



# Makuake

Financial Results Briefing Materials for Q3 FY2022/9

Makuake, Inc.  
(Securities code: 4479)

# The World Makuake Aspires For

- Guided by our vision and mission, we are striving for society enriched through the connection of the "new" that consumers seek and the "new" that companies wish to introduce to the world

## Vision

Create a world where worthy things can come to be, grow and endure

## Mission

Connect the world through the creation of the “new”

## Standard

- We have a vision
- We love challenges and ring up the curtain by ourselves
- We embrace technology and deliver value to society
- We do not give up striving to understand
- We insist on 360-degree success
- We are a group of professionals playing as one team
- Let's aim for greatness

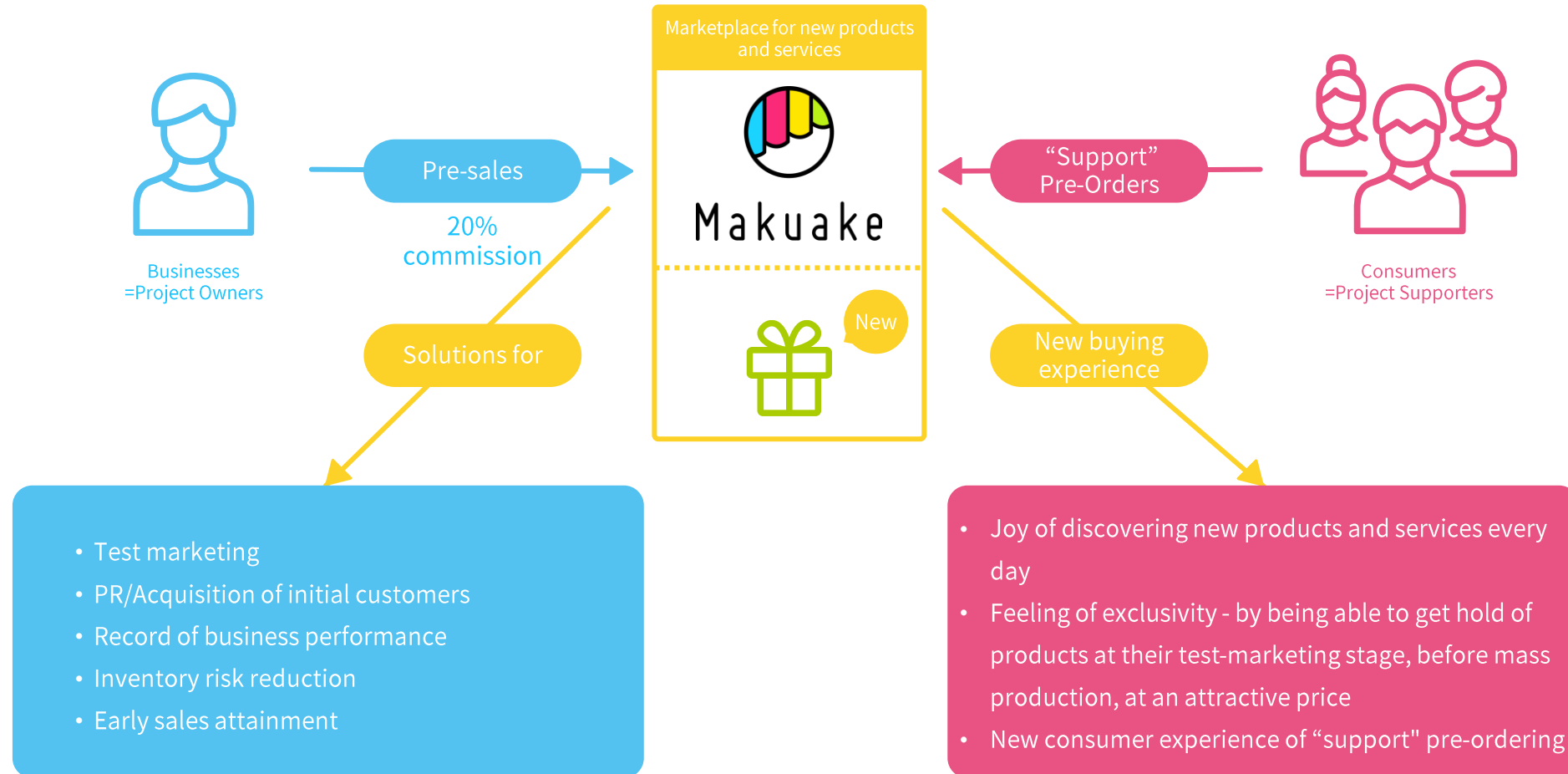
# Makuake -- a Venue for Launch of New Products and Services

- We are a marketplace where consumers can buy premiering new products and services faster through “support“ pre-orders



# Makuake's Business Model

- Businesses can pre-sell their new products and services still in the planning phase on Makuake, while consumers, in the spirit of cheering on, can pre-purchase their products of interest through “support” pre-ordering





# Financial Results

# Overview of Q3 FY2022/9

## Results

- The gross amount of "support" pre-orders was up 4.4% QoQ as the demand which cooled down after its pandemic surge came back, and as we focused utmost efforts on strengthening our internal systems which had been lagging during our rapid business growth
- Operating profit stayed in the red on higher personnel expenses as we continued to take in staff accepted in Q2

## KPI

- While the number of published projects was up 5.9% QoQ on a higher number of repeats as we succeeded in improving our operations leading up to listings, the issue of securing new projects remained
- Access UUs were down 3.8% QoQ on lower advertising agency sales and media exposure as our training of personnel to make ad proposals and manage media exposure was still a work in progress
- Improvements to user experience made headway, with CVR rising 0.3 pt QoQ

## Organization

- Continued to optimize operations of the curator division and proceeded with curator training
- Added to PR/marketing talent to strengthen our initiatives to increase awareness
- Accelerated development by bolstering the number of developers, including through subcontracting

## External Environment

- From May on, we saw businesses and consumers increasingly return--for the time being--to offline shopping as economic reopening started to gather speed. In Q4, we expect that trend to continue to broaden

# Gross Amount of "Support" Pre-orders (GMV), Quarterly

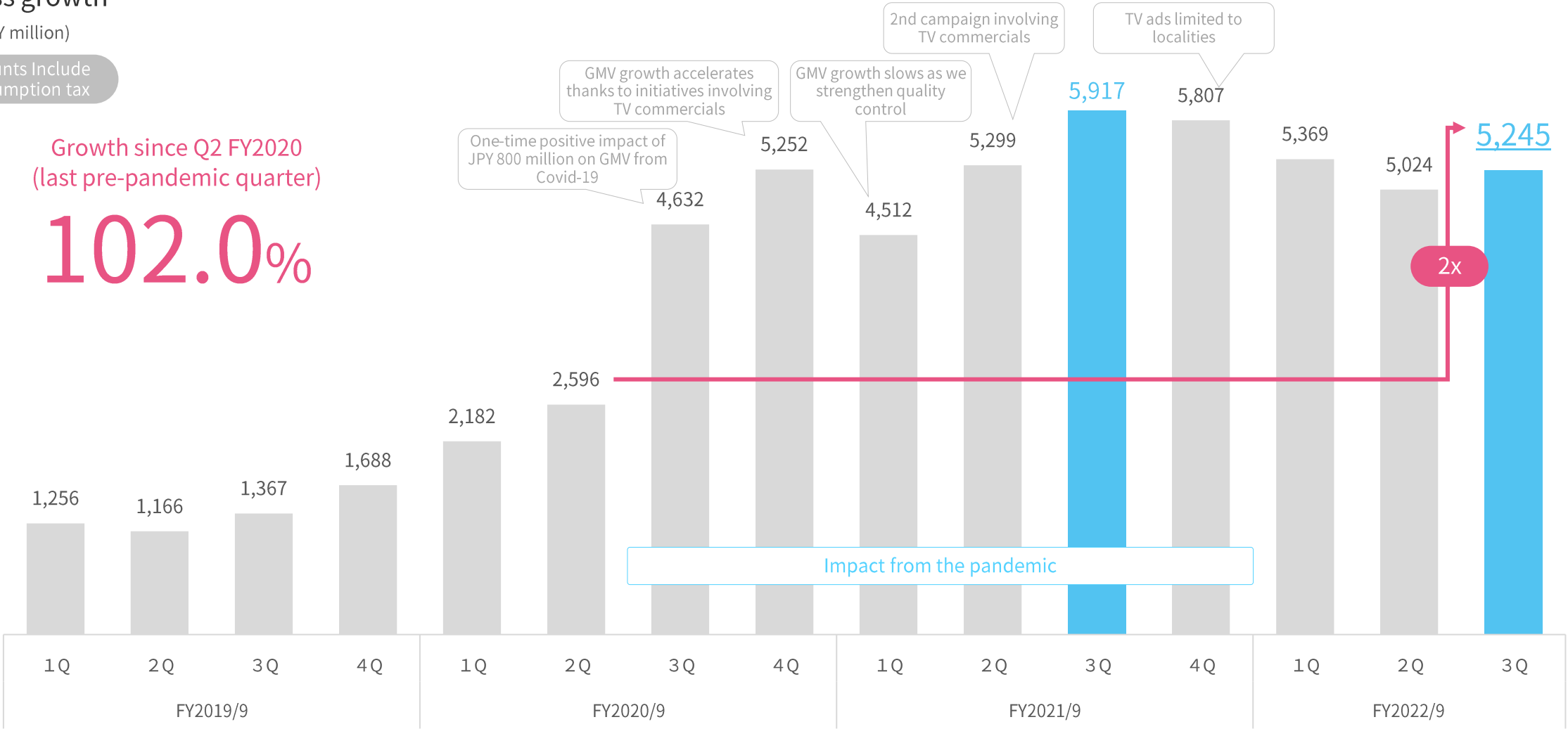
- While GMV declined 11.4% YoY, it grew 4.4% QoQ, exceeding its pre-pandemic level by a factor of 2x, as the demand which cooled down after its pandemic surge came back, and as we focused all efforts on strengthening our internal systems which had been lagging during our rapid business growth

(Unit: JPY million)

Amounts Include consumption tax

Growth since Q2 FY2020  
(last pre-pandemic quarter)

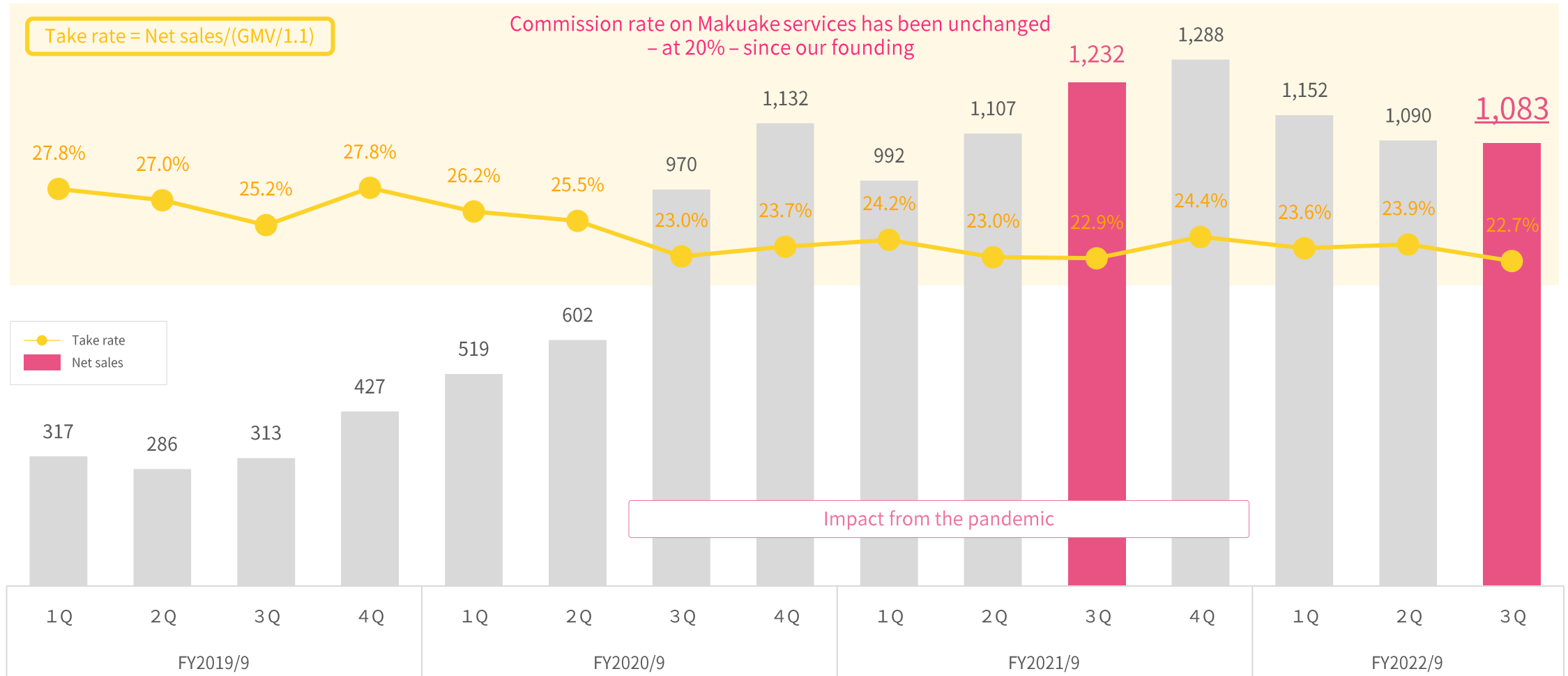
102.0%



# Net Sales and Take Rate

- Net sales declined 12.1% YoY and 0.7% QoQ as sales of other services that include, among others, advertising agency sales declined. For that reason, the take rate outside of Makuake platform slipped 1.2 pt QoQ, and the overall take rate came in at 22.7%

