

FAQ on Q2 FY2025/9 Results

We have prepared a list of questions that shareholders and investors are likely to ask about our Q2 FY2025/9 results. Please refer to our answers below, in conjunction with our Financial Statements and Financial Results Briefing Materials.

Review of Financial Results

Q1: How did second quarter performance compare to the plan?

In the second quarter, both net sales and profits exceeded the initial forecast. In response to these results, we have revised our full-year earnings forecast. Today, we issued an announcement titled “Notice of Revisions to Full-Year Financial Forecasts.”

Net sales exceeded the plan due to an increase in transaction volume from the creation of many large projects in March; specifically, with amount of “support” pre-orders exceeding 10 million yen. Another factor contributing to sales was an increase in orders of advertising delivery agency services from owners.

In addition to the increase in net sales, profit significantly exceeded the plan due to a decrease in personnel expenses resulting from changes in the executive structure and a reduction in the number of employees, as well as to expenses for training for managers and offline events aimed at improving organizational capabilities being postponed to the second half of the fiscal year ending September 2025.

Q2: Why is the take rate continuing to increase from the first quarter?

The main reason is an increase in net sales from ancillary services linked to the Makuake services. In particular, sales from advertising delivery agency services increased in the second quarter. There were many projects in the second quarter that aimed for large amounts of “support” pre-orders, and we received many requests for agency services from owners aiming to maximize their amount of “support” pre-orders.

Review of KPIs

Q1: In my understanding, the gross amount of “support” pre-orders in the second quarter normally tends to decrease due to seasonal trends of Makuake services. Why was the gross amount of “support” pre-orders in the second quarter higher than in the first quarter?

The main reason that the gross amount of “support” pre-orders tends to decrease in the second quarter every year is that the second quarter has fewer business days than other quarters. Furthermore, the start of business early in the new year is very slow, which leads to a decrease in the number of postings and a decrease in the number of active projects.

In this second quarter, in order to reduce the seasonal impact of the decrease in the number of active projects, we distributed New Year’s coupons to supporters in January and implemented various support campaigns for owners in March, which is the season in which many people in Japan begin new lives at work or school. Through these measures, we focused on increasing the unit value per project.

These measures were successful, and the gross amount of “support” pre-orders in the second quarter exceeded that of the first quarter.

Q2: The unit value per project increased significantly by 20.8% year-on-year and 17.2% quarter-on-quarter. What was the background to this growth? What is the possibility of further growth in the future?

Since the fiscal year ended September 2024, we have been focusing on increasing the unit value per project instead of increasing the number of active projects. We believe that the growth in unit value is due to the fact that we have continued to acquire high-quality owners, and that we have assisted owners by maximizing the amount of “support” pre-orders on the first day of project posting and supporting various marketing measures.

We plan to continue our measures focusing on increasing the unit value per project. As such, we expect continued growth in the unit value.

Q3: The number of active projects decreased even further in the second quarter following the first quarter. What do you think is the lowest that the number of active projects will go? In other words, what do you view as your base value? Also, I believe that your company is taking measures to increase the number of active projects. When do you expect the effects of these measures to become apparent?

We believe that the number of active projects have already bottomed out at the level seen in the second quarter. In terms of measures, our focus this fiscal year is acquiring projects in genres that are compatible with Makuake and high-quality owners, as well as improving and developing the operation system for owners. We expect the effects of these measures to gradually appear in the number of active projects in the second half of the fiscal year ending September 2025.

Furthermore, we expect that the rollout of the Makuake Insight(*) service that was announced on April 15 will contribute to establishing a base for the number of active projects through further retention of owners going forward.

*Press release announcing the launch of Makuake Insight:

<https://www.makuake.co.jp/4771/>

FY2025/9 Financial Forecasts

Q1: What are the details of the revisions to the earnings forecast? Are you changing any measures to achieve the new forecast?

For the fiscal year ending September 2025, we expect net sales to be JPY 4,040 million (up 6.3% from the previous forecast), operating profit to be JPY 310 million (up 158.3%), ordinary profit to be JPY 310 million (up 158.3%), net income to be JPY 290 million (up 314.3%), and earnings per share to be JPY 22.75.

We are not making any significant changes to our main measures. As a new measure to promote owner retention, we launched Makuake Insight and are utilizing the synergies between Makuake and Makuake Insight.

Q2: What is your outlook for SG&A expenses in the second half of the fiscal year ending September 2025?

We expect quarterly SG&A expenses in the second half of the fiscal year ending September 2025 to be slightly higher than in the first half. The reason for the slight increase is that, in addition to regular SG&A expenses in H2, including personnel recruitment, we plan to incur a one-time expense of JPY 30 million for costs that were scheduled to be incurred in H1 but were postponed, and additional investments of approximately JPY 40 million for AI, new businesses, and human capital management measures aimed at strengthening our growth

foundation in the next fiscal year onwards.

Medium-Term Management Plan

Q1: Upon formulating the new medium-term business plan through the fiscal year ending September 2027, what did you focus on or what did you try to do better compared to the previous plan?

As we seek even further growth, we are aware that our flagship business, Makuake, is a flow-type business. Accordingly, our business structure consists of relationships with customers (owners) which end after two to three months. This makes our performance susceptible to the effects of external factors. Therefore, when formulating our medium-term management plan for the fiscal year ending September 2025 to September 2027, we prioritized building a customer stock structure in order to achieve sustainable growth and increase our commitment to our goals.

Q2: What is the core policy of your new medium-term business plan?

We are transforming our business model from one that was centered on maximizing the debut of new products and services to one that provides insight functions and continuously supports businesses at each stage of the Plan-Debut-Growth process, with the aim of delivering a rich consumer experience to consumers.

Q3: What are the goals of your new medium-term business plan?

We aim to achieve net sales of JPY 5.2 billion and operating profit of JPY 0.7 billion in the fiscal year ending September 2027.

Disclaimer and Cautions Regarding Future Outlook

While the content of this document has been prepared based on generally recognized economic and social conditions as of April 22, 2025, and certain assumptions deemed reasonable by Makuake, Inc., it may change due to shifts in the business environment and other factors.

When investing, please be sure to read our financial reports and other materials released by us before making any decision, at your own judgement, as an investor.

Risks and uncertainties include general domestic and international economic conditions, such as general industry and market conditions, and fluctuations in interest and currency exchange rates.

Please note that Makuake, Inc., may, based on certain assumptions deemed reasonable, update or revise “outlook information” provided in this document if new information comes to light or material future events occur.