

Presentation Material for Q2 FY2026

May 1, - October 31, 2025

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Notes

Transition to Consolidated Financial Reporting and Retrospective Restatement of Prior Periods

Smaregi, Inc. consolidated Netshop Supporters Co., Ltd. in December 2024, initiating consolidated financial reporting from Q3 FY2025 (January 2025). Accordingly, comparisons to the prior corresponding period are made against the non-consolidated results of Smaregi, Inc. Furthermore, the Purchase Price Allocation (PPA) related to the acquisition has been finalized, necessitating a retrospective restatement of prior period figures. Consequently, certain figures in this material covering Q3 FY2025 through Q1 FY2026 differ in part from previously disclosed documents. The impact is immaterial, and the previously reported full-year results remain unchanged.

Definitions as noted in this document

Figures: Rounded down to the nearest unit of display

Ratios: Rounded to the second decimal place

ARR surpasses ¥9.94 bn! Achieved 2nd MTP ARR Target (¥9.46 bn) six months early! Currently formulating the next MTP to enhance profitability and sustain growth, targeting the Long-Term Vision of JPY 30 Billion in ARR!

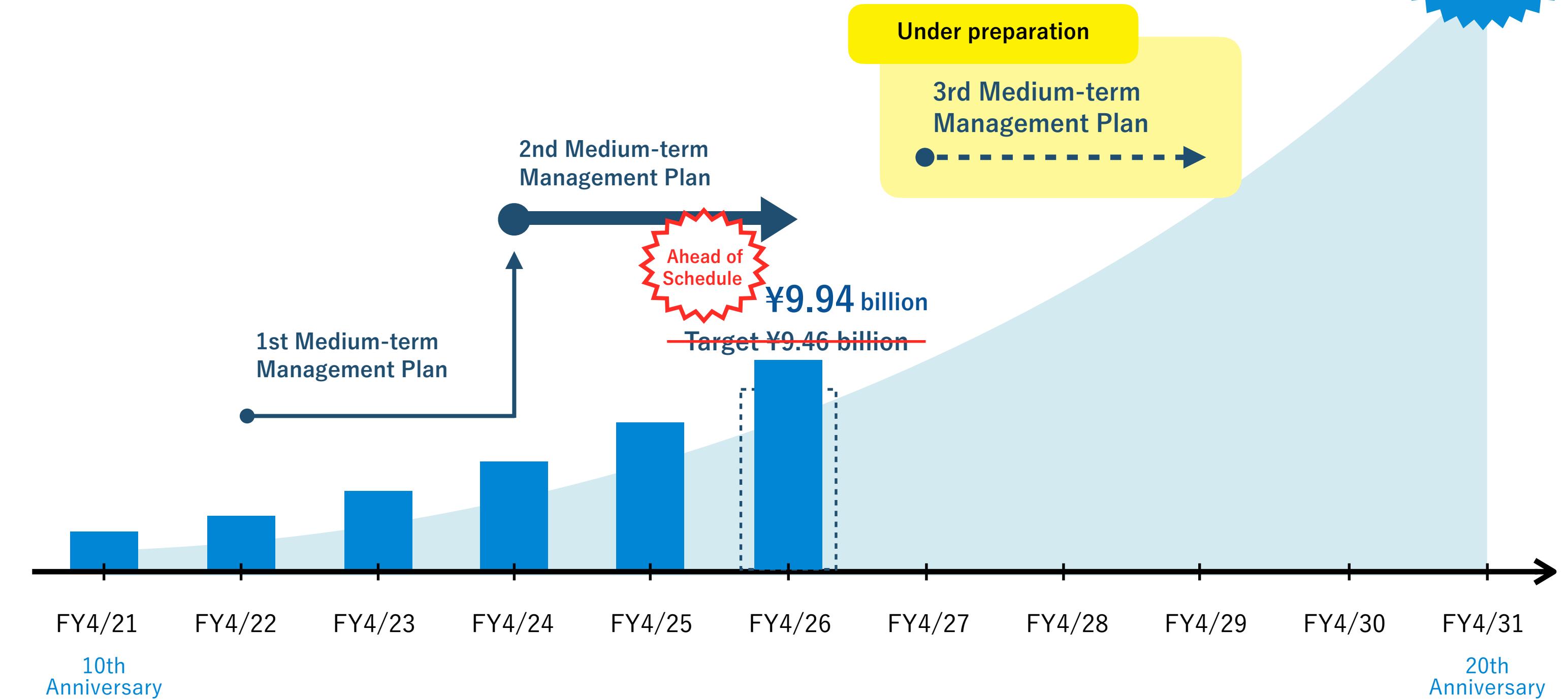
ARR Target Achieved Six Months Ahead of Schedule

Toward New Growth

Under Formulation: 3rd Medium-term Management Plan

Schedule for Release Within the Current Fiscal Year

Long-term Vision and Medium-term Management Plan ARR Target



¥30 billion
in ARR

PPA Finalization and Conversion of Full-Year Consolidated Forecast from Range to Fixed Value.

FY2026 Full-Year Consolidated Earnings Forecast

(May 2025 - Apr. 2026)

(Yen in millions)	Results FY2025	Plan FY2026	YoY	Reference: Initial Forecast *1
Net sales	11,066	13,859	+25.2%	13,859
Operating profit	2,380	2,954	+24.1%	2,804~2,954
Ordinary profit	2,362	2,954	+25.0%	2,804~2,954
Profit *2	1,645	2,016	+22.6%	1,866~2,016

Dividend Forecast *2

(Year-end Dividend)

	Results FY2025	Plan FY2026
Record Date	Apr. 30, 2025	Apr. 30, 2026
Profit per Share	85.46 yen	104.69 yen
Dividend per Share	15.00 yen	20.00 yen
Dividend Policy	17.6%	19.1%
Total Dividend Amount	288 million yen	

*1 The initial forecast disclosed on June 12, 2025, presented profit items in a range format due to the possibility of fluctuations in profit-affecting amounts, such as depreciation and amortization expenses, as the Purchase Price Allocation (PPA) for the acquisition of Netshop Supporters Co., Ltd. had not been finalized at that time.

*2 The Interim Dividend has not been paid.

Achieve
MTP
Record
high

ARR

YoY

+42.1%

¥9.945 billion

Record
high

Net Sales

YoY

+21.6%

¥6.264 billion

Record
high

Operating Profit

YoY

+11.7%

¥1.321 billion

Number of
employees

YoY

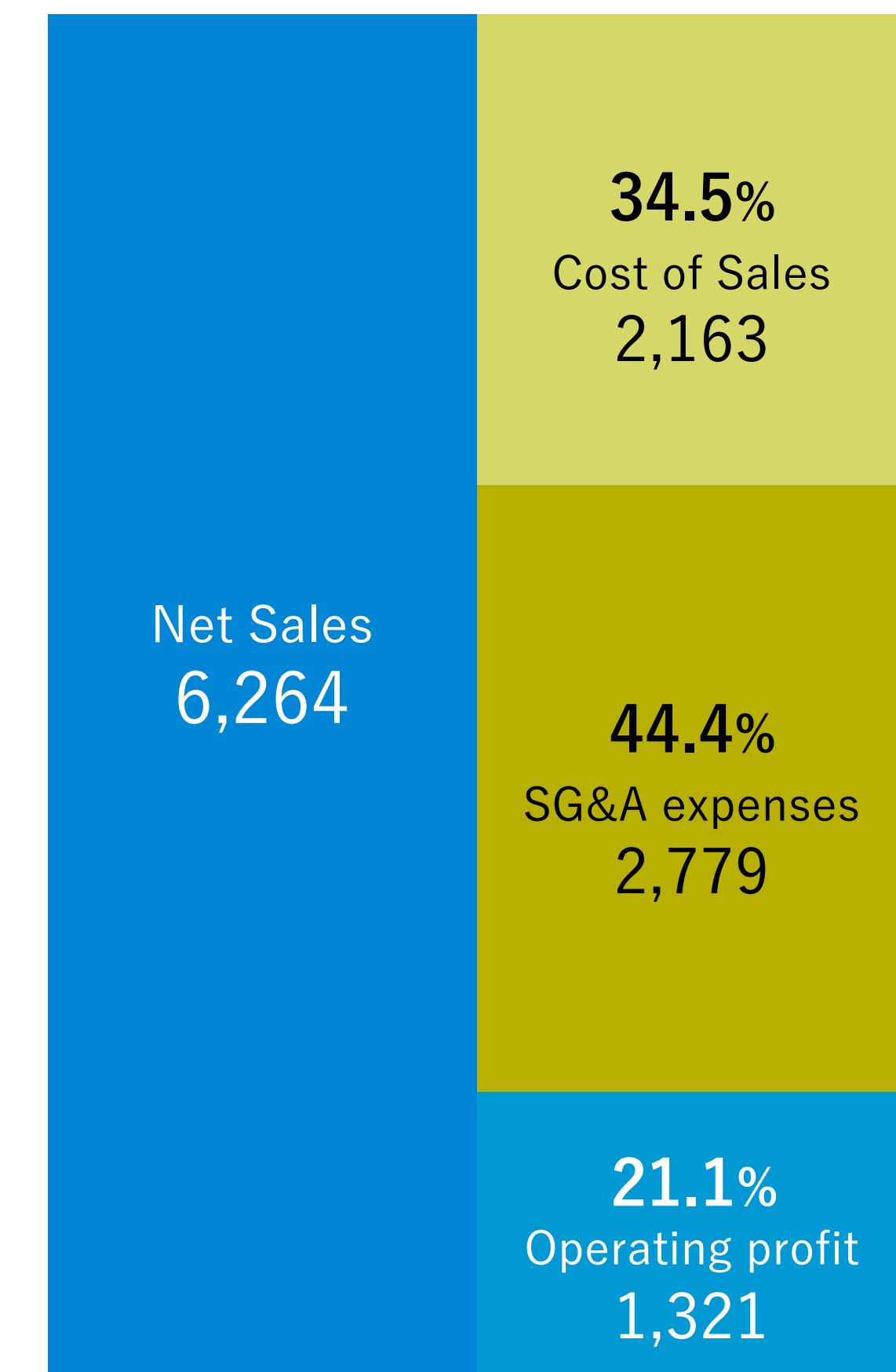
+27.6%

448 employees

Record Q2 quarterly revenue posted, driving YoY growth in revenue of 21.6%. Gross profit expanded by 31.6% YoY, absorbing the increase in SG&A expenses, resulting in Operating Income growth of 11.7% YoY. Progress is well on track against the full-year plan.

(Yen in millions)	Q2 FY2026 May - Oct. 2025	Q2 FY2025 May - Oct. 2024	YoY	FY2026 Plan	Q2 FY2026 % achieved
Net sales	6,264	5,152	+21.6%	13,859	45.2%
Cost of sales	2,163	2,034	+6.3%	-	-
Gross profit	4,101	3,117	+31.6%	-	-
SG&A expenses	2,779	1,934	+43.7%	-	-
Operating profit	1,321	1,183	+11.7%	2,954	44.7%
Ordinary profit	1,335	1,173	+13.8%	2,954	45.2%
Profit attributable to owners of parent	887	781	+13.7%	2,016	44.0%

