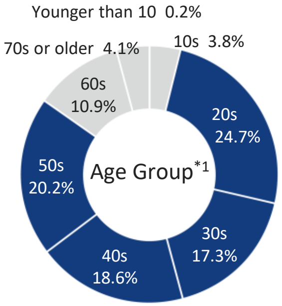
- ✓ No worry about whether goods will arrive, unlike in case of advance payments
- ✓ Easy to return, easy to exchange, easy to cancel

Growth has been driven by the need for fund management, security, and convenience, especially among women in their 20s to 50s.

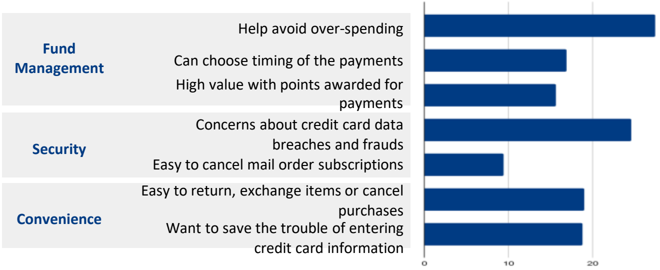
Main user groups and reasons for use

In e-commerce, core users of BNPL service are women in their 20s to 50s



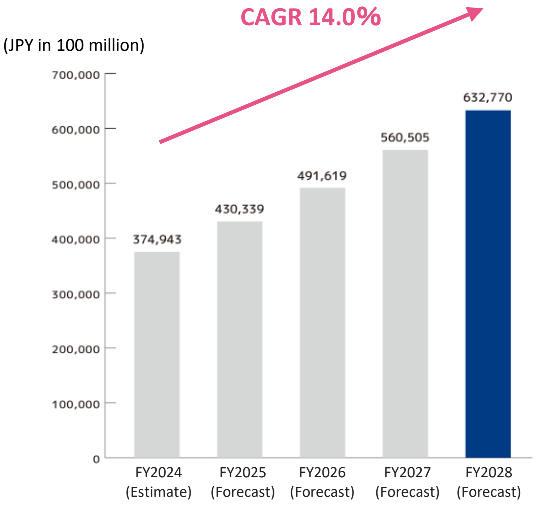


Demand in fund management, security, and convenience*2



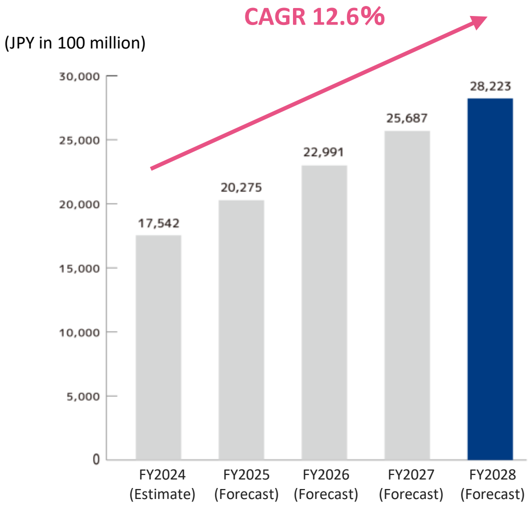
* 1 Breakdown of NP Point Club members as of March 31, 2025
* 2 Survey on our members conducted from December 28 to 30, 2018, targeting 1,738 men and women of in their twenties or older

E-commerce payment services market size forecast



Source: Yano Research Institute "E-commerce Payment Service Market in Japan 2025" (published March 27, 2025)
* Based on transaction volume of providers that operate payment services on EC sites, etc.
* For code payment, only transaction volume of EC payment service providers is covered
* Figures are based on presumption for 2024 and prospect after 2025

BNPL market size forecast



Source Yano Research Institute "E-commerce Payment Service Market in Japan 2025" (published March 27, 2025)
* Based on transaction volume of BNPL payment service providers
* Figures are based on presumption for 2024 and prospect after 2025
* BNPL payment service market is contained in the EC payment service market

B2C: Service Introduction List in Target Market

E-commerce merchandise

Shopping mall	TV shopping	Online supermarket	Housing Equipment	Fashion
YAHOO! JAPAN ショッピング	Japanet	ヤオコー ネットスーパー	LIXILオンラインショップ	しまむら オンラインストア

E-commerce non-merchandise / on-site services

Tickets	E-comic	Live streaming	Housing management	Repair & inspection
チケットぴあ	まんが王国	SHOWROOM	TOKYO GAS	PURPOSE ECOTECH 株式会社パーパスエコテック

Physical stores

Supermarket	Convenience store	Restaurant	Cafe
OK 高品質・Everyday Low Price	FamilyMart	KFC *1	珈琲所 コメダ珈琲店 *1

*1 Some stores are not available

Appendix

B2B Service
(NP *Kakebarai*)

BNPL service for B2B transactions used by 1 in 5 companies.
It manages all the settlement operations between merchants and their clients.

