



# Makuake

Financial Results Briefing Materials for Q2 FY2023/9

Makuake, Inc.



# Financial Results

## Results

- GMV, net sales and operating loss came in largely in line with the plan as we moved forward with initiatives to promote repeat use by project owners and project supporters
- While gross profit margin declined slightly to 81.6% on higher software depreciation charges, there were no structural changes in our business, and the margin remained within its usual range of 80% to 85%
- We achieved our GMV plan, even with advertising expenses down 2.5% QoQ, as we strictly adhered to our internal ROI standards for advertising

## KPIs

- The number of repeat published projects declined in January and February due to seasonal factors. While they turned up in March, the number of repeat published projects finished down from the previous quarter
- While the amount of repeat "support" pre-orders contracted in January and February, reflecting a seasonal decline in the number of published projects, we saw an increase in March on a higher number of published projects and initiatives to promote repeat use by project supporters. For the quarter, the amount of repeat "support" pre-orders posted a slight decline QoQ

## Organization

- We established a framework that allows us to make prompt decisions, based on a shared understanding within the company, on the next steps by utilizing Data Lab-generated analysis of issues that arose the previous month. The quality of the PDCA (Plan-Do-Check-Act) cycle with regard to achieving monthly targets has significantly improved

## External Environment

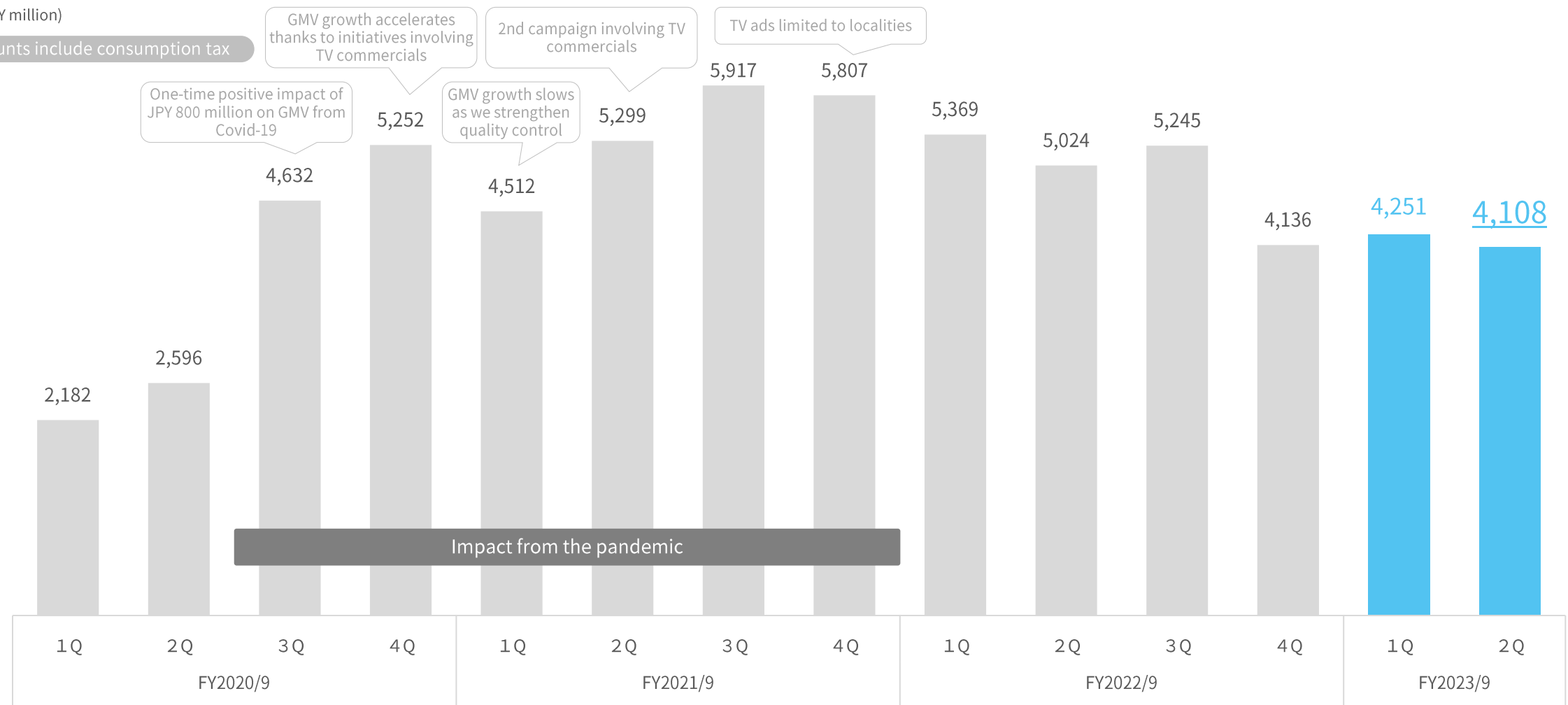
- The consumption of travel and hotel/lodging services continued to expand due to the ongoing support for nationwide travel and an increase in overseas trips
- Offline shopping remained on an upward trend
- As China's economic reopening gained momentum from January, we saw an increase in new product development by companies in the Greater China region

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

- The number of published projects posted a decline of 3.4% QoQ, reflecting a gradual return to operations by businesses after the start of the year, and seasonality factors such as a lower number of business days in February. That said, the number of published projects came in in line with the plan

(Unit: JPY million)

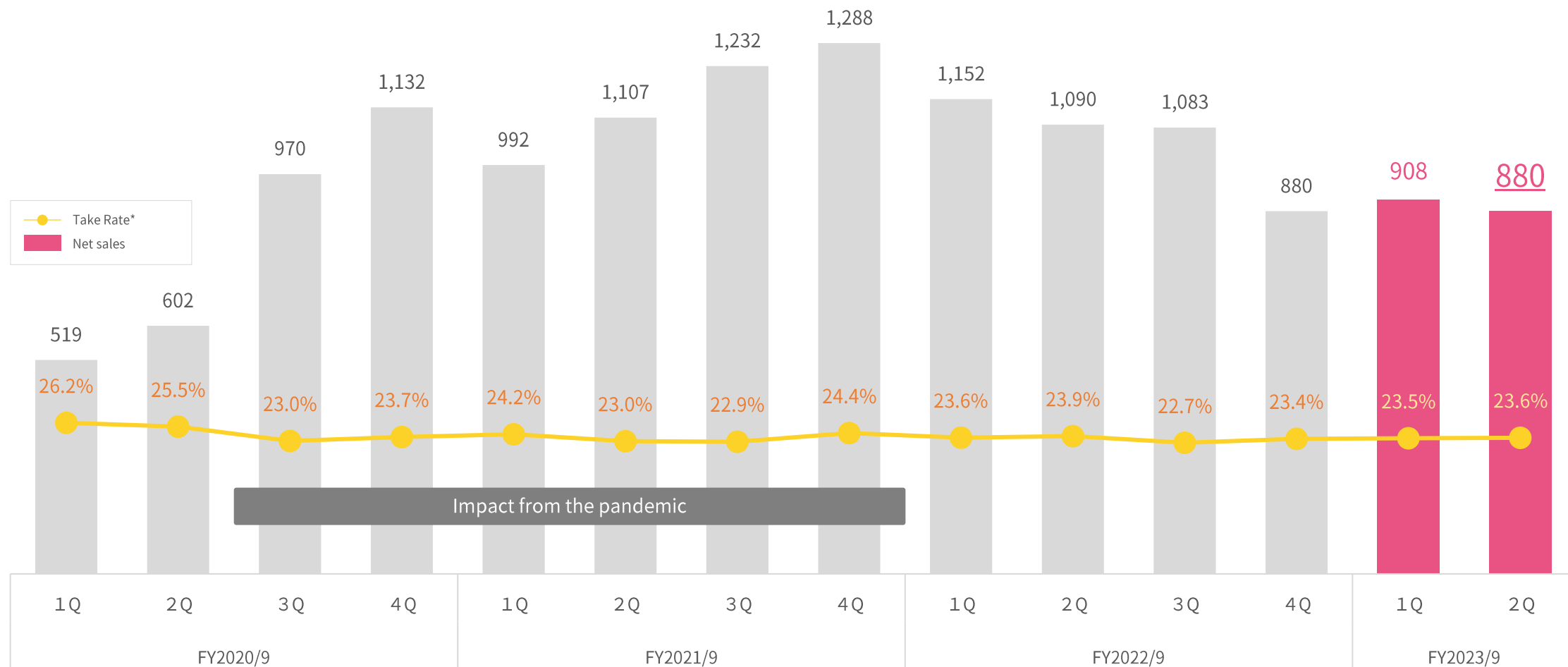
Amounts include consumption tax



# Net Sales and Take Rate

- Net sales were down 3.0% QoQ--a lower decline than that of GMV--as other sales, which include related services such as advertising agency sales, increased. Further, our take rate rose 0.1 pt

(Unit: JPY million)

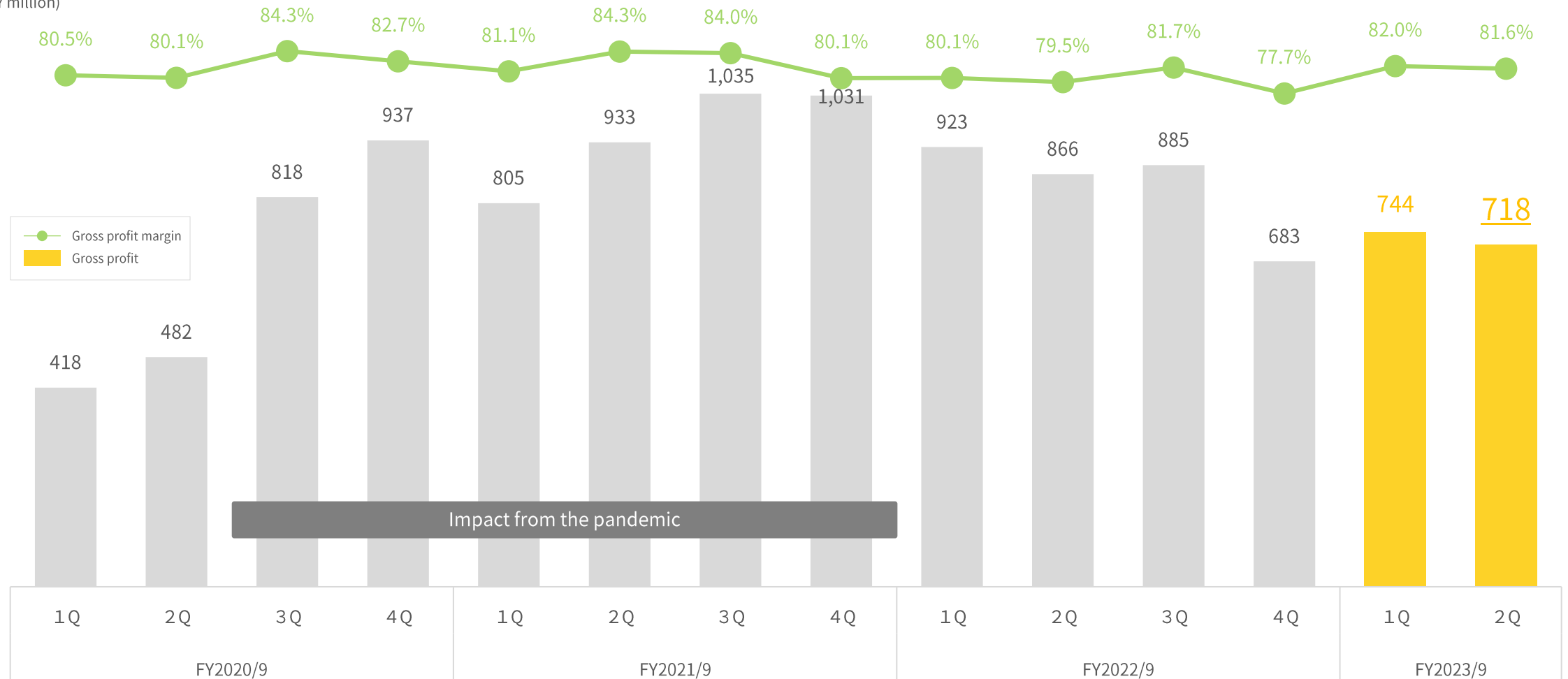


\*Take Rate = Net Sales/(GMV/1.1). Commission rate on Makuake services has been unchanged -- at 20% -- since our founding

# Gross Profit and Gross Profit Margin

- While gross profit margin declined 0.4 pt on slightly higher software depreciation charges--which are being capitalized from this fiscal year--there were no structural changes in our business, and the gross profit margin remained within its usual range of 80% to 85%