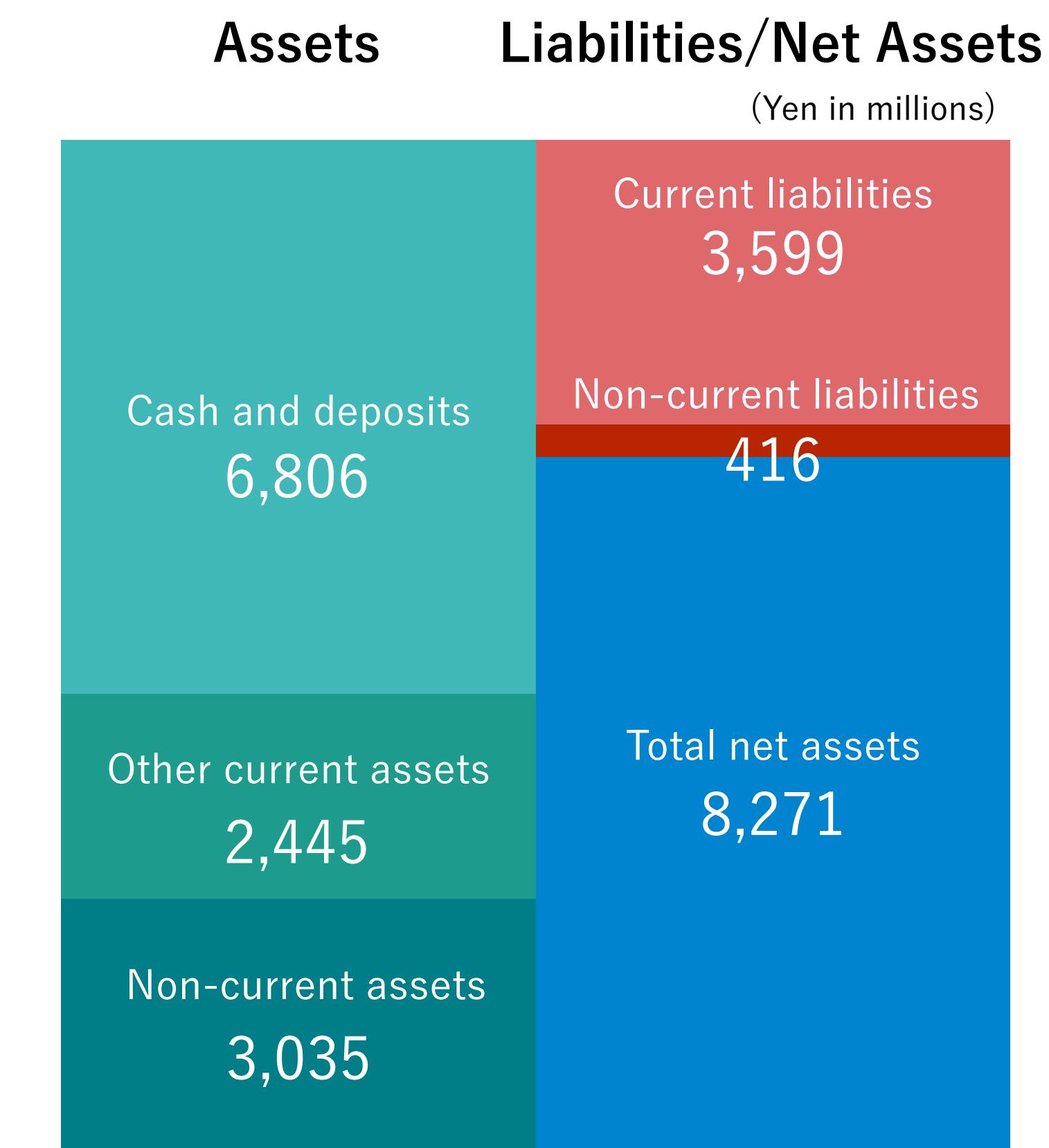
Earnings structure



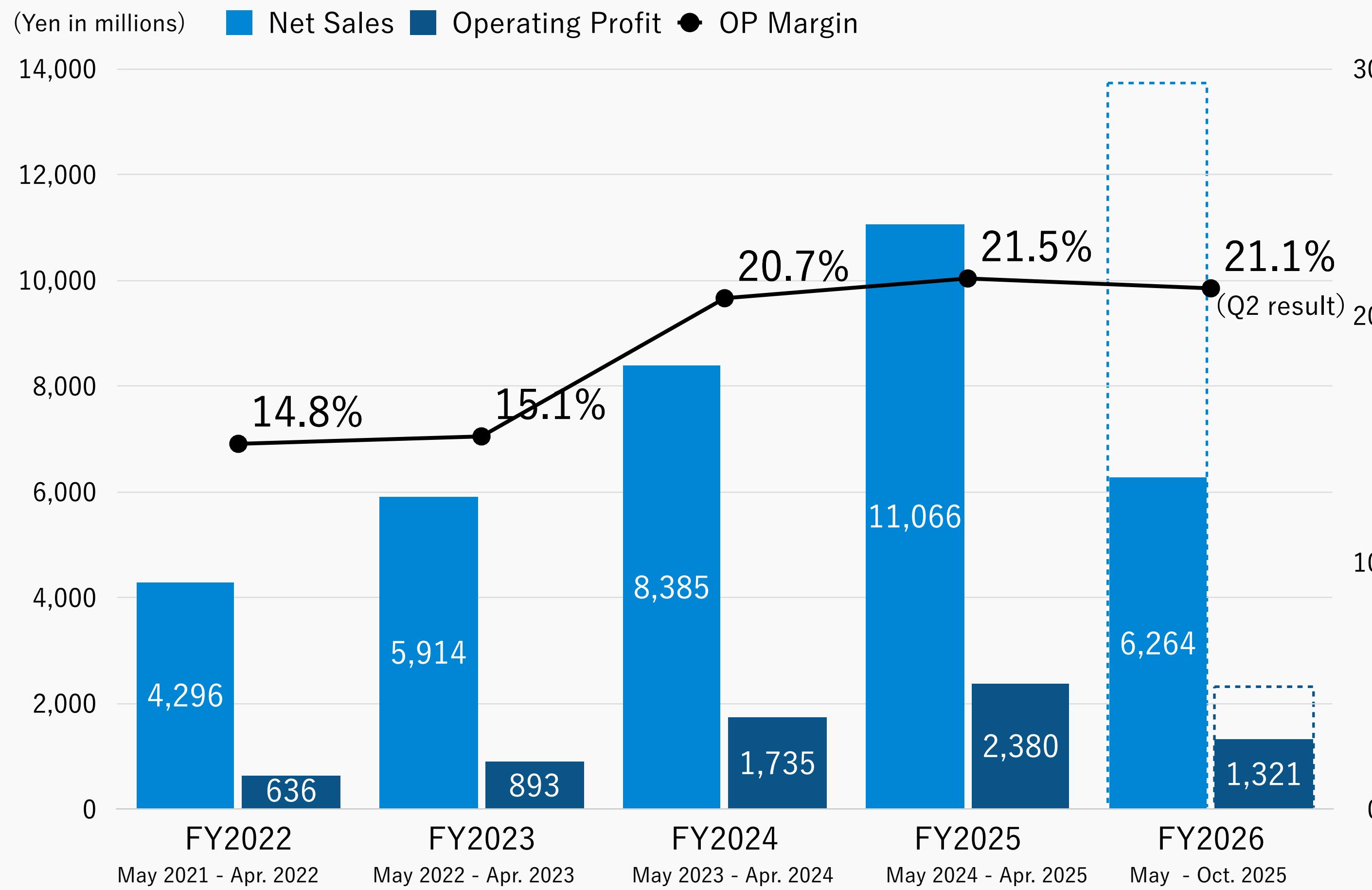
Fixed assets (Goodwill and Customer-Related Intangible Assets) and fixed liabilities (Deferred Tax Liabilities) increased due to the M&A. Current assets (Accrued Revenue) and current liabilities (Accounts Payable) rose following the optimization of revenue recognition timing in the payment. Equity accumulated through solid performance, maintained sound finance.

(Yen in millions)	Q2 FY2026	Q2 FY2025	YoY	Q1 FY2026	QoQ
Current assets	9,251	7,704	+20.1%	7,763	+19.2%
Cash and deposits	6,806	6,033	+12.8%	5,496	+23.8%
Non-current assets	3,035	1,500	+102.4%	3,087	-1.7%
Total assets	12,287	9,204	+33.5%	10,851	+13.2%
Current liabilities	3,599	2,238	+60.8%	2,657	+35.5%
Non-current liabilities	416	157	+164.2%	424	-2.0%
Total liabilities	4,015	2,396	+67.6%	3,081	+30.3%
Total net assets	8,271	6,808	+21.5%	7,769	+6.5%
Total liabilities and net assets	12,287	9,204	+33.5%	10,851	+13.2%

Equity Ratio
67.3%



Progress toward the full-year forecast is on track, with revenue and operating profit both tracking around 45% of the plan in Q2. Despite executing the largest S&M investment in the first half, we maintained an OP margin of 21.1%.