Approx. **740,000** companies are using NP *Kakebarai*

No.1*1
B2B payment service

Contributes to sales increase and **workload reduction** for merchants

Sole proprietors are also available
Immediate credit screening

*1 Based on our annual GMV for FY2023 from Deloitte Tohmatsu MIC Research Institute "MIC IT Report November 2024 – Survey on B2B Payment Service Provider Market (https://mic-r.co.jp/micit/2024/)"

B2B: Reasons Why Our B2B Service Is Chosen

Merchants' concerns

The burden of payment processing is expected to increase as the business grows.

There is concern about extending credit to small and medium-sized companies.

Payment processing takes too much time, and each department can't concentrate on its core business.

There are demands to offer more settlement options to increase customer satisfaction instantly.

NP掛け払い

Implementation benefits

You can outsource entire payment operations to improve efficiency.

You can focus on your core business.

You can expand transactions and increase sales.

Indeed Recruit Partners Introduces NP Kakebarai.

Net Protections

2025.05.14
Net Protections Inc.

Indeed Recruit Partners Introduces NP Kakebarai

Net Protections Inc. (headquartered in Chiyoda-ku, Tokyo; CEO: Shin Shibata; "Net Protections") is pleased to announce the launch of its BtoB Buy Now Pay Later (BNPL) service, NP Kakebarai on the services of Indeed Recruit Partners Co., Ltd. (headquartered in Chiyoda-ku, Tokyo; CEO: Ken Asano, "Indeed Recruit Partners") including Indeed PLUS in April, 2025.

Net Protections helps streamline communications with business partners in Indeed Recruit Partners' billing operations and contribute to building an environment that accelerates business growth.

Challenges for the future work environment

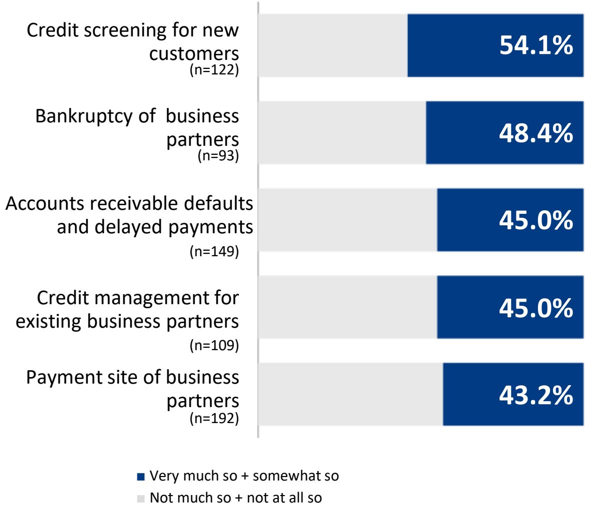
Due to structural issues such as the declining workforce and trends like work style reforms, tasks that companies have traditionally handled in-house such as invoice issuance, collection, payment reminder, and accounts receivable management are becoming an increasing burden.

Growth in Our B2B Business

Our solution offers outstanding cost-effectiveness for large enterprises with a high volume of small-value invoices. We plan to horizontally expand our B2B service to other companies with similar operational needs.

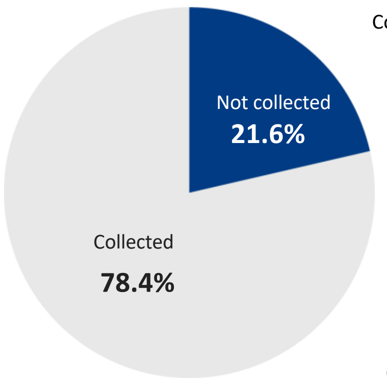
Payment delays and collection issues in billing/payment operations.

1 About half of respondents feel challenged in credit screening, bad loans, and late payments issues.



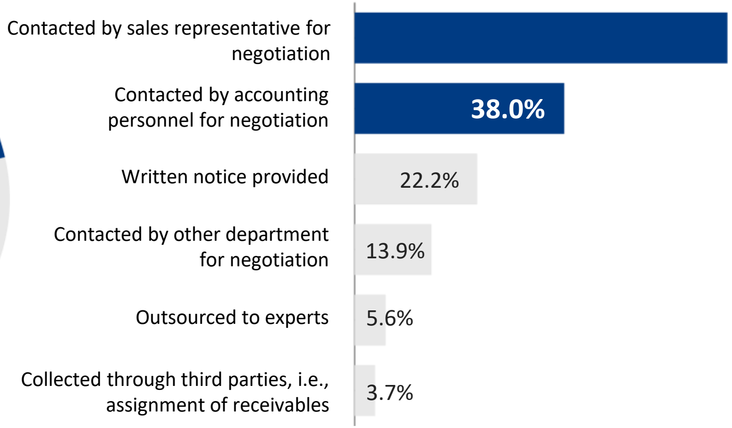
2 21.6% of the "late payments" were eventually not collected.