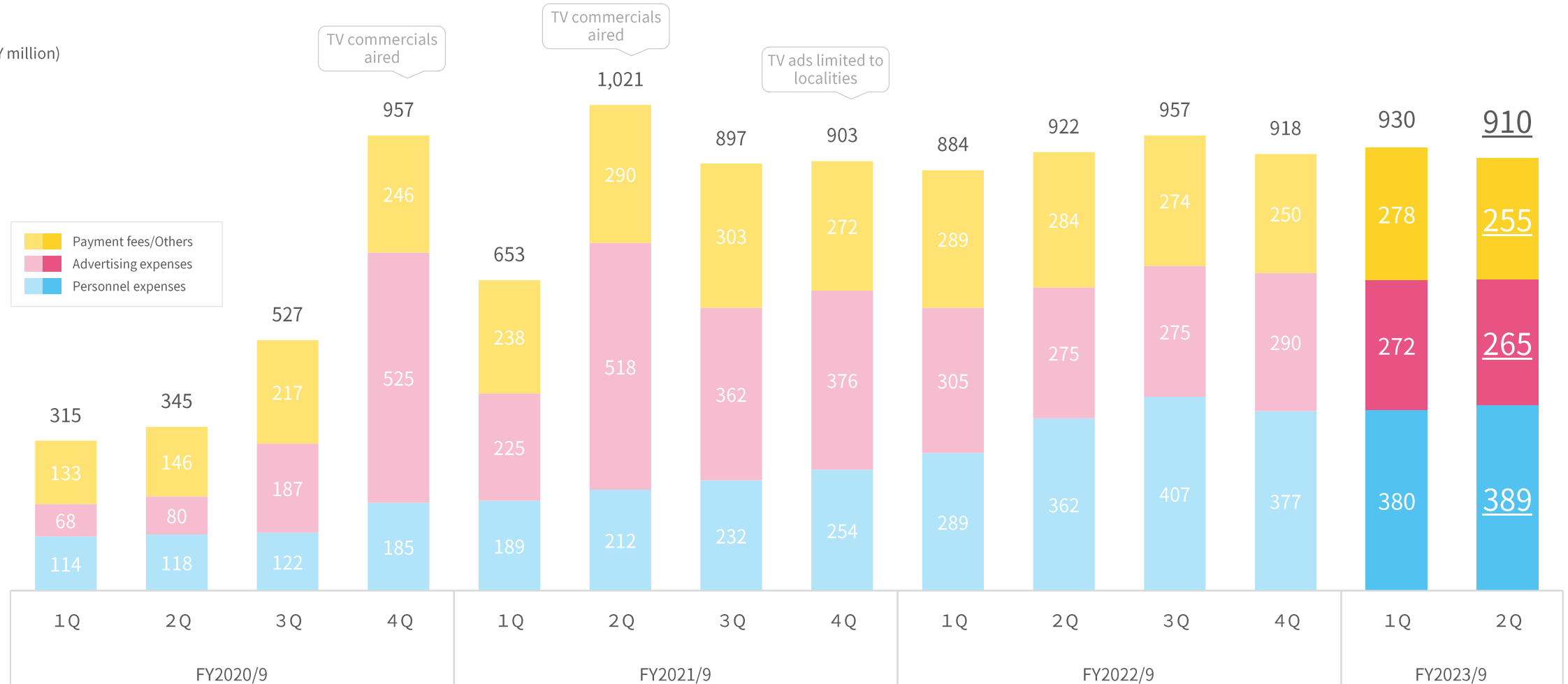
(Unit: JPY million)



# Selling, General and Administrative Expenses

- Personnel expenses increased as we boosted the development of new functionalities to support repeat use of the platform by project owners and project supporters. Note that we achieved our GMV plan even as our advertising expenses were down 2.5% QoQ, thanks to strict adherence to our internal ROI standards for advertising

(Unit: JPY million)

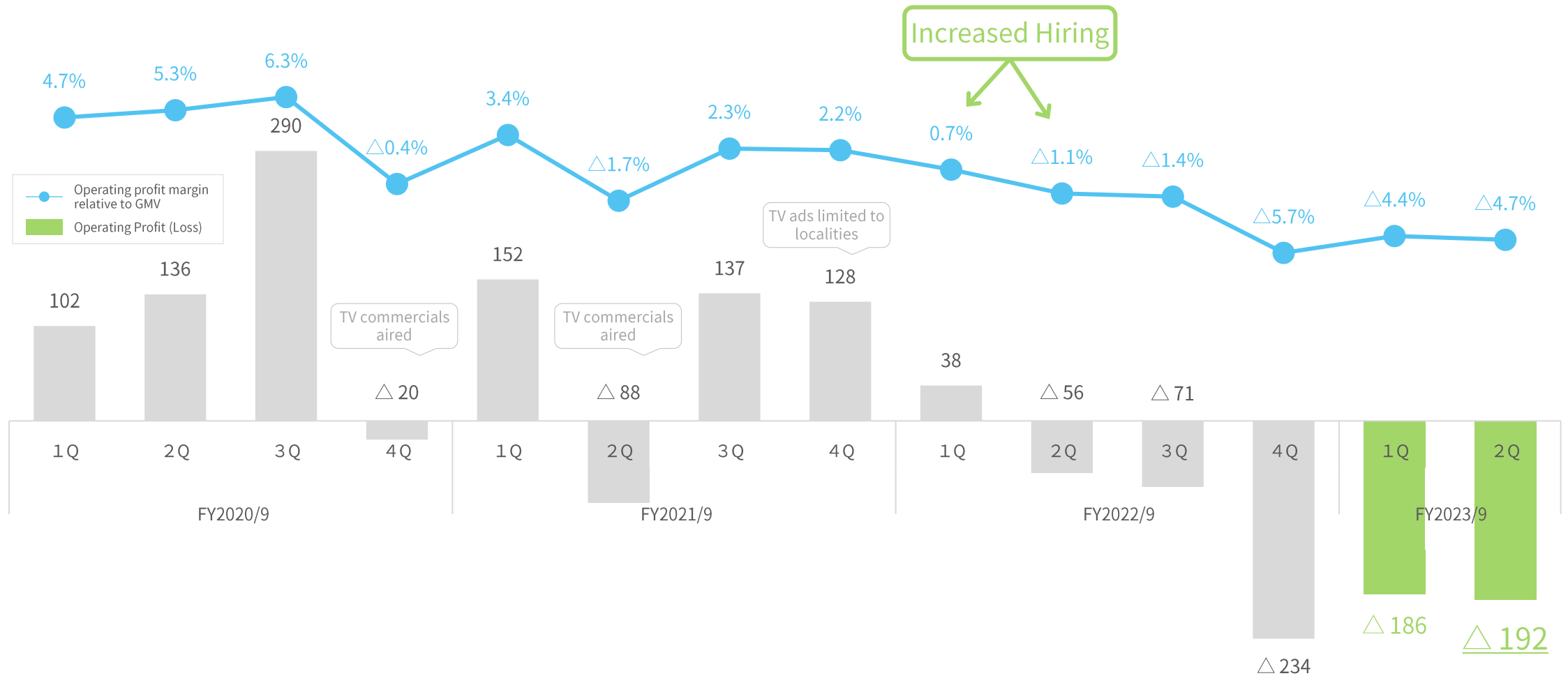


Note: Account titles aggregated into personnel expenses were revised as of Q2 FY2022/9

# Operating Profit (Loss) and Operating Margin Relative to GMV

- While operating loss increased by JPY 5.8 million QoQ due to a decline in GMV and net sales, it came within the range of our plan

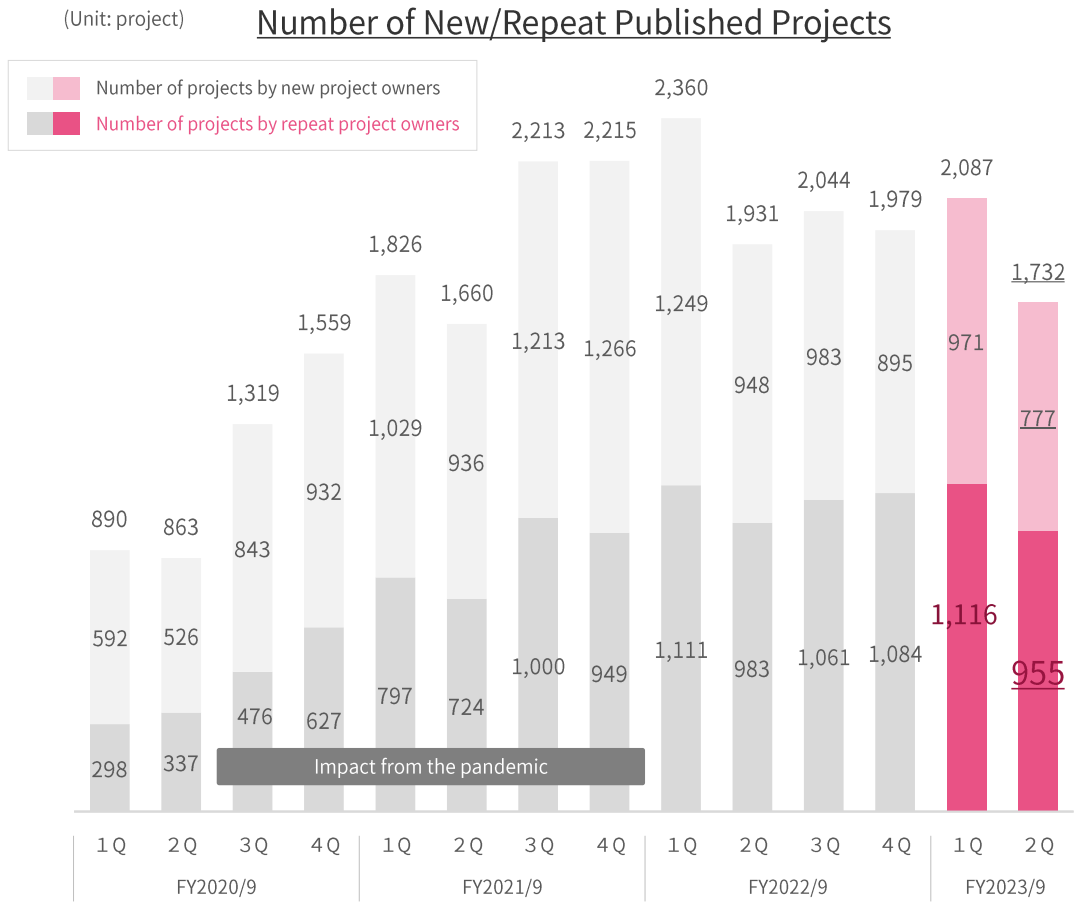
(Unit: JPY million)



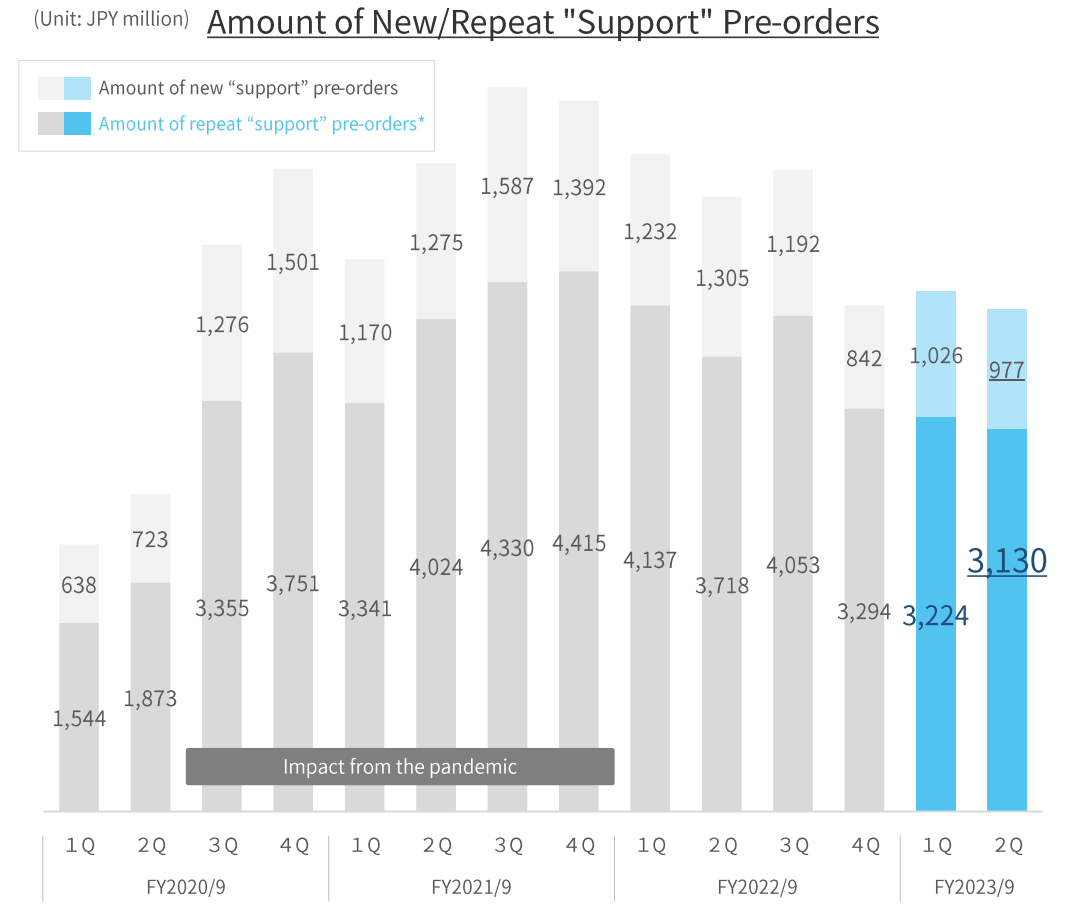


# Key Performance Indicators: Number of Published Projects by Repeat Project Owners and Amount of Repeat "Support" Pre-orders

- While the number of published projects by repeat project owners and the amount of repeat "support" pre-orders declined in January and February due to Q2 seasonality, we saw an upswing in March. As a result, the total amount of repeat "support" pre-orders decreased slightly compared to the previous quarter