Q2 FY2026
May - Oct. 2025

Net sales progress rate

45.2%

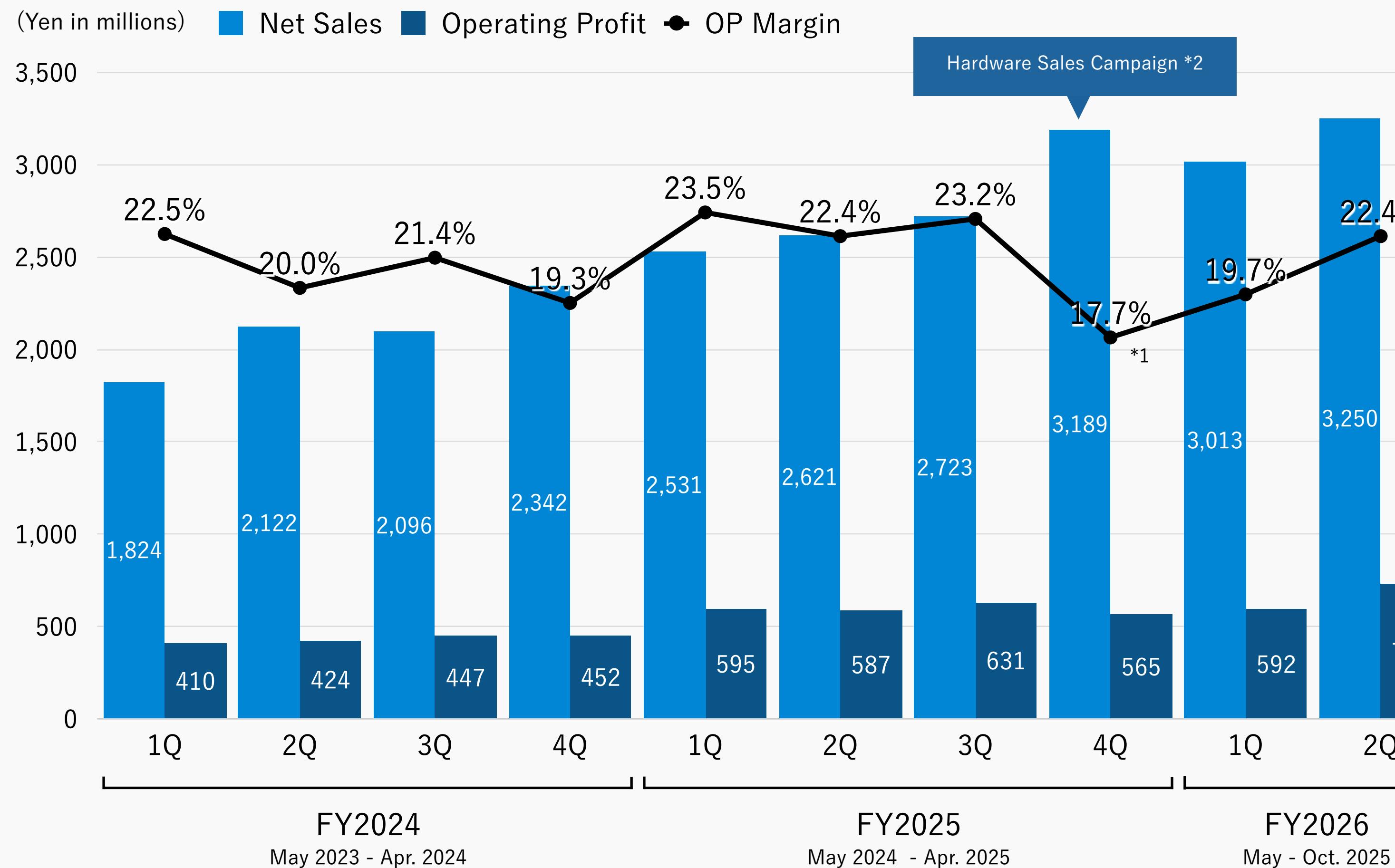
¥6,264 mm / ¥13,859 mm

Operating profit progress rate

44.7%

¥1,321 mm / ¥2,954 mm

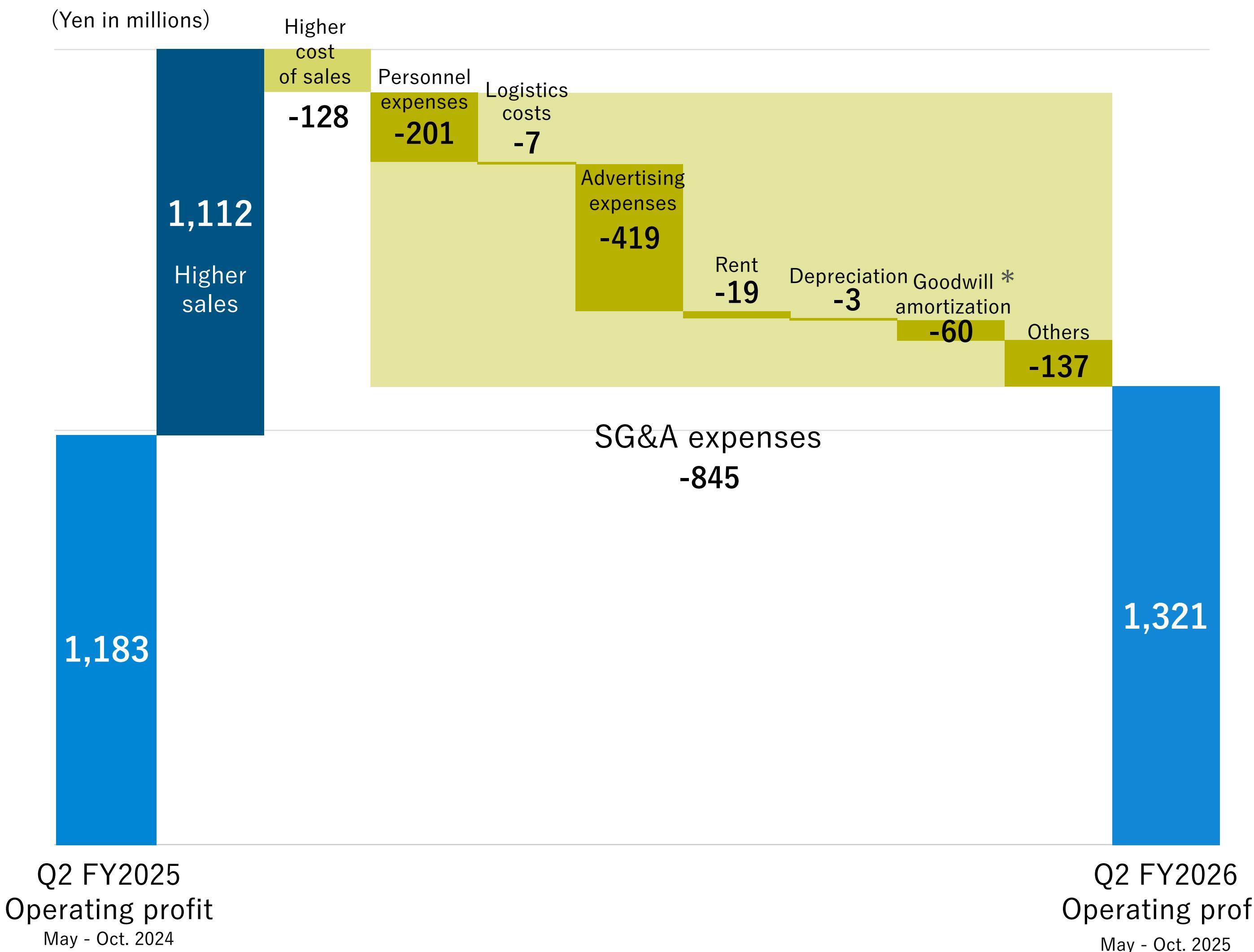
Quarterly revenue and operating profit both hit new records!
OP margin improved to 22.4% (QoQ +2.7pt), despite ongoing aggressive S&M investment.



Q2 FY2026
OP Margin
22.4%
YoY
±0.0pt
QoQ
↑2.7pt

*1 The Q4 FY2025 saw a temporary deterioration primarily due to the combined impact of non-recurring expenses totaling approximately ¥74 million. These included ¥42 million for the transfer fees related to acquiring customers from a discontinued third-party POS service and approximately ¥32 million for the disposal costs of legacy payment terminals.

*2 In Q4 FY2025, we conducted a device sales campaign for existing customers, offering cash recyclers at special pricing.



Higher sales

- Number of new fee-paying contracts increased.
- Growth of consistent sales (monthly fees) due to low churn rate.
- Expansion of payment-related business.

Higher cost of sales

- Increase in cost of production including labor costs.
- Controlled COGS increase, driven by higher subscription mix.

Higher SG&A expenses

- Higher personal expenses due to the increased of employees.
- Higher advertising & promotion expenses, reflecting service expansion and intensified marketing initiatives (incl. TV commercials).
- Goodwill amortization recognized in connection with M&A.
- Increase R&D expenses (Other).

*For disclosure purposes, the combined amortization of goodwill and customer-related intangible assets associated with M&A is presented as "Goodwill amortization."

Subscription revenue grew by 37.8% YoY, driven by an increase in fee-paying stores, the newly acquired EC business, and strong performance in our cashless payment service. Our high-margin subscription model underpins Smaregi business.

Q2 FY2026
May - Oct. 2025

Subscription sales ratio

75.7%

Initial expense gross margin

Sales of products and others

23.7%

QoQ

↓ 1.2pt

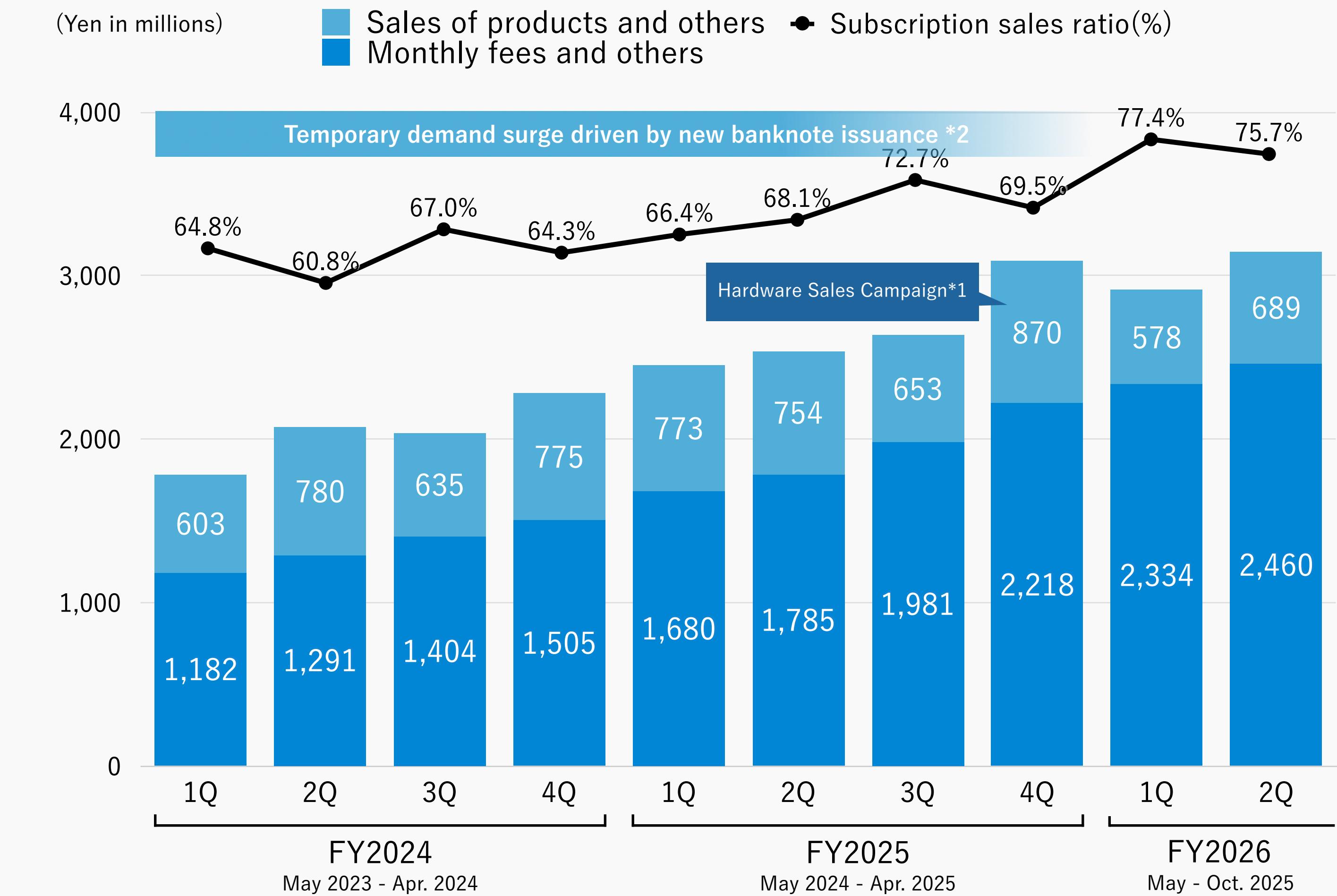
SaaS gross margin

Monthly fees and others

77.9%

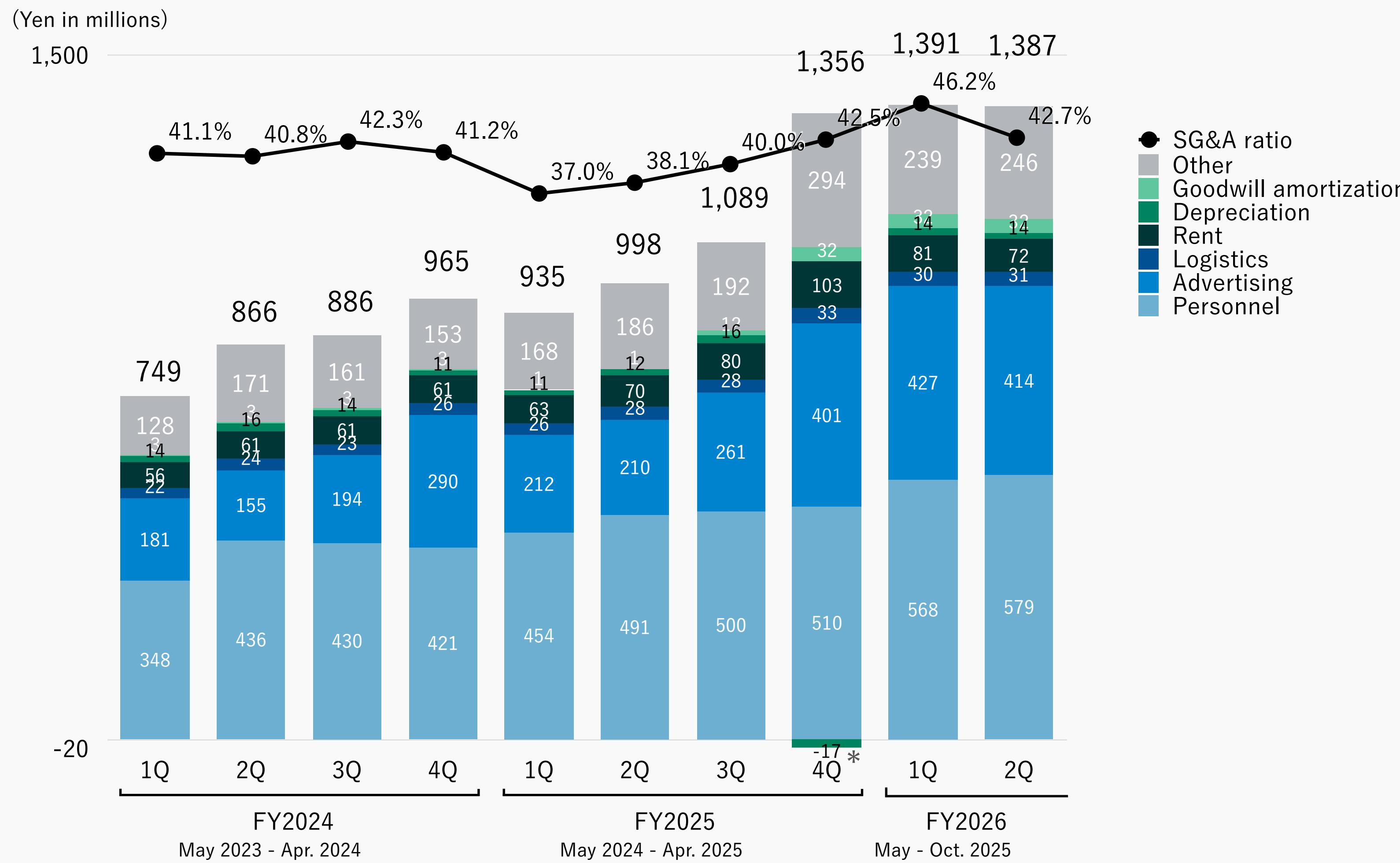
QoQ

↑ 0.6pt



*1In Q4 FY2025, we conducted a device sales campaign for existing customers, offering cash recyclers at special pricing. *2 Impact from the issuance of new banknotes (FY2024: approx. ¥200 mm; FY2025: approx. ¥150 mm). Note: "Smaregi maintenance service fees" will be reclassified to "Monthly fees and others" starting from Q1 FY2026. All figures in this document, including prior periods, have been retrospectively restated to apply this consistent definition.

SG&A expenses remained flat QoQ, driven by continued aggressive S&M investment. The SG&A ratio declined by 3.5 points QoQ to 42.7%, primarily due to increased revenue.



Q2 FY2026

May - Oct. 2025

SG&A expenses

¥1,387 mm

YoY +39.0%

S&M

¥710 mm

S&M ratio

21.9%

*Although depreciation expenses increased due to the expansion and relocation of offices and showrooms, a gain on the fulfillment of asset retirement obligations was recorded, resulting in a temporary net negative depreciation expense in Q4 FY2021.

