Financial Results for Q3 FY 2026

November 2026

NETSTARS Co., Ltd. (5590)

Key Points on Q3 Results for FY 2026 (Ending Dec. 31)

Net profit forecast revised upward, while net sales, operating profit, and ordinary profit forecasts were revised downward

Although net profit is running above plan, net sales, operating profit, and ordinary profit were revised downward due to a sales shortfall.

Net sales increased by 9.4% YoY. However, results remained below plan, as in H1

GPV remained high but fell slightly short of plan due mainly to higher crude oil prices and weak inbound demand. Payment-related sales were affected by lower terminal sales during the transition to new terminals.

Operating profit was 259 mn JPY and ordinary profit was 432 mn JPY, increasing by approximately 43% and 41% from the respective figures for the previous year (YoY: +¥78 million and +¥126 million)

In Q3, although server costs were increased slightly as a security measure, cost improvements continue to progress.

Cumulative GPV reached 1,741 bn JPY (+14% YoY), and Q3 set a new all-time high on a quarterly basis.

New merchants acquisition progressed as planned. However, results fell slightly short of plan due to the impact of higher crude oil prices, among other factors, while inbound tourism was weaker than expected. We will closely examine developments going forward.

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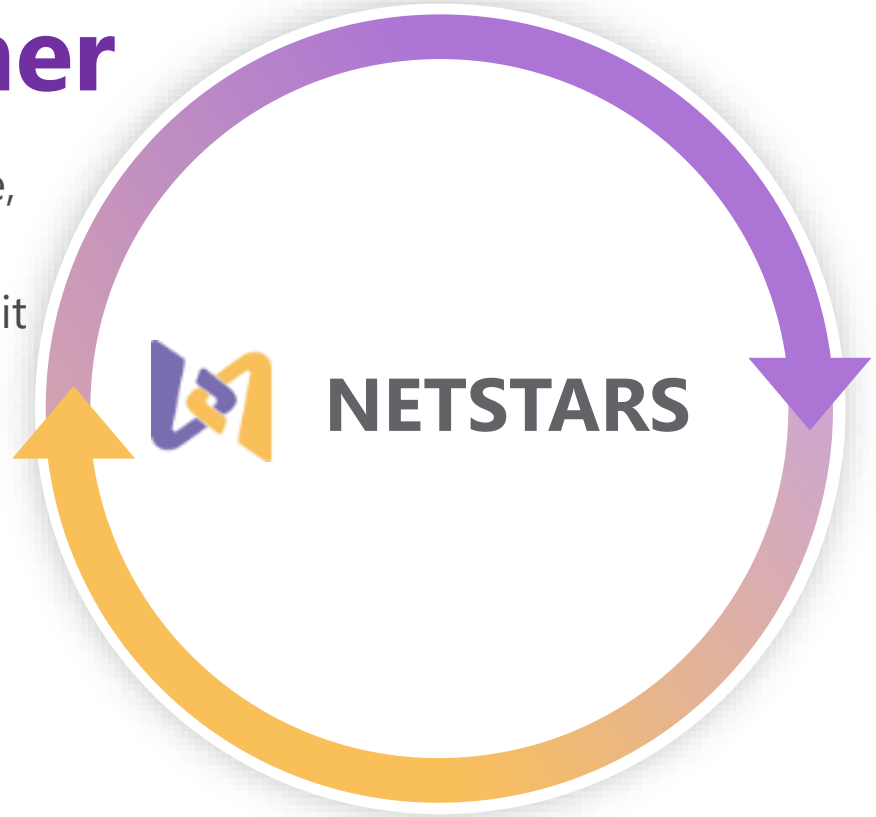
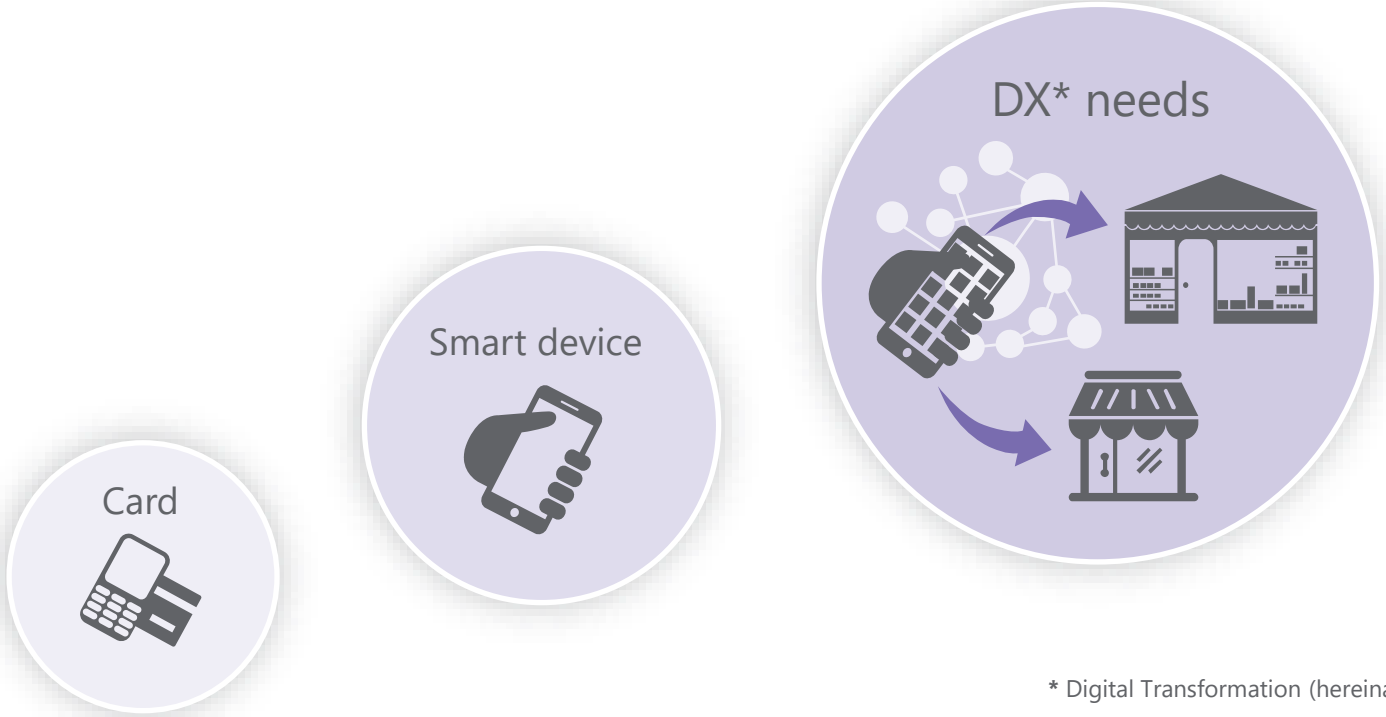
1 Business Overview

Let the payments go smoother

Our vision is to transform the flow of money toward more convenience, efficiency, safety, and peace of mind.
By creating this effortless, natural flow of money, we will help circulate it to all corners of the world, and help civilization evolve further.