(Unit: JPY million)

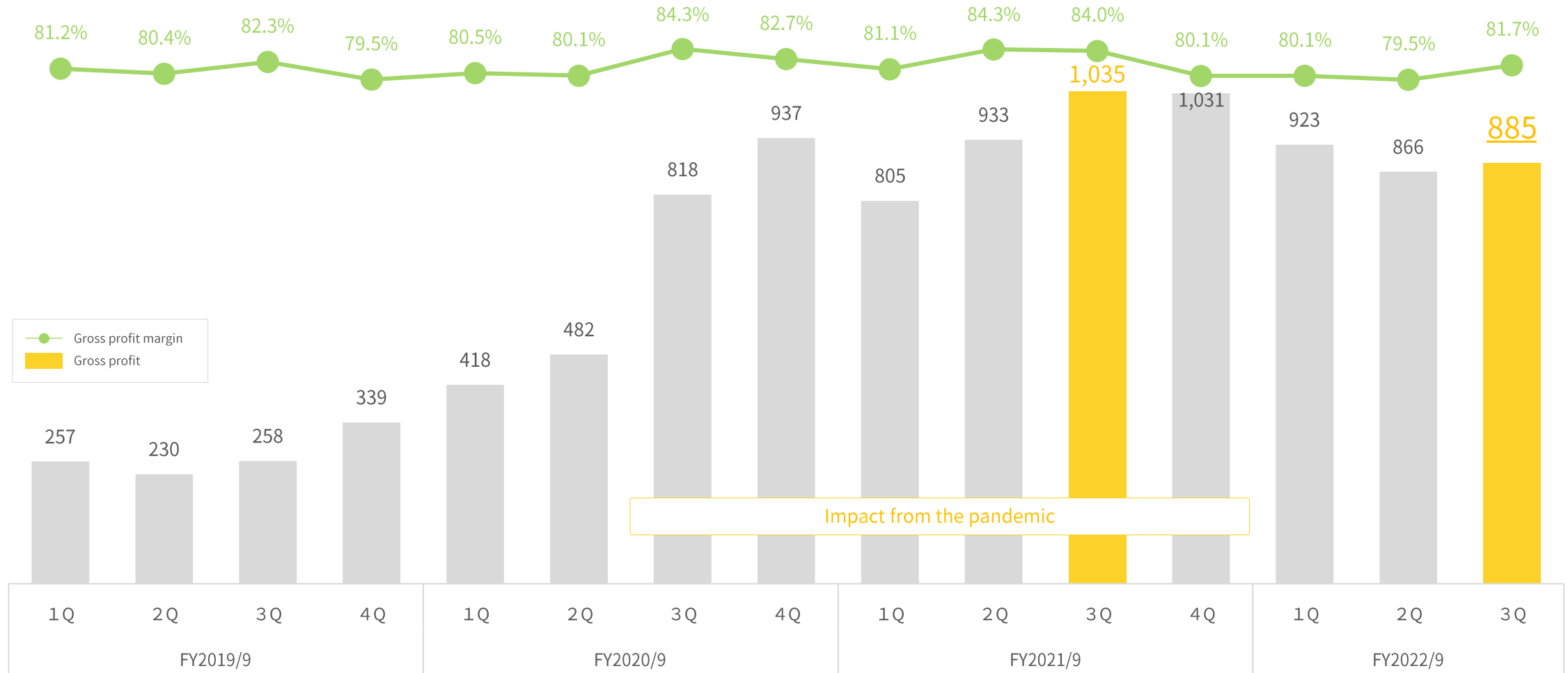




# Gross Profit and Gross Profit Margin

- Gross profit increased slightly as COGS related to other services declined. Gross profit margin continues to run at around 80% as there are no structural changes in our COGS

(Unit: JPY million)

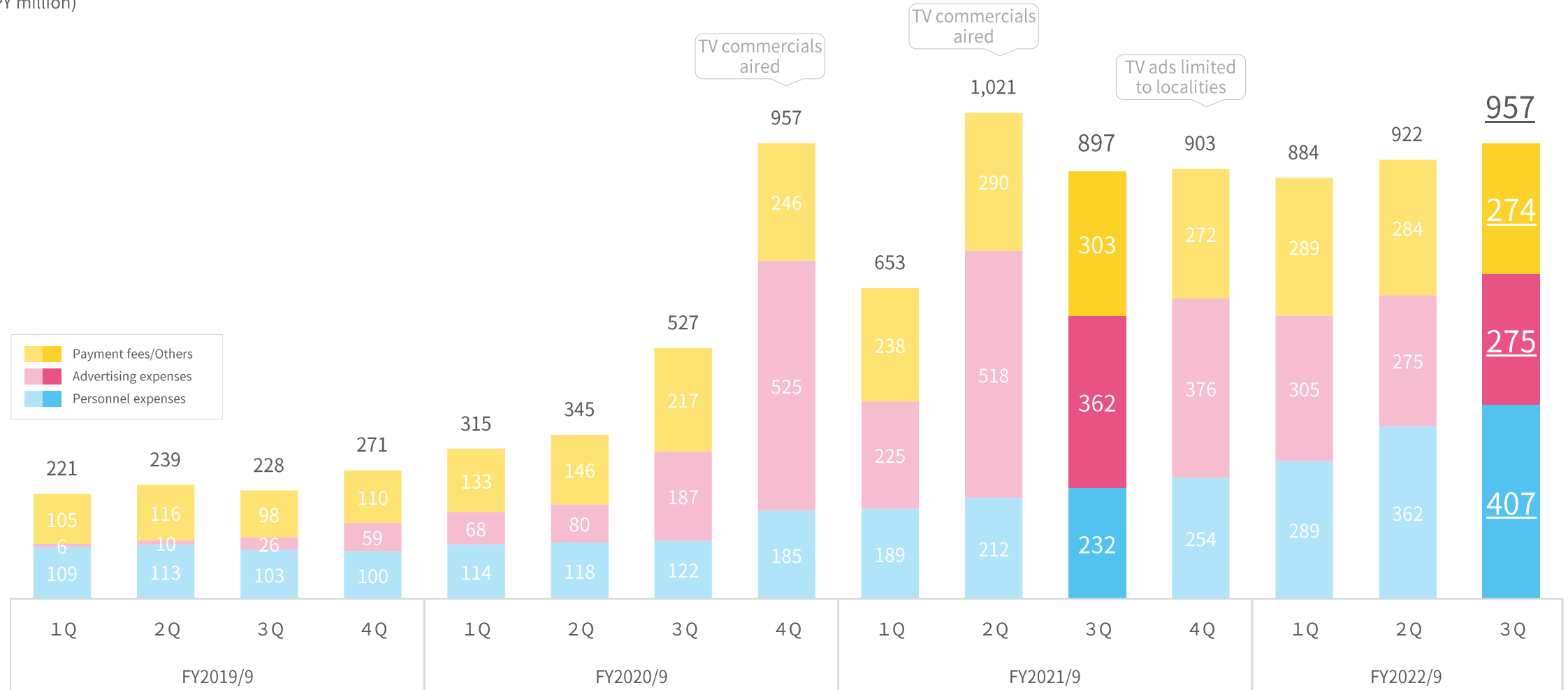


Impact from the pandemic

# Selling, General and Administrative Expenses

- While the personnel expenses rose as the staff who received job offers in Q2 joined us, miscellaneous expenses (consumables and others), which rose in the 1st half of the year when we increased hiring, declined. This led the "Payment fee/Others" category expenses down QoQ

(Unit: JPY million)

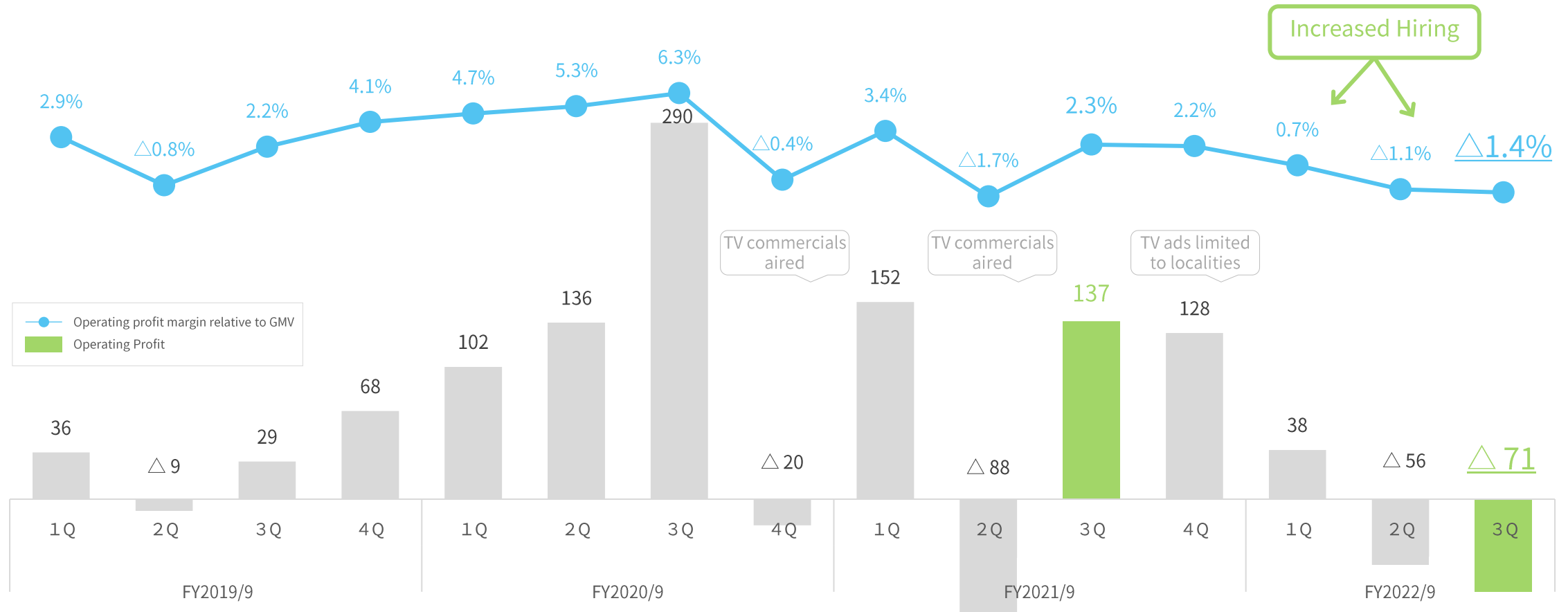


Note: Account titles aggregated into personnel expenses were revised as of Q2 FY2022/9

# Operating Profit and Operating Profit Margin Relative to GMV

- Both operating profit and operating profit margin stayed in the red since, in addition to the decline in sales of other services, personnel expenses increased as staff to whom we extended job offers in Q2 continued to join us

(Unit: JPY million)