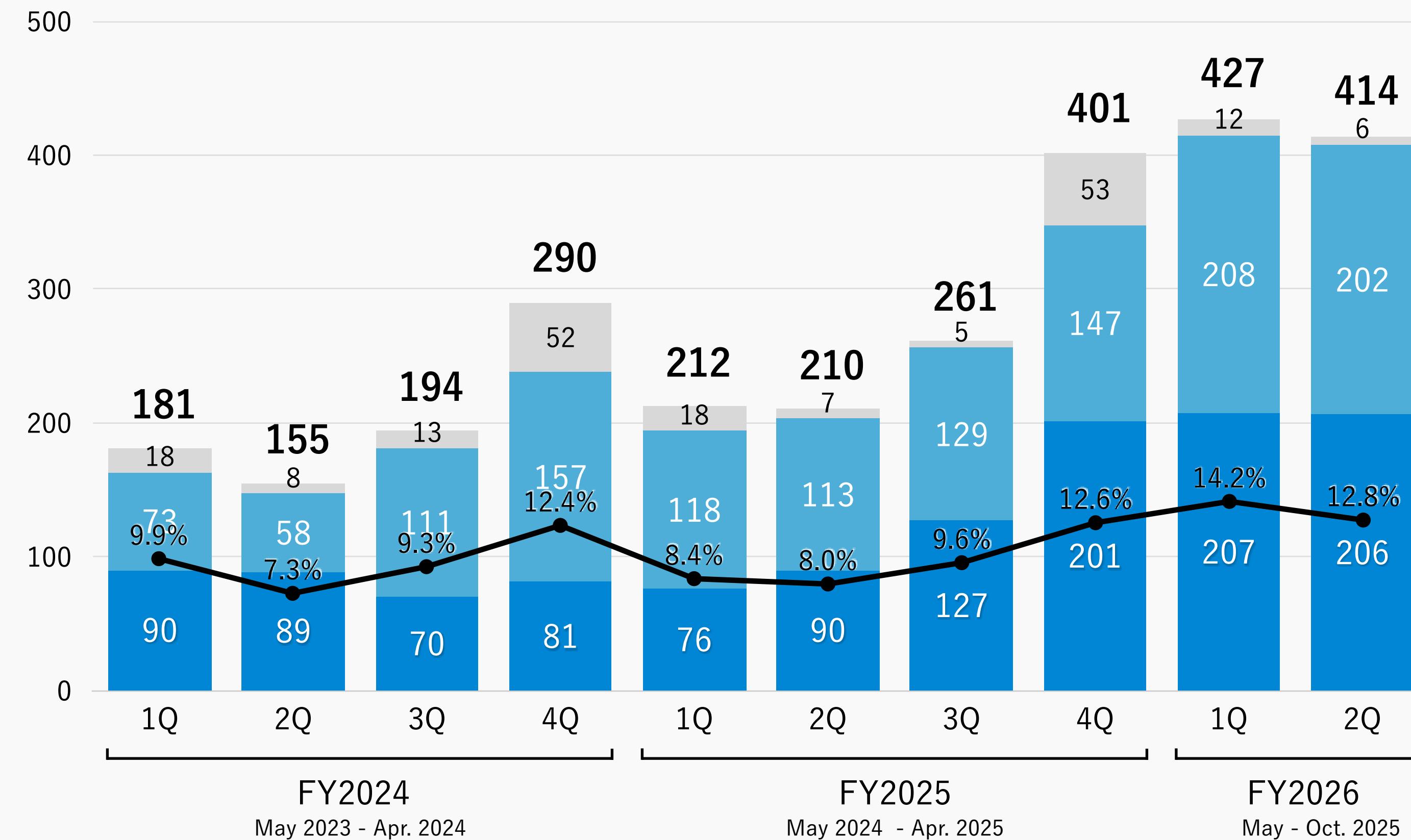
We continue aggressive S&M investment focused on efficiency while optimizing CPA, primarily centered on TV commercials (for brand awareness) and online marketing initiatives (for lead generation). The advertising-to-sales ratio decreased to 12.8% due to the expansion of revenue.

Advertising expenses

(Yen in millions)

█ Lead generation
█ Brand awareness
█ Others
● Advertising-to-sales ratio

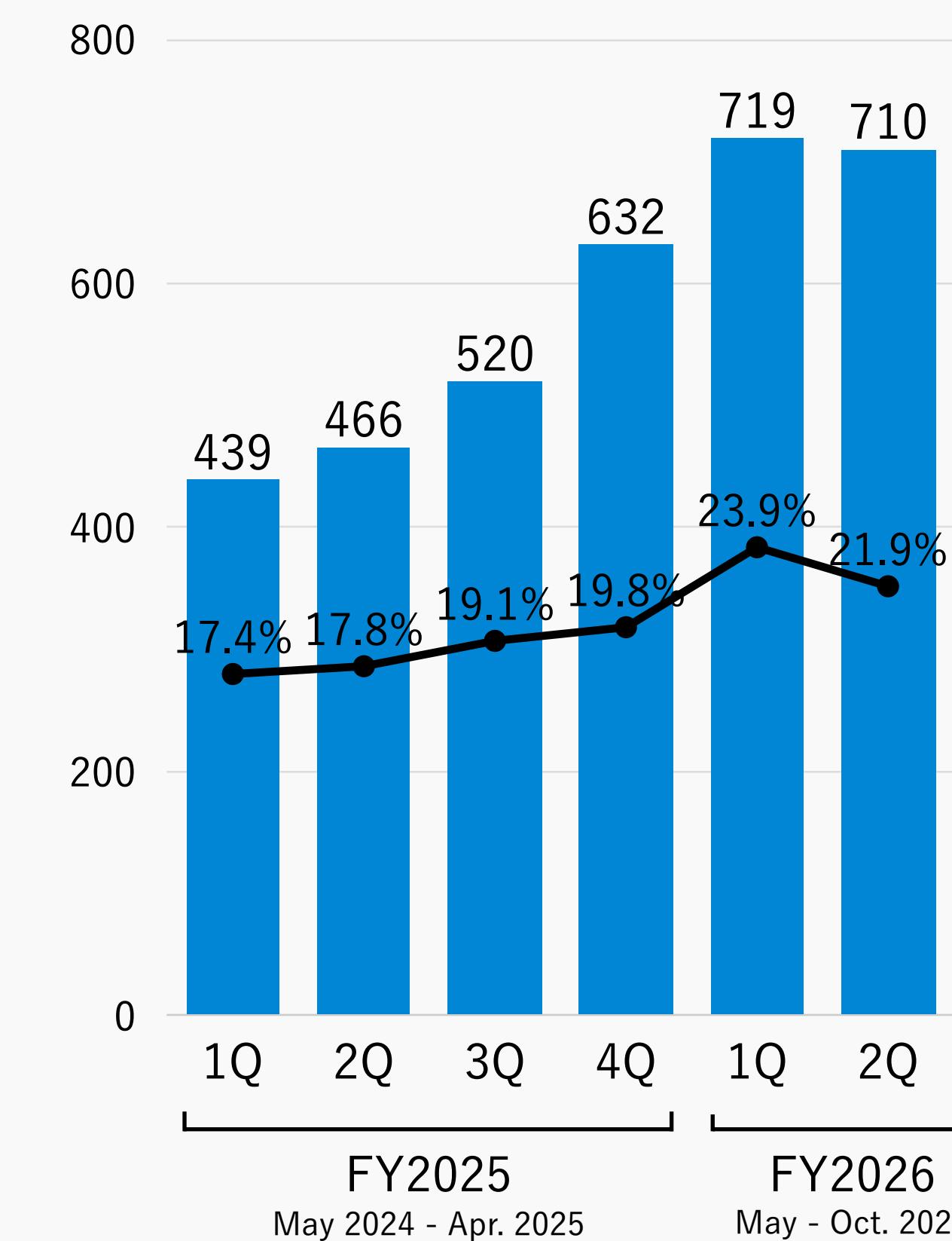
----- Web ads (listing, affiliate), event exhibit fees
----- TV commercials, Radio
----- Events such as food festivals, etc, which are the branding activities that are not directly affected by lead acquisitions or increasing recognition.



S&M

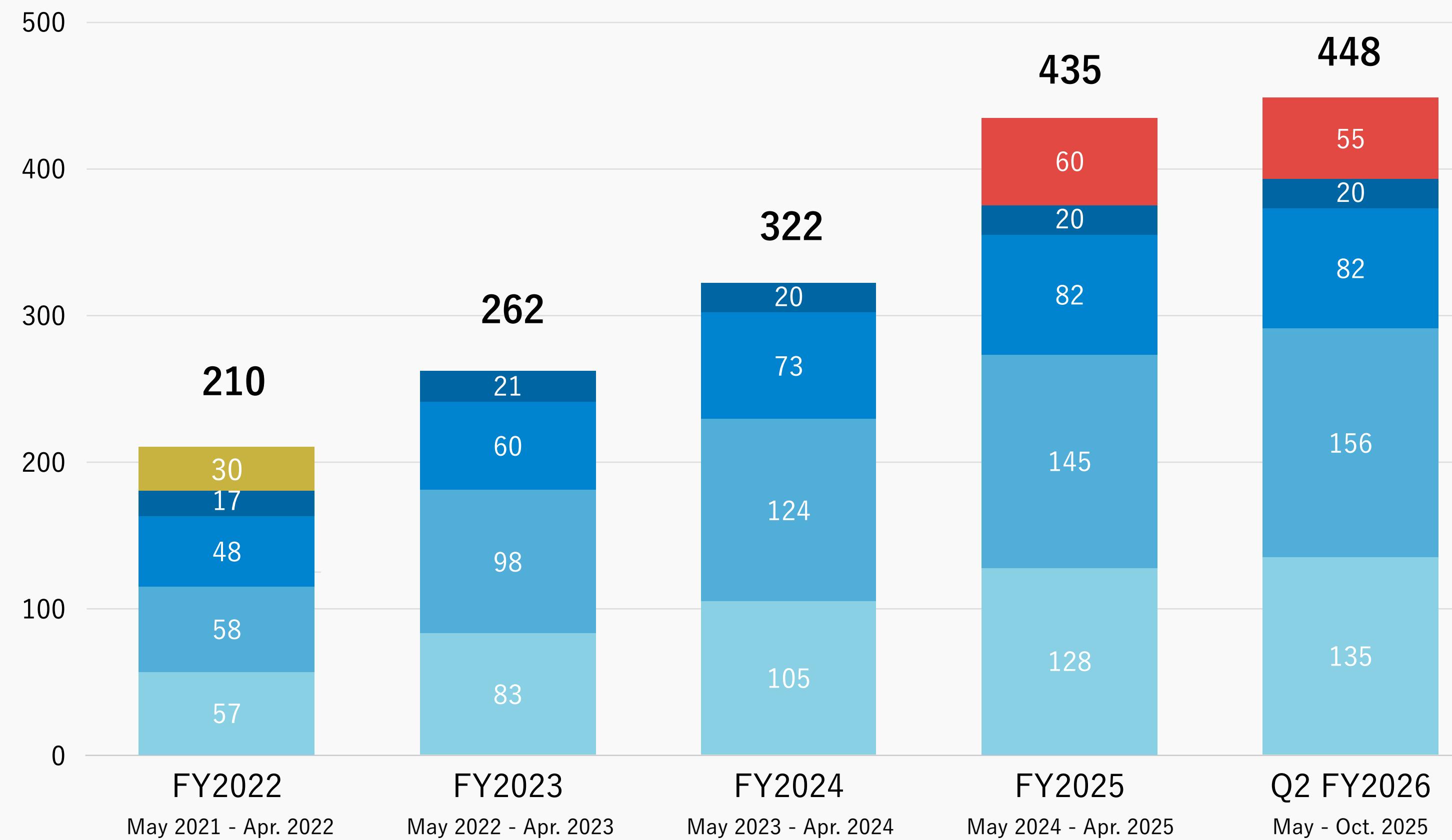
(Yen in millions)

█ S&M
● S&M ratio



Hiring is underway, primarily in engineering, design, sales, and marketing.
Consolidated headcount increased by 6 QoQ to 448 employees.

Engineer/Designer Sales/Marketing Customer success
Corporate Former subsidiary (ROYAL GATE) Subsidiary (Netshop Supporters)



Q2 FY2026
Number of Employees ^{*1}

448

YoY ^{*2} +27.6%
QoQ ^{*2} +1.4%

+97

+6

*1 As of the end of October 2025, excluding temporary, part-time employees.

*2 As of the end of October 2024: 351 employees. As of the end of July 2025: 442 employees.