* Digital Transformation (hereinafter “DX”)

Business Overview: Main Services Provided by NETSTARS

NETSTARS offers multi-brand cashless payment solutions, focusing on QR code payments, to member stores, providing comprehensive support and labor-saving benefits as a gateway operator providing DX Solutions

1 Multi-brand-capable cashless payment

StarPay

- QR code payment
- Credit card
- Electronic money



NETSTARS

2 DX Solutions integrating online and offline services

StarPay-DX

- EC
- Mobile order
- Coupon
- Cross-border EC
- Reservation system

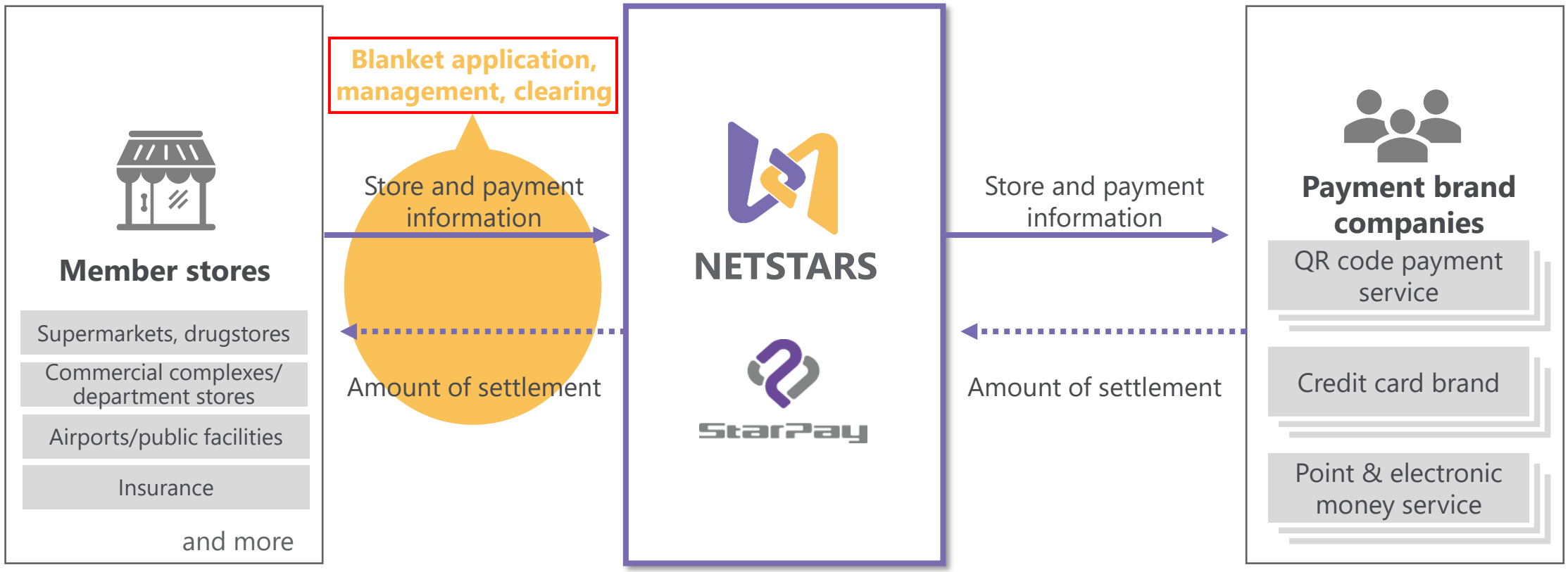
etc.

Member stores

Business Overview: Cashless Payment Gateway Service

We are a pioneer in cashless payments, having launched the first* QR code payment gateway in Japan, and now provide ONE-STOP services that support various means of payment.

* internal research



Business Overview: StarPay-DX— Achieving One-Stop DX

With StarPay-DX, member stores can achieve one-stop DX.
It supports cashless payments and various services via both native apps*1 and mini apps*2



One-stop DX

StarPay-DX

Reservation
Coupon
Membership registration
EC
Take-out
Self-ordering
Promotion
Gacha
Locker
Self-checkouts

Flexible formats: (native app, terminal at a kiosk, mini app) to suit member stores

*1 Native app: An old-style member store app to be installed outside a payment app

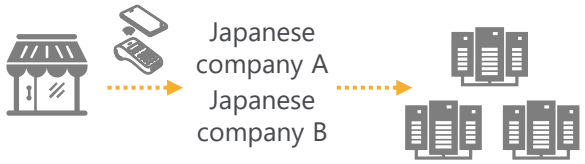
*2 Mini app: An app that enables various functions to be provided within a super app

Our Strengths: (1) Technology and Development Capabilities

We achieve high cloud systems stability (adoption of a cloud native infrastructure + container technology) using the world's most advanced technologies

We deliver innovation and added value to member stores backed by strong technological capabilities

Conventional PSP *1



- Management cost of in-house servers
- Subcontract costs of outsourced servers
- Limited total payment capacity
- Increased server count and cost due to increased total payment amount

NETSTARS



Sophisticated settlement processing based on a cloud native *2 infrastructure (container technology *3)

- Low management costs
- High payment capacity
- Contributes to reduction in payment costs
- Strong stability and security

High performance

Stability
- Success rate of settlement processing:*4 99.999%

Settlement processing speed
- 40 milliseconds*6 / transaction

Scalability

Increased number of settlements
- TPS*5: Over 800*6 *7
- Continuously increasing

Cost reduction
- 0.04 yen*6/ transaction
- On a declining trend

Product development and improvement, linking to POS

Development & improvement
- Development & improvement from zero on a cloud-based infrastructure

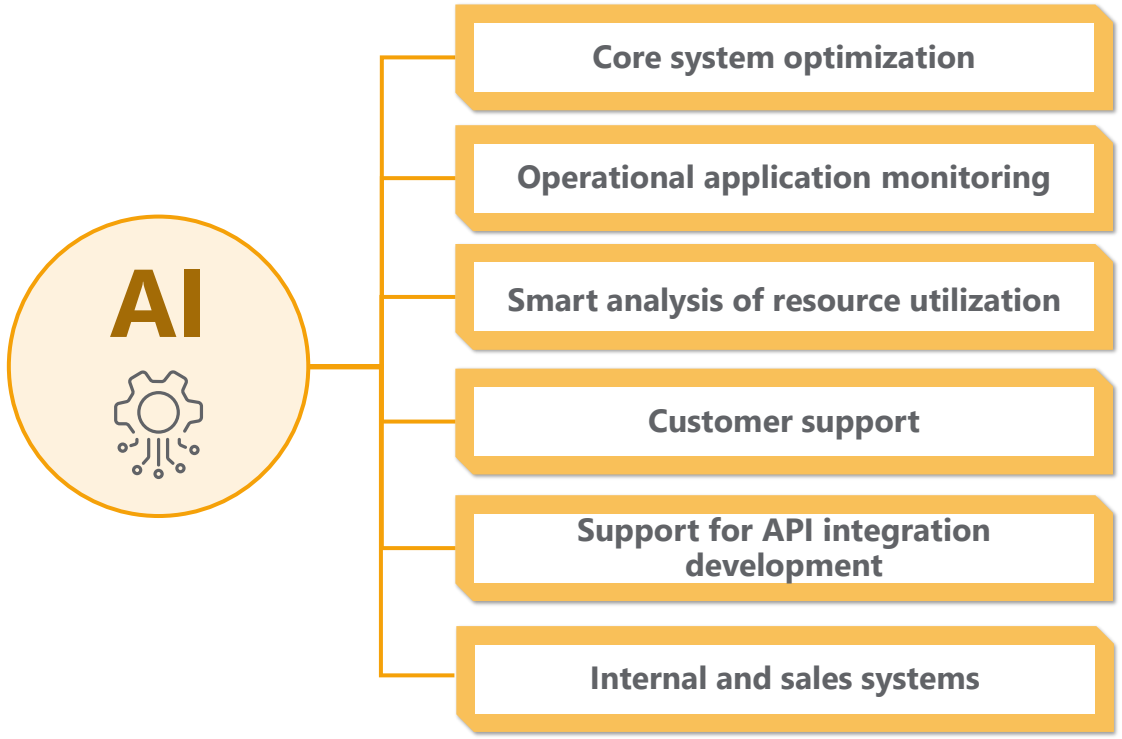
Flexible linking to POS
- The system can be connected to the existing terminals of member stores