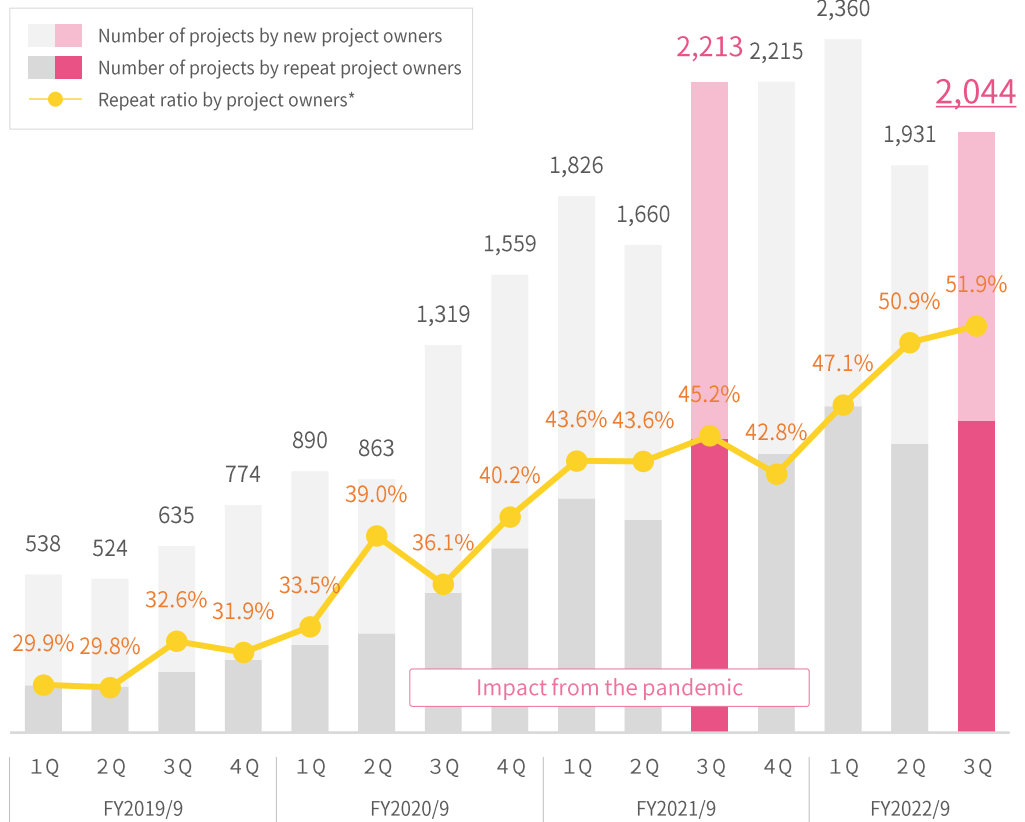


# Key Performance Indicators (1)

- While the number of published projects increased on a higher number of projects by repeat project owners as we succeeded in improving our operations leading up to listings, the issue of securing new projects remained. Repeat "support" pre-order rate continued at a high level

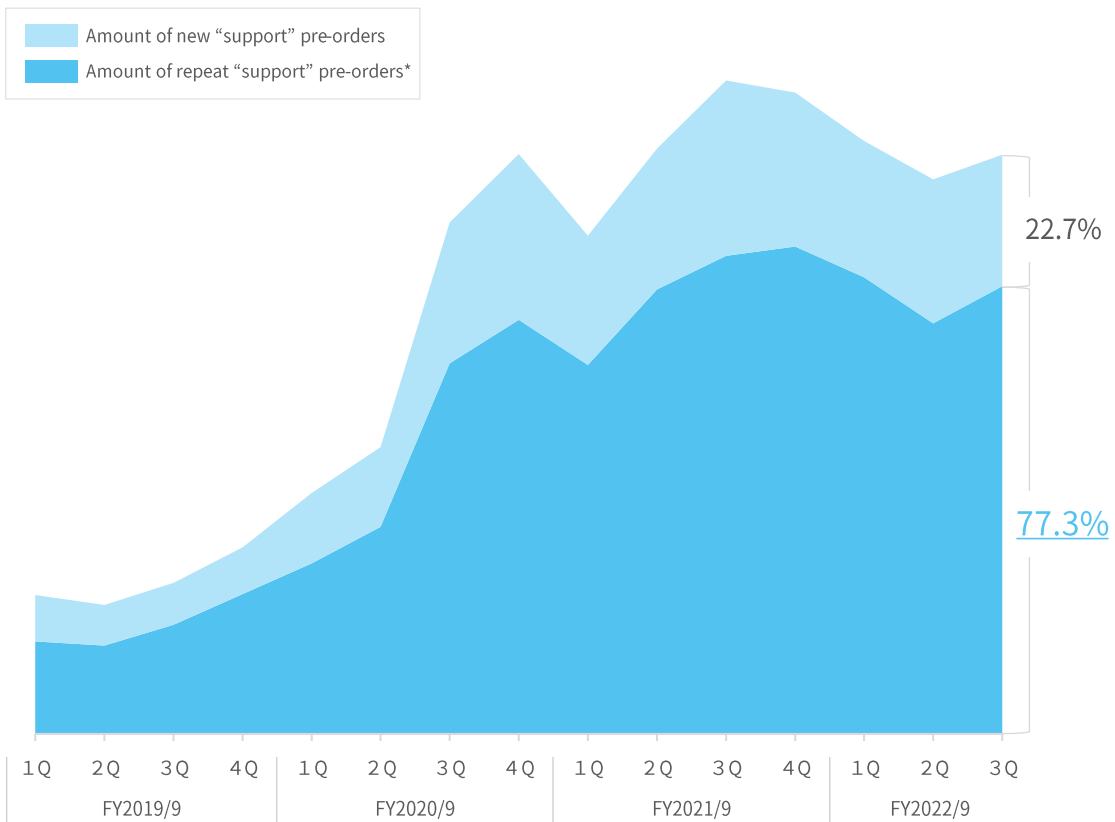
(Unit: project)

**No. of New Projects**



\*Ratio of projects published during the period by project owners who had had a previous project with us within the prior 1 year to total number of published projects

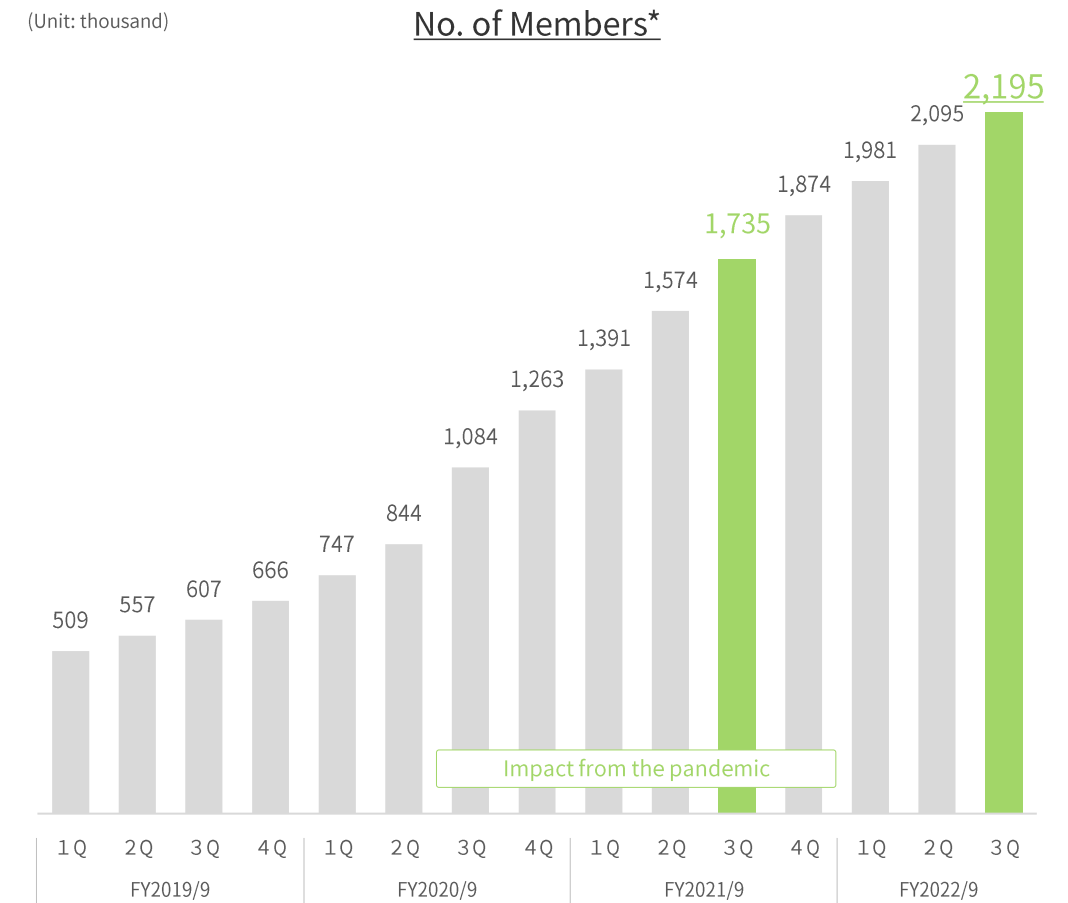
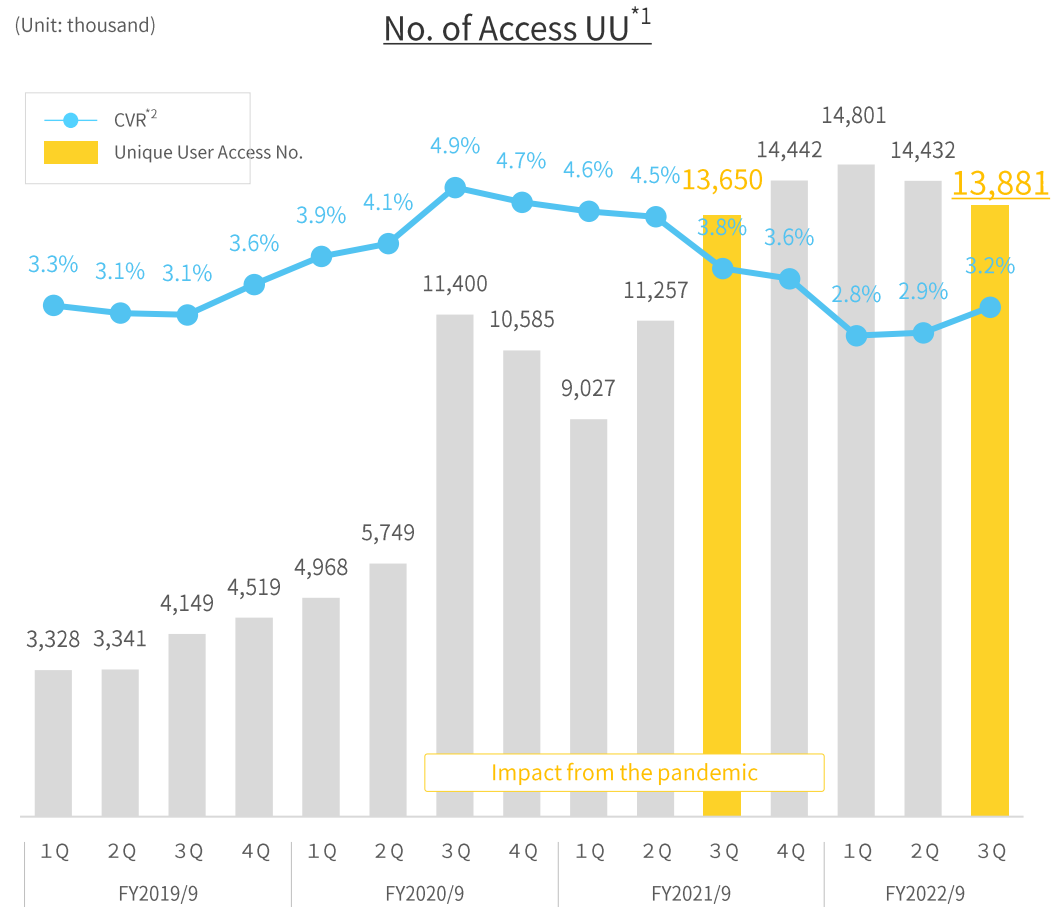
**Repeat "Support" pre-order Rate**



\*Ratio of gross amount of "support" pre-orders placed during the period by project supporters who had had a previous "support" pre-order within the prior 1 year to total gross amount of "support" pre-orders via Makuake's services.