Business Summary

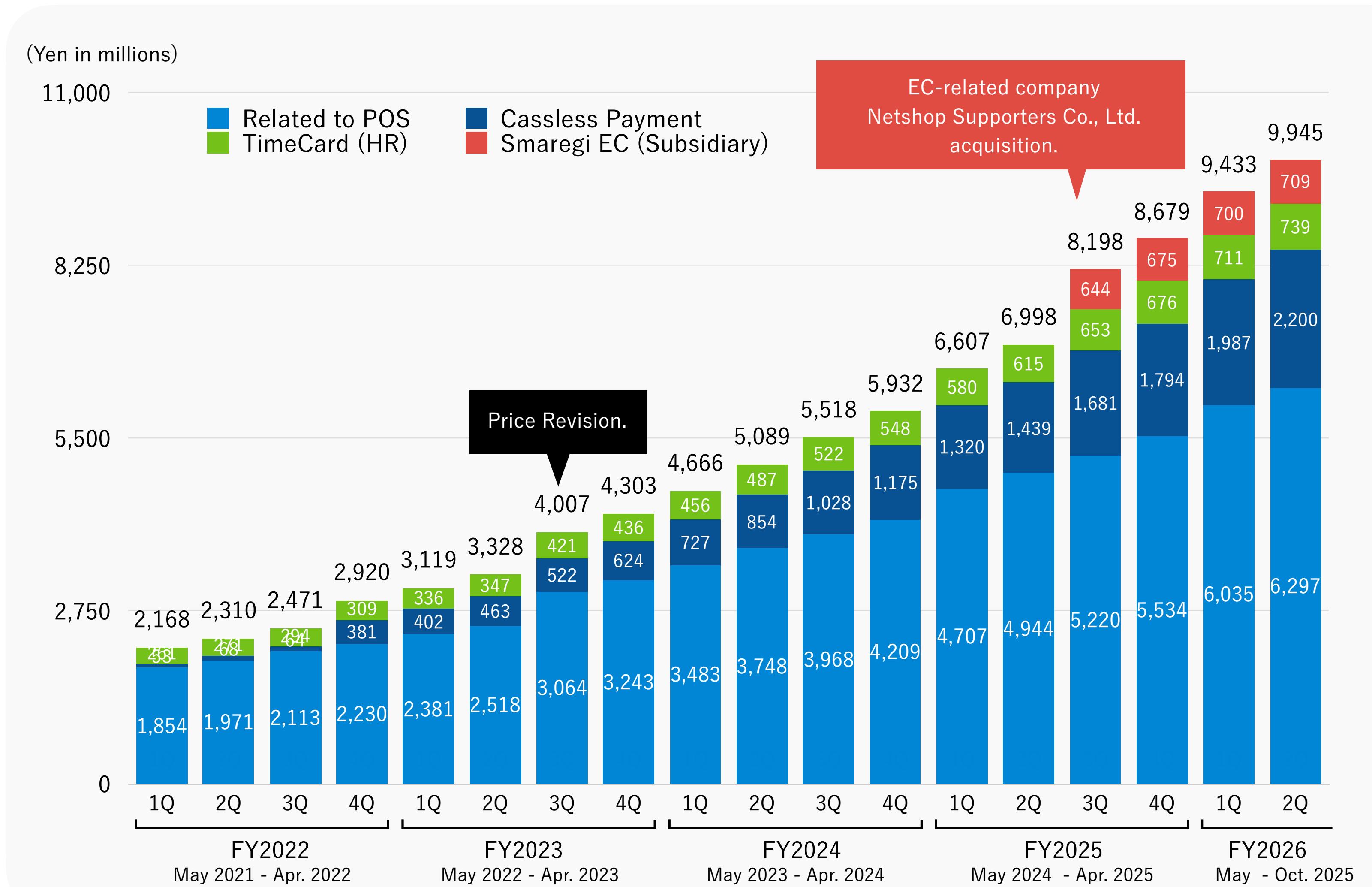


August - October 2025

- A limited-run TV program sponsored by Smaregi has been broadcasted nationwide: "The Secrets of Thriving Stores" (July - September 2025 period only).
- New TV commercial "Dancing shop staffs" launched in August.
- AI Released a beta version of the AI daily report feature.
- Personnel Sponsored the "Developers Summit 2025 FUKUOKA."
- New TV commercial with female personality launched in September.
- Vending/ticket machine update: E-Money support enabled.
- AI Initiated the use of Generative AI in Customer Support. Implemented an AI Chatbot support feature on the help page.
- AI Launched a special website showcasing our AI initiatives.

We achieved the 2nd MTP ARR target six months ahead of schedule, with ARR reaching ¥9.94 billion (YoY +42.1%)! Our strong cashless payment service achieved high growth of 52.9% YoY and is positioned to become a core business.

ARR
¥9.94 bn
YoY
+42.1%
QoQ
+5.4%



Note: Effective from the Q1 FY2026 earnings materials, "Smaregi maintenance service fees," which were previously recorded under "sales and products and others" have been reclassified as subscription fees to reflect their true nature as a continuous fixed-rate maintenance service. The ARR for "related-to-POS" in Q1 FY2026 includes an impact of approximately ¥270 million resulting from this definition change. No retrospective restatement has been performed for prior periods. Retrospectively restated data is provided in the Appendix as a reference.

ARR

¥6.29 billion

YoY +27.4%

ARPA

¥24,058

YoY +9.7%

ARPU

¥10,836

YoY +10.5%

Fee-paying Stores

45,036

YoY +14.5%

MRR Churn

0.47%

YoY ±0.0pt

GMV

¥802.2 billion

YoY +23.4%

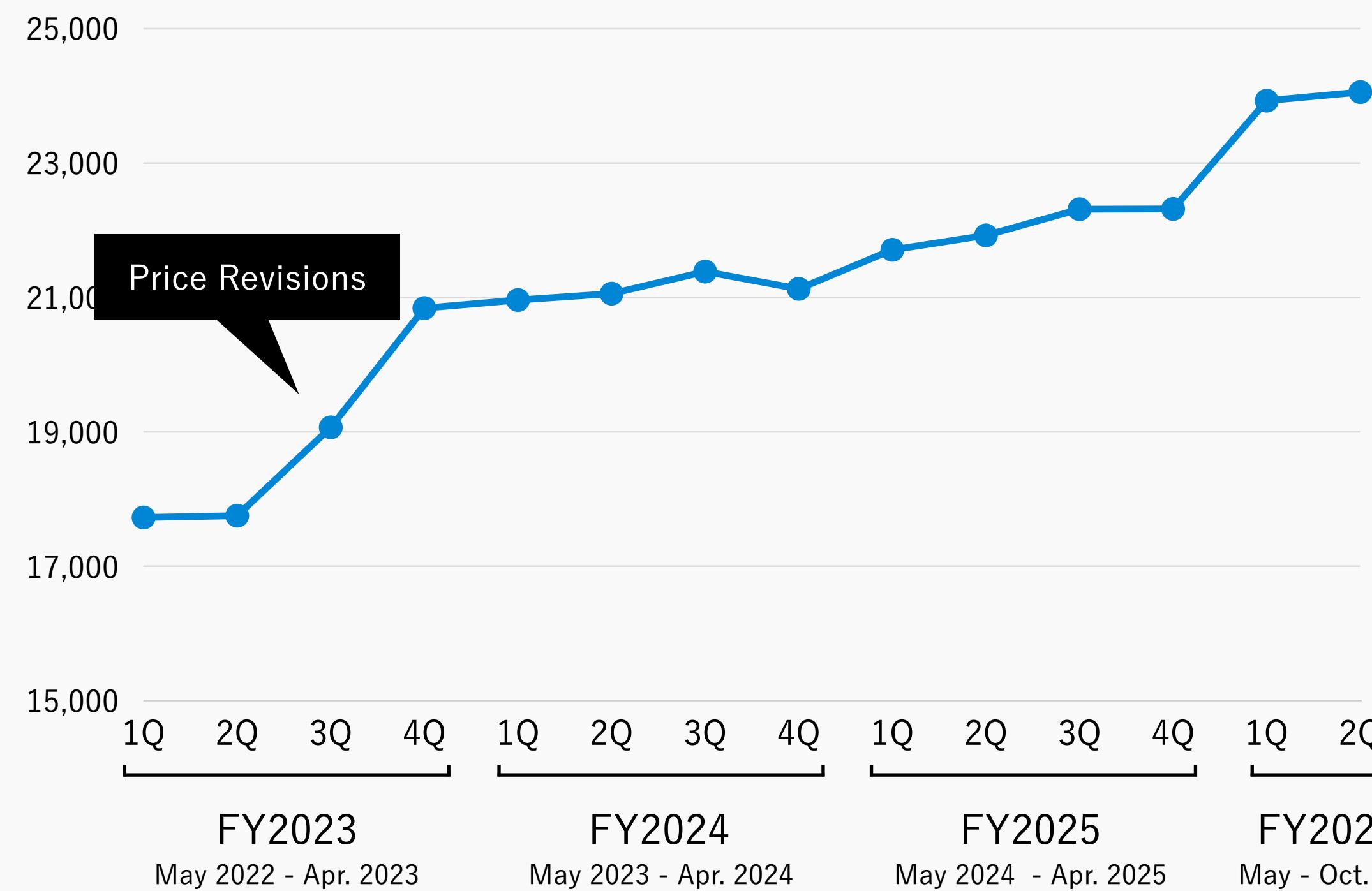
Shift from one-time purchases of POS peripheral devices to hardware subscription service* continues, driving ARPA up by +9.7% YoY and ARPU up by +10.5% YoY, maintaining the uptrend.

ARPA
¥24,058

(As of the end of Oct. 2025)

YoY
↑ ¥2,131
+9.7%

QoQ
↑ ¥128
+0.5%

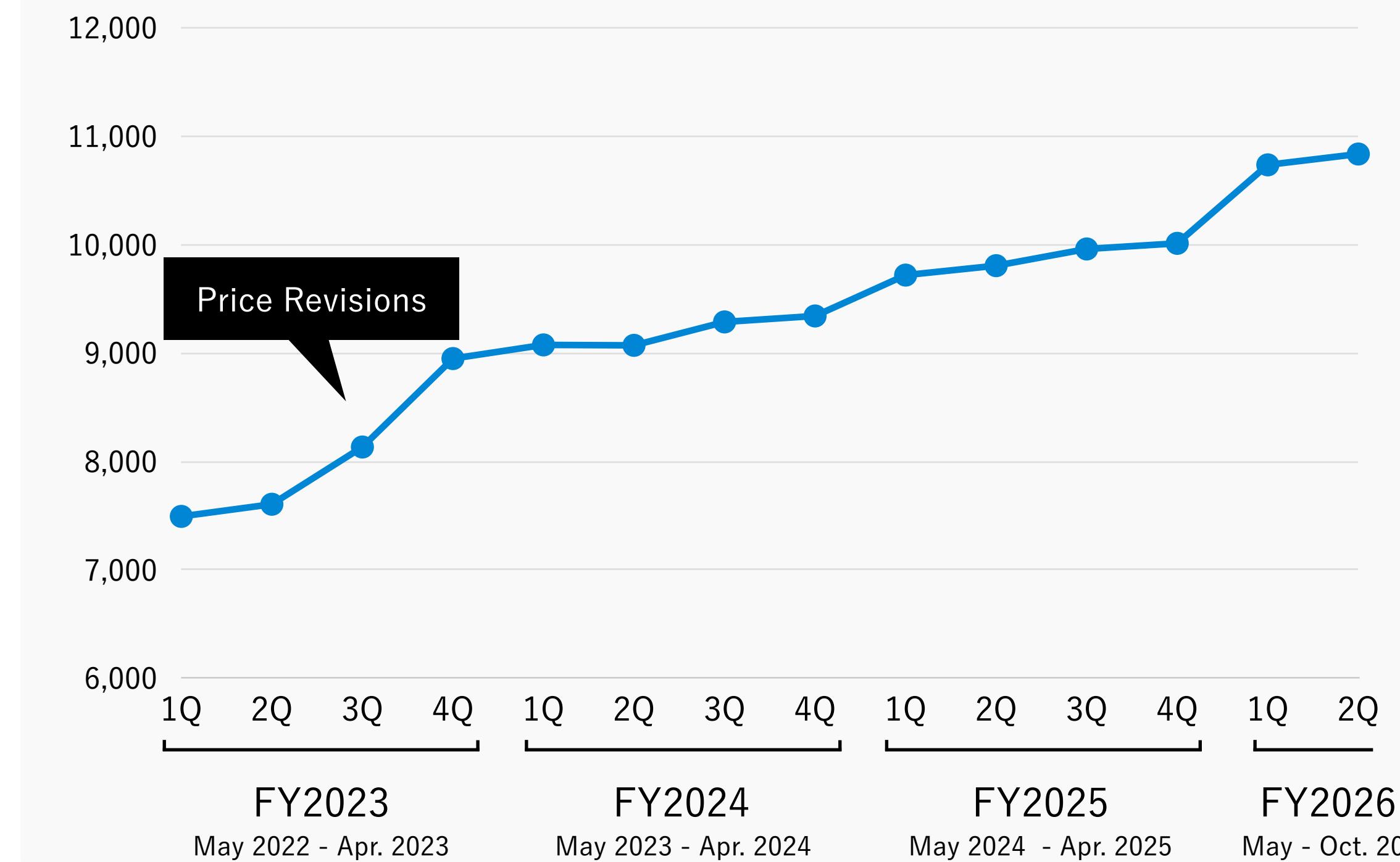


ARPU
¥10,836

(As of the end of Oct. 2025)