*1 Analysis based on our own understanding
*2 The term "cloud-native" refers to an approach or concept of designing, building, and operating applications and services in a cloud environment. A cloud-native application is an application intended to be used most effectively on a cloud platform.
*3 Container technology is a technology that builds an execution environment on a host OS by creating a virtual partition isolated from other processes in order to have applications run within the partition. Placing applications (functions) and an execution environment in the same container allows the applications to run smoothly and faster and helps increase development speed and flexibility.
*4 Excluding third-party settlement errors
Data is for the 12 months from January 2025 to December 2025
*5 TPS=Transaction Per Second
*6 Both data are as of December 2025.
*7 1,200 for in-person and online payments

Our Strengths: (1) Pursuing Greater Efficiency by Utilizing AI

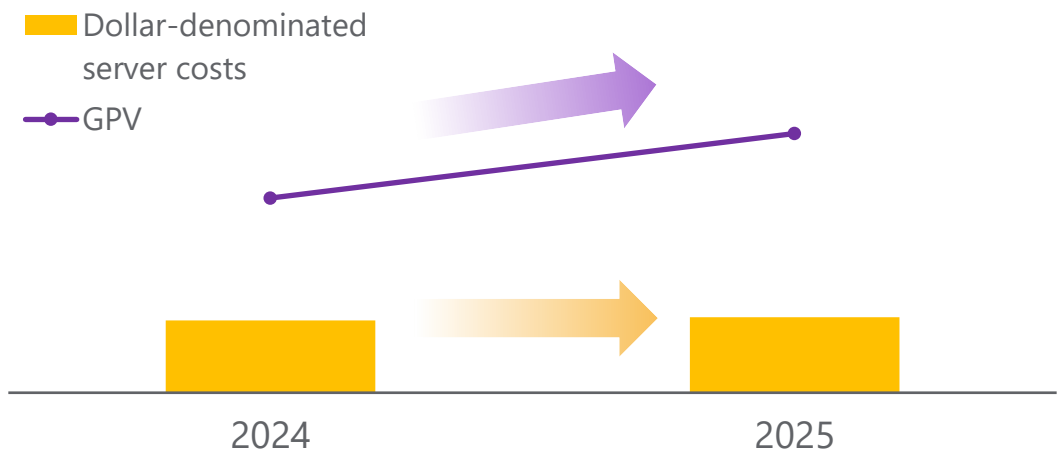
We are further expanding AI utilization, significantly improving cost efficiency. In Q1, we transitioned internal support systems, including the sales division, to AI.
AI has been deployed across server monitoring, development, and customer support, delivering significant results.
AI contributes to lower costs and improved services.

AI applications



AI-driven server optimization

GPV and dollar-denominated server costs



GPV rose 33% YoY while server costs remained nearly flat.

Our Strengths: (2) Extensive Merchant Network and Brand Coverage

We offer one of the largest selections of QR payment brands in Japan and have built a robust merchant network across a wide range of industries.
Our merchant network continues to expand, particularly in retail, with further rollouts planned in new sectors.
Leveraging the strength of a broad network of both merchants and payment brands, we address a wide range of payment needs. Added Wesmo! , teppay and other payment brands in H2.

merchants (partial)

Supermarkets/home improvement stores

サミット / GooDay / KINSHO / コーナン / にしてつストア / TOBU STORE / いなげや / you me / ウオロク / HALOWS / DAISO

Drugstores

Tomod's / サツドラ

Commercial complexes/department stores/sports shops

Keio / ムラサキスポーツ RIDE LIFE / SUMISHO URBAN DEVELOPMENT / 東急百貨店 TOKYU / AMU

Airports

HANEDA Japan Airport Terminal / KANSAI AIRPORTS

Restaurants/foodservice

Ringer Hut / ほっかほっか亭

Hotels /amusement facilities

快活CLUB / APA / FUJITA KANKO

Gas stations

KYGNUS / SOLATO

Insurance

明治安田

More...

Merchant accounts introduced: **Approx. 700k**

QR brands coverage: **One of the largest in Japan**

Payment brands (partial)

QR code payments/ stablecoins	Credit card	Electronic money
70 and higher	7	8 and higher

d払い / PayPay / R Pay / au PAY / Pay / Jcoin / Bank Pay / atone / AEON Pay / Smart Code / QUICPay / ゆめカPay (NEW) / wesmo! (NEW) / teppay / WeChat Pay / UnionPay 銀聯 / 街口支付 JKOPAY / PromptPay / USDC / USDT / JPYC

manaca / nimoca / d POINT / Ponta / POINT / JCB / AMEX / Diners Club INTERNATIONAL

More...

Our Strengths: (2) Continuing to Expand Our Payment Brand Network to Meet Diverse Payment Needs

We plan to add "15 or more" payment brands in 2026. We are continuing to expand our connections with domestic and overseas payment brands to meet the diverse payment needs of merchants and users. By expanding payment methods, we aim to improve convenience for merchants and expand GPV going forward.

Expansion of Target Areas

The addition of brands has expanded the payment scenarios we can support

JP Domestic QR payment
Daily Use and Existing merchants Needs

GL Overseas QR payment
Inbound Tourism and Overseas User Support

ON Online
Non-face-to-face and EC Usage Scenarios

SC Stablecoin
Support for New Payment Areas

Expanding payment methods according to user attributes, business categories, and regions