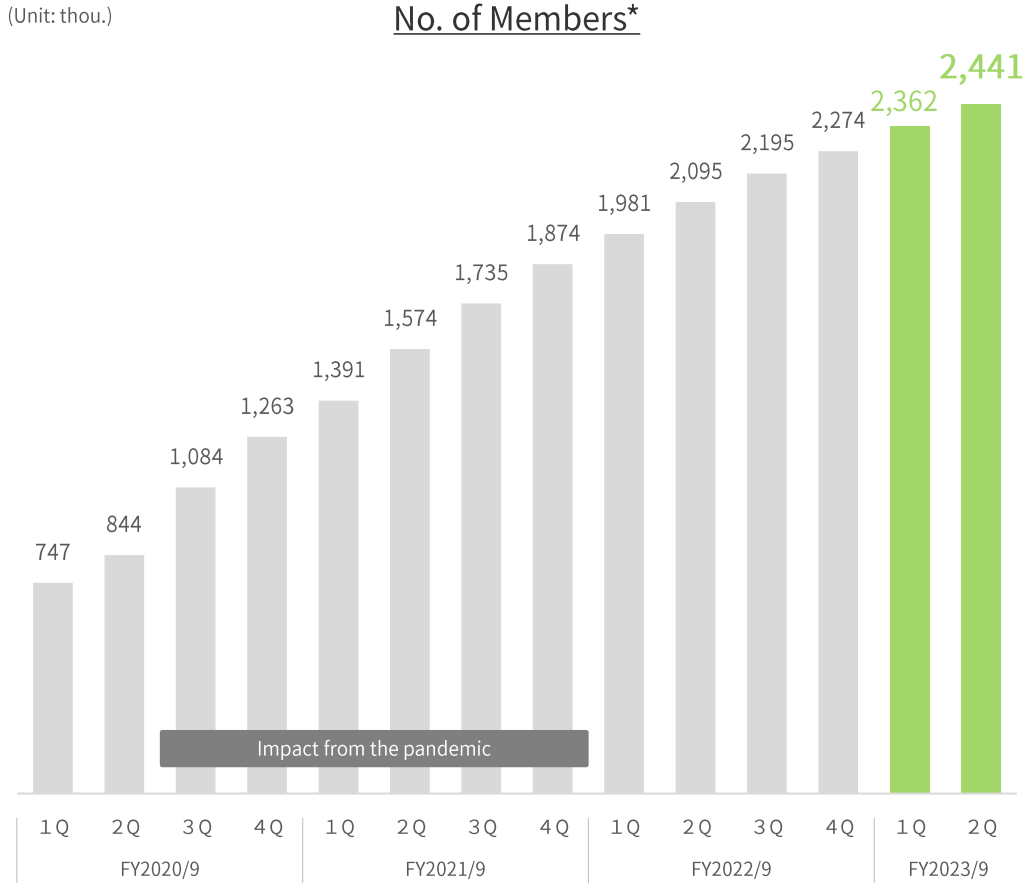
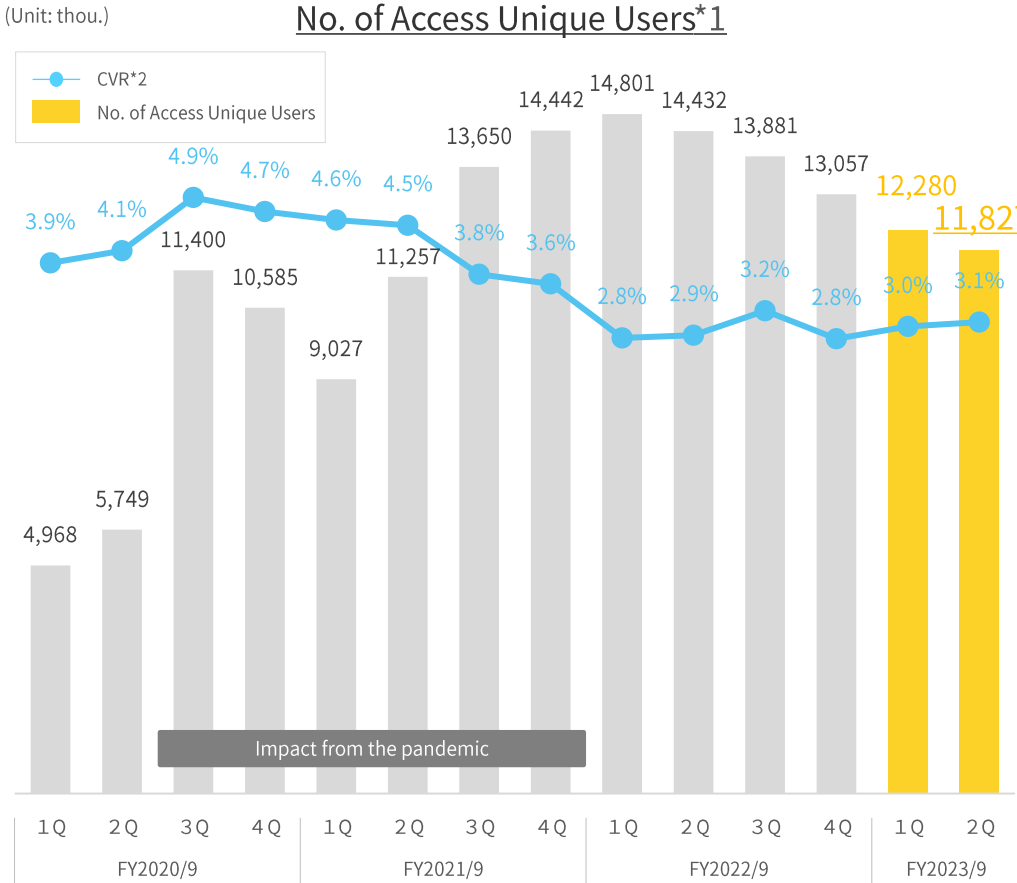
\*Ratio of projects published during the period by project owners who have had a previous project with us within the past 1 year to the total number of published projects



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

# Other Indicators

- Access UUs continued to decline as there was no change in our external environment where time and money spent on offline consumption are increasing. However, the declining trend is becoming more gradual. The number of members is steadily increasing

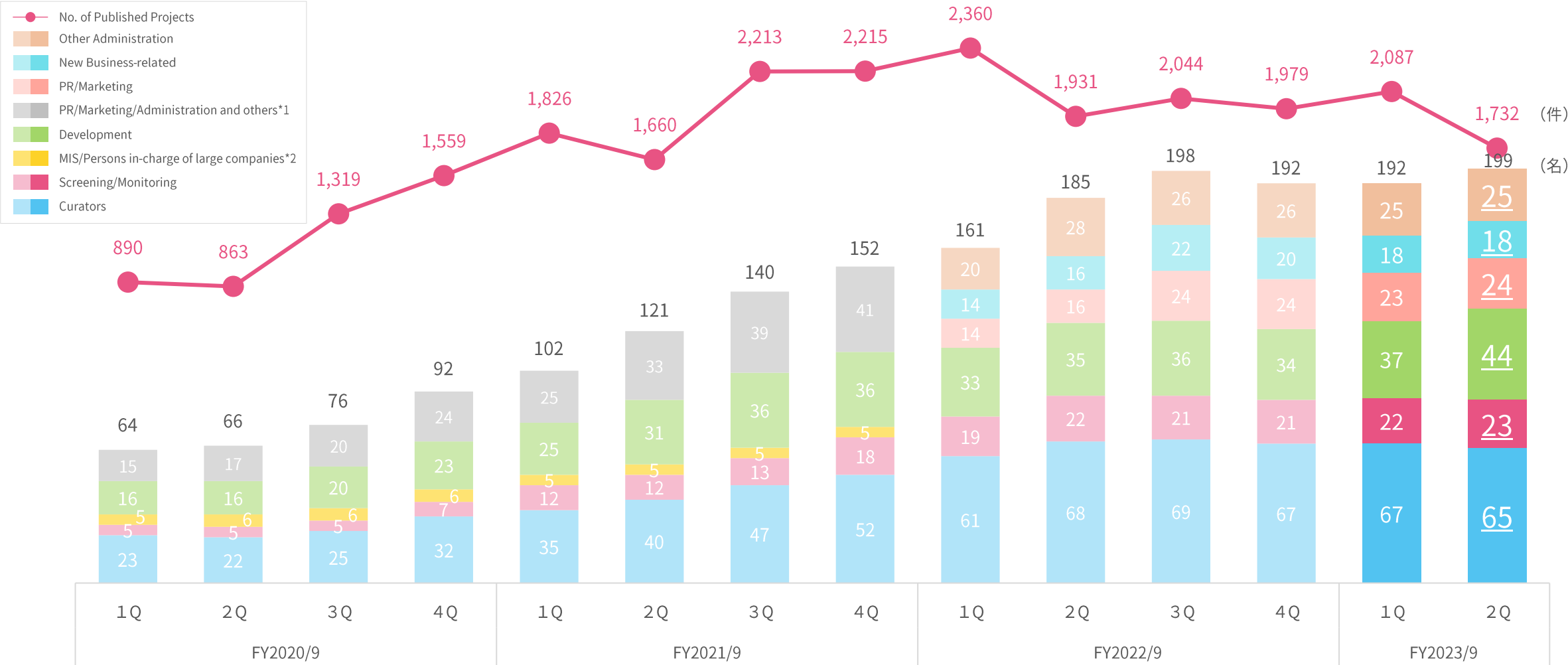


\*1 Number of persons who visited Makuake during the period. Tabulated according to Google Analytics standards  
 \*2 CVR (Conversion Rate): Conversion Rate: the ratio of access UUs on Makuake who placed a "support" pre-order to total access UUs (number of "support" pre-orders ÷ total access UUs). Please 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

• We increased the number of developers to build new functionalities, while in other departments, we focused mainly on inter-departmental transfers to ensure that the right people are in the right positions, and we secured the necessary personnel. We have determined that we can handle projects with the current staffing level this fiscal year and do not plan to make significant new hires in the future



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

# Major Projects Launched in Q2 FY2023/9

- As opportunities to go out increased, we saw a significant amount of "support" pre-orders for accommodation vouchers, restaurant memberships, and fashion items. On the other hand, demand for items that enrich time spent at home has continued due to changes in lifestyle that occurred during the pandemic

2階建てだから FLOORPACK Flex  
取り出しやすい | しまいやすい

応援購入総額 61,816,800円 (目標金額 300,000円) 100%

サポーター 2,396人  
残り 終了

終了しました

カジュアルなのに高機能。オンオフ使える2階建て構造-FLOORPACK Flex  
Two-Level High-Functionality Backpack

客室で“ととのい完結”  
サウナ温泉旅館  
TTNEのととのい観方プロデュース

応援購入総額 16,040,688円 (目標金額 1,000,000円) 160%

サポーター 214人  
残り 27日

応援購入する

【福岡市内から60分】全客室にサウナ・水風呂を完備した旅館が大分県日田  
Accommodation Voucher for Onsen Ryokan (Hot Spring Spa/Hotel)  
With Saunas in Every Room

喜怒哀楽、大切な瞬間のそばに  
私だけの心の支え  
Loona

応援購入総額 39,719,262円 (目標金額 300,000円) 1323%

サポーター 738人  
残り 35日

応援購入する

再生

あなたのことが大好き！1000もの感情を分かち合う、癒しのLoona (ルー  
Home Robot That Shares 1,000 Different Emotions with You

ChatGPT 連携  
AIパートナーと  
暮らす未来  
はじまる  
Gatebox

応援購入総額 37,750,000円 (目標金額 5,000,000円) 75%

サポーター 391人  
残り 17日

応援購入する

ChatGPTで無限に広がる会話体験！進化したキャラクター召喚装置Gatebox  
Device for Summoning Character Linked with ChatGPT

あのにくがどうの 鮓  
完全会員制

応援購入総額 29,627,400円 (目標金額 500,000円) 592%

サポーター 882人  
残り 72日

終了しました

【限定募集・完全会員制】にくがどうの鮓 その名も！? 超切腹 鮓 贈答案件  
Membership Rights to Members-Only Sushi Restaurant Operated  
by Popular Yakiniku Group

海のほりにし  
檸檬  
「ほりにし」に  
レモンオイルを配合した「ほりにし」に  
レモンの香りと爽やかなさをプラス

応援購入総額 9,457,644円 (目標金額 300,000円) 3152%

サポーター 2,372人  
残り 24日

応援購入する

アウトドアスナック『海のほりにし』が爽やかに登場！  
Lemon-Flavored "Outdoor" Spice

よみがえれ、  
現代に  
未来  
醸造酒に挑戦

応援購入総額 10,511,490円 (目標金額 2,500,000円) 42%

サポーター 470人  
残り 終了

終了しました

100年の時が流れる国指定重要文化財「日詰平井邸」醸造所復活へ！酒造の  
自由に挑戦  
New-Genre Craft Sake Made by Brewery Recognized as  
Important Cultural Property

第一印象は3秒で決まる  
帽子が似合わない  
からの卒業  
J-FIT

応援購入総額 9,360,587円 (目標金額 100,000円) 72%

サポーター 1,398人  
残り 17日

応援購入する

【帽子は形が命】匠の11枚刺ぎ構造で、似合わないゼロへ！第3弾-JFITの  
Hat Expertly Crafted of 11 Fabric Strips for Greater Comfort

コップ震らず、しかも自動洗浄。  
ミキサーなのに  
タンブラー  
再生

応援購入総額 30,628,000円 (目標金額 100,000円) 10927%

サポーター 3,350人  
残り 終了

終了しました

再生

理想の身体・健康的な生活を手に！直接飲めるから毎日続けられるタンブラー  
Easy-To-Carry Cordless Tumbler-Style Mixer

# Major Projects Launched in Q2 FY2023/9 (Large Companies)

Large companies tend to repeatedly use Makuake once they try it--this trend was particularly noticeable in Q2, with many repeat users. In addition, we have seen an increase in projects aiming to acquire new customer segments through new product launches in completely new fields