# Key Performance Indicators (2)

- Ads for project owners and media exposure were down as our training of personnel in making ad proposals and managing media exposure was still a work in progress, which contributed to a decline in access UUs. This said, CVR improved 0.3 pt thanks to our initiatives to improve user experience. The number of members continued to grow robustly



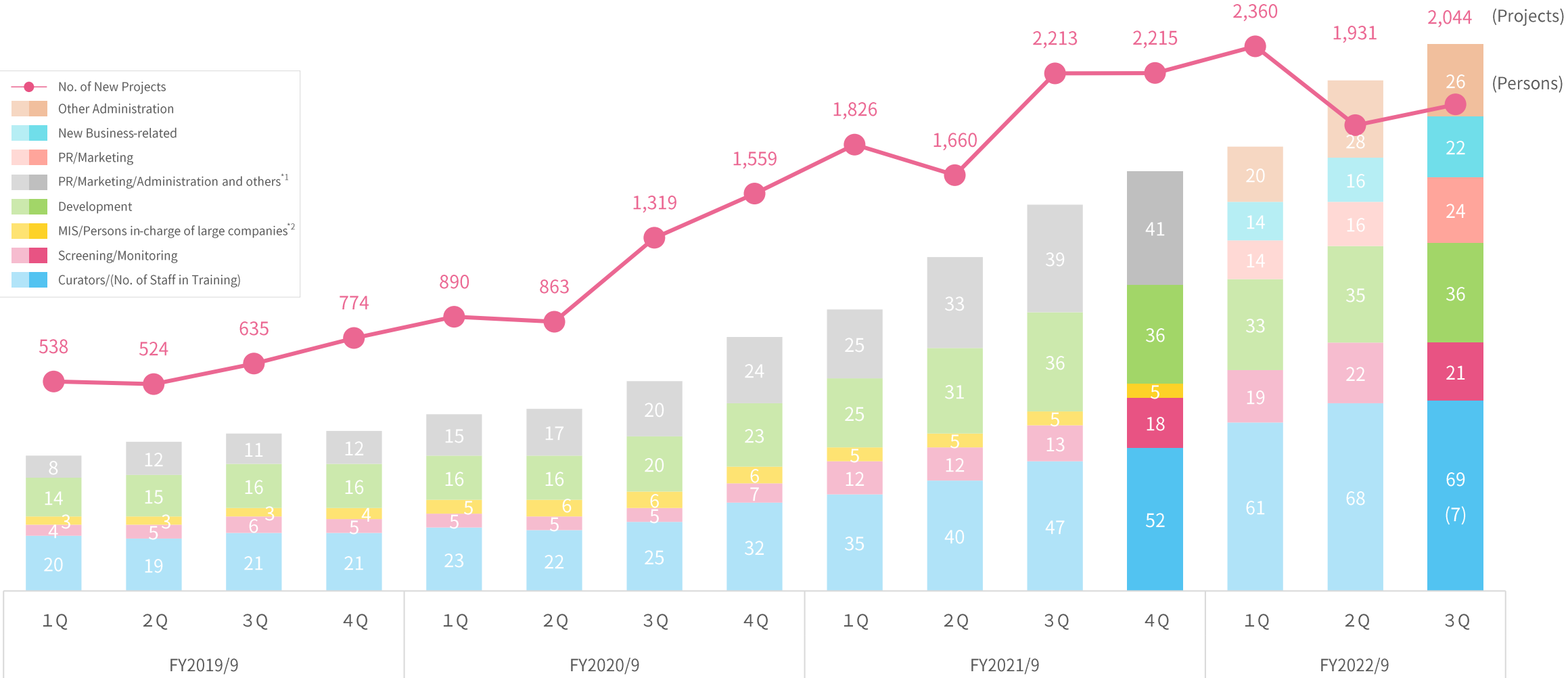
\*1 Number of persons who visited Makuake during the period

\*2 CVR: Conversion Rate: the ratio of access UU on Makuake who placed a "support" pre-order to total access UU (number of "support" pre-orders ÷ total access UU). Please see Appendix for the number of "support" pre-orders

\* Cumulative number of registered members = persons who placed at least one "support" pre-order

# Number of Published Projects and Employee Count

- The combined number of curators and screening/monitoring personnel stood at 90, unchanged from Q2. On the other hand, the total number of employees grew to slightly less than 200 as staff continued to join us in other divisions following advance hiring done in Q2 to further strengthen user experience



<sup>1</sup>: From Q1 FY2022/9, we are breaking down the personnel numbers of "PR/Marketing/Administration and others" into "PR/Marketing", "New Business-related" and "Other Administration-related"  
<sup>2</sup>: Given that MIS/Persons in charge of large companies are increasingly co-performing curator duties, we are adding their numbers to the headcount of the curator organization from Q1 FY2022/9

# Major Projects Launched in Q3 FY2022/9

As the idea--if it's a new product launch, then it's Makuake--took hold, projects by project owners who have used Makuake numerous times continued to be popular. Further, we gathered a large amount of "support" pre-orders to realize experiences and aspirations

あなたの相棒になる行平鍋  
IH対応クラッド3層鋼 深型行平鍋  
進化した行平鍋。3層鋼で機能と耐久性を極めたプロ仕様、仔犬印の片手鍋

応援購入総額 11,754,348円 (Success!)

目標金額 3,000,000円

491%

727人

残り 終了

終了しました

Professional-grade Yukihiro Pan (Pan with Spout) by KOINU

祇園祭  
祇園伝統文化を守るために

【寄附型】コロナ禍から祇園祭山鉾行事の復興を、2022年京都祇園祭サポ-

集まっている金額 12,280,000円 (Success!)

目標金額 3,000,000円

409%

1,096人

残り 7日

高附する

Support for Post-pandemic Resumption of Kyoto Gion Festival

BONI Q Pro 2  
再生

低温調理器 BONIQ Pro2

応援購入総額 107,885,400円 (Success!)

目標金額 1,000,000円

10788%

4,905人

残り 39日

応援購入する

Low-temperature Cooking Appliance (4th Iteration)

オンライン会議が変わる  
業務効率向上！多機能イヤホン

オンライン会議であなた専属書記に

応援購入総額 9,358,800円 (Success!)

目標金額 200,000円

4679%

404人

残り 8日

応援購入する

Earphone that Makes Conference Calls Simple and Efficient

自由を、醸そう。  
クラフトサケブリューリー協会、設立。

JAPAN CRAFT SAKE BREWERIES ASSOCIATION

6つのクラフトサケ醸造所が挑む、日本酒とクラフトサケの未来を造るプロジ

応援購入総額 7,422,000円 (Success!)

目標金額 1,000,000円

742%

462人

残り 18日

応援購入する

Project to Build a Future for Craft Sake

ほりにしブラック  
燻製アウトドアスパイス

燻製アウトドアスパイス「ほりにしブラック」誕生！！

応援購入総額 26,321,950円 (Success!)

目標金額 300,000円

8773%

8,354人

残り 終了

終了しました

"Horinishi Black" Spice with Smoky Flavor Created by Outdoor Gear Shop

お風呂上がりに乗るだけで体重管理  
スマートバスマット

お風呂上がり、乗るだけで体重管理。スマートバスマット

応援購入総額 32,681,361円 (Success!)

目標金額 30,000,000円

109%

2,635人

残り 終了

終了しました

Smart Bath Mat that Will Monitor Your Health if You Just Step on It

神楽坂にたった2室の一棟建てティックサウナOPEN

NEXT GOAL 挑戦中

神楽坂の秘湯。一棟建て会員制の宿泊施設 ティックサウナ「ARCH」オー

応援購入総額 16,101,490円 (Success!)

目標金額 500,000円

3220%

279人

残り 終了

終了しました

Boutique Sauna at Membership-based Lodging Facility

新シーズンをみんなで作るプロジェクト

「あはれ！名作くん」新シーズンをみんなで作りよう！プロジェクト

応援購入総額 19,938,500円 (Success!)

目標金額 5,000,000円

399%

1,292人

残り 終了

終了しました

Making Anime "Aware! (Pathos!) Here is Mr. Masterpiece Together Project

# Major Projects Launched in Q3 FY2022/9 (Large Companies)

- It is thanks to Makuake that large companies were able to debut innovative products one after another which gathered support for the enjoyment and fun they provide

**MIS Project**

ようこそ、コンサートへ。  
albos Light & Speaker  
音と光が創り出す没入空間。キャンノンのスポットライト型アルミスピーカー

応援購入総額: 25,248,000円 (目標金額 1,000,000円)  
23.4%  
サポーター: 666人  
残り: 終了  
応援購入する

Canon Marketing Japan Inc.

Sanrio  
きりみちゃんと暮らそう★夢の超BIGふかふかぬいぐるみクッション [サンリオ]

応援購入総額: 4,250,000円 (目標金額 2,500,000円)  
1.70%  
サポーター: 85人  
残り: 27日  
応援購入する

Sanrio Company, Ltd.

STAR WARS  
MOFT Limited Edition  
デバイスが1秒で進化するスタンド MOFT/スター・ウォーズ日本限定エディ

応援購入総額: 4,980,800円 (目標金額 100,000円)  
9.6%  
サポーター: 301人  
残り: 18日  
応援購入する

Collaboration between MOFT Limited & Major IP Owner

Keeps  
お尻にも、まくらを。  
いつもの椅子に置くだけで、快適姿勢をサポート

nishikawa

応援購入総額: 8,191,700円 (目標金額 500,000円)  
16.3%  
サポーター: 765人  
残り: 17日  
応援購入する

NISHIKAWA Co., Ltd.

NICO STOP 金庫  
写真好きの声を形にした  
3WAYカメラバッグ

応援購入総額: 6,958,000円 (目標金額 100,000円)  
23.9%  
サポーター: 497人  
残り: 終了  
応援購入する

Nikon Imaging Japan inc.

食材の芯温を測って  
加熱制御するから美味しさを  
極まる!  
芯温スマートクッカー

応援購入総額: 22,238,860円 (目標金額 3,500,000円)  
5.5%  
サポーター: 1,877人  
残り: 終了  
応援購入する

Tescom Denki Co., Ltd.

SOIR  
たたためて洗える  
ブラックフォーマル

応援購入総額: 10,784,180円 (目標金額 300,000円)  
23.9%  
サポーター: 320人  
残り: 7日  
応援購入する

TOKYO SOIR CO.,LTD

佐藤  
シャチハタが創り出す、感動のなつ印体験。美しさを追求した「スーパー精

応援購入総額: 8,721,880円 (目標金額 500,000円)  
17.4%  
サポーター: 1,456人  
残り: 終了  
応援購入する

Shachihata Inc.

TCL  
毎日のエンタメ体験を特別に。  
映像美と音響とこだわった  
チューナーレスTV

応援購入総額: 1,750,000円 (目標金額 500,000円)  
1.5%  
サポーター: 50人  
残り: 終了  
応援購入する

EDION Corporation



# SDGs-related Projects Launched in Q3 FY2022/9

- More companies are becoming aware of SDGs and make products--purchased with "support" pre-orders--that contribute not only to the environment but to society as well such as environment-friendly products born of technological innovation and "upcycled" products made with the use of materials that would have been previously discarded

**全身洗える固形洗剤**  
 ミニマル&サステナブル  
 The BAR for MEN

応援購入総額: 846,953円 (目標金額 300,000円)  
 サポーター: 181人  
 残り: 8日

ユーザーの声から更に進化して登場。1個で「髪・顔・身体」全身洗える固形

6 安全な水とトイレを世界中に  
 11 住み続けられるまちづくりを

Bar Soap Derived from Natural Ingredients and Plastic-free

**アップサイクルうどん**  
 餃子の皮を挑む  
 和食の達人が挑む

応援購入総額: 877,200円 (目標金額 200,000円)  
 サポーター: 166人  
 残り: 終了

食べる価値がある、作る価値がある 鶏白湯うどん

アップサイクルうどん

食べる価値がある、作る価値がある 餃子の切れ端で作ったアップサイクル

12 つくる責任 つかう責任

"Upcycled" Udon (Noodles) Made from Gyoza (Dumplings) Skin Scraps

**エイジングで育てる「一生モノ」天然エゾ鹿革**  
 お手入れ要らずの極上革ミニショルダーバッグ

応援購入総額: 4,340,568円 (目標金額 200,000円)  
 サポーター: 113人  
 残り: 68日

エイジングで自分色に育てる！一生モノ「天然エゾ鹿革」のミニショルダーバ

12 つくる責任 つかう責任  
 15 陸の豊かさも守ろう

Bags Made from Leather of Yezo Deer Eliminated as Vermin

**UNITED ARROWS**  
 Makuake限定生産

応援購入総額: 1,093,620円 (目標金額 500,000円)  
 サポーター: 57人  
 残り: 終了

ユニテッドアローズのスーツ地をアップサイクル。「日常を格上げる」

9 産業と技術革新の基盤をつくろう  
 12 つくる責任 つかう責任

Everyday Items Made from High-quality Italian Suit Fabric

**浅草の職人がつくる世界で一つの着物×本革スニーカー**

応援購入総額: 5,629,500円 (目標金額 300,000円)  
 サポーター: 190人  
 残り: 35日

着物が生まれ変わる！浅草の職人製、美しさと履きやすさを備えた純国産本

9 産業と技術革新の基盤をつくろう  
 12 つくる責任 つかう責任

"Upcycled" Sneakers Made from Kimono Cloth

**コーヒーかすからできたおしゃれ食器**  
 料理を鮮やかに魅せる！コーヒーかすですでできたオシャレ食器【SUS coffee】

応援購入総額: 658,449円 (目標金額 100,000円)  
 サポーター: 165人  
 残り: 終了

1 貧困をなくそう  
 2 飢餓をゼロに  
 11 住み続けられるまちづくりを  
 12 つくる責任 つかう責任

Classy Utensils Made from Recycled Post-extraction Coffee Grounds

## 3rd Makuake Local Meetup" Held in Yao City, Osaka Prefecture



Having been well-received in Tsubame Sanjo area in Niigata Prefecture and Nagoya, Aichi Prefecture, we held a third "Makuake Local Meetup"