Progress and Plans for Adding Brands

1 H1 Results +4 Brands

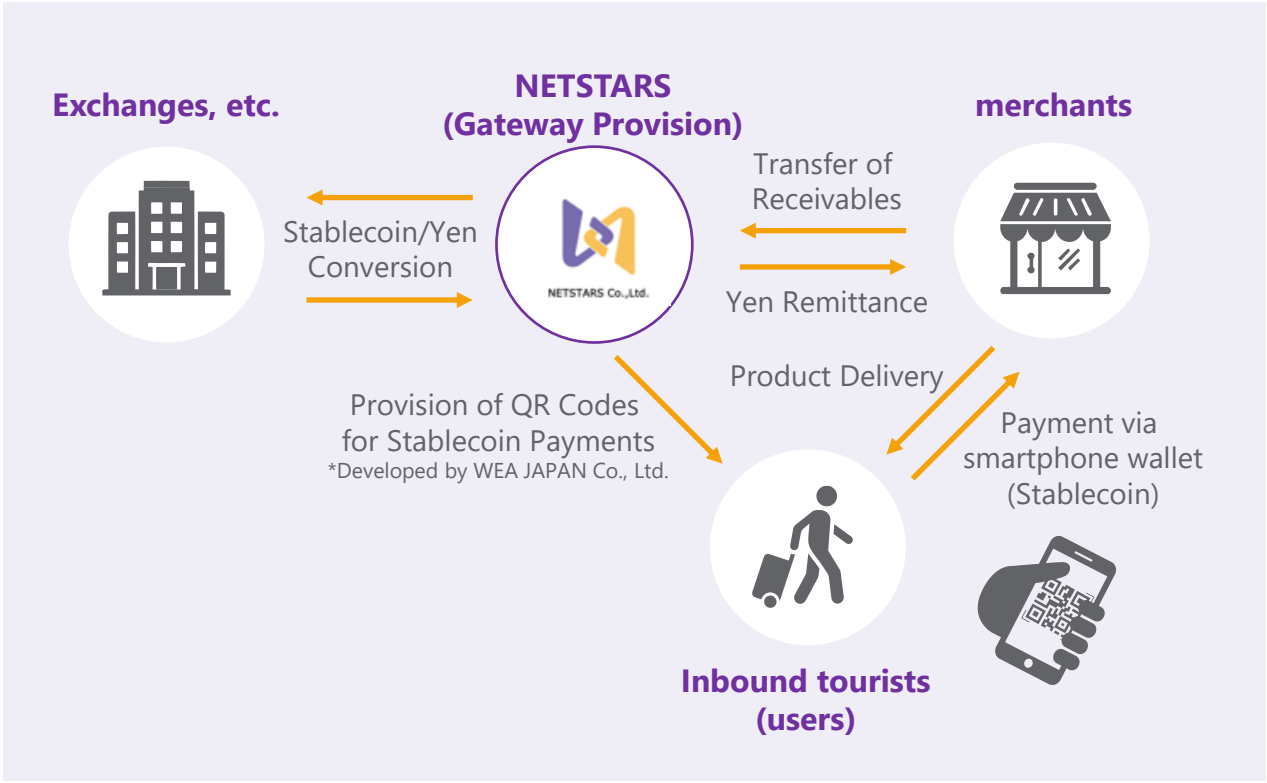
2 Q3 results +7 Brands

3 Q4 results/plan +4 Brands

Add 15 or more payment brands for the full fiscal year

Our Strengths: (2) Stablecoin Payments at Retail Locations - Addition of Payment Method

StarPay consistently maintains one of the largest brand lineups and aims to add and implement a wide range of new payment methods.
The ability to use stablecoin payments, a new payment method with the potential for technological innovation, in an "affordable," "accessible," and "easy" manner aligns with our philosophy of "Let the payments go smoother," and we will continue to focus on this area and add more brands.



USDC USDT JPYC

StarPay

Merchant applications have been accepted since **July**!

- merchants generally do not need to purchase additional equipment*1
- Users (consumers) do not need to register with exchanges, etc.*2
- Other stablecoins will also be considered for addition in the future

Stablecoin payments are easy to adopt and use for both users and merchants

*1 Limited to merchants with QR code payment scanning capabilities. Also, some devices are not compatible even if they can read QR codes. Membership with StarPay is mandatory.
*2 Free apps/wallets like MetaMask need to be downloaded.

Our Strengths: (2) "StarPay-X," A Gateway Concept Connecting Web3, Including Stablecoins

StarPay-X is a multi-gateway concept connecting Web2 and Web3. By leveraging the payment infrastructure we have built in real-world commercial environments, StarPay-X does not aim merely to move Web3 beyond internal systems but also to establish it as a financial system that is deeply rooted in society through its use in real stores and services. Going forward, NETSTARS will integrate with multi-coin, multi-chain, and multi-wallet environments and evolve into a gateway platform that is more accessible to a wider range of users and merchants.



Partners

Aptos
Bitget Wallet
Canton FOUNDATION
CIRCLE
SOLANA FOUNDATION
STARTALE
WEA

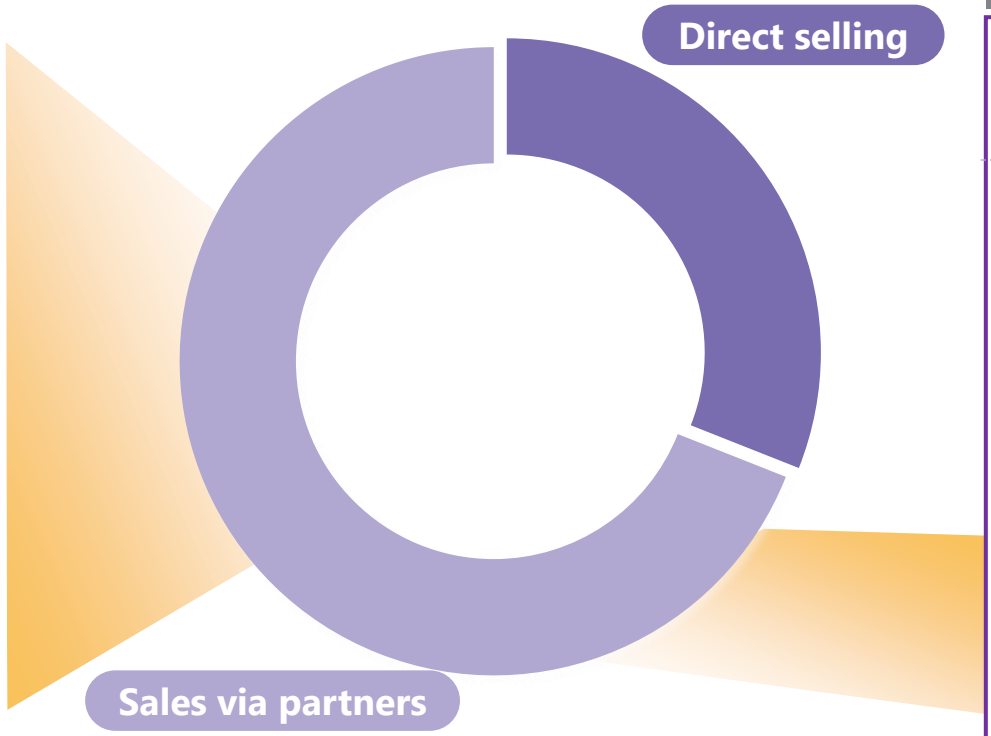
Our Strengths: (3) Our Broad Partner Base

We are expanding nationwide via partners, including payment brand companies and regional financial institutions. Efficient expansion of member stores throughout Japan without needing local offices. We also have a partnership with Stripe, a global leader in payment processing.