**MACH**  
掃除の常識を覆す  
掃除機がAnkerから誕生  
マッハ V1 Ultra

応援購入総額 **96,452,830円**  
目標金額 1,000,000円

104%

サポーター 1,117人  
残り 終了

終了しました

掃除の常識を覆す。スチーム×水拭×強力吸引 マッハV1 Ultra | Anker

**Anker**

meiji  
きっとまだ、このカカオを知らない。

応援購入総額 **11,043,520円**  
目標金額 1,000,000円

110%

サポーター 1,306人  
残り 終了

終了しました

「チョコレートは明治」の本気の挑戦！カカオというフルーツの新しい愉し

**Meiji**

POLA ORBIS GROUP StaSta  
子どもが自分で塗りたくなる泡の保湿剤

応援購入総額 **367,505円**  
目標金額 150,000円

145%

サポーター 54人  
残り 48日

応援購入する

楽しいから自分で塗りたくなる！3児ママが本気で開発、お風呂でも使える

**POLA ORBIS Group**

とってる姿も愛おしい  
いぬ・ねこ用足形作成キット  
ペットの足跡を  
完全に汚れない

応援購入総額 **7,201,640円**  
目標金額 500,000円

146%

サポーター 2,701人  
残り 終了

終了しました

汚れない。だから一緒に楽しめる。シヤチハタ発、ペット用足形作成キット

**Shachihata**

老舗シューズメーカーと超柔軟ゲル素材メーカーとの共同開発  
「極上」の履き心地  
【姿勢補正】  
【アーチサポート】  
【歩行サポート】

meta insole

応援購入総額 **3,153,000円**  
目標金額 100,000円

115%

サポーター 286人  
残り 終了

終了しました

足裏から姿勢を補正し、快適な歩行をサポートするマドラス社metaインソール

**madras**

Calbee  
あのお菓子のスニーカー！

応援購入総額 **4,059,000円**  
目標金額 500,000円

111%

サポーター 266人  
残り 終了

終了しました

履きだしたらキリンがない！大人気お菓子から国産スニーカーが登場！

**Calbee**

おうちでフォアグラ？  
濃厚リッチで、なめらかな口どけ。  
ぐらふお

応援購入総額 **1,611,854円**  
目標金額 500,000円

12%

サポーター 465人  
残り 46日

応援購入する

新次元のフォアグラ体験「ぐらふお」新技術で鶏レバーが濃厚リッチに！

**NH Foods**

アウトドアで、音楽を自由に。  
サイレントライブモード搭載  
SPEAKER-1 OUTDOOR SOUND

ELECOM

応援購入総額 **2,988,800円**  
目標金額 500,000円

12%

サポーター 226人  
残り 30日

応援購入する

アウトドアが変わる！周りを気にせず音楽を仲間とシェアして楽しめる革新

**ELECOM**

この一枚が雰囲気を変える。  
いつでも頼れる本格的なジャケットを、東京のファッションに。  
TOKYO TEX 日本製ウインターパーカー

応援購入総額 **1,584,000円**  
目標金額 500,000円

11%

サポーター 48人  
残り 終了

終了しました

一枚で服装がキマる。都会的で洗練された高機能アウターを原価率60%の最

**TOKYO BASE**

# SDGs-Related Projects Launched in Q2 FY2023/9

We saw many projects focused on environmental conservation by addressing waste reduction, such as "upcycled" products that make use of previously discarded items and products that help minimize waste output

Project: 八百屋の作る本気のドラ  
Dried Fruits Made from Nonstandard (Shape, Size, Etc.) Fruits That Would Normally Be Discarded

Success! 応募購入総額 5,822,530円 (目標金額 3,000,000円) 194%

サポーター 834人 残り 70時間

12 つくる責任 つかう責任 (Recycling icon)

Project: リンゴが作ったサニタイザー  
Disinfecting Spray Made from Fermented Apple Pomace

Success! NEXT GOAL 570万円 応募購入総額 1,601,200円 (目標金額 500,000円) 320%

サポーター 208人 残り 39日

12 つくる責任 つかう責任 (Recycling icon)

Project: 「大容量」ミニ財布  
Wallets and curry made from the leather and meat of deer culled as pests

Success! 応募購入総額 1,202,760円 (目標金額 200,000円) 601%

サポーター 82人 残り 39日

12 つくる責任 つかう責任 (Recycling icon)

Project: 簡単に洗って使えるペットトイレ  
Washable Pet Toilet for Repeated Use

Success! 応募購入総額 2,983,320円 (目標金額 100,000円) 2983%

サポーター 285人 残り 終了

6 安全な水とトイレを世界中に (Water tap icon)  
11 住み続けられるまちづくりを (City icon)  
12 つくる責任 つかう責任 (Recycling icon)

Project: ラップ不要! 食べ物の形に合わせて密閉保存  
Airtight Container with Stretchable Film That Can Be Used Just like Plastic Wrap

Success! 応募購入総額 1,339,260円 (目標金額 100,000円) 1339%

サポーター 138人 残り 17日

11 住み続けられるまちづくりを (City icon)  
12 つくる責任 つかう責任 (Recycling icon)

Project: 専用袋不要。食費も節約しながら簡単・時短  
Vacuum Packing Machine to Reduce Food Loss by Preventing Food Oxidation/Deterioration

Success! 応募購入総額 5,153,270円 (目標金額 100,000円) 5153%

サポーター 784人 残り 17日

9 産業と技術革新の基盤をつくろう (Gears icon)  
11 住み続けられるまちづくりを (City icon)

## Collaboration with Jupiter Shop Channel Which Operates SHOP CHANNEL

Support of Project Owners

Acquisition of Project Supporters



Products of project managers launched on Makuake were introduced on SHOP CHANNEL to expand their reach in the primary distribution market after the completion of their projects on our platform

Furthermore, we offer assistance in launching products on Makuake for businesses that wish to challenge the pre-primary distribution market and whose products have been introduced on SHOP CHANNEL

## New Products Produced by JOURNAL STANDARD FURNITURE Exhibited at Shibuya Store

Support of Project Owners

Acquisition of Project Supporters



We created a special page on our website to showcase new products launched on Makuake by all of the eleven businesses that feature products produced by JOURNAL STANDARD FURNITURE

At the same time, we are exhibiting the products at JOURNAL STANDARD FURNITURE Shibuya store, providing consumers with the opportunity to touch and experience the products in person, gain a deeper understanding, and then purchase the items they are interested from Makuake

## Opening of Stores at Muji Grand Front Osaka by Businesses That Launched Projects with Makuake

Support of Project Owners

Acquisition of Project Supporters



Seven businesses from the Kansai region (comprises 2 metropolitan and 4 regular prefectures) opened stores at "Connecting Markets" in MUJI Grand Front Osaka

Our aim is to promote local manufacturing and ultimately support the revitalization of the entire region by deepening the understanding and support of local residents for project owners and industries in their area, opening up an environment where project owners can easily cultivate local fans

## Hosting "Makuake Global Meetup" Event for Local Project Owners in Shenzhen, China



We held a "Makuake Global Meetup@Shenzhen" event in Shenzhen to promote further use of "Makuake" platform by Chinese businesses and accelerate support for their expansion into the Japanese market. Guests at the event included Mr. Yan Zhao from Rakuten Group, Mr. Yuto Kira, founder and CEO of FOS, and Mr. Lei Wang, founder and CEO of MadSpace, in addition to our team members. They provided advice on expanding into the Japanese market from different perspectives and supported project owners in their efforts to expand.

## Started "2023 New Year's Gift "Support" Coupon Campaign" on January 1, 2023 (Sunday)



We launched the "2023 New Year's Gift Support Coupon Campaign" on January 1, 2023 (Sunday). During the campaign period, 2,023 supporters who placed qualifying "support" pre-orders were selected by lottery to receive a "support" coupon worth ¥1,000. The requirements for entry were as follows:

1. Registered as a member with Makuake
2. Placed "support" pre-orders of ¥7,000 or more (tax included) during the campaign period
3. Participated in the campaign by following the entry instructions





# Medium-Term Business Plan

(FY2023/9 - FY2025/9)

# 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

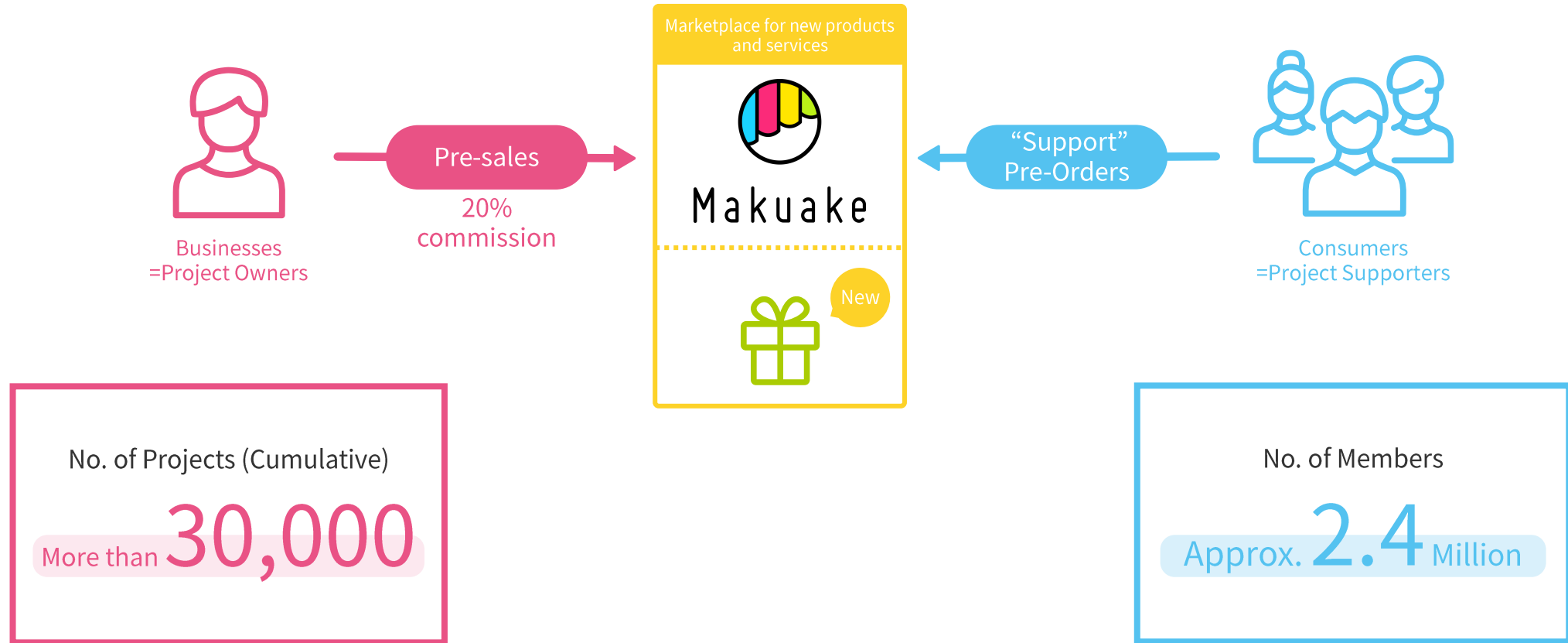
# Makuake -- Venue for Launch of New Products and Services