We did an open brainstorming session to generate ideas on what new products the industry can provide to consumers and a round-table talk with the aim of supporting further industrial development of the Kansai region as well as acquiring project owners

## Concluded a Partnership Agreement with Kumamoto City



Supporting expansion of sales channels for SMEs through Makuake's participation and implementing initiatives for promotion of industrial development within Kumamoto City

Details of the initiatives:

- Conducting "Makuake" seminars and individual consultations
- Support related to project publication
- Matching of Kumamoto-based creators to projects
- Coordinating the personal version of hometown tax [allows individuals to donate part of their residential tax to a specified local government] with reciprocal thank-you gifts

## "Makuake Global" Started Doing Business in Traditional (Unsimplified) Chinese



"Makuake Global" provides assistance to project owners with implemented projects on Makuake who aim to expand their business to Taiwan through a version of their project page in traditional Chinese. The assistance includes everything from project page creation to settlement, shipment and customer support

## Inaugurated as Partner of "JAPAN CRAFT SAKE BREWERIES ASSOCIATION"

Acquisition of project owners

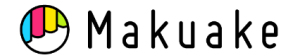


"JAPAN CRAFT SAKE BREWERIES ASSOCIATION" is an association started by 6 companies that run craft sale breweries

The member companies of the association are planning to actively use "Makuake" as the venue for the launch of new products and services, as well as to introduce "Makuake" to newly-formed breweries

## Became Partner of "ACC TOKYO CREATIVITY AWARDS"

Support of project owners

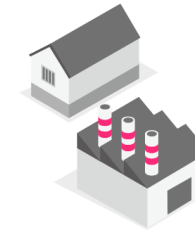


"ACC TOKYO CREATIVITY AWARDS" is Japan's highest award recognizing outstanding creativity

As a Creative Innovation Partner within ACC TOKYO CREATIVITY AWARDS, we promote understanding of and encourage participation in the awards, and provide support to grow the business even after the end of its publication on "Makuake"

## Started "Makuake Factory Tour Training"-- In-company Training Where We Visit Production Sites of Project Owners Across Japan

Personnel training



Makuake  
Factory Tour 研修

We visit production sites of project owners with implemented projects on Makuake and report the situation and our impressions throughout the company. Then, we use the information for business promotion and our own respective operational improvements

It's not only curators who participate--we decide on the participants after taking in applicants from all divisions including those with jobs that do not normally directly interact with project owners such as development, customer support and others



# Progress on Growth Strategy for 2nd Half of FY2022/9

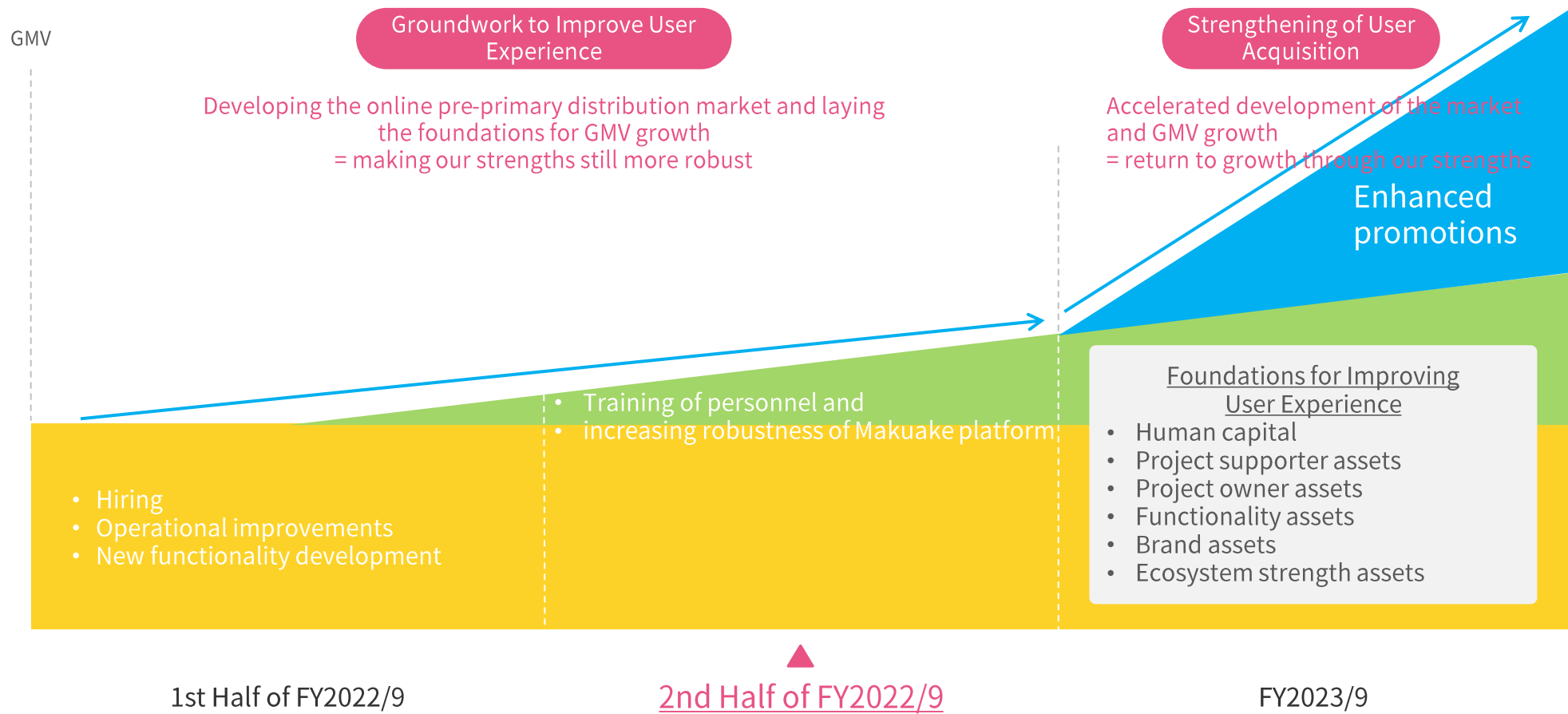
# Forecasts for FY2022/9

- We are aiming to grow GMV and net sales by a respective 2.1% and 1.7% YoY and stay in the black at the operating profit level

(Unit: JPY million)	FY2021/9	FY2022/9 Forecasts	Change	Percentage change
Gross Amount of "Support" pre-orders: <b>GMV</b> (Tax included)	21,536	22,000	+463	+2.1%
Net Sales	4,621	4,700	+78	+1.7%
Operating Profit	329	0	△329	△100.0%
Ordinary Profit	326	20	△306	△93.9%
Net Income	246	65	△181	△73.6%

# On Growth in 2nd Half of FY2022/9 and Next Fiscal Year

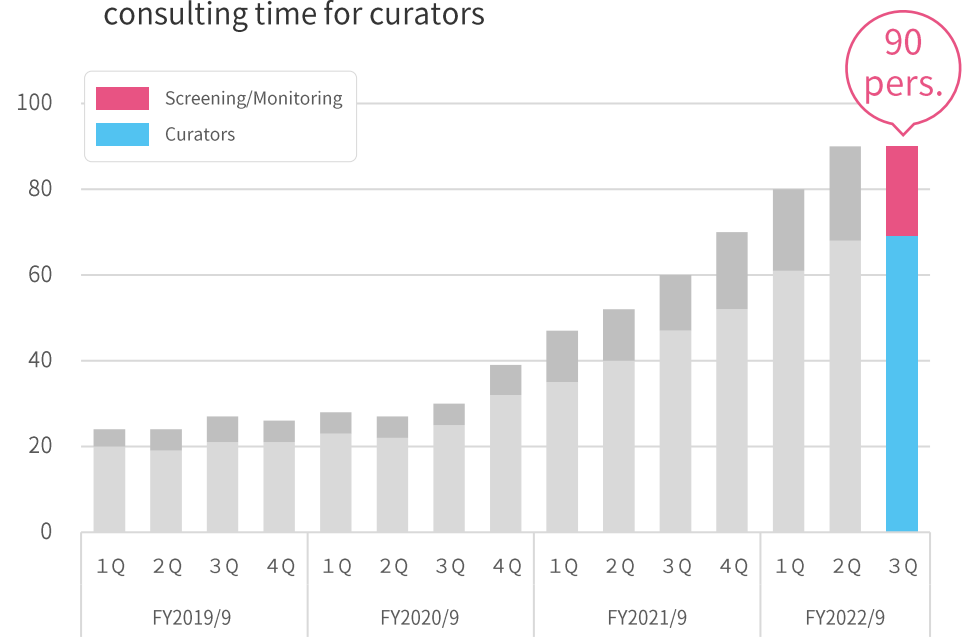
- Continuing from the 1st half, we will focus on the groundwork for better user experience through continued operational improvements and development of new functionalities, while at the same time concentrating on robustness of Makuake platform



- We have increased the number of curators and screening/monitoring personnel to 90 and thus have a foundation in place to increase listings of attractive projects going forward. In addition, we have secured the personnel to accelerate acquisition of new project owners

## 1 Secured Adequate Number of Curator and Screening/Monitoring Personnel

- Aiming to raise the number of attractive projects by securing consulting time for curators



Average monthly number of in-charge projects per curator after the end of training (as of end of Q3)

Curators	10.8 projects
Screening/Monitoring	32.4 projects

## 2 Increasing PR/Marketing Personnel

Secured personnel to strengthen PR/marketing initiatives from Q4

- Aiming to acquire project owners through increased recognition and awareness
- Planning to launch a new marketing strategy utilizing SEO/influencers



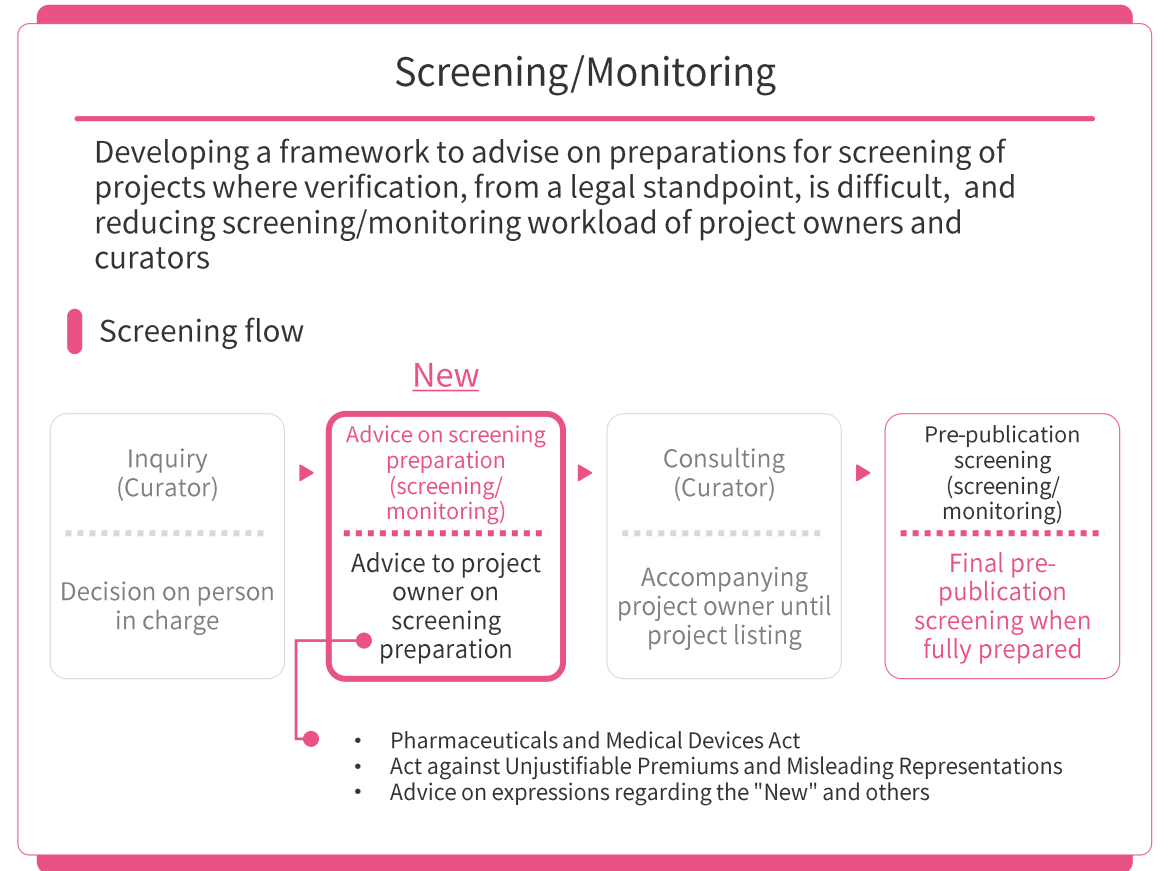
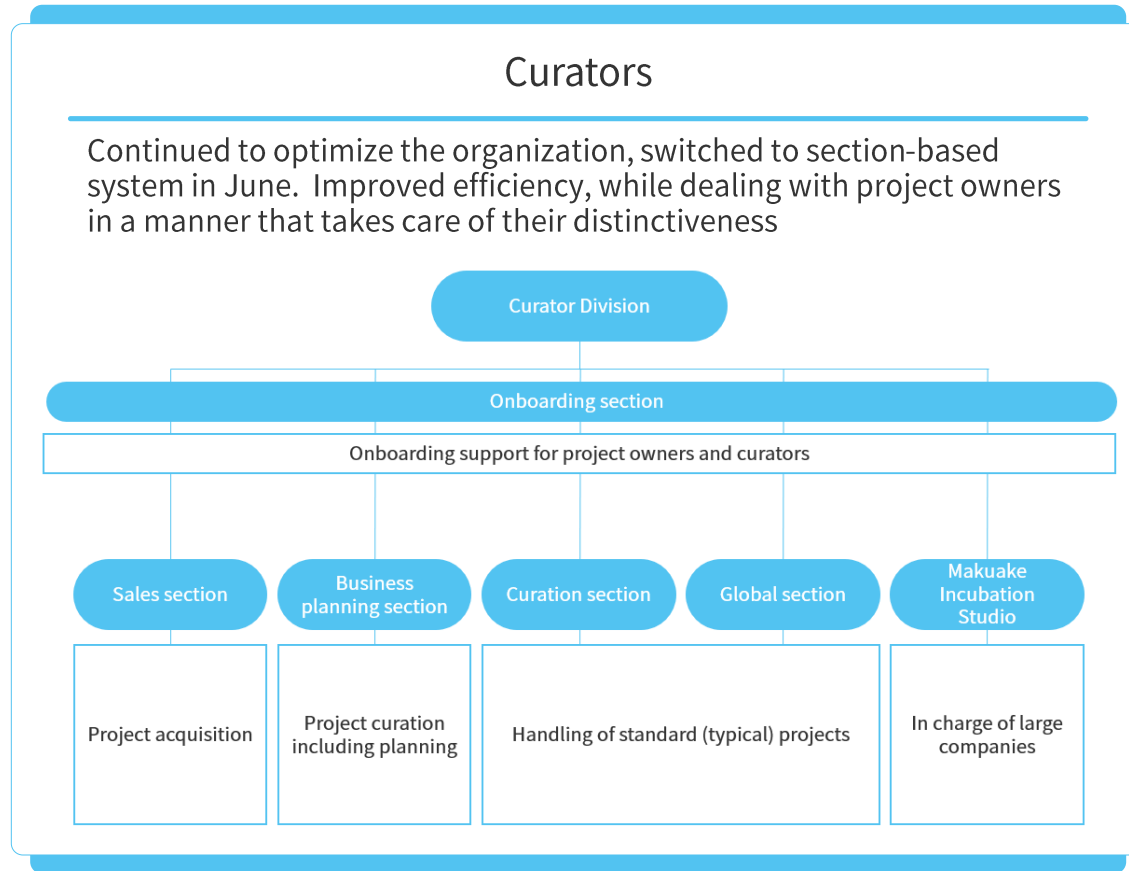
## 3 Increasing Staff for New Businesses