Partners/implementation partners for systems (partial)

Bank of Yokohama
伊藤忠テクノソリューションズグループ CTC SP
LINK PROCESSING
NTT東日本
SCSK
stripe
SMBC 三井住友カード
T-GAIA 未来を拓く、明日への飛躍
TOSHIBA
PayPay (including customer referral)
SUNMI Android POS Leader (terminal partner)

Major POS vendors



Agency partners (partial) *Including OEM

- **Regional banks, credit banks, etc.**

AFS
アプラス
加賀電子
MUFG 三菱UFJニコス
OHE ELECTRIC
Orico
PASTA
SCAT
Starland
UC
WAKO 有限会社 和晃
QNB
TDB

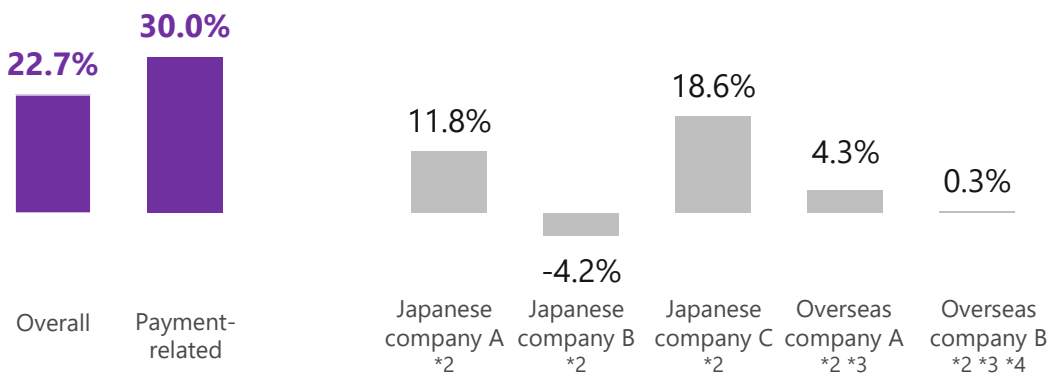
・The ratio of payment transactions coming from member stores acquired by direct sales or sales via partners in the Group's total payment transactions (FY 2021 to FY 2025)

Our Strengths: (4) Outperforming Major PSPs in Growth Rates and Profit Margin

Maintaining a higher growth rate and an industry-leading profit margin compared to major PSPs With the achievement of profitability, we will now enter a phase of expanding profitability.

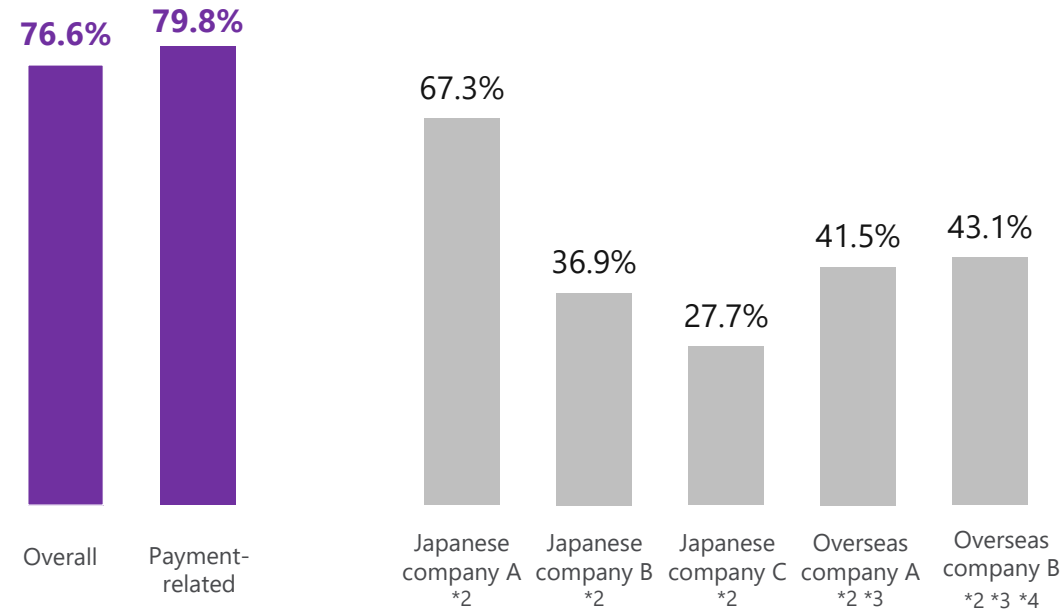
Sales growth rate (YoY rate in the latest business year) *1

NETSTARS



Gross profit margin (in the latest business year) *1

NETSTARS



*1 Comparison with major PSPs (Payment Service Providers: Settlement agents) according to our own analysis.
*2 Drafted by the Company based on financial results data disclosed by each company for the latest business year
*3 Calculated based on local currencies
*4 Calculation method changed due to segment revision from FY2025.

2

Financial Highlights (Consolidated Performance)

Key Points on Q3 Results for FY 2026 (Ending Dec. 31) (Recap)

Net profit forecast revised upward, while net sales, operating profit, and ordinary profit forecasts were revised downward

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Cumulative GPV reached 1,741 bn JPY (+14% YoY), and Q3 set a new all-time high on a quarterly basis.

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Major Components of the Income Statement and KPIs

Consolidated Statement of Profit and Loss

(million yen)

	FYE12/25 Q3 cumulative	FYE12/26 Q3 cumulative	Q3 cumulative YoY		Plan FYE12/26 Q3 cumulative	Q3 cumulative vs. forecast	
Net sales	3,367	**3,682**	**+315**	**(+9.4%)**	4,159	**-476**	**(-11.5%)**
Payment-related	3,005	**3,280**	**+275**	**(+9.2%)**	3,713	**-432**	**(-11.6%)**
DX / mini apps	245	**269**	**+24**	**(+9.9%)**	292	**-23**	**(-7.9%)**
Other	116	**132**	**+15**	**(+13.4%)**	153	**-21**	**(-13.7%)**
Cost of sales	714	**807**	**+93**	**(+13.0%)**	1,137	**-330**	**(-29.0%)**
Gross profit	2,652	**2,874**	**+222**	**(+8.4%)**	3,021	**-146**	**(-4.9%)**
SG&A expenses	2,471	**2,615**	**+143**	**(+5.8%)**	2,673	**-58**	**(-2.2%)**
Personnel expenses	1,301	**1,342**	**+40**	**(+3.1%)**	1,377	**-35**	**(-2.6%)**
Depreciation	182	**162**	**-20**	**(-11.1%)**	198	**-35**	**(-18.1%)**
Operating profit/loss	180	**259**	**+78**	**(+43.3%)**	347	**-88**	**(-25.5%)**
Ordinary profit/loss	306	**432**	**+126**	**(+41.2%)**	502	**-70**	**(-13.9%)**
Net profit/loss	219	**364**	**+144**	**(+65.6%)**	351	**+13**	**(+3.7%)**
<KPI>							
Volume of payment transactions (100 million yen)	15,312	**17,410**	**+2,098**	(+13.7%)	18,382	**-972**	(-5.3%)
Gross profit margin	78.8%	**78.1%**	—		72.6%	—	

Net sales

Payment-related services increased by 9.2% YoY.
However, results fell short of the plan due to GPV slightly underperforming expectations and the transition to new devices.