YoY
↑ ¥1,030
+10.5%

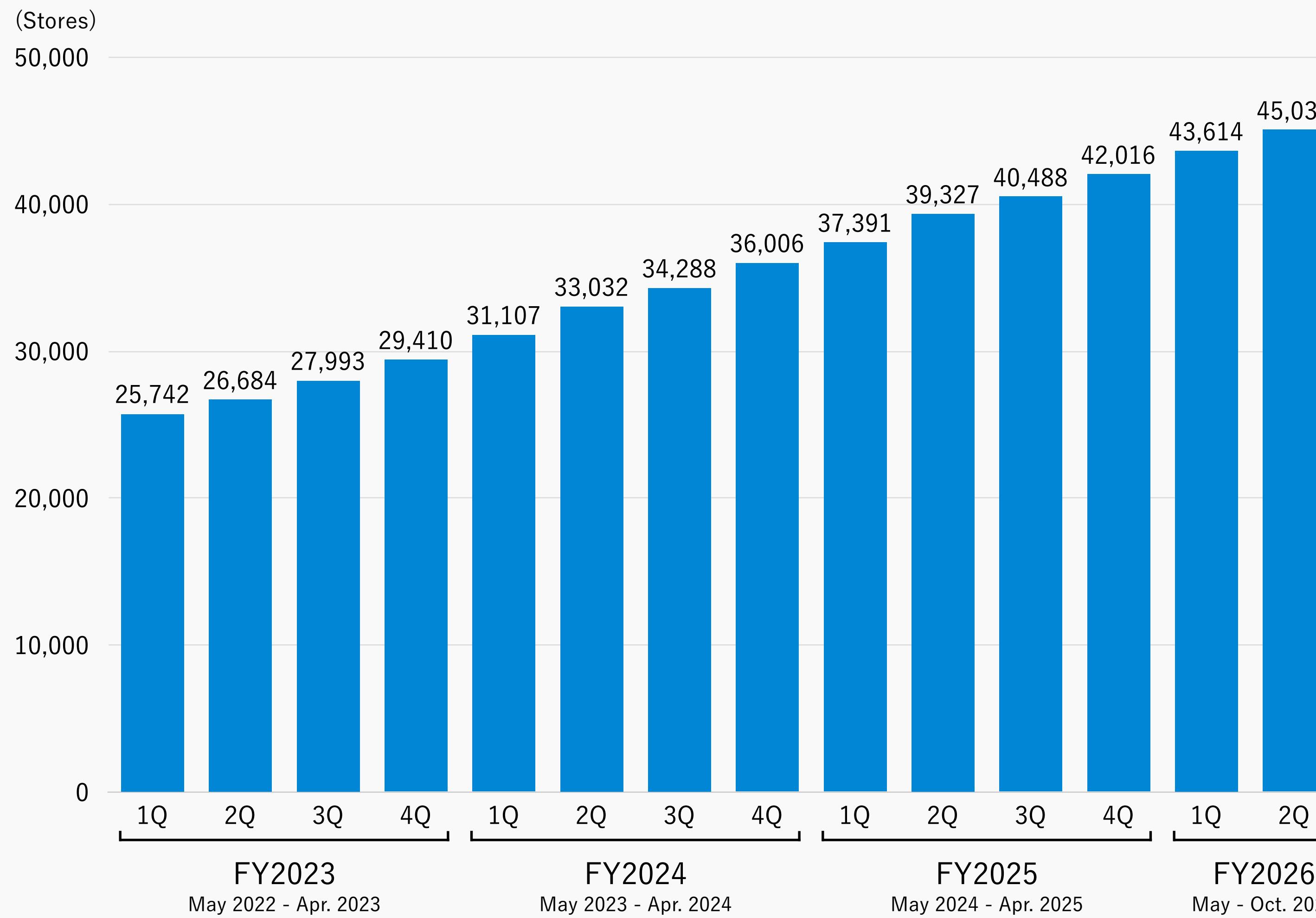
QoQ
↑ ¥100
+0.9%



*A subscription service that provides POS peripheral devices on a monthly basis.

Note: Effective Q1 FY2026, we have redefined our unit price calculation. Revenue from Smaregi AppMarket and Smaregi maintenance service fees are now incorporated into this metric. Historical figures have not been retroactively restated to reflect this change.

Fee-paying store count increased by +1,422 stores QoQ, driven by contributions from the enterprise sales team and sales partners.



Q2 FY2026

As of the end of Oct.

45,036

YoY *

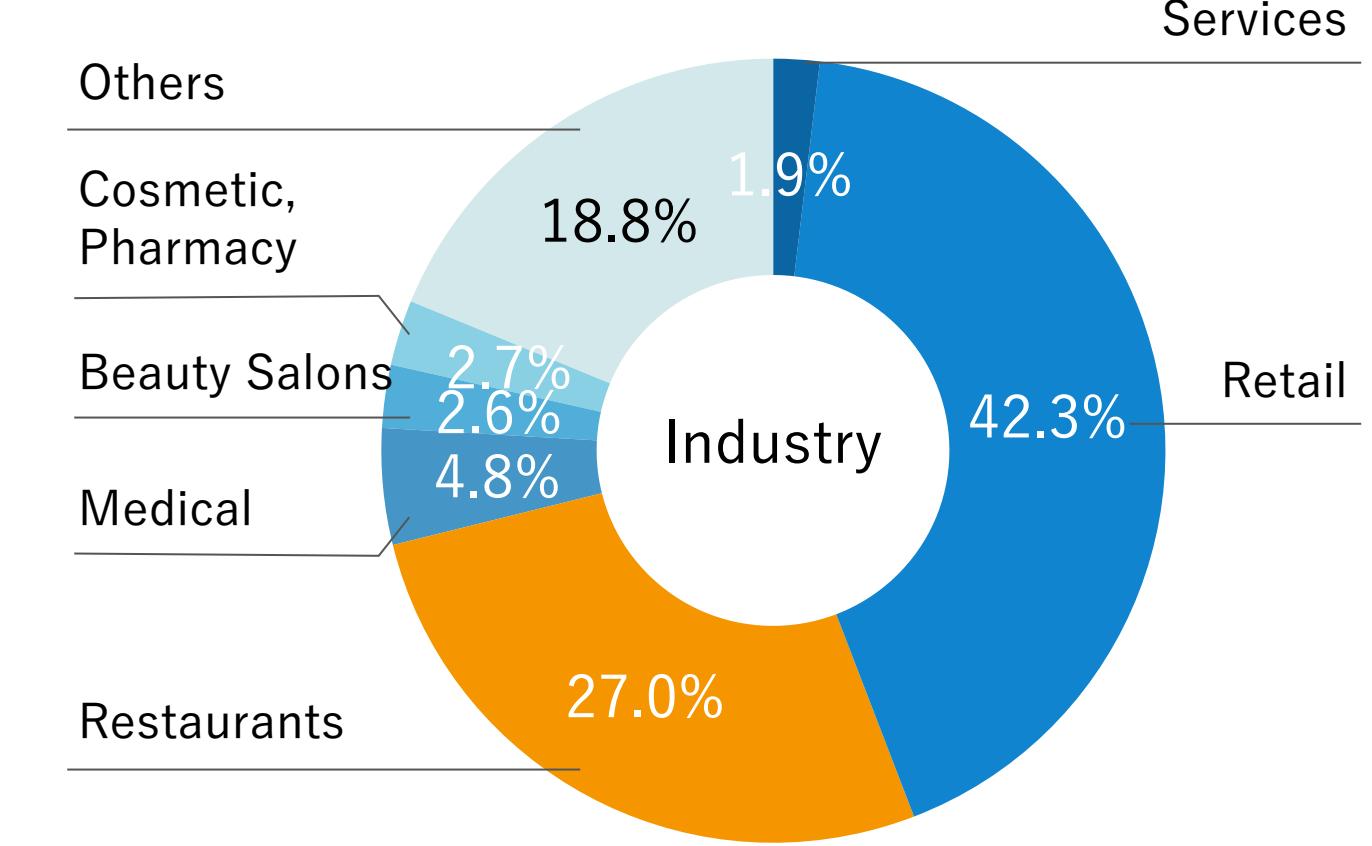
+14.5%

+5,709 stores

QoQ

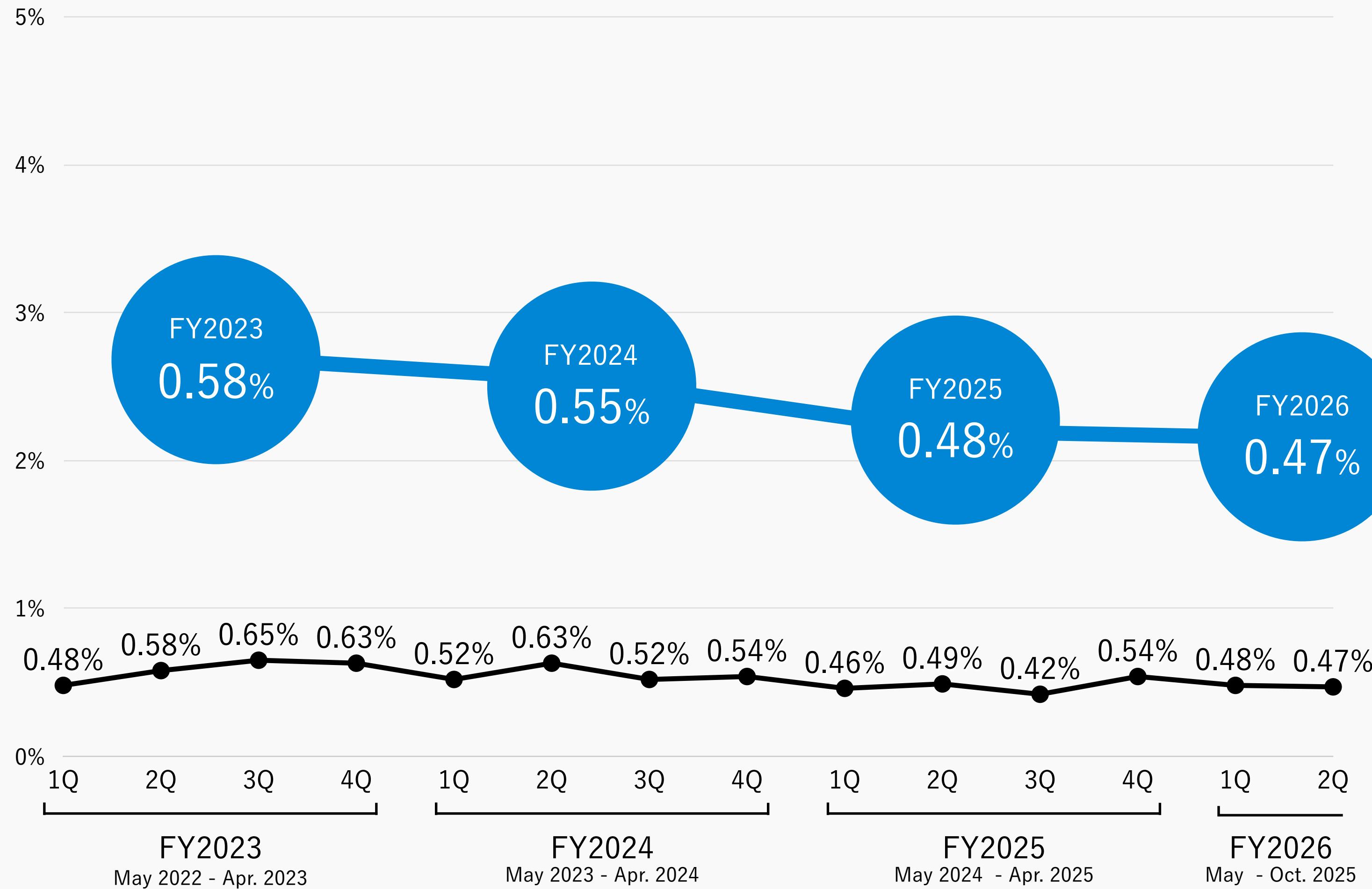
+3.3%

+1,422 stores



*Net Increase in stores in Q2 FY2025 (August - October 2024): 1,936 stores.

Continued focus on strengthening onboarding and enhancing service quality. Initiatives to drive usage based on customer activity are underway, aiming to further improve customer satisfaction.