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



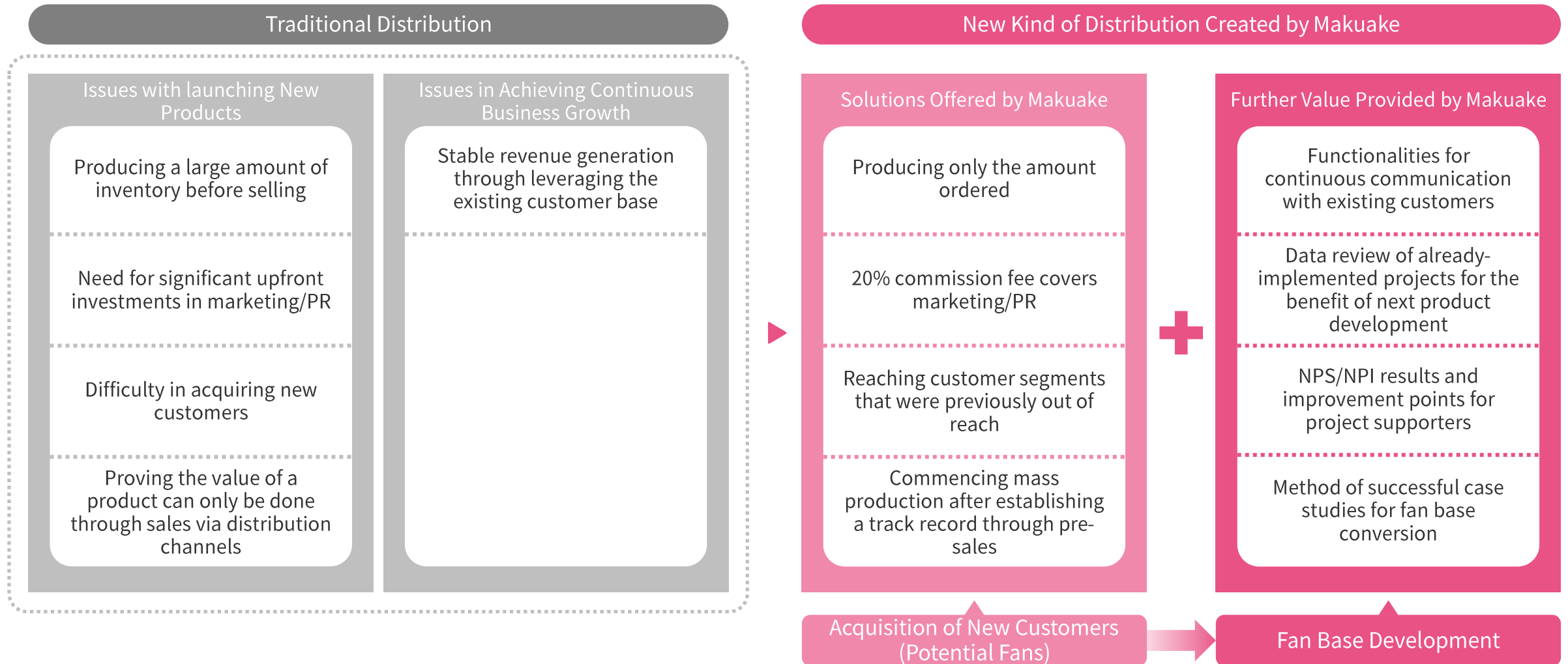
# Makuake's Business Model

- 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



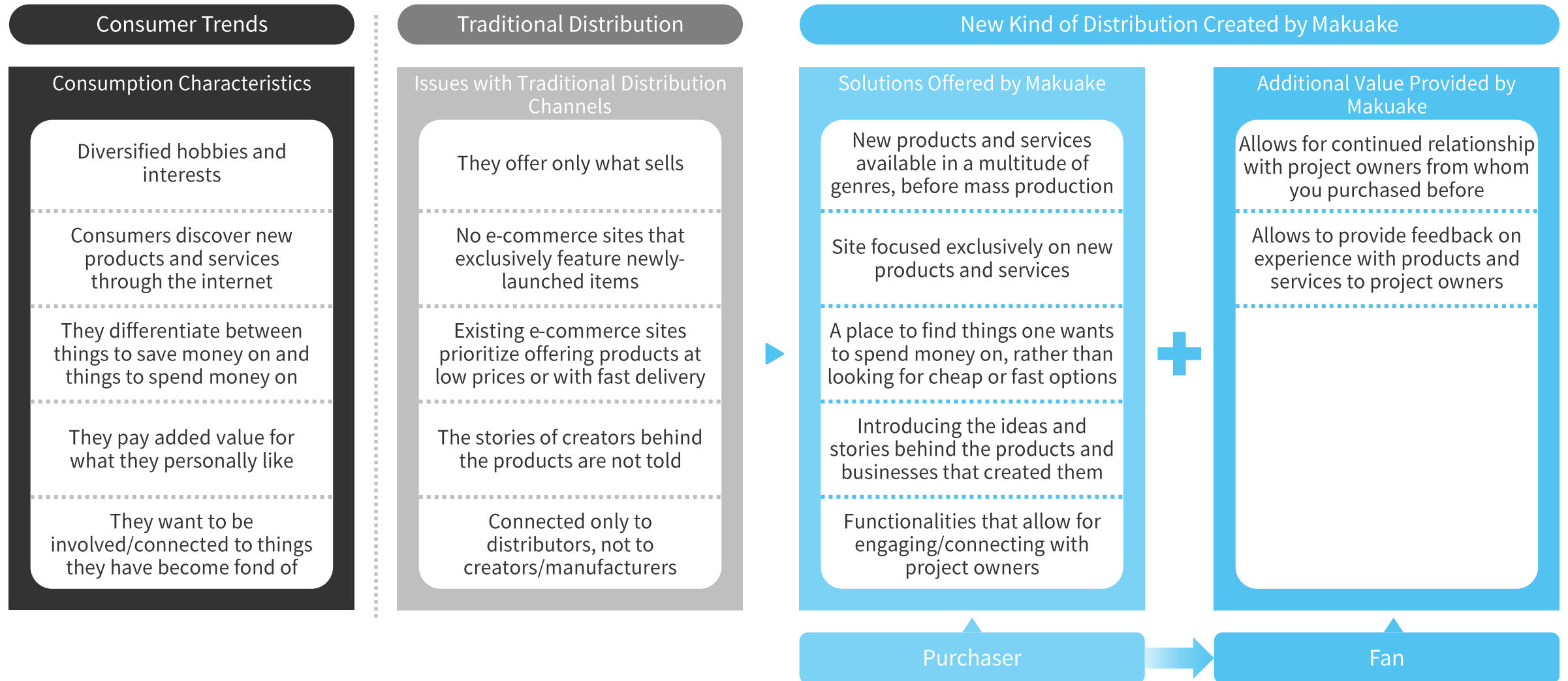
# Value Provided by Makuake: Businesses

- We not only help businesses avoid risks and burdens of distribution, but also support the creation of a structure to develop new products for sustainable business growth and provide a mechanism that can turn customers of the businesses we serve into a loyal fan base



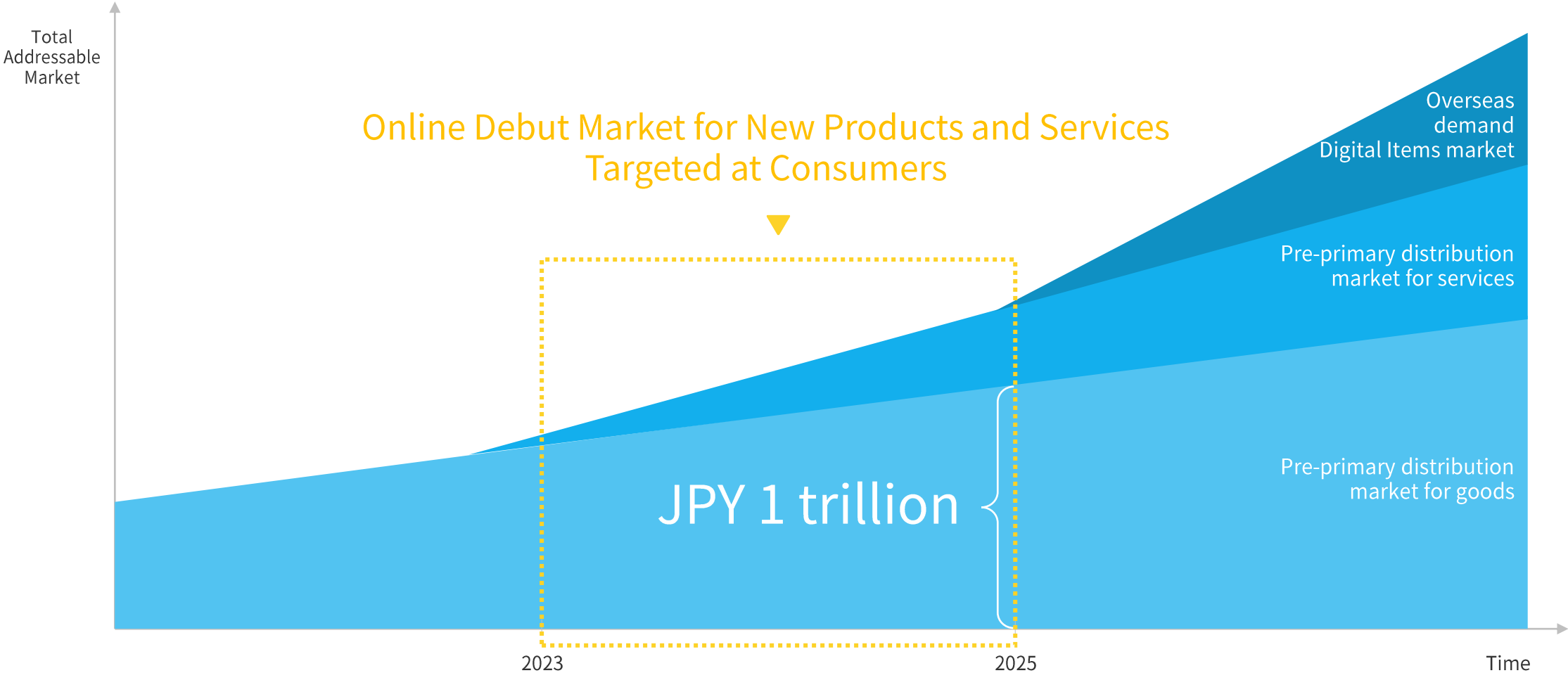
# Value Provided by Makuake: Consumers

- We offer a unique purchasing experience that caters to the current needs of consumers, allowing them to go beyond being mere buyers. By connecting them with project owners and fostering mutual interaction, we help customers become fans of the project owners, and ultimately, fans of Makuake



# Main Target Markets through FY2025/9

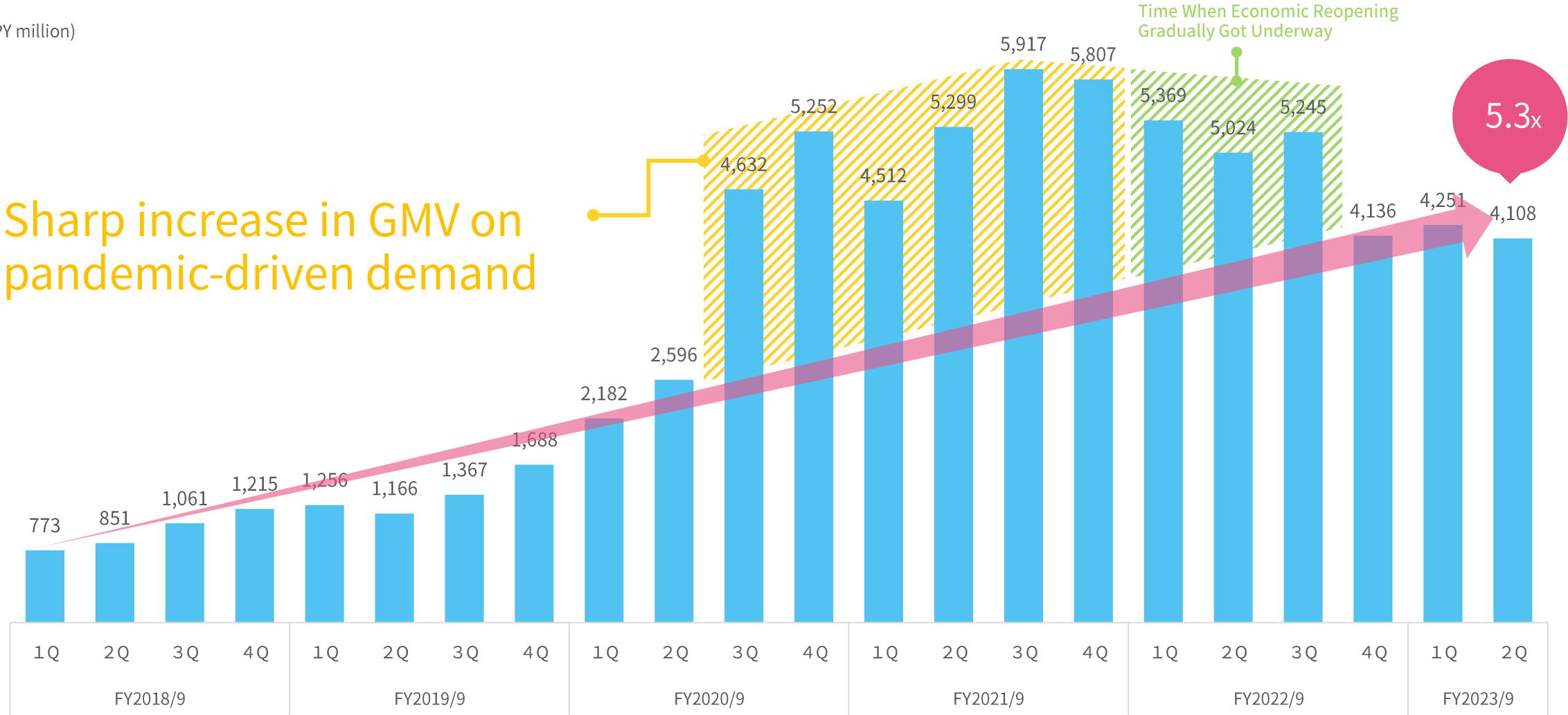
- We will continue to focus on the online pre-primary distribution market for goods, which is expected to grow to JPY 1 trillion by 2025. Additionally, we will work towards developing the online pre-primary distribution market for services



# GMV Performance since FY2018/9

- Within a span of five and a half years, quarterly GMV has increased 5.3 times from Q1 FY2018. Moreover, during the pandemic, there was a rapid but temporary increase in GMV driven by the surge in demand for e-commerce

(Unit: JPY million)





# Challenges to Achieve Further Growth That Have Emerged Post-pandemic

- During the pandemic, we prioritized responding to the rapid changes in demand from both project owners and project supporters, which resulted in GMV growth. However, this also brought to light numerous challenges that need to be addressed in order to achieve further growth in the future

1

Establishing a business structure not greatly influenced by the external environment

2

Continuing GMV growth and enhancing capacity to achieve GMV targets

3

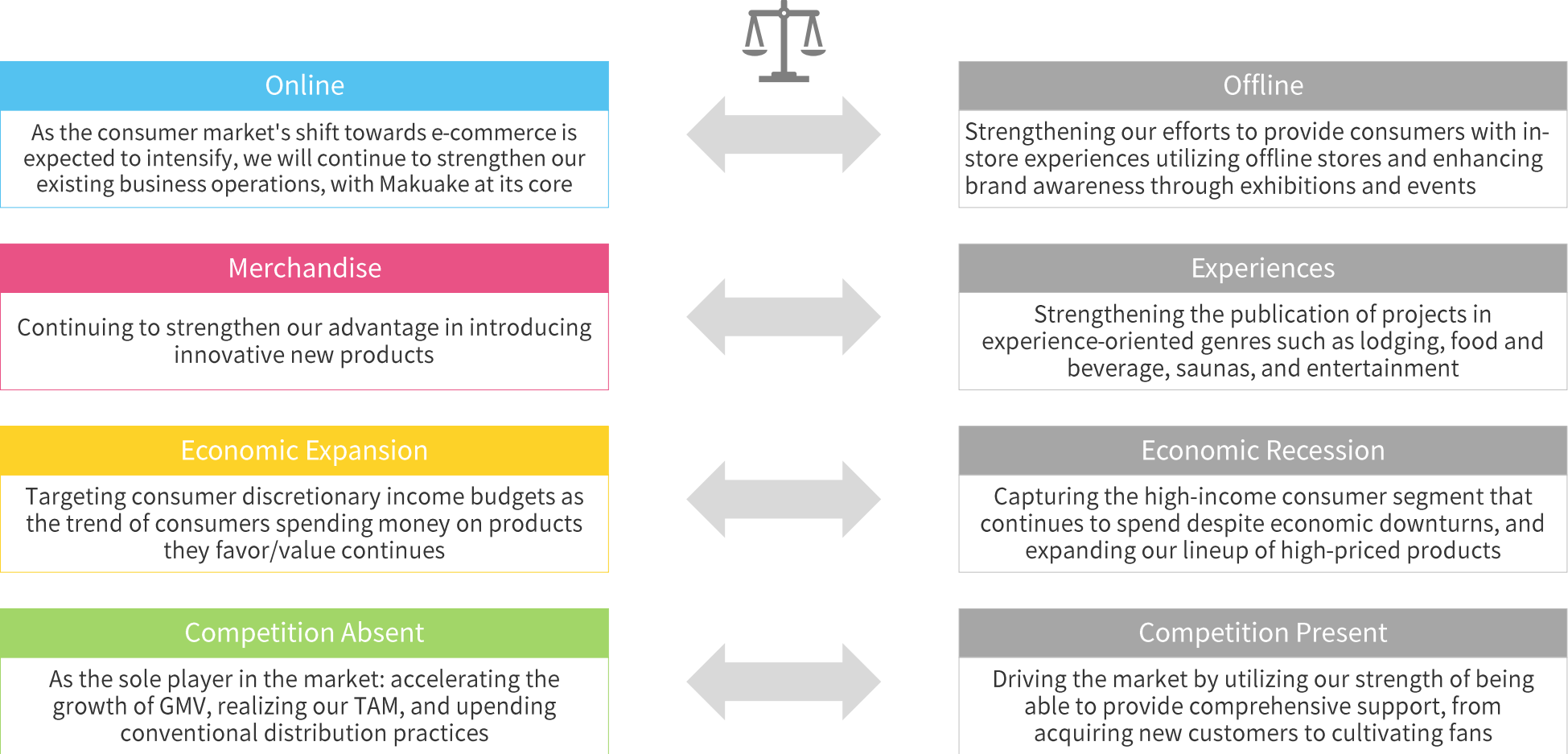
Improving productivity

4

Actualizing a large-scale TAM (Total Addressable Market)