Securing talent to strengthen Makuake's ecosystem

- Aiming to acquire project owners and contribute to GMV by using Makuake's "Support" Pre-order Service for Buyer/Makuake Global/Makuake Store as a springboard



- We are continuing to optimize the curator organization to be able to provide the support to project owners that takes care of their distinctiveness. In addition, we are aiming to build a screening/monitoring framework that will provide advice to project owners on project screening preparation and reduce screening/monitoring workload of project owners and curators






- We significantly strengthened our development system by adding developers, including through subcontracting, and appointing a CTO, and are successively releasing new functionalities that improve user experience--from encountering the "new" to its delivery

## Major Functionalities Released in Q3


### Improving Soundness

#### Beginner's Guide



Promoting the understanding of the site's culture and enhancing our credibility to those who visit Makuake for the first time


### Delivery Status Display Functionality



Making the production and shipment status of a product easier to grasp

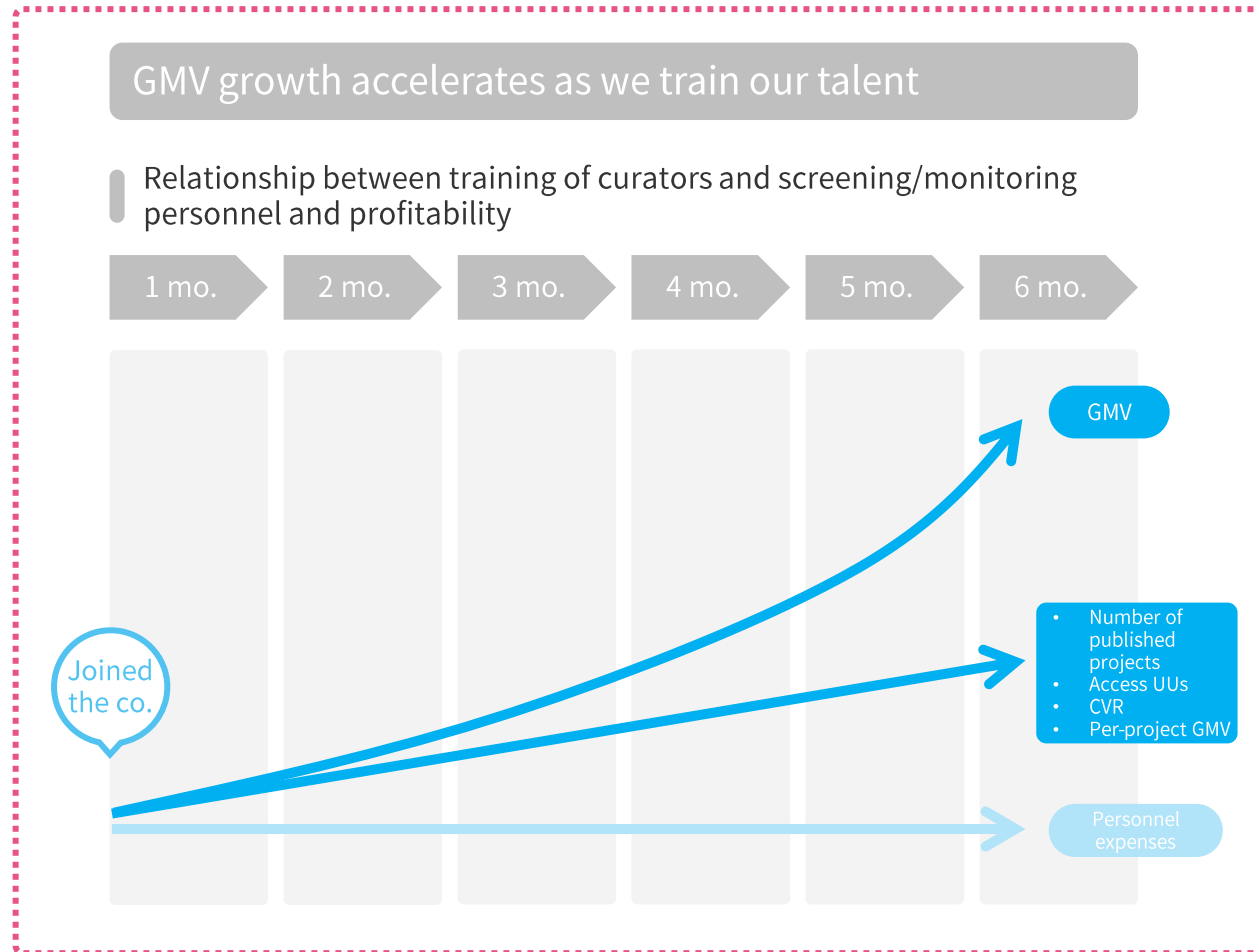
### Making Encountering Easy

#### Search History Functionality



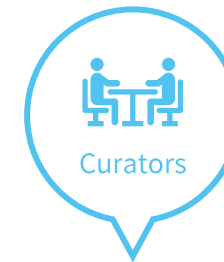
Allowing for smoother and speedier searches for products one wishes to find, through search history

- By putting curators and screening/monitoring personnel through a 6- and 3-month training period respectively, we are raising their level of specialization and, accordingly, developing their ability to provide a high-quality service. Further, the ratio of the personnel who completed their training and now stand on their own feet is growing robustly



### Rising number of talent standing on their own feet

- Number of personnel who went through training and now stand on their own feet (as of end of June 2022)



62 pers.

(89.9% of co. total)



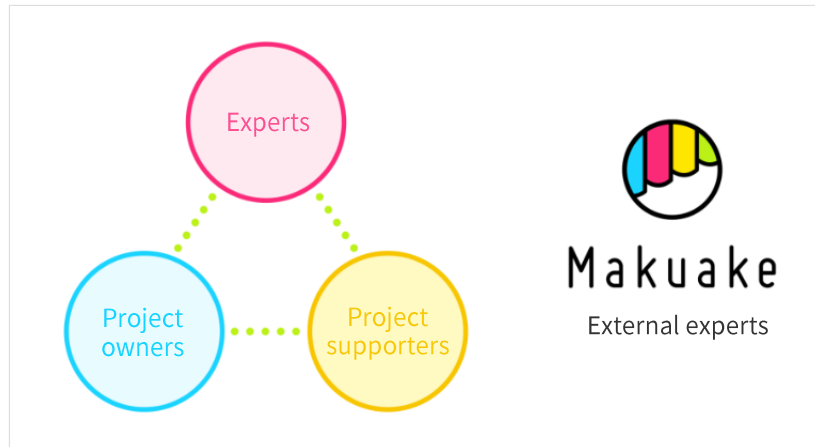
21 pers.

(100% of co. total)

- We created a framework to improve soundness of our service by setting up a venue where third parties and our users can voice their opinions. Further, in addition to thorough screening/monitoring in line with our Basic Policy, we intend to expand our support to project owners through product delivery

### 1 Held 1st Meeting of Committee of External Experts

- Deepening external experts' understanding of Makuake while receiving their opinions on Makuake



#### Planned:

- Publicly release minutes of the committee of external experts
- Hold a subcommittee meeting of the committee of external experts
  - Subcommittee meeting of project owners : held on July 19
  - Subcommittee meeting of project supporters: expect to hold in August

### 2 Thorough Screening/Monitoring in Line with Makuake's Basic Policy

- Improving project supporter experience by making sure we line up projects whose products can't be bought anywhere else but on Makuake
- Preparation for project publication (announced via press release on March 1, 2022)
  - Elements of the project include the "New"
  - There is a "challenge" and a "story" from the project owner
  - The project meets all of our basic requirements

### 3 Planning to Expand Support to Project Owners Through Product Delivery

- Aiming to increase repeat ratio of project owners and satisfaction of project supporters by expanding support to project owners through product delivery after the end of project's publication
- Future initiatives to expand support
  - Assign a person in charge to support business flow after the end of project's publication
  - Improvements to UI to confirm content of communications from the project owner to project supporters after the end of project publication

# New Initiatives Starting in Q4 FY2022/9

- We will deploy new initiatives to strengthen acquisition of and support provided to project owners, and work to realize improved user (project owner and project supporter) experience

## Acquisition of Project Owners

- Improving awareness by strengthening PR
- Extending reach to project owners across Japan by holding more offline events

✓ Increased number of projects

✓ Higher access UUs

Improved project supporter satisfaction through enjoyable experience of encountering new products and services

- ✓ Higher repeat ratio by project supporters
- ✓ Improved retention ratio of project supporters

## Strengthening of Support to Project Owners

- Enhancing operational review after the end of project's publication
- Strengthening of support to project owners through product delivery
- Increasing the range of projects eligible for advice on project screening preparation from screening/monitoring
- Developing new functionalities for the operation system used by project owners

Higher project owner satisfaction due to strengthened support

Higher project supporter satisfaction thanks to improved soundness

- ✓ Higher repeat ratio by project owners
- ✓ Higher repeat ratio by project supporters
- ✓ Higher CVR

