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August 14, 2025

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Securities code: 3135, Tokyo Stock Exchange, Prime

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### **Notice of Revisions of Reportable Segments**

The Board of Directors of MarketEnterprise Co., Ltd. approved a resolution today to revise reportable segments beginning with the first quarter of the fiscal year ending June 30, 2026.

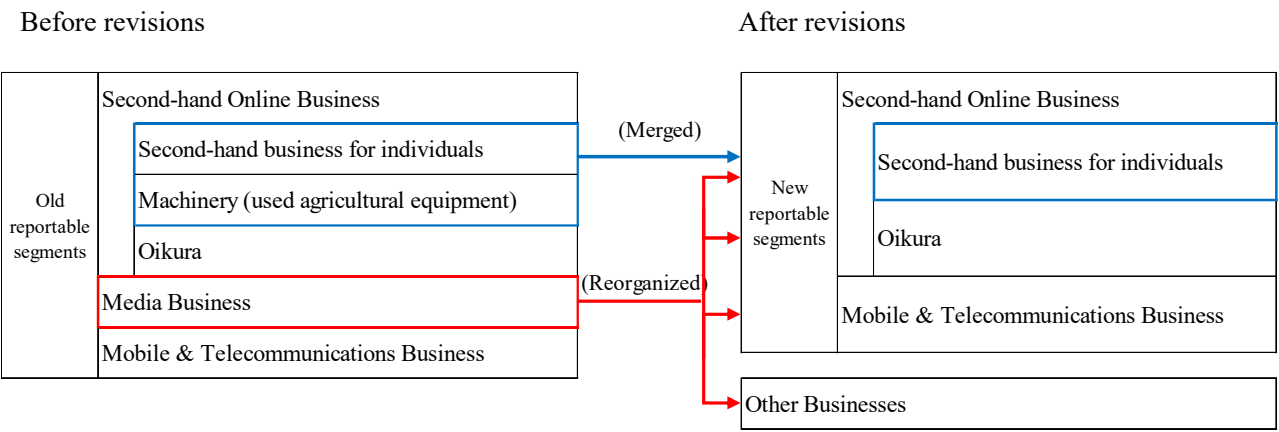
#### 1. Reasons for revisions

On August 14, 2023, the MarketEnterprise Group announced a medium-term management plan based on the rolling method, aiming to achieve sales of 30 billion yen and an operating profit of 2 billion yen in the plan's final year ending in June 2026. To achieve these goals, MarketEnterprise focused on growing the Second-hand Business for Individuals category to strengthen its position in the constantly expanding reuse market. However, the changes to the business climate that were expected, as well as the assumptions used for business operations at the time the medium-term management plan was established, are now materializing. The most significant change involves machinery, specifically used agricultural equipment, which was initially positioned as another source of growth. However, there has been little growth in this business category because of unstable sales trends outside Japan due to ocean transport issues and other factors. As a result, MarketEnterprise does not expect at this time to achieve sales of 30 billion yen and an operating profit of 2 billion yen, the goals of the medium-term management plan set out for the fiscal year ending in June 2026. On the other hand, the Mobile & Telecommunications Business has been growing faster than anticipated, and new opportunities for growth are emerging in several business sectors. Responding to these changes in the business climate and continuing to deliver sustainable growth of business operations will require a revision to the organization of business activities, which is currently based on past assumptions, to match today's market conditions. By reviewing its business operating structure, including the consolidation of reportable segments, MarketEnterprise now aims to establish a new business portfolio capable of strong profitability and growth in an ever-changing business climate.

The revisions to reportable segments are mainly for the purpose of creating cross-buying opportunities by further strengthening synergies among business activities and maximizing points of contact with customers. First, the Machinery (used agricultural equipment) category and Second-hand Business for Individuals category have been combined. This step establishes a more efficient and profitable structure for business operations due to benefits such as the ability to use similar customer bases and marketing methods of these two categories to increase additional purchases by customers. The second change involves the Media Business, which uses a variety of internet media to send customers to MarketEnterprise businesses and other companies. This business is no longer a reportable segment because its functions have been transferred to the remaining two reportable segments. Making this change is expected to maximize value provided to customers by enabling each segment to offer a consistent and unified customer experience. MarketEnterprise believes this change will further increase the ability to use the internet for acquiring customers and increase the lifetime value of customers as generative AI alters how customers perform searches. The main objectives of these revisions to reportable segments are to generate even more synergies across all business operations while maximizing customer value.

2. Overview of revisions

Previously, MarketEnterprise disclosed information based on three reportable segments: the Second-hand Online Business, the Media Business, and the Mobile & Telecommunications Business. The Media Business has been reorganized to strengthen synergies with existing businesses and categories. It is now classified as the Second-hand Online Business and the Mobile & Telecommunications Business, both of which are new reportable segments, as well as the Other Businesses. In addition, the previous three categories of the Second-hand Online Business, the second-hand business for individuals, machinery (used agricultural equipment), and Oikura, are now two categories because machinery (used agricultural equipment) has been combined with the second-hand business for individuals category.



3. Start of revised reportable segments

The new reportable segments will be used for the earnings announcement for the first quarter of the fiscal year ending June 30, 2026.