Operating profit & Net profit

Cost improvements continue to progress, with personnel expenses, depreciation, and other expenses being kept under plan. Implemented a small-scale server upgrade as a security measure.

Volume of payment transactions (GPV)

Steadily increased due to new merchants acquisitions.
However, continuing from H1, results fell slightly short of expectations due to inbound tourism and higher crude oil prices.

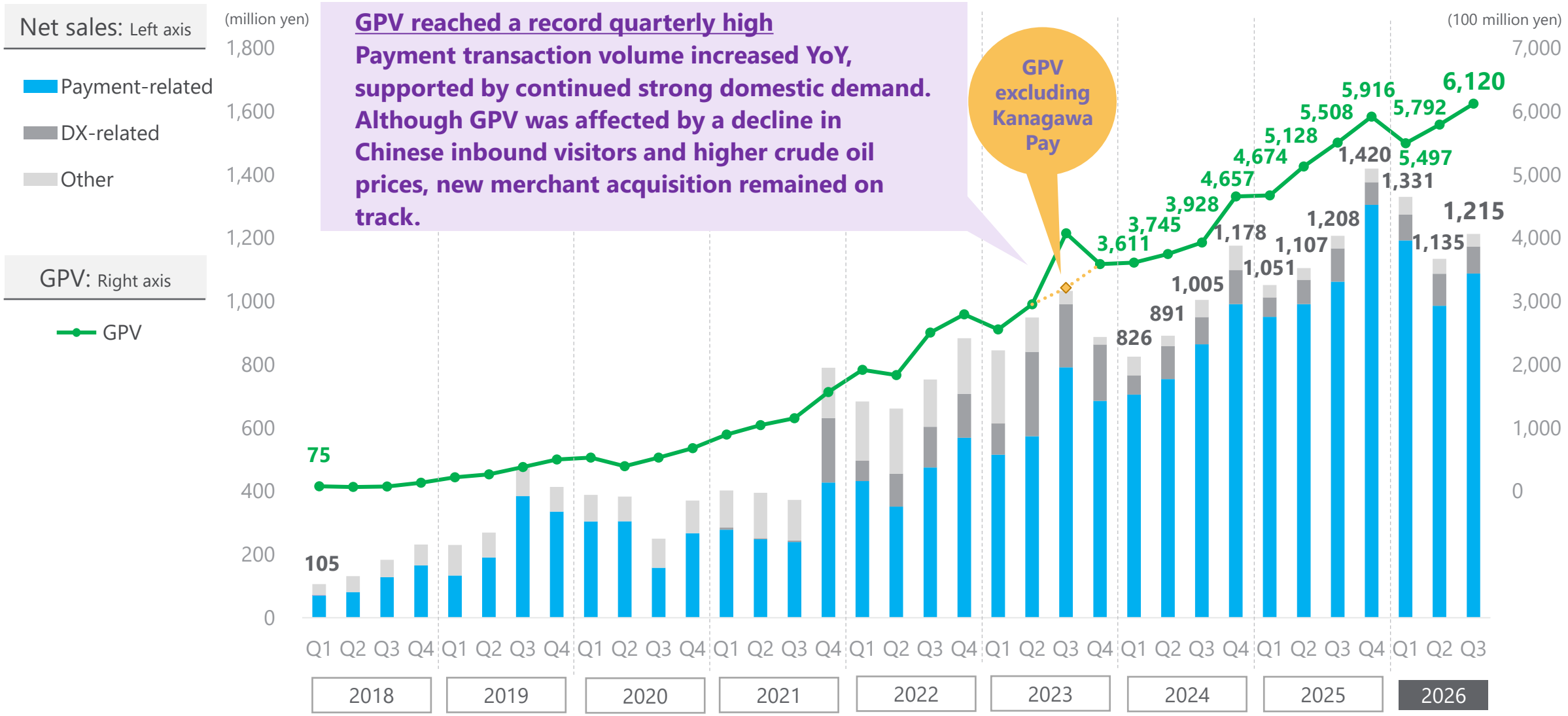
Gross profit margin

The gross profit margin increased from Q1 as the proportion of terminal sales declined.

Major Components of the Income Statement and KPIs on a Non-Consolidated Quarterly Basis

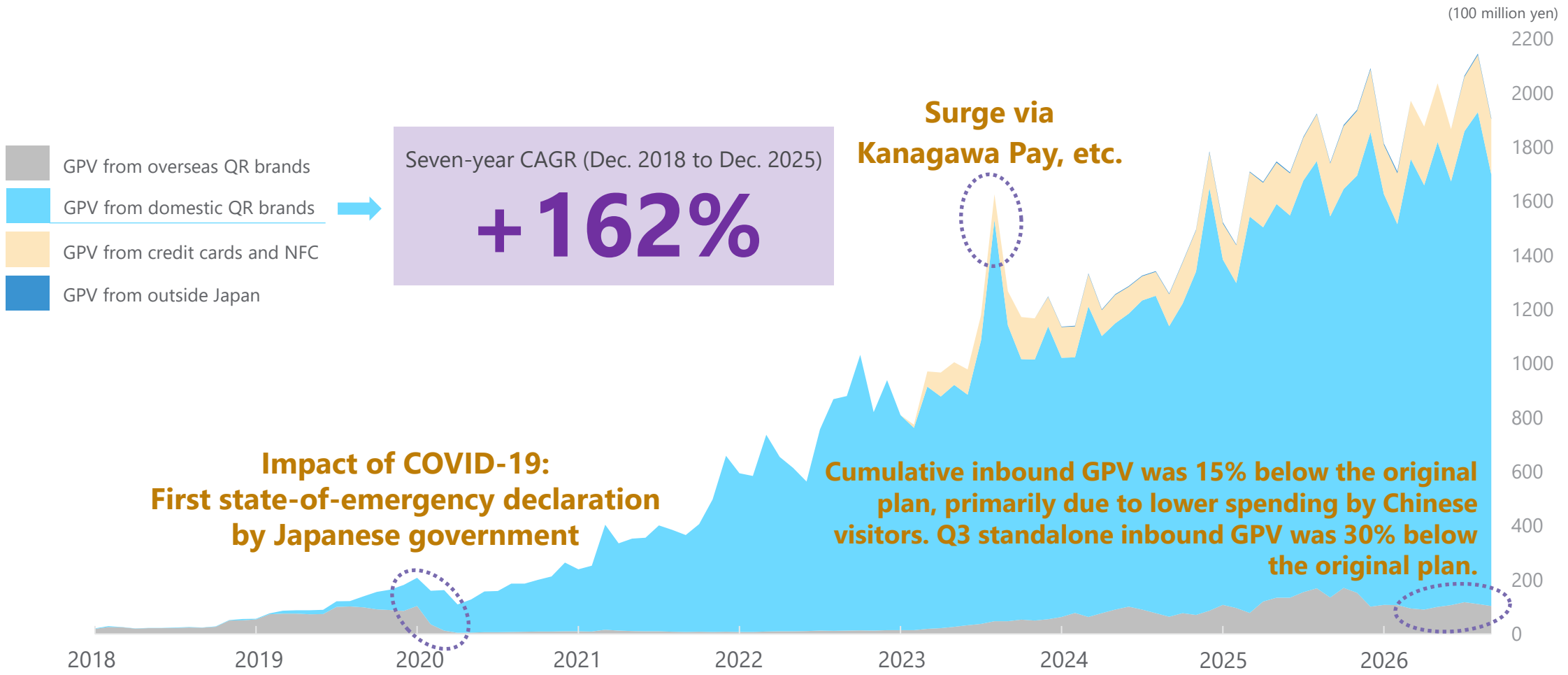
(million yen)	FYE12/25 Q1	FYE12/25 Q2	FYE12/25 Q3	FYE12/26 Q1	FYE12/26 Q2	FYE12/26 Q3
Net sales	1,051	1,107	1,208	**1,331**	**1,135**	**1,215**
Payment-related	951	991	1,062	**1,192**	**986**	**1,101**
DX / mini apps	61	77	105	**82**	**101**	**85**
Other	38	37	40	**56**	**47**	**28**
Cost of sales	242	232	239	**363**	**217**	**226**
Gross profit	808	874	969	**967**	**918**	**988**
SG&A expenses	811	812	847	**851**	**879**	**884**
Personnel expenses	443	432	424	**435**	**446**	**460**
Depreciation	61	60	60	**53**	**55**	**53**
Operating profit/loss	-2	62	121	**116**	**38**	**104**
Ordinary profit/loss	52	98	155	**161**	**81**	**189**
Net profit/loss	45	82	92	**137**	**66**	**160**
<KPI>						
Volume of payment transactions (100 million yen)	4,674	5,128	5,508	**5,497**	**5,792**	**6,120**
Gross profit margin	76.9%	79.0%	80.2%	**72.7%**	**80.8%**	**81.4%**