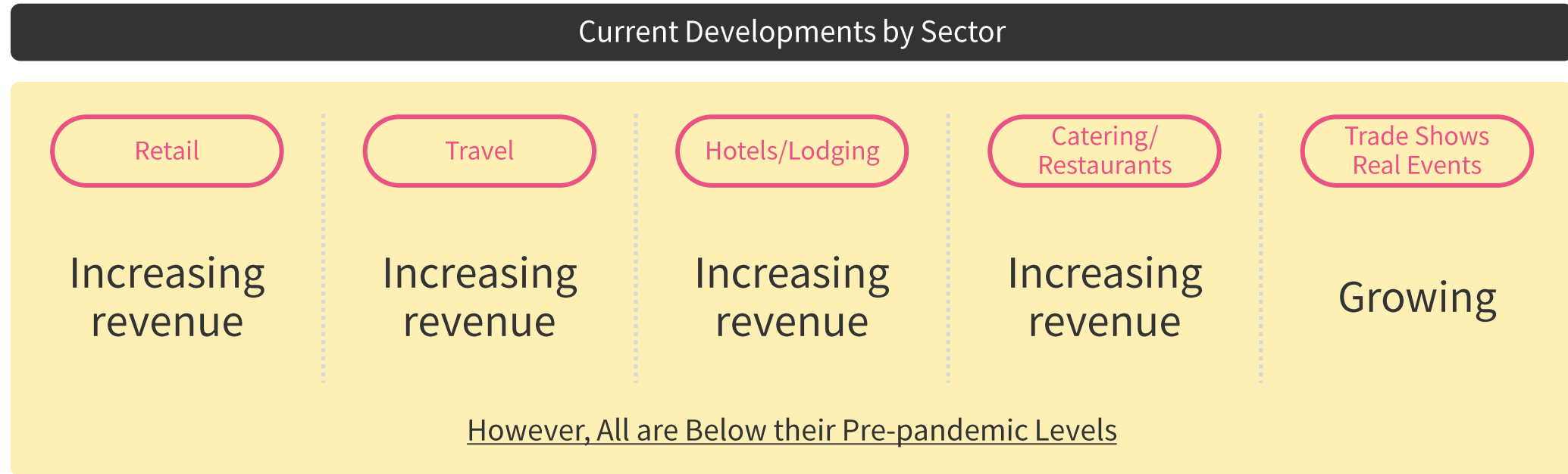
## Acquisition of Project Supporters

- New marketing utilizing SEO/influencers
- Subdivision of newsletter by segment and improved personalization of Recommend/Remind mails
- Delivery of personalized content to users registered through LINE to raise engagement

- ✓ Higher access UUs
- ✓ Higher CVR
- ✓ Higher repeat ratio by project supporters


# Changes in Our External Environment: Temporary Return to Offline

- As economic reopening accelerated from May, businesses and consumers have increasingly flocked to offline--temporarily. We anticipate the trend is likely to get stronger in Q4



Consumers are beginning to allocate their money and time to offline

Businesses are beginning to allocate their resources to offline launch of new products/PR/marketing

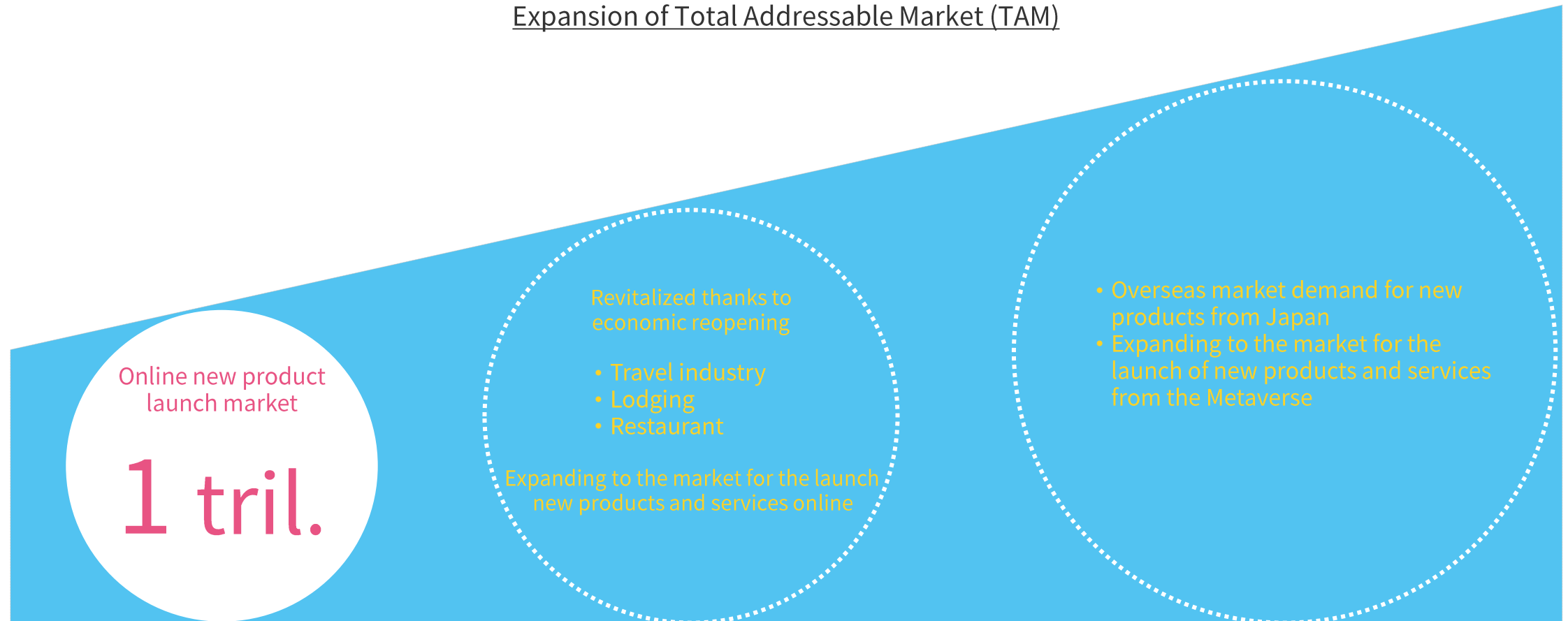


# Medium-Term Business Plan and Progress Report (FY2022-2025)

# Expansion of Total Addressable Market (TAM)

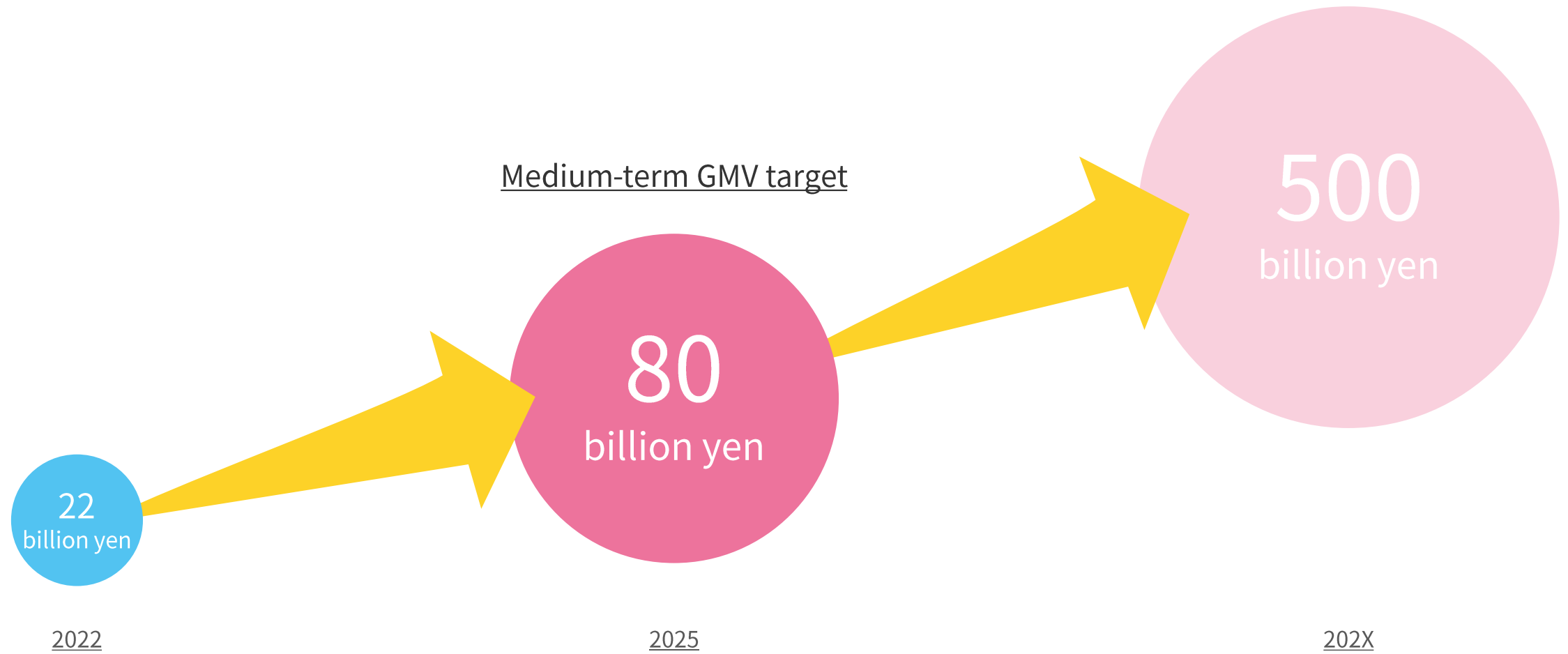
- Our TAM is expanding--starting from the travel, lodging and catering industries rejuvenated by economic reopening to future overseas demand for new products from Japan and the launch of new products and services on the Metaverse

## Expansion of Total Addressable Market (TAM)



# Medium-Term Goal for Gross Amount of “Support” Pre-order (GMV)

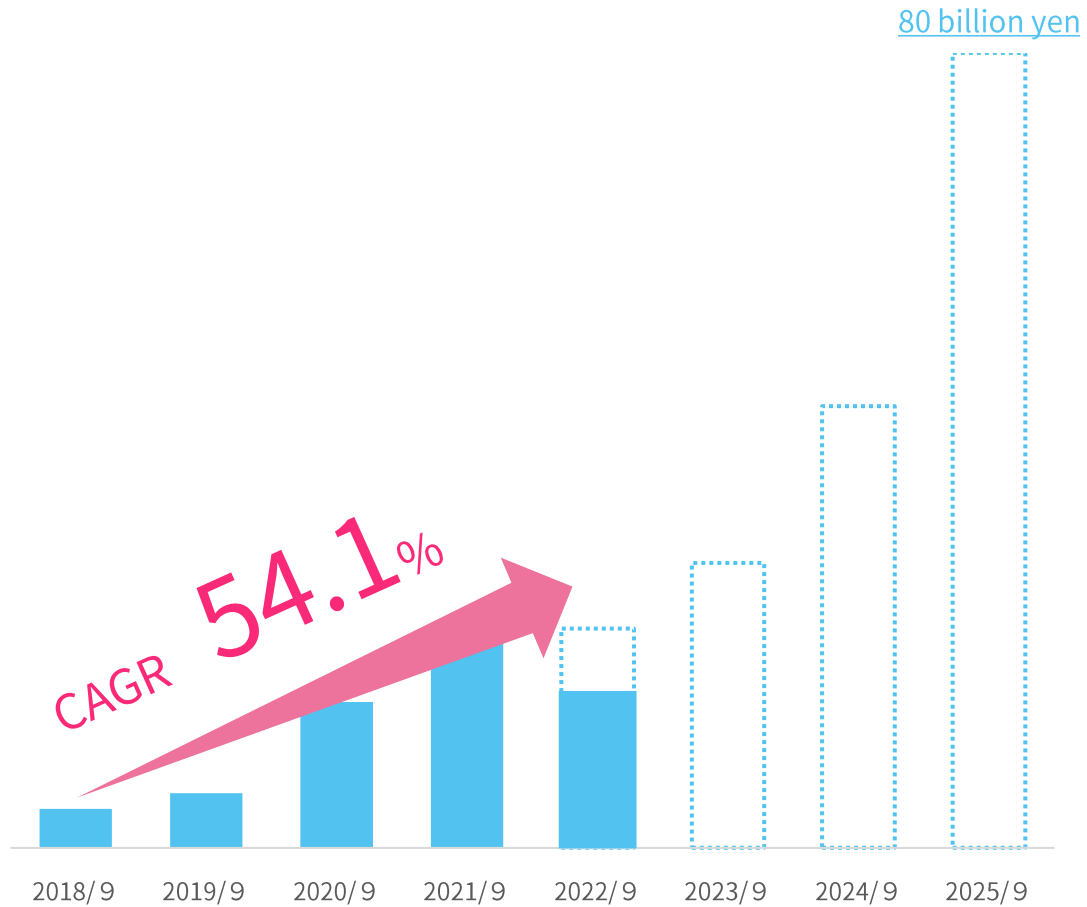
- We are aiming to achieve JPY 80 billion in GMV by 2025