Q2 FY2026

May - Oct. 2025

0.47%

YoY*
± 0.0pt

QoQ
↓ 0.01pt

Q2 GMV reached a new quarterly record at ¥802.2 billion (+23.4% YoY). The cashless ratio among Smaregi merchants rose to 62.4%, contributing to the broader shift toward cashless payments in Japan.*

GMV growth ratio

YoY QoQ
+23.4% +5.6%

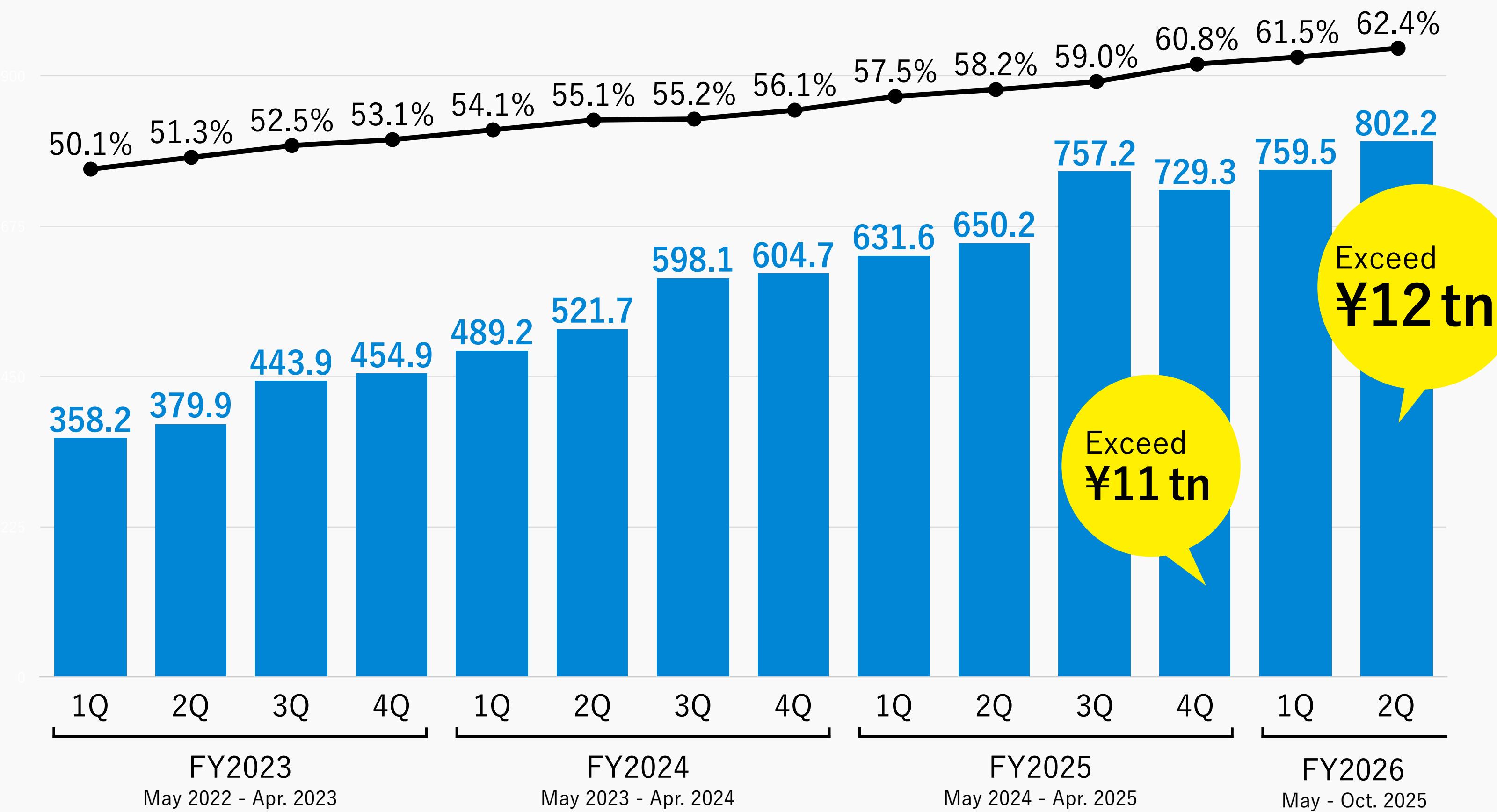
Cumulative Transaction Amount

Quarterly Record High

Aug. - Oct. 2025
¥802.2 bn

Cumulative transaction totals

(Yen in billions) ■ Total Amount ● Cashless ratio



*Cashless transactions: Also includes credit cards, electronic money, QR code payments, and some tradable coupons, gift certificates, etc.

Note: In FY2024, the cashless payment ratio in Japan stood at 42.8%, already achieving the government's interim target of 40%. The government aims to raise this ratio to 80% over the long term, and we continue to promote cashless adoption accordingly (Source: METI, March 2025).

ARR
¥2.20 billion
YoY +52.9%

ARPA
¥11,373
QoQ  ¥862 +8.2%

Contracted Companies
16,121
QoQ  +3.7%

**Usage ratio by POS users
(Cross-selling rate)**
16.0%
QoQ  +0.6pt

Successful POS cross-selling has driven high ARR growth of +52.9% YoY.

ARR
¥2.20 bn
YoY
+52.9%
QoQ
+10.7%

Quarterly ARR Trends

(Yen in millions)

2,500

2,000

1,500

1,000

500

0

1Q

2Q

3Q

4Q

1Q

2Q

3Q

4Q

1Q

2Q

FY2024

May 2023 - Apr. 2024

FY2025

May 2024 - Apr. 2025

FY2026

May - Oct. 2025

727

854

1,028

1,175

1,320

1,439

1,681

1,794

1,987

2,200

ARR

¥739 million

YoY +20.2%

ARPA

¥6,926

YoY ↑ ¥155 +2.3%

Fee-paying Contracts

8,898

YoY +17.5%

Registered Employees

204,788

YoY +19.0%

Usage ratio by POS users
(Cross-selling rate)

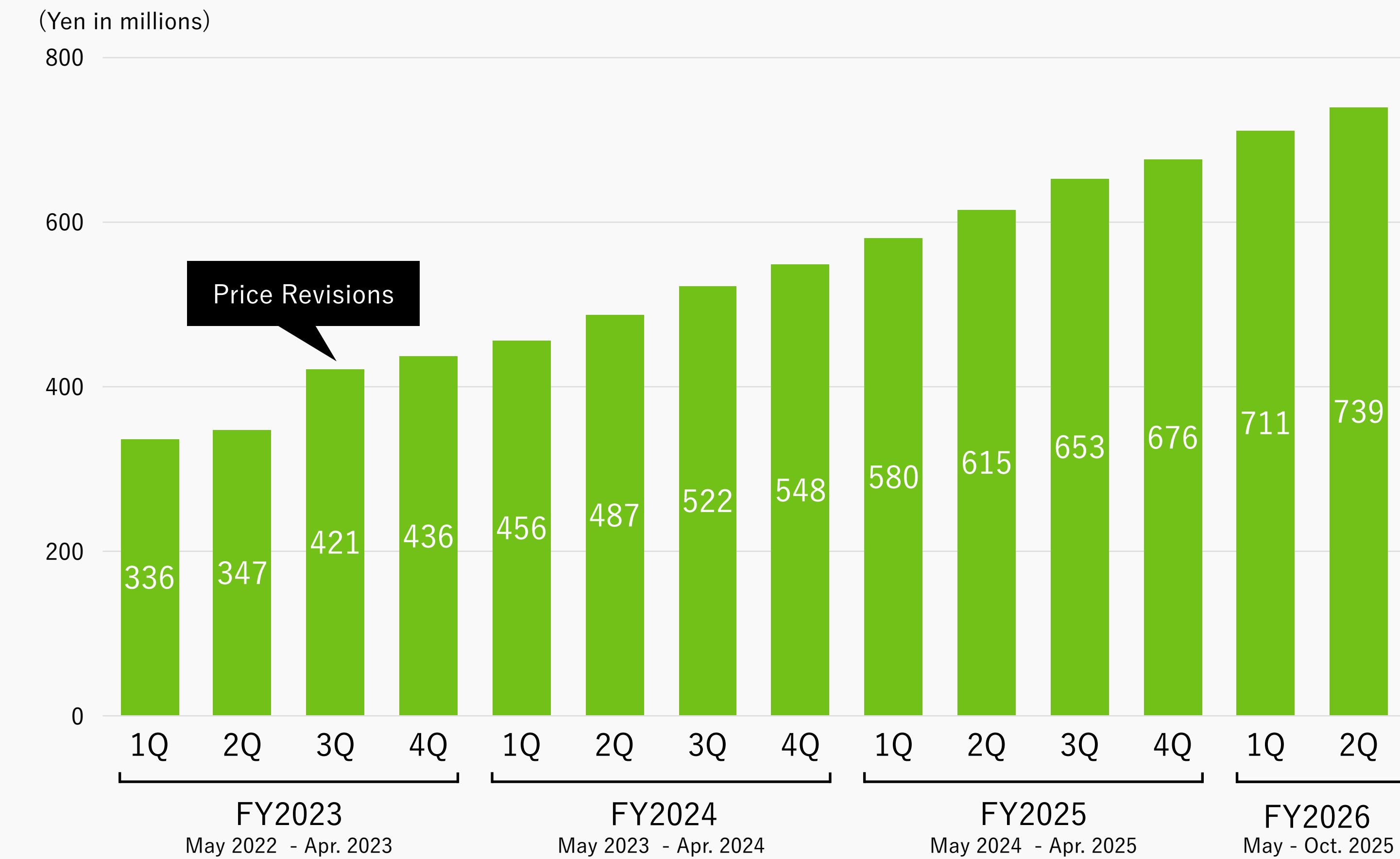
12.9%

QoQ ±0.0pt

New customer acquisitions and steady upselling to existing clients drove ARR growth of +20.2%.

ARR
¥739 mm
YoY
+20.2%
QoQ
+3.9%

Quarterly ARR Trends



Executing the rebranding initiative to integrate all services under the Smaregi brand. Accelerating growth through an efficiency-focused communication strategy. Developing the sales foundation necessary for achieving high cross-selling rates. PMI is progressing smoothly as planned.

Key Achievements

NEW

Rebranding Execution (from Nov. 2025)

Key products, "Assist Tencho" and "RakuRaku Series," were refreshed under the new unified brand, "Smaregi EC." New names, logos, and the website have been launched.



Management Infrastructure Enhancement (from Jan. 2025)

Implemented revisions to operational and KPI management systems, along with infrastructure upgrades.

Advertising Integration & Expansion (from May 2025)

Advertising operations formerly handled by the subsidiary were consolidated under Smaregi. Efficiency improvements have resulted in a steady increase in lead acquisitions and sales opportunities on a YoY basis.

Sales Collaboration (from Jun. 2025)

Identifying e-commerce demand during negotiations with existing Smaregi customers to facilitate cross-selling.

Service Integration (from Jun. 2025)

The basic integration between POS and EC management services has been launched. Introduced our proprietary payment system for online transactions on "Smaregi EC."

Future Growth Outlook

- Pricing structure renewal
- EC functionality enhancement and channel expansion
- Development of an agency partner network
- Strengthening of human resources

Direction of the 3rd Medium-Term Management Plan

(FY2027-FY2029)

ARR Growth
Targeting
25-30% CAGR

Core Strategies

Expansion into the Fintech Sector

- Enhance service quality and delivery structure for cashless payments.
- Continuously launch new Fintech services for SMBs, leveraging strategic alliances.

Enhancing E-commerce Business

- Expand synergies, building on the e-commerce related M&A in December 2024.
- Drive growth in recurring revenue by capitalizing on e-commerce market trends.

Growth Investments and Capital Strategy

- Prioritize M&A to achieve sustainable growth, aiming to expand business synergies and the customer base.
- Flexibly execute growth investments (e.g., marketing, M&A) while maintaining a stable profit base with an operating margin of approx. 20%.

The 3rd Medium-Term Management Plan will cover the period from the fiscal year ending April 2027 to the fiscal year ending April 2029. Quantitative targets and further details will be disclosed during the fiscal year ending April 2026.