Quarterly Statistics of Net Sales and GPV



Breakdown of Company GPV

GPV remained on an upward trend. Reached an all-time high for a quarter. As in H1, higher crude oil prices continued to have an impact. GPV growth stalled, particularly at retail chains and gas stations, and inbound GPV was slightly below plan. Domestic demand remained solid. We will continue to closely monitor future developments.



Impact on Terminal Sales During the Transition Period to New Terminals

In order to meet strong demand for high-specification terminals, we planned to introduce new terminals. As we transitioned from the old terminals to the new terminals, including the transition of authentication systems, terminal sales revenue temporarily declined. The Company plans to aggressively promote sales of the new terminals, including replacement demand arising from the failure of other payment gateway providers.
New terminal projects began launching in Q3. We will pursue further sales growth while maintaining careful screening.

Q2 and part of Q3 were a sales gap period

Ordinary — **2026/Q2** — From September onward

Sales of old terminals

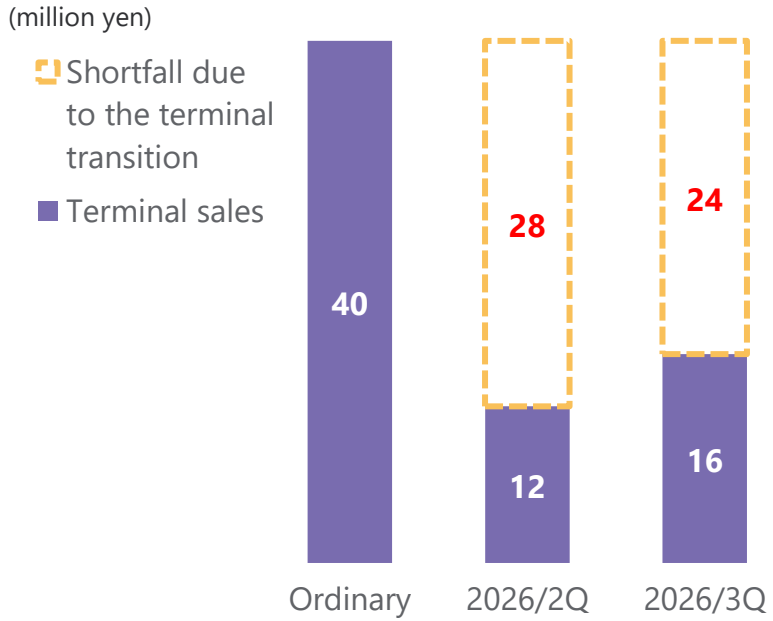


Reduced sales opportunities during the terminal transition period

Introduction of new terminals



Decline in terminal sales revenue

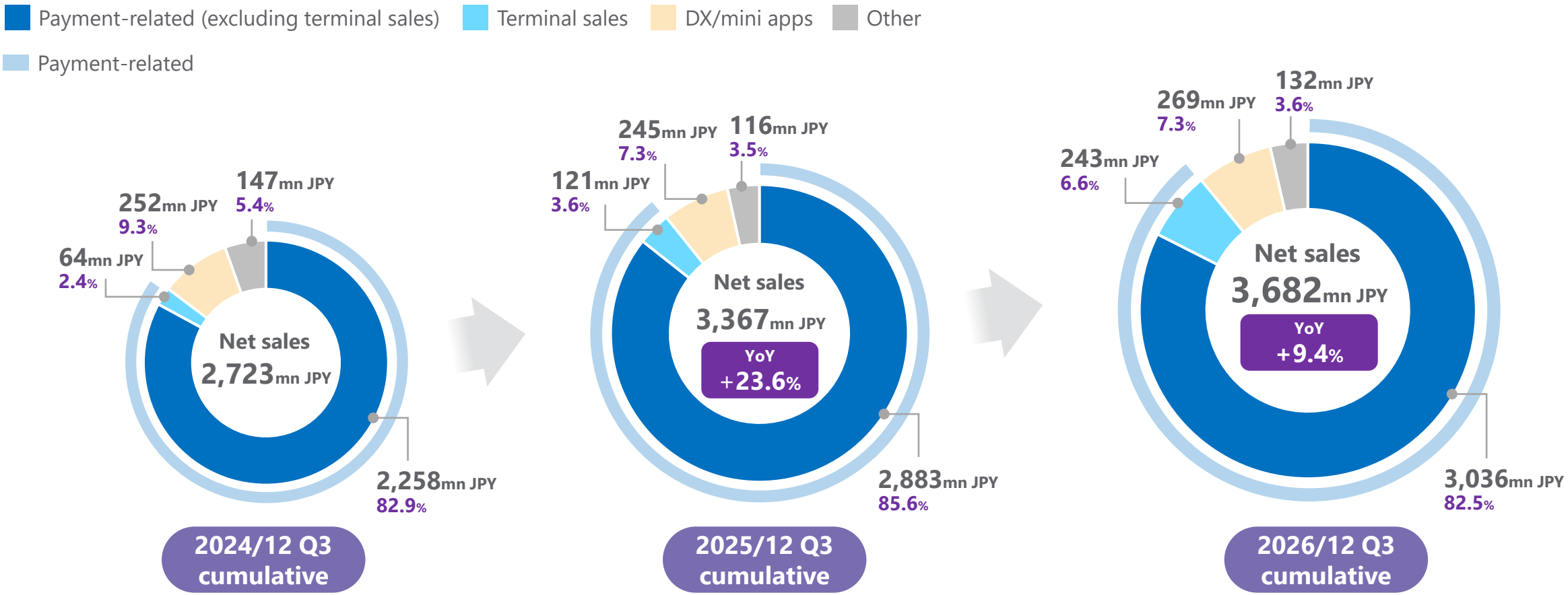


Initiatives going forward

New terminals were introduced in September, with the lineup to expand by merchant size and industry.