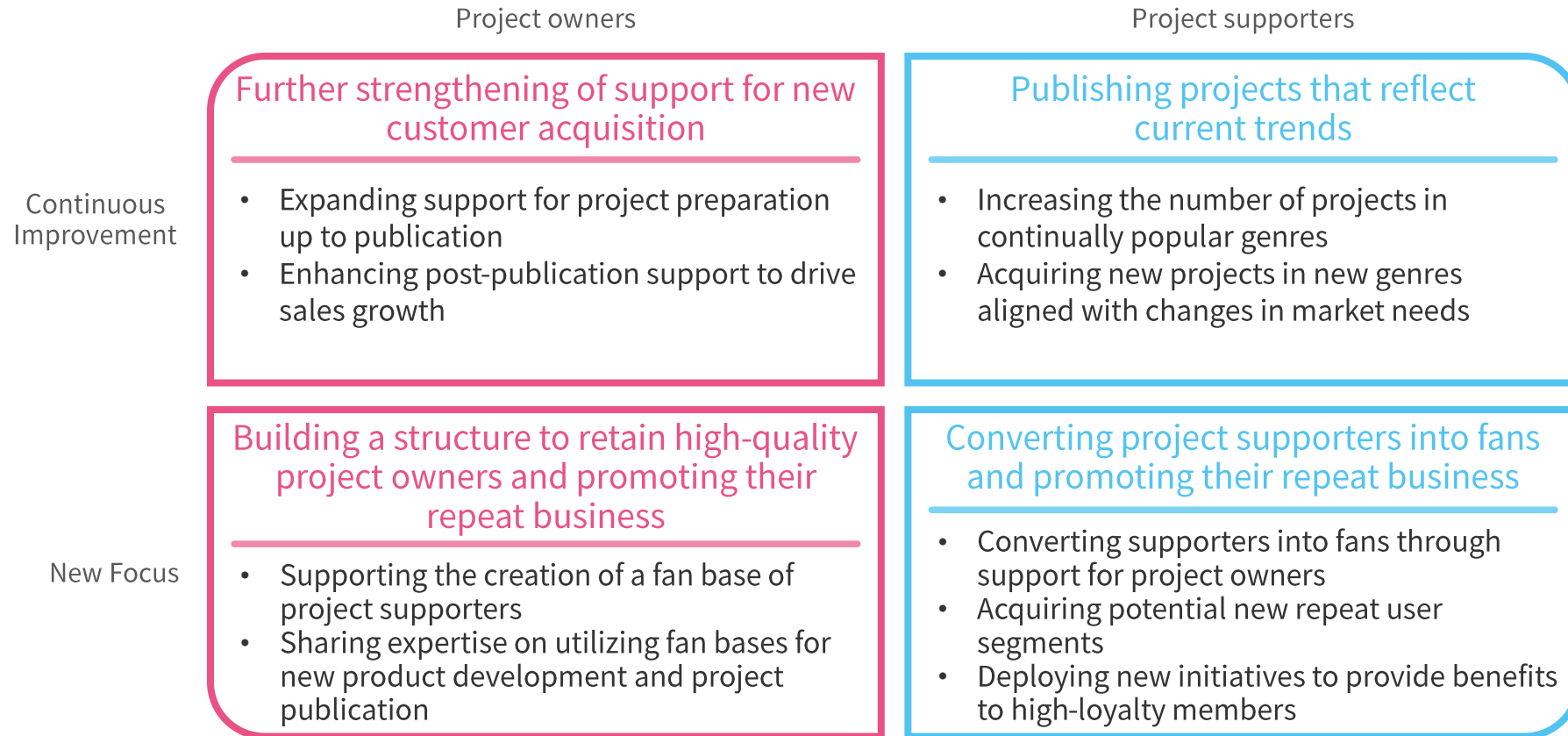
# 1. Establishing a Business Structure Not Greatly Influenced by the External Environment

- During the pandemic, our business growth was greatly impacted by the external environment, resulting in significant fluctuations. To overcome this, we will create a growth framework based on our own efforts, enabling us to sustainably grow regardless of external factors. We will achieve this by adjusting the balance of our business portfolio in response to changes in the external environment



## 2. Continuing GMV Growth and Enhancing Capacity to Achieve GMV Targets

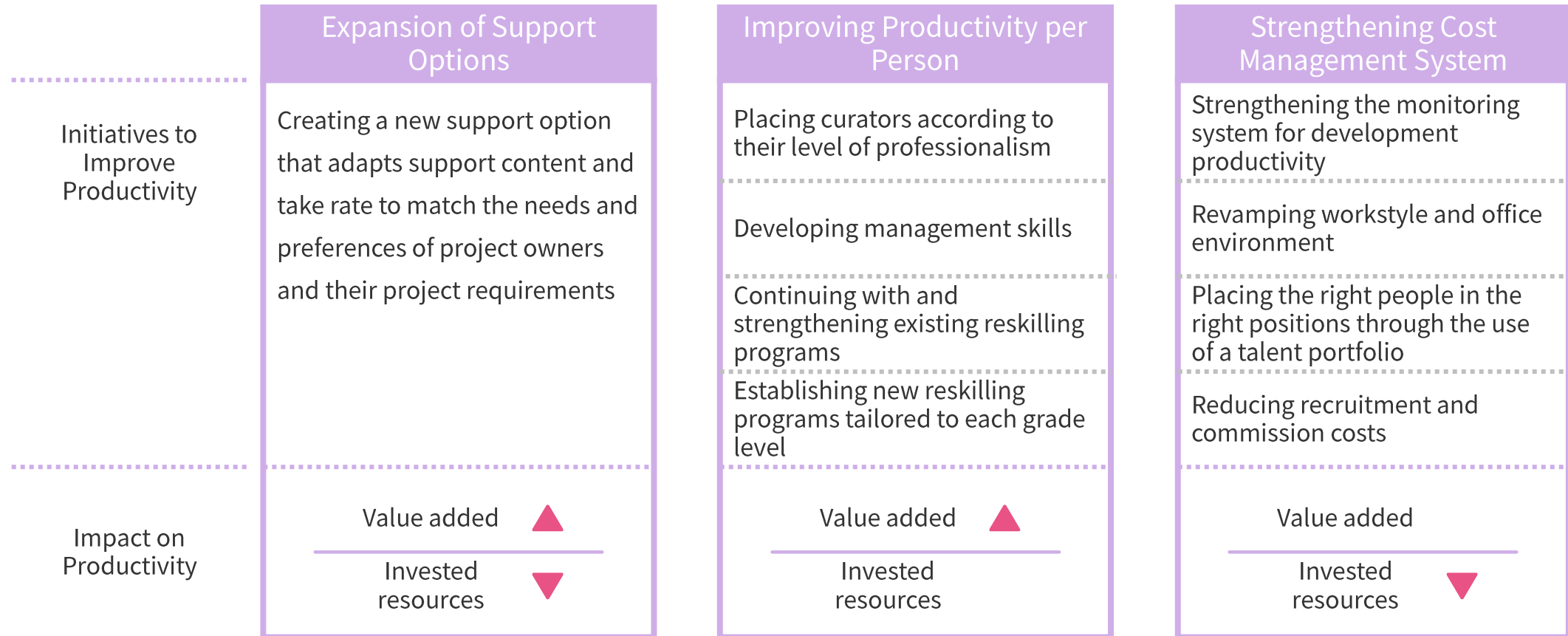
- We will continue to strengthen our initiatives that have proven to be effective and place a new focus on building a structure for retaining project owners and supporters, as well as promoting their repeat business, with a particular emphasis on the fan base of project supporters. Our efforts will aim at accumulating repeat customer assets and achieving stable GMV creation



Enabling the generation of stable GMV by accumulating repeat customer assets

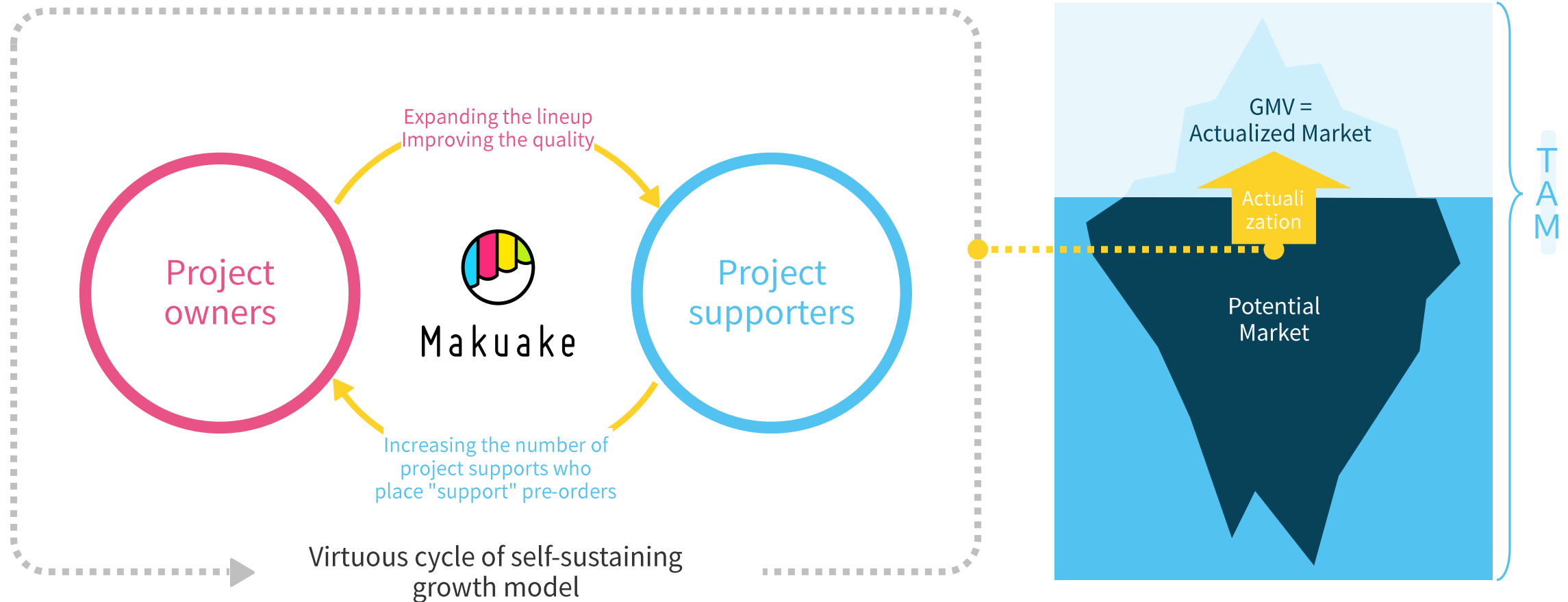
### 3. Improving productivity

- We will advance measures such as expanding support options for project owners and various training initiatives for skill development, thoroughly implement cost management, raise the value-added while reducing invested resources, and improve productivity



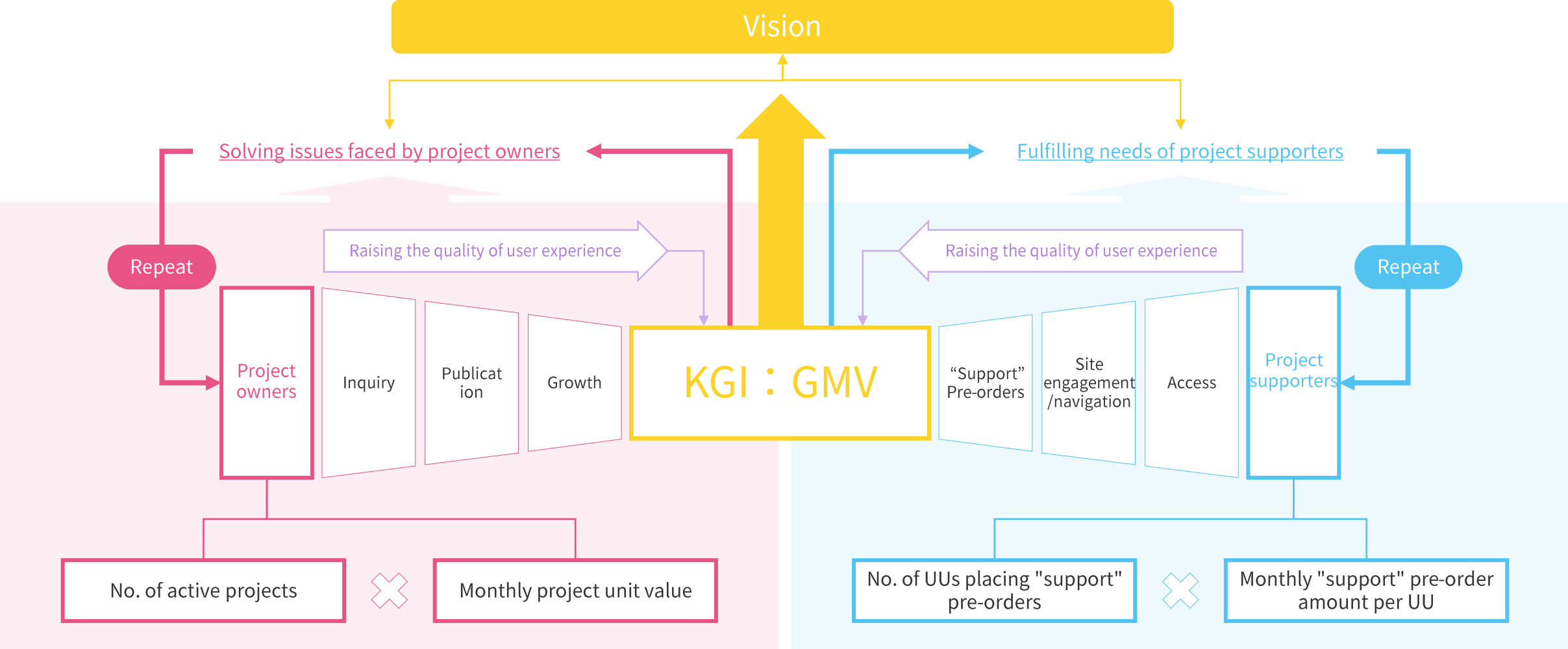
## 4. Actualizing Large-Scale TAM (Total Addressable Market)