# Progress Toward Medium-Term GMV Target

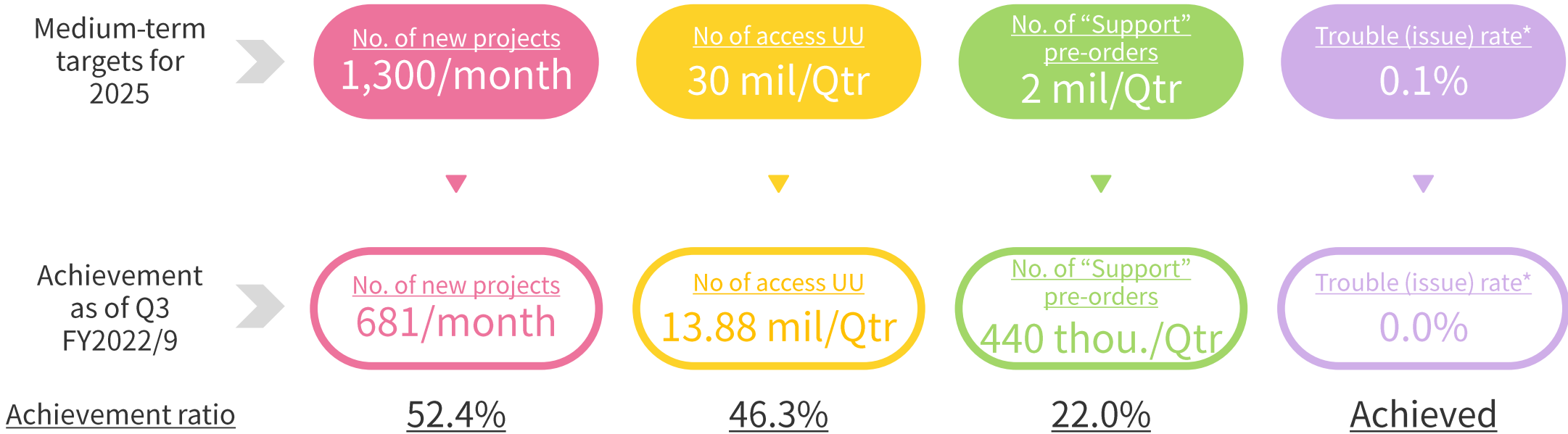
- As we focus on achieving JPY 80 Billion in GMV--the target of our medium-term business plan, we are prioritizing the strengthening of our internal systems, rather than GMV growth, to reinforce the foundation to improve user experience



Fiscal Term	GMV	Percentage change
FY2018/9	3,902	+80.2%
FY2019/9	5,480	+40.4%
FY2020/9	14,664	+167.6%
FY2021/9	21,536	+46.9%
FY2022/9	22,000	+2.1%
FY2023/9		
FY2024/9		
FY2025/9		

# Current KPIs vs Medium-Term Targets

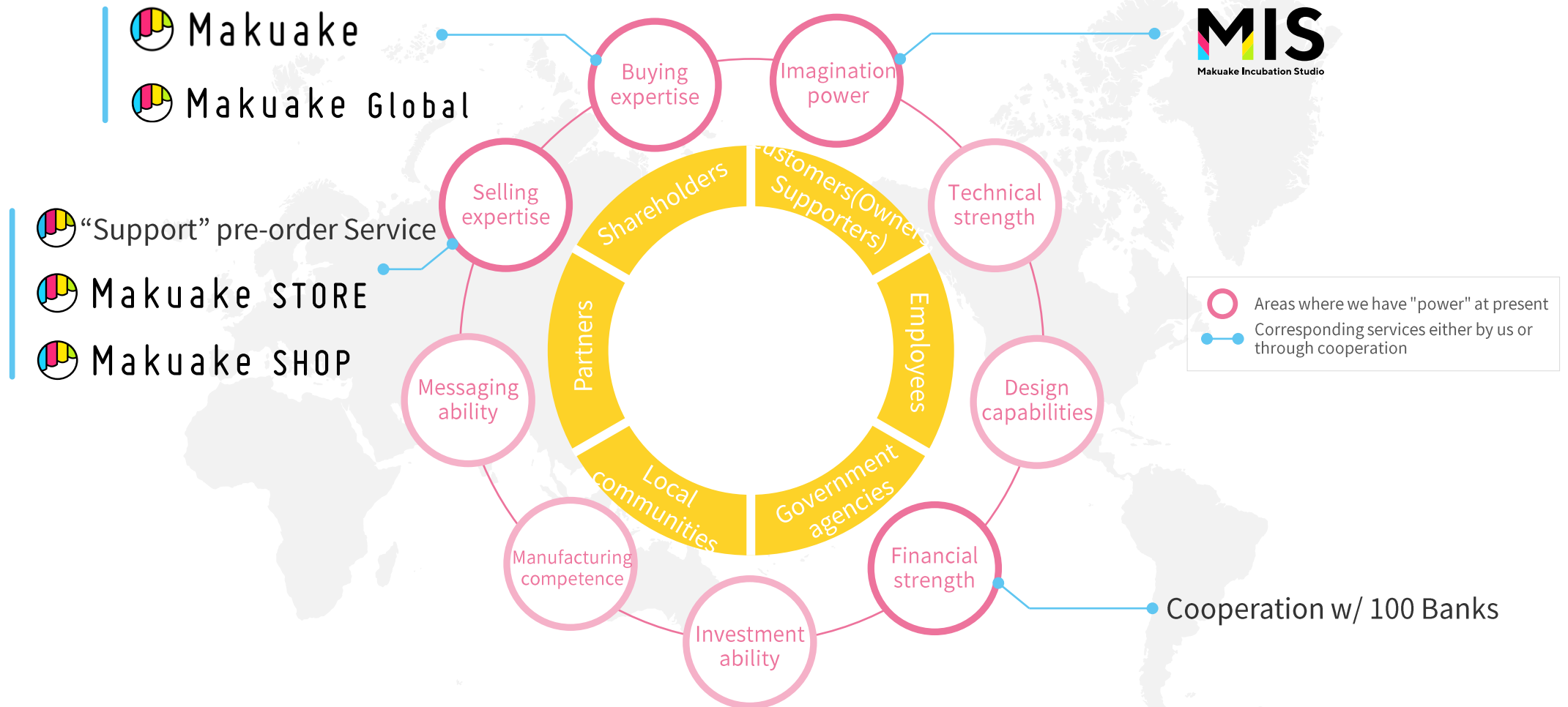
- All KPIs are progressing soundly, aside from the number of "support" pre-orders. With regard to the latter, we expect "support" pre-orders, which are slightly lagging, to pick up from the next fiscal year on the back of our initiatives to improve user experience



\*Trouble (issue): a case where there is a material discrepancy between the content of a project page and that of an item actually returned to us, meaning we have been unable to deliver on the original purpose of "support" buying.

# Vision of Long-Term Growth

- By expanding and strengthening Makuake's ecosystem and consequently acting as part of social infrastructure, we help connect the diverse power of people and businesses around the world, and support creation and spread of new products and services



# Risks Accompanying Growth and Countermeasures

- We will grasp, analyze, and evaluate risks that may emerge as we execute our medium-term growth plan, and implement countermeasures to control these risks

	Possible risks	Impact on Business	Details of Impact	Measures against risks
1	Leakage of personal information through hacking, etc.	High	Potential impact on our operations and business results due to loss of social credibility	<ul style="list-style-type: none"> <li>• Regular security audits</li> </ul>
2	Issues with projects, such as delivery delays	Medium	May be held accountable as platform operator	<ul style="list-style-type: none"> <li>• Continuous operation and improvement of screening and monitoring systems</li> </ul>
3	Considerable shrinkage of the Internet ad market due to the regulations on Internet ads	Medium	Potential impact on our operating results and financial condition due to a decline in our ability to attract customers	<ul style="list-style-type: none"> <li>• Sharing of information with online ad media and agencies</li> <li>• Speedy proactive measures</li> </ul>
4	Risks related to the securing and loss of personnel	Low	Potential impact on operating results and financial condition due to repercussions on our business growth if we are unable to secure planned-for personnel in a timely manner, and/or personnel training does not progress as planned, and/or there is an outflow of our employees to other companies	<ul style="list-style-type: none"> <li>• Improvements to the flexibility of our arrangements accommodating remote work and diverse workstyles</li> <li>• Maintenance of an appropriate pay system supported by the sound financial standing</li> <li>• Securing a variety of career options by creating new businesses, business bases, etc.</li> </ul>

\* For other risks, please see "Business and Other Risks" in our "Annual Securities Report"



# Appendix

# Business Results Summary: YoY, cumulative through Q3

(Unit: JPY million)	FY2021/9 Q1-3	FY2022/9 Q1-3	Change YoY	Percent Change YoY
Gross Amount of "Support" pre-orders: GMV (Tax included)	15,729	15,639	△90	△0.6%
Net Sales	3,332	3,326	△6	△0.2%
Gross Profit	2,774	2,675	△98	△3.6%
Operating Profit	201	△89	△290	-
Ordinary Profit	200	△66	△267	-
Net Income (Qtr)	129	7	△122	△94.6%

# Business Results Summary: YoY, standalone quarter

(Unit: JPY million)	FY2021/9 Q3 (standalone)	FY2022/9 Q3 (standalone)	Change YoY	Percent Change YoY
Gross Amount of "Support" pre-orders: GMV (Tax included)	5,917	5,245	△672	△11.4%
Net Sales	1,232	1,083	△149	△12.1%
Gross Profit	1,035	885	△149	△14.5%
Operating Profit	137	△71	△209	-
Ordinary Profit	137	△70	△208	-
Net Income (Qtr)	89	△54	△144	-

# Business Results Summary: QoQ, standalone quarter

(Unit: JPY million)	FY2022/9 Q2 (standalone)	FY2022/9 Q3 (standalone)	Change QoQ	Percent Change QoQ
Gross Amount of "Support" pre-orders: GMV (Tax included)	5,024	5,245	+221	+4.4%
Net Sales	1,090	1,083	△7	△0.7%
Gross Profit	866	885	+19	+2.2%
Operating Profit	△56	△71	△15	-
Ordinary Profit	△34	△70	△36	-
Net Income (Qtr)	△28	△54	△26	-



# KPIs: YoY, standalone quarter

	FY2021/9 Q3 (standalone)	FY2022/9 Q3 (standalone)	Change YoY	Percent Change YoY
No. of New Projects	2,213	2,044	△169	△7.6%
Project Owners Repeat Rate (%) <sup>*1</sup>	45.2	51.9	-	+6.7pt
Repeat “Support” pre-order Rate (%) <sup>*2</sup>	73.2	77.3	-	+4.1pt
No. of Access Unique Users	13,650,096	13,880,515	+230,419	+1.7%
No. of Members	1,735,354	2,195,111	+459,757	+26.5%
No. of “Support” pre-orders	515,757	448,387	△67,370	△13.1%

<sup>\*1</sup> Ratio of projects published during the period by project owners who had had a previous project with us within the prior 1 year to total number of published projects

<sup>\*2</sup> Ratio of gross amount of “support” pre-orders placed during the period by project supporters who had had a previous “support” pre-order within the prior 1 year to total gross amount of “support” pre-orders via Makuake's services. Note that as of FY2020/9, we are using an improved calculation method with better data accuracy

# KPIs: QoQ, standalone quarter

	FY2022/9 Q2 (standalone)	FY2022/9 Q3 (standalone)	Change QoQ	Percent Change QoQ
No. of New Projects	1,931	2,044	+113	+5.9%
Project Owners Repeat Rate (%) <sup>*1</sup>	50.9	51.9	-	+1.0pt
Repeat "Support" pre- order Rate (%) <sup>*2</sup>	74.0	77.3	-	+3.3pt
No. of Access Unique Users	14,431,670	13,880,515	△551,155	△3.8%
No. of Members	2,094,630	2,195,111	+100,481	+4.8%
No. of "Support" pre-orders	413,512	448,387	+34,875	+8.4%

<sup>\*1</sup> Ratio of projects published during the period by project owners who had had a previous project with us within the prior 1 year to total number of published projects

<sup>\*2</sup> Ratio of gross amount of "support" pre-orders placed during the period by project supporters who had had a previous "support" pre-order within the prior 1 year to total gross amount of "support" pre-orders via Makuake's services. Note that as of FY2020/9, we are using an improved calculation method with better data accuracy

As the company is currently in a state of growth, we believe that by retaining profits and prioritizing investment in expanding business size and improving earning power will lead to maximization of our corporate value and a continuous stream of profit return to shareholders.

As to future distribution of dividends out of surplus, our basic policy is to do so with consideration of balance versus retaining profits. For the time being, we have elected for policy prioritizing retaining profits, and no determination has been made as to the timing for issuing dividends.

# Disclaimer and Cautions Regarding Future Outlook

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- While the content of this document has been prepared based on generally recognized economic and social conditions as of July 26, 2022 and certain assumptions deemed reasonable by Makuake, Inc., it may change due to shifts in business environment and other factors.
- When investing, please be sure to read our financial reports and other documents released by us before making any decision, at your own judgement, as investor.
- Risk and uncertainty 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 by Makuake, Inc., update or revise “outlook information” provided in this document if new information comes to light or material future events occur.



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Makuake