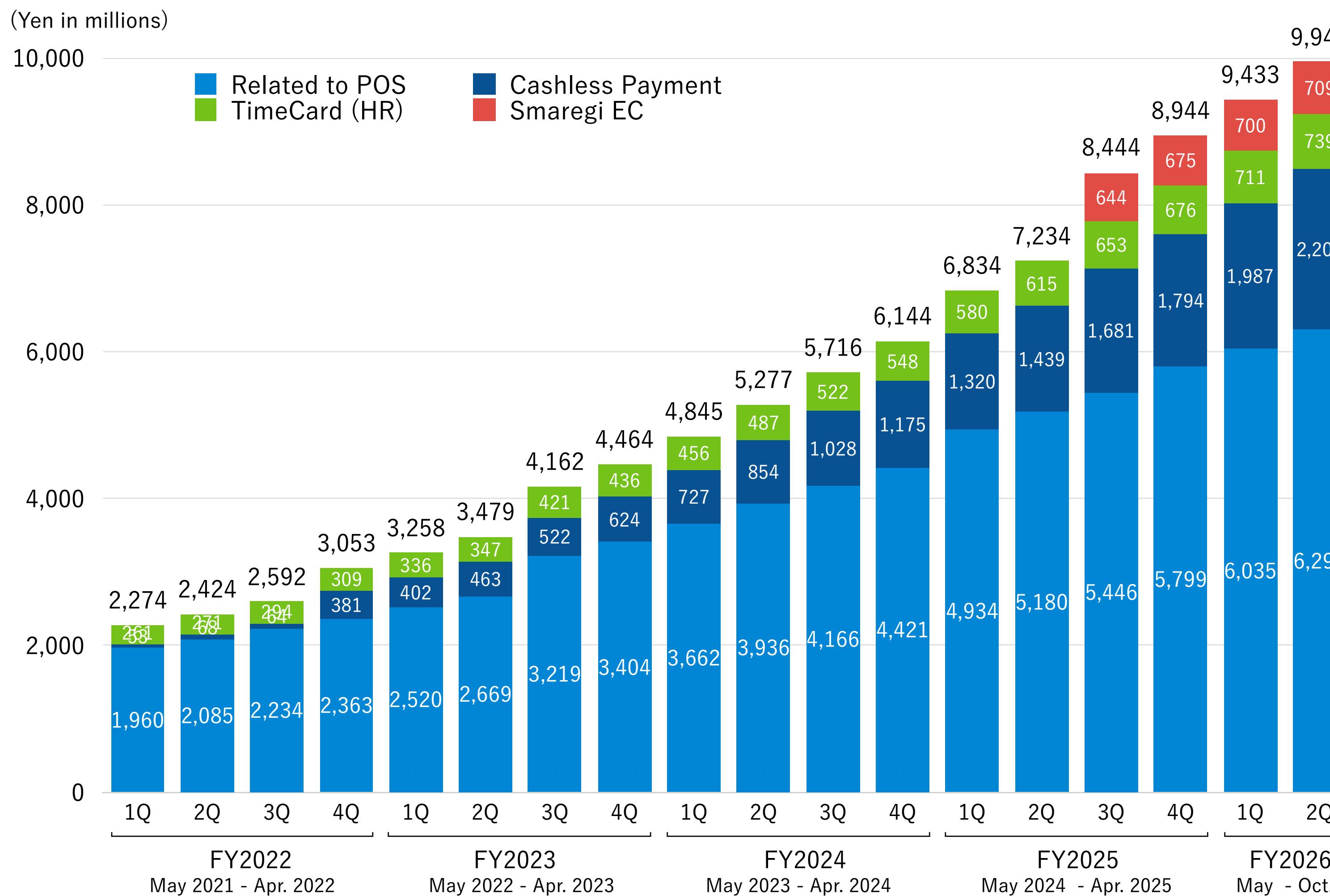
Appendix

POS	ARR (Related to POS)	Annual Recurring Revenue: Based on 12 times the MRR at the end of each quarter. POS monthly fees, equipment subscription, additional options (terminal addition fees, self-checkout fees, member-limit additional fees, third-party payment terminal integrations fees* etc.), Smaregi AppMarket, and Smaregi maintenance service fees. *Starting from Q1 FY2025, we have reclassified expenses related to third-party payment terminal integrations from 'Cashless Payments' to 'Related POS.' *Starting from Q1 FY2026, added Smaregi maintenance service fees.
	ARPA/ARPU	ARPA (Average Revenue Per Account): Revenue per customer for each fee-based contract. ARPU (Average Revenue Per User): Revenue per customer for each fee-paying store. *Effective Q1 FY2026, the calculation methodology for ARPA/ARPU has been updated as follows: Items Added: Revenue from Smaregi AppMarket and Smaregi maintenance service fees. Items Excluded: Optional charges associated with free plans. (Note: Going forward, optional charges will only be included for fee-paying plans.) Target items: POS monthly fees, equipment subscription, additional options with fee-paying plans (terminal addition fees, self-checkout fees, member-limit additional fees, third-party payment terminal integrations fees* etc.), Smaregi AppMarket, and Smaregi maintenance service fees. *Both are NOT include sales from Smaregi TimeCard, Smaregi AppMarket, or the payment service.
	Fee-paying stores	Total number of fee-paying stores. *Free plan stores paying a fee due to the use of an optional service are not included in this graph.
	Churn rate	MRR churn rate. (The percentage of decrease in existing customer monthly fees caused by cancellations.)
	GMV	Cumulative transaction totals of Smaregi POS. Cashless transactions: Also includes credit cards, electronic money, QR code payments, and some tradable coupons, gift certificates, etc.
Cashless payment	ARR	Annual Recurring Revenue: Based on 12 times the MRR at the end of each quarter. Cashless payments: Consisting of fixed charges and usage-based charges. PAYGATE monthly fees, payment terminal integration fees, merchant fees, sales rebate and communication fees.
	Contracted companies	The total number of contracted companies.
	ARPA	Revenue per company for each fee-based contract, as of the end of the quarter.
	Usage-based fee ratio	The ratio of transaction fees (usage-based fees) within cashless payment ARR. *Calculated using the quarterly average of monthly revenue.
	Usage ratio by POS users	The ratio of Smaregi POS users who also use the cashless payment service. *Contract ID basis.
Smaregi TimeCard	ARR	Annual Recurring Revenue: Based on 12 times the MRR at the end of each quarter. Smaregi TimeCard monthly fees.
	Fee-paying contracts	The total number of fee-paying contracts. *Smaregi TimeCard service utilizes a hybrid pricing model, combining a fixed monthly fee with usage-based charges per employee. This figure includes contracts under the Standard (free) plan that incur charges for additional employees. *Effective Q1 FY2026, the scope of disclosure has been limited to "paid contracts," excluding non-paying contracts that were previously included.
	Registered Employees	The total number of employees under fee-paying contracts. *Effective Q1 FY2026, the scope of disclosure has been limited to employees under "fee-paying contracts," excluding those associated with non-paying contracts, which were previously included.
	ARPA	Revenue per customer for each fee-paying contract, as of the end of the quarter.
	Usage ratio by POS users	The ratio of Smaregi POS users who also use Smaregi TimeCard. *Contract ID basis.
EC-related	ARR	Annual Recurring Revenue: Based on 12 times the MRR at the end of each quarter. E-commerce support services provided by subsidiaries (e.g., Assist Tencho, Raku-raku Repeat, Raku-raku B2B). The business model is primarily based on fixed fees, with some usage-based charges.

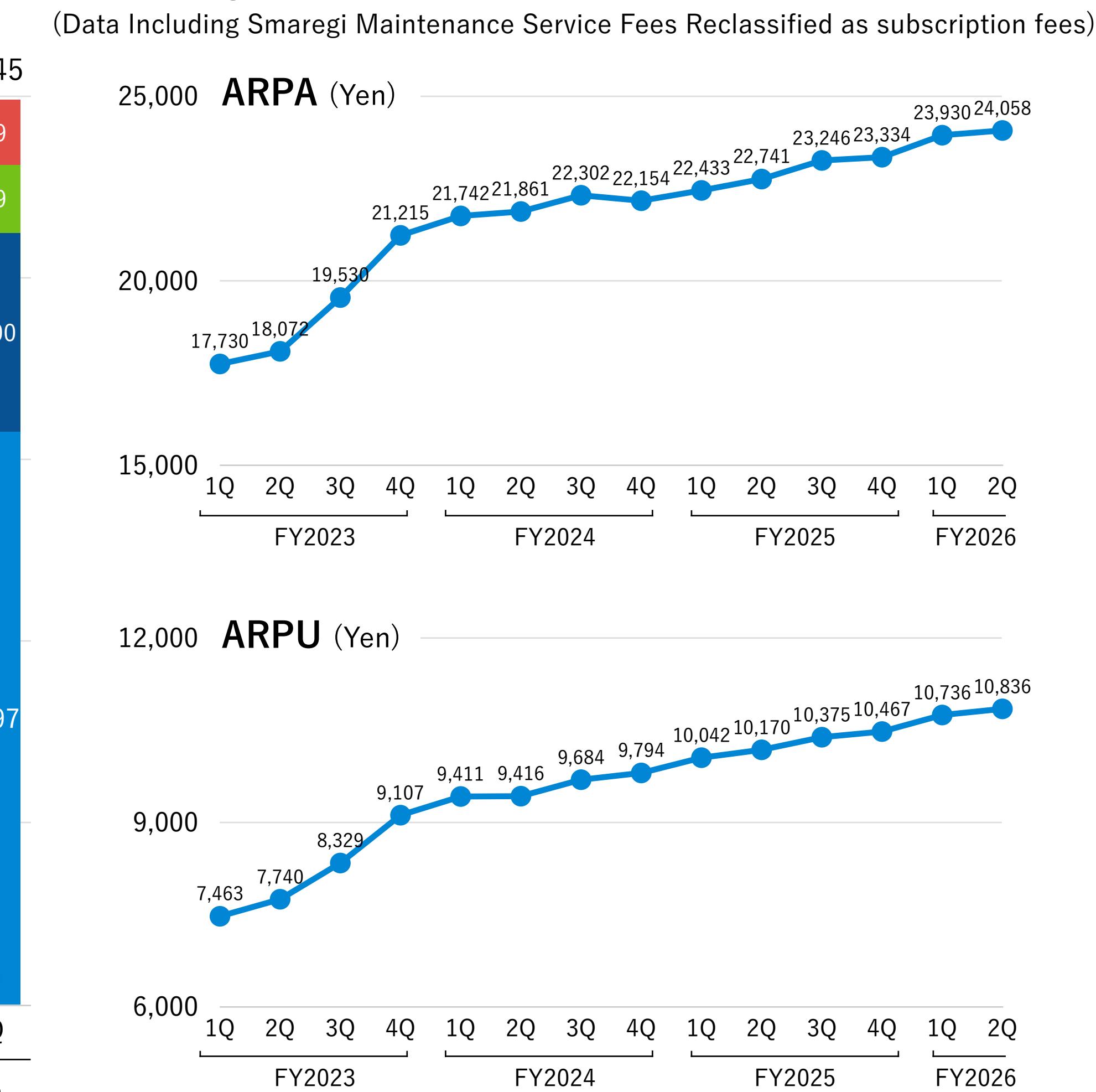
Reference: Data Following Reclassification of Smaregi Maintenance Service Fees

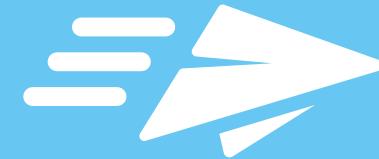
Effective from the Q1 FY2026 presentation slides, the "Smaregi Maintenance Service Fees," which were previously accounted for under "Sales of Products and Others" have been reclassified to "Monthly Fees and Others" to align with their actual status as a continuous, fixed-rate maintenance service. Accordingly, we are providing graph data incorporating this retroactive restatement as supplementary reference material.

Quarterly ARR Trends (Data Including Smaregi Maintenance Service Fees Reclassified as subscription fees)



Quarterly Trends of POS ARPA/ARPU





IR Newsletter

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Corporate Website

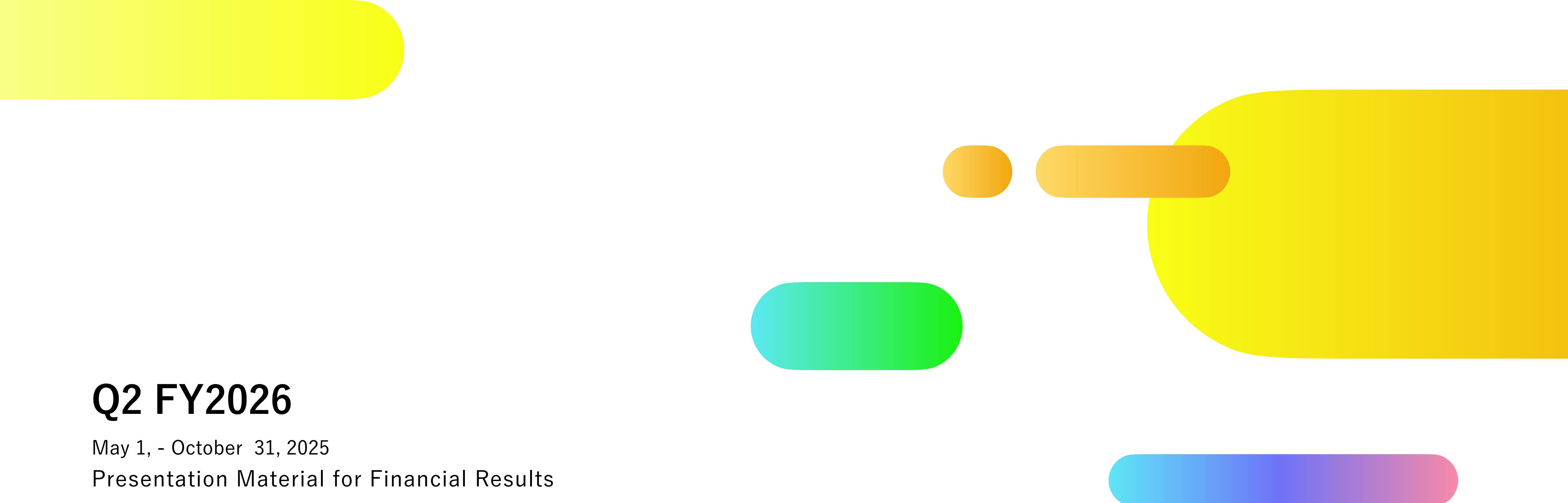
<https://corp.smaregi.jp/en/>

IR information

<https://corp.smaregi.jp/en/ir/>

Disclaimer

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Q2 FY2026

May 1, - October 31, 2025

Presentation Material for Financial Results

Smaregi, Inc.