- Makuake operates on a self-sustaining growth model that enables both project owners and supporters to thrive, thus accelerating overall growth. We believe that the virtuous cycle of self-sustaining growth leads to GMV growth, which in turn actualizes our TAM



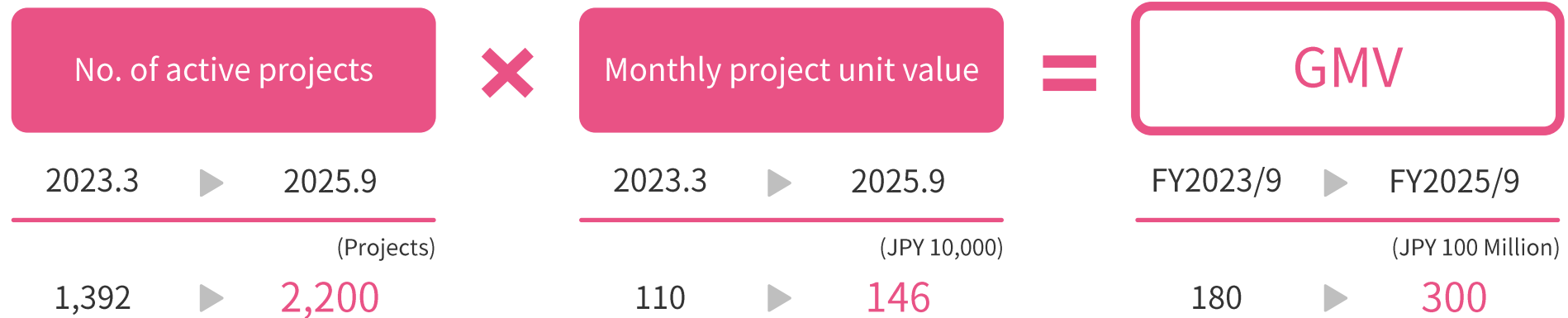
# Factor Analysis of Makuake Service Structure to Achieve Medium-Term Management Plan

- GMV, Makuake's key goal indicator (KGI), can be factored into two main components: project owners and supporters. These components can grow in an accelerated manner through our initiatives to win repeat business, leading not only to enhanced GMV growth but also to the realization of our vision



# Medium-Term KPI Targets

- We aim to achieve a GMV of JPY 30 billion (mid-target) by September 2025 by increasing the number of active projects to 2,200 and raising project unit value to JPY 1.46 million

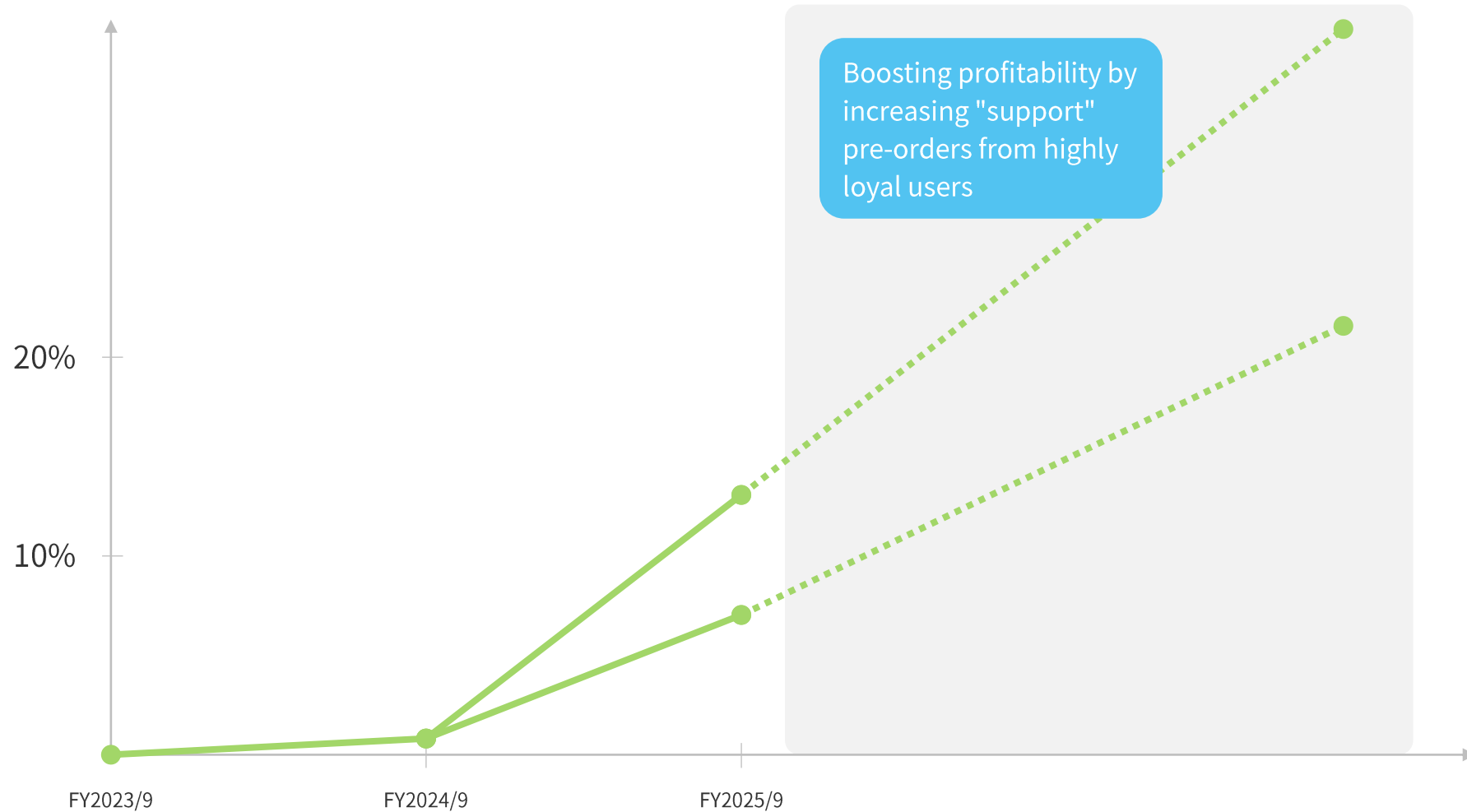


Expected GMV growth range: can fluctuate depending on market environment/progress of each strategy, etc.

- ¥32 billion
- ¥30 billion
- ¥28 billion

# Medium-Term Operating Profit Margin Target

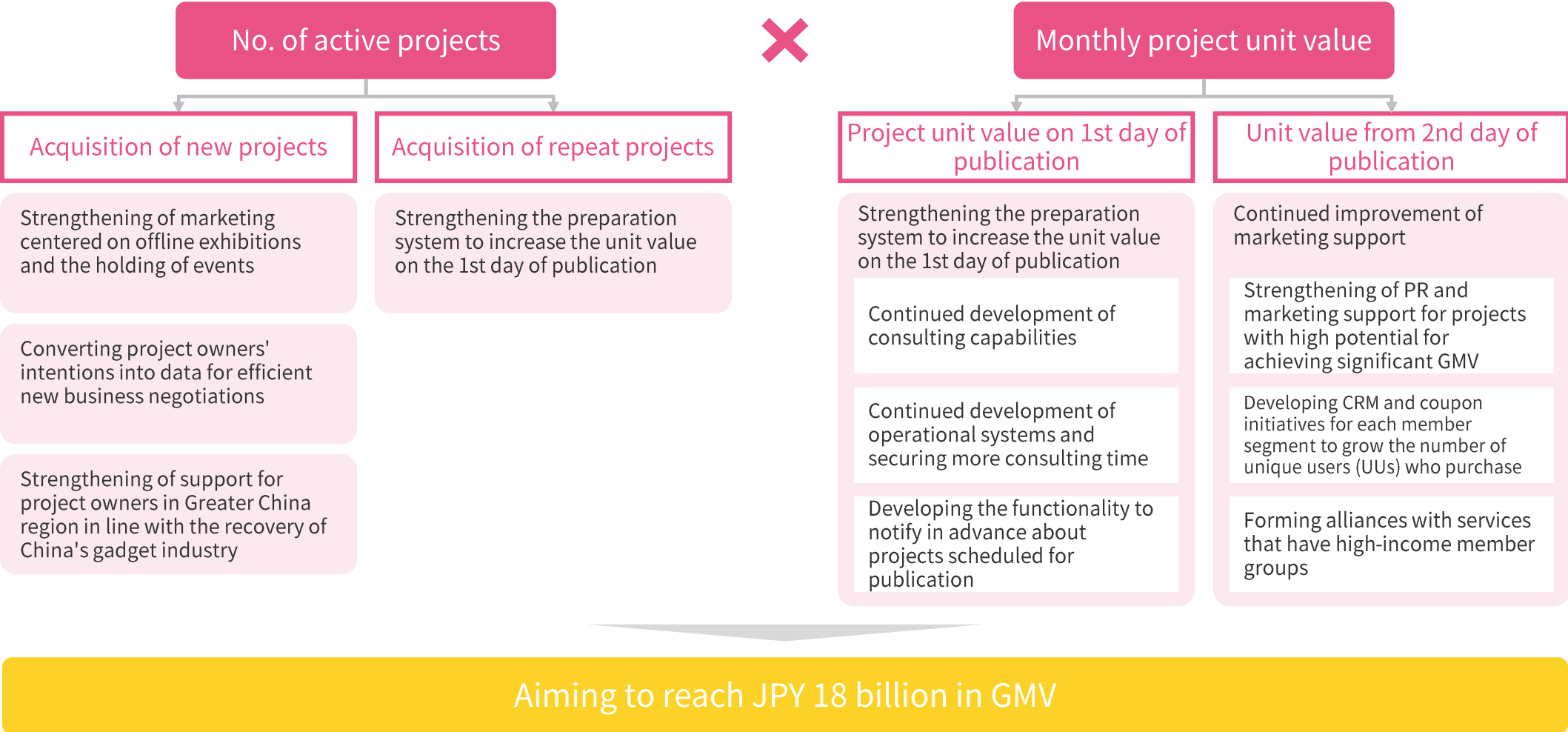
- We are targeting an operating profit margin of approximately 7.5% to 13.5% for FY2025/9, assuming a balance between sales growth and cost management





# Growth Strategy for the 2nd Half of FY2023/9

- We aim to achieve our annual GMV target of JPY 18 billion--while securing a stable revenue base--by expanding our repeat customer base through initiatives targeted at project owners with growth potential and highly-loyal members within our membership segments



## FY2023/9 Full-Year Forecasts

- Net sales and operating loss, as well as the gross amount of "support" pre-orders, came in largely in line with the plan for the 1st half of the fiscal year. As of now, there are no changes to our full-year financial forecasts

(Unit: JPY million)	FY2022/9	FY2023/9 Forecasts	Change	Percentage change
Gross Amount of "Support" Pre-orders: GMV (Tax included)	19,776	18,000	(1,776)	(9.0)
Net Sales	4,206	3,840	(366)	(8.7)
Operating Profit (Loss)	(324)	(880)	(555)	-
Ordinary Profit (Loss)	(302)	(880)	(577)	-
Net Income (Loss)	(1,347)	(890)	457	-



# Human Capital Management Plan

# Strengths of Our Human Capital Management as Identified in the Engagement Survey

- In the engagement survey conducted in December 2022, our employees strongly identified with our company's vision, took pride in the services we offer while performing their jobs, and felt a high level of psychological safety even in a corporate culture that encourages taking on challenges

1 Our people share the vision and take pride in the services we provide

2 Opportunities for challenging work are provided and evaluated appropriately

3 Corporate/organizational culture with a high level of psychological safety

# Establishing Framework to Strengthen Our Human Capital Management

• We have established a dedicated team to create and propagate our company's culture by increasing interactions between project owners and supporters, while, at the same time, promoting exchange with other departments by planning and holding various events. It is through these efforts that we are building the foundation of our human capital management and a strong organizational culture

## 1 Our people share the vision and take pride in the services we provide



Makuake Factory Tour研修 in 福岡【後編】  
" Makuake Factory Tour "



" Makuake Local Meetup "



"Makuake Mirai Marche"



" Makuake Award "



Semi-annual General Meeting of Employees

Hosting events that promote a culture of valuing results by showing respect for project managers and facilitating connections between project owners and supporters

## 2 We provide opportunities to take on challenges and provide appropriate evaluation

Able to move forward by launching challenging projects and engaging all employees through company-wide morning meetings and other events  
Reviewing project accomplishments and presenting commendations at monthly review meetings and monthly kickoff meetings

## 3 We have a corporate/organizational culture with a high level of psychological safety

Thorough implementation of 1-on-1 interactions / Promoting a culture that values diversity and achieves a balance by having a high ratio of women in executive and managerial roles  
Encouraging inter-departmental communication through various in-house events  
Supporting employee-led club activities that bring colleagues together

# Challenges in Enhancing Human Capital to Drive Forward the Medium-Term Management Plan

- The challenges that became apparent from the engagement survey and our current organizational structure for improving our human capital management include not only streamlining operations centering on training and securing the time for creative thinking but also creating a flexible organizational structure that can adapt to change