Collection rate of late payment that the respondents have experienced (n=113).



3 Sales representatives also have trouble in contacting and negotiating.

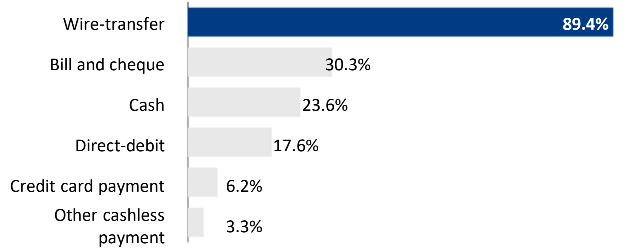
Underlying factors of late payment that the respondents have experienced (n=108).



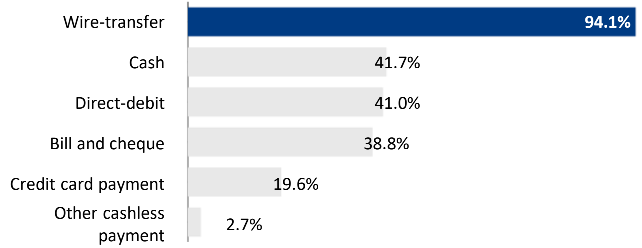
Source: American Express “B2B payment among small and mid-cap businesses for the Fiscal Year 2022”

Due to longstanding business practices, there remains a strong demand for invoice payments in B2B transactions.

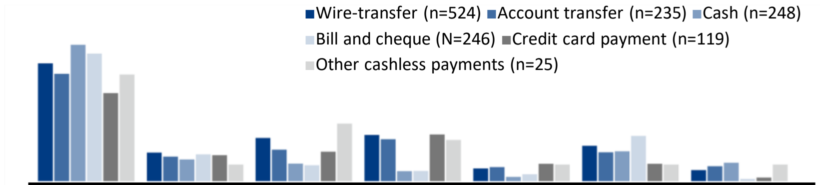
Payment method to receive payment (n=547) *multiple answers accepted



Payment method to make payment (n=556) * multiple answers accepted



Reasons for choosing a payment method



	Being accustomed to existing method	Unwilling to renew due to its tangled procedures	For security reason	Most efficient	Possibly preventing errors	Designated by the business partners	Lower cost and fees
Wire-transfer	57.4	13.9	21.0	22.5	6.1	17.2	5.3
Direct-debit	52.3	11.9	15.3	20.4	6.8	14.0	7.2
Cash	66.5	10.5	8.5	4.8	2.0	14.5	8.9
Bill and cheque	62.2	13.0	7.7	4.9	3.3	22.0	1.0
Credit card payment	42.9	12.6	14.3	22.7	8.4	8.4	1.7
Other cashless payment	52.0	8.0	28.0	20.0	8.0	8.0	8.0

Source: American Express "Research on B2B payment among small and mid-cap businesses during the Fiscal Year 2022"

B2B: Service Introduction List

Wholesale

Construction Material	Liquor	Food & Beverage	Beauty	Packaging
ミドリ安全.com	酒のリカマン	総合食品 エスイー 株式会社	BEAUTY GARAGE Professional Beauty Supply	水野産業株式会社

Start-ups

Sharing Economy	Back Office	Human Resource	Marketing	Marketplace
RAKSUL	ジョブカン	Timee	Full Speed Ad Technology & Marketing Company	くらしのマーケット

Major Companies

集英社　住友ゴム工業株式会社　三菱地所レジデンス　MORINAGA

Appendix

IR Newsletter

Subscribe to our IR Newsletter

The following information is delivered via email:

- Announcement of financial results presentation and IR seminars
- Notice of financial statements uploads
- News releases

If you would like to receive our newsletter, please register using the form below or the QR code on the right.

https://www.magicalir.net/7383/mail/index_en.php

Disclaimer

- This document was prepared by Net Protections Holdings, Inc. (referred to as the “Company” or “we” herein) solely for informational purposes. This document does not constitute an offer to sell or a solicitation of an offer to buy any security of the Company in the United States, Japan or any other jurisdiction.

- This document contains forward-looking statements, which reflect the Company's assumptions and outlook for the future and estimates based on information available to the Company and the Company's plans and expectations as of the date of this document or other date indicated.

- Please note that significant differences between the forecasts and other forward-looking statements and actual results may arise due to various factors.

- Accordingly, readers are cautioned against placing undue reliance on any such forward-looking statements.

- The Company has no obligation to update or revise any information contained in this document based on any subsequent developments except as required by applicable law or stock exchange rules and regulations.