## 1 Securing time for creative thinking

..... According to the results of the engagement survey, the top 5 concerns were related to securing time for creative thinking

## 2 Building an organization that can flexibly respond to changes in the workforce brought on by generational imbalances

..... Employees in their 30s: less than 60% / Employees in their 20s: over 30%→Concentration of life events occurring simultaneously

## 3 Strengthening internal knowledge sharing and reskilling framework

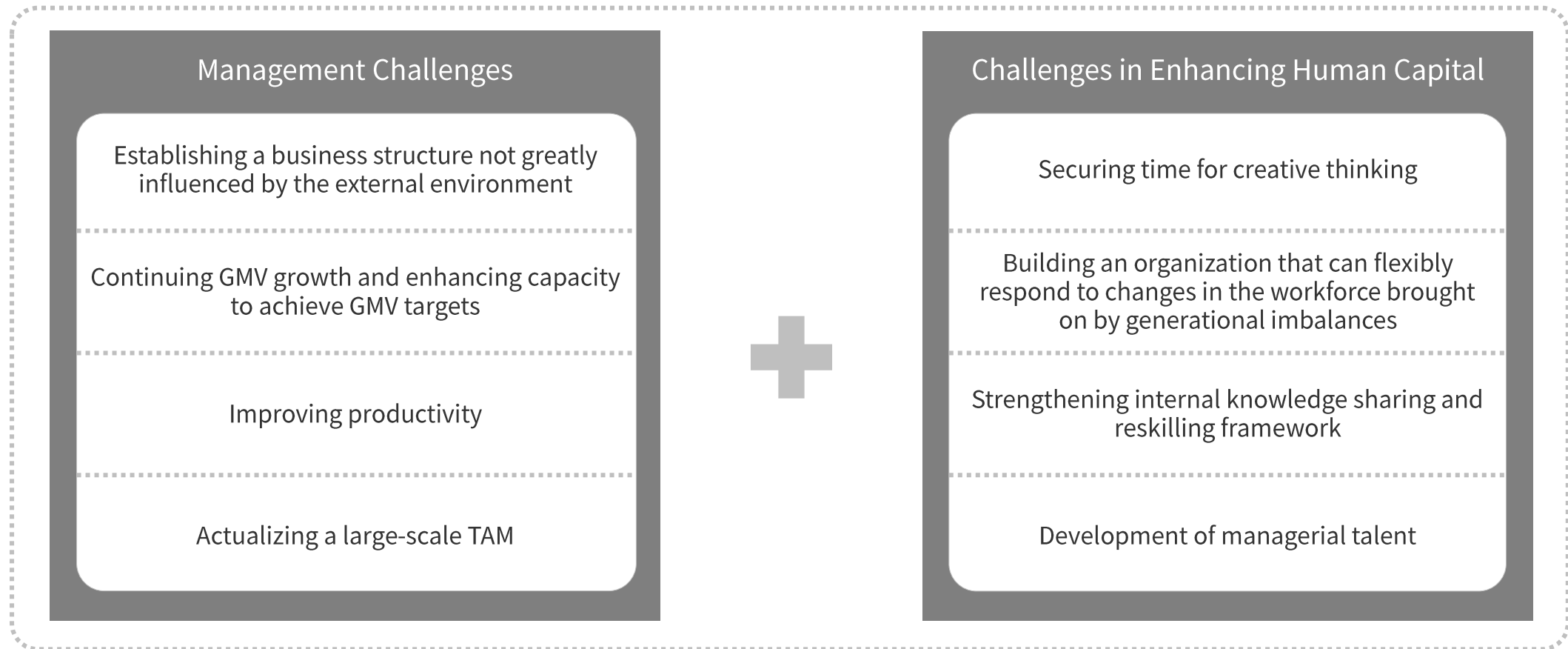
..... The proportion of employees with short tenure is high, and the reskilling framework as a system is weak

## 4 Development of managerial talent

..... There is no established program to train employees for management-level positions

# Addressing Management Challenges Through Human Capital Management

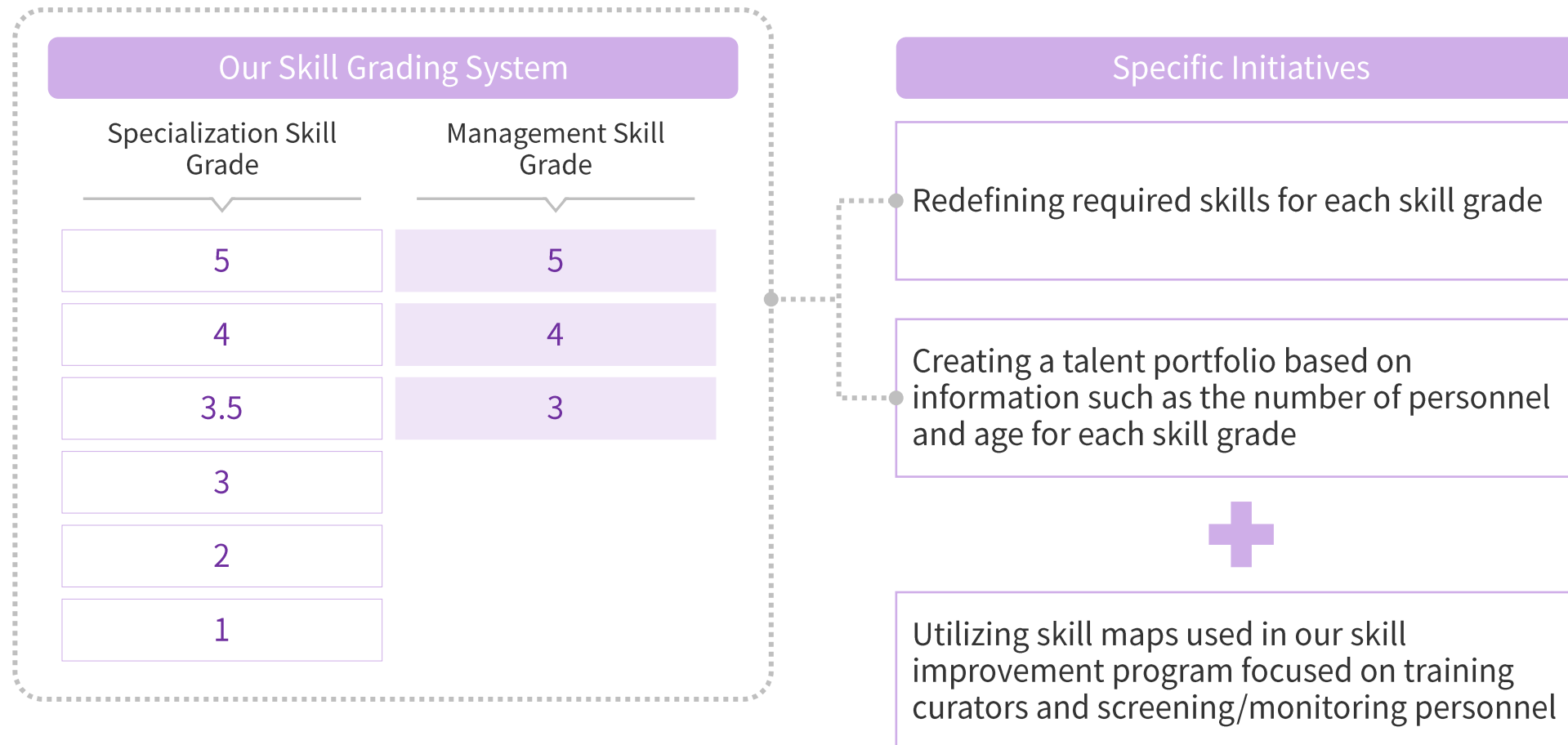
- We will address our challenges in management and enhancing human capital by primarily focusing on human resources, and strive to achieve our medium-term management plan



Achieving medium-term management plan through human capital management

# Creating Agile Organizational Structure That Can Effectively Respond to Changes in Both External Environment and Company Talent Pool

- We will enhance the completeness of our talent pool and skill maps, and utilize them to enable agile responses to changes in both the external environment that affect our human capital investment plans and in our talent pool, including changes that require organizational realignment





# Continued Growth in GMV + Strengthening of Internal Knowledge Sharing and Reskilling System + Development of Management Talent

- We will enhance the current system where employees proactively seek opportunities for skills improvement, and implement development programs tailored to each skill grade and the timing after their employment to facilitate individual skill improvement. Through these efforts, we aim to achieve continuous growth in GMV

## Continued Improvement

Continuing with knowledge-sharing study sessions, voluntarily planned and implemented by each department

Strengthening support for in-house activities aimed at acquiring skills and expanding the system of certified courses

Enhancing the operation of skill-up programs focused on training curators and screening/monitoring personnel

## New Focus

Implementing training programs based on the required skills for each grade

Training managers on "results management"

Introducing a new program within the new employee training to enhance their understanding of the business revenue structure, improve their ability to see the big picture of the business, and develop their initiative and self-sufficiency skills

# Improving Productivity + Securing Time for Creative Thinking

- We aim to increase the use of common professional language within our company to reduce communication overhead and the time required for decision-making. At the same time, we will fully utilize our systems and ensure optimal personnel placement to secure time for creative thinking, ultimately enhancing productivity

Fast Data-Based Decision-Making	Better Business Efficiency Through Systems Utilization	Establishing Decision-Making Framework	Leveraging Underutilized Personnel
Improving decision-making accuracy and speed by setting up a data dashboard in the Data Lab	Applying digital transformation (DX) to curation and screening/monitoring/legal workflows and processes	Establishing a decision-making framework and reducing the time required for decision-making	Leveraging human resources portfolio to identify underutilized personnel
Establishing a common professional language grounded in quantitative information and reducing communication overhead	Simplifying operations and improving processing speeds through external systems utilization		Considering reassignments and dual roles for underutilized personnel to ensure optimal personnel placement
	Streamlining operations through internal development of new functionalities		



# Appendix

# Business Results Summary: YoY, cumulative through Q2

(Unit: JPY million)	FY2022/9 Q1-2	FY2023/9 Q1-2	Change YoY	Percent Change YoY
Gross Amount of "Support" Pre-orders: <b>GMV</b> (Tax included)	10,393	8,360	(2,033)	(19.6)
Net Sales	2,243	1,789	(453)	(20.2)
Gross Profit	1,789	1,463	(326)	(18.3)
Operating Profit (Loss)	(17)	(378)	(360)	-
Ordinary Profit (Loss)	4	(374)	(378)	-
Net Income (Loss)	61	(379)	(441)	-

# Business Results Summary: YoY, standalone quarter

(Unit: JPY million)	FY2022/9 Q2 (standalone)	FY2023/9 Q2 (standalone)	Change YoY	Percent Change YoY
Gross Amount of "Support" Pre-orders: <b>GMV</b> (Tax included)	5,024	4,108	(915)	(18.2)
Net Sales	1,090	880	(209)	(19.2)
Gross Profit	866	718	(148)	(17.1)
Operating Profit (Loss)	(56)	(192)	(135)	-
Ordinary Profit (Loss)	(34)	(190)	(156)	-
Net Income (Loss)	(28)	(193)	(164)	-

# Business Results Summary: QoQ, standalone quarter

(Unit: JPY million)	FY2023/9 Q1 (standalone)	FY2023/9 Q2 (standalone)	Change QoQ	Percent Change QoQ
Gross Amount of "Support" Pre-orders: <b>GMV</b> (Tax included)	4,251	4,108	(143)	(3.4)
Net Sales	908	880	(27)	(3.0)
Gross Profit	744	718	(26)	(3.5)
Operating Profit (Loss)	(186)	(192)	(5)	-
Ordinary Profit (Loss)	(183)	(190)	(7)	-
Net Income (Loss)	(185)	(193)	(7)	-

# KPIs: YoY, standalone quarter

	FY2022/9 Q2 (standalone)	FY2023/9 Q2 (standalone)	Change YoY	Percent Change YoY
No. of New Projects	1,931	1,732	(199)	(10.3)
No. of New Projects by Repeat Project Owners	983	955	(28)	(2.8)
Project Owners' Repeat Rate (%)*1	50.9	55.1	-	4.2pt
Amount of Repeat "Support" Pre-orders (JPY million)	3,718	3,130	(587)	(15.8)
Repeat "Support" Pre-order Rate (%)*2	74.0	76.2	-	2.2pt
No. of Access Unique Users	14,431,670	11,827,059	(2,604,611)	(18.0)
No. of Members	2,094,630	2,441,236	346,606	16.5
No. of "Support" Pre-orders	413,512	362,007	(51,505)	(12.5)

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

\*2 Ratio of gross amount of "support" pre-orders placed during the period by project supporters who have had a previous "support" pre-order within the past 1 year to the 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

	FY2023/9 Q1 (standalone)	FY2023/9 Q2 (standalone)	Change QoQ	Percent Change QoQ
No. of New Projects	2,087	1,732	(355)	(17.0)
No. of New Projects by Repeat Project Owners	1,116	955	(161)	(14.4)
Project Owners' Repeat Rate (%)*1	53.5	55.1	-	1.7pt
Amount of Repeat "Support" Pre-orders (JPY million)	3,224	3,130	(94)	(2.9)
Repeat "Support" Pre-order Rate (%)*2	75.8	76.2	-	0.4pt
No. of Access Unique Users	12,279,539	11,827,059	(452,480)	(3.7)
No. of Members	2,362,033	2,441,236	79,203	3.4
No. of "Support" Pre-orders	367,985	362,007	(5,978)	(1.6)

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

\*2 Ratio of gross amount of "support" pre-orders placed during the period by project supporters who have had a previous "support" pre-order within the past 1 year to the 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

---

- While the content of this document has been prepared based on generally recognized economic and social conditions as of April 25, 2023 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 an 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.
- There are no changes to the information disclosed on December 28, 2022, regarding items not listed in this document related to “Business Plans and Growth Potential”.



## IR Inquiries

[IR@makuake.co.jp](mailto:IR@makuake.co.jp)



Makuake