Net Sales Breakdown by Service

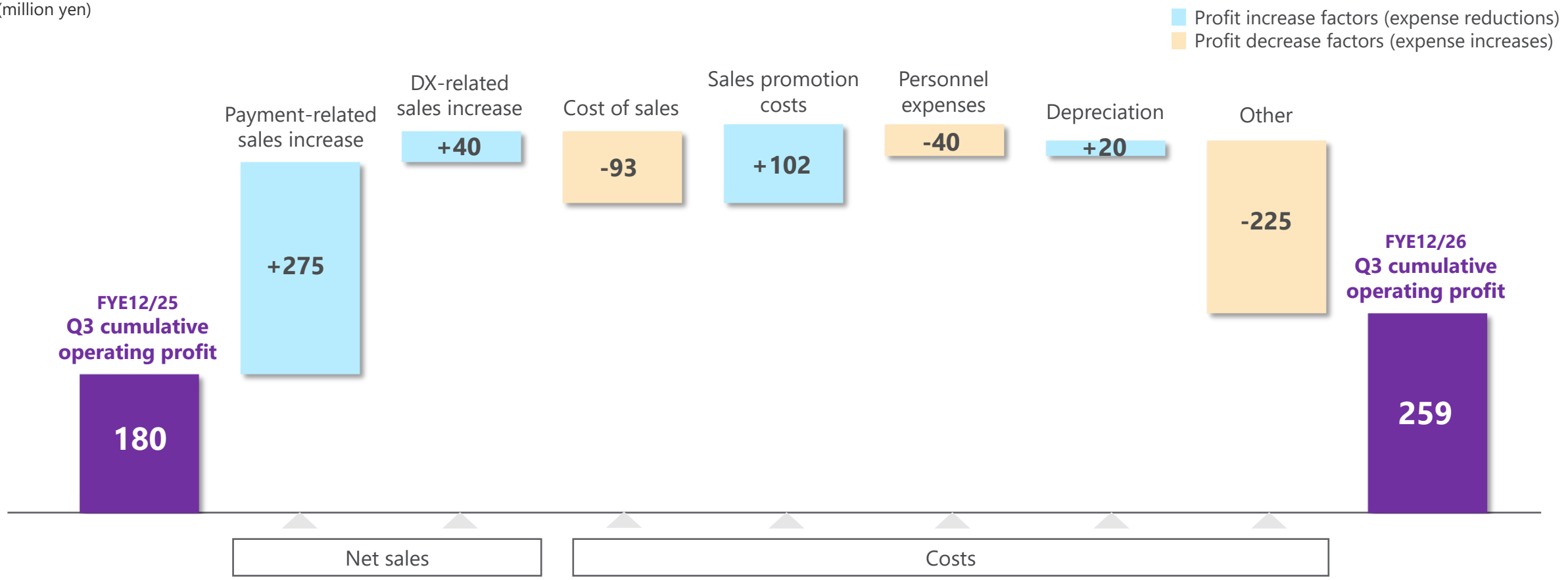
Payment-related (excluding terminal sales) services continued to grow and now account for about 83% of total net sales. Although terminal sales included a large order in Q1, sales were temporarily suspended from Q2 in preparation for the transition to a new terminal, in response to market demand for higher-performance all-in-one devices. As the impact continued, terminal sales in Q3 alone also declined significantly.



Drivers of Changes in Operating Profit/Loss

Despite lower-than-planned terminal sales, payment-related sales increased YoY on new project wins and higher GPV from existing merchants. This drove a 43% YoY increase in operating profit, supported by continued cost improvements.Cost of sales increased but remained below the plan. Profitability was further enhanced through improvements in SG&A expenses.

(million yen)

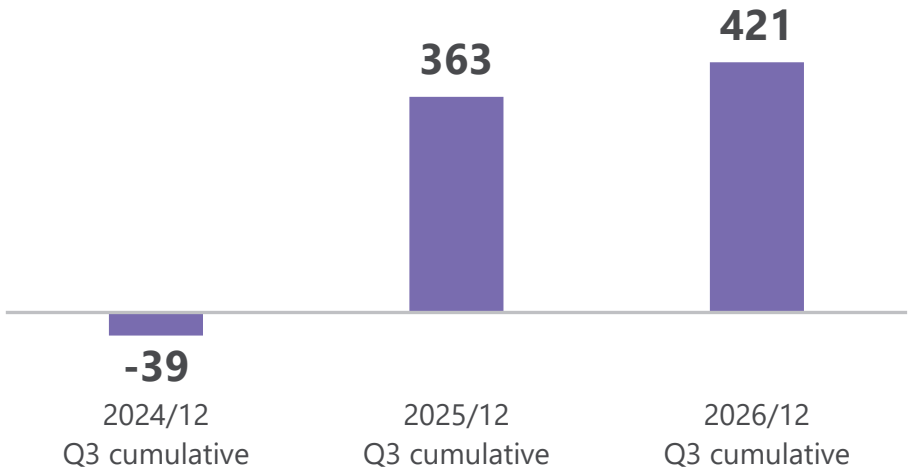


Trend in EBITDA

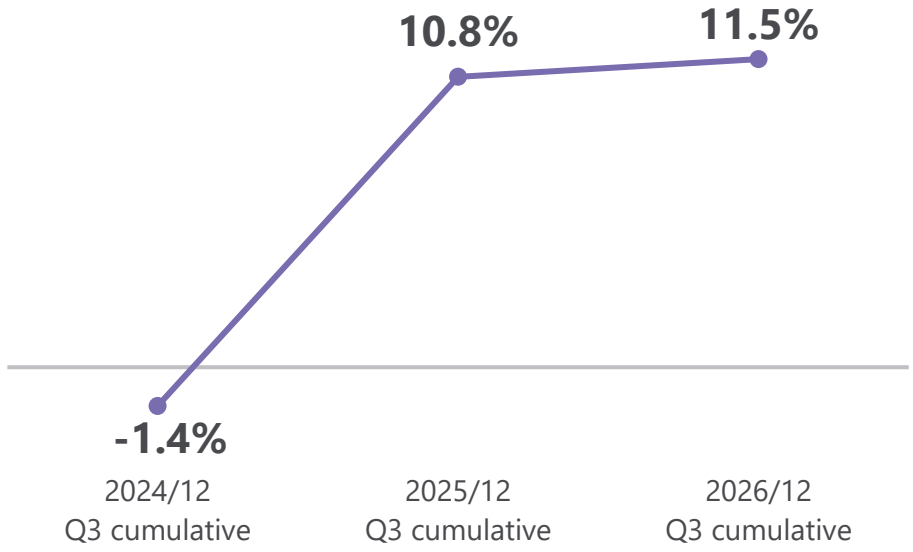
Having entered the profitability phase, both EBITDA and EBITDA margin are on an improving trend.
Going forward, the Company aims to further improve EBITDA by continuing to reduce costs through greater use of AI and other technologies.

EBITDA

(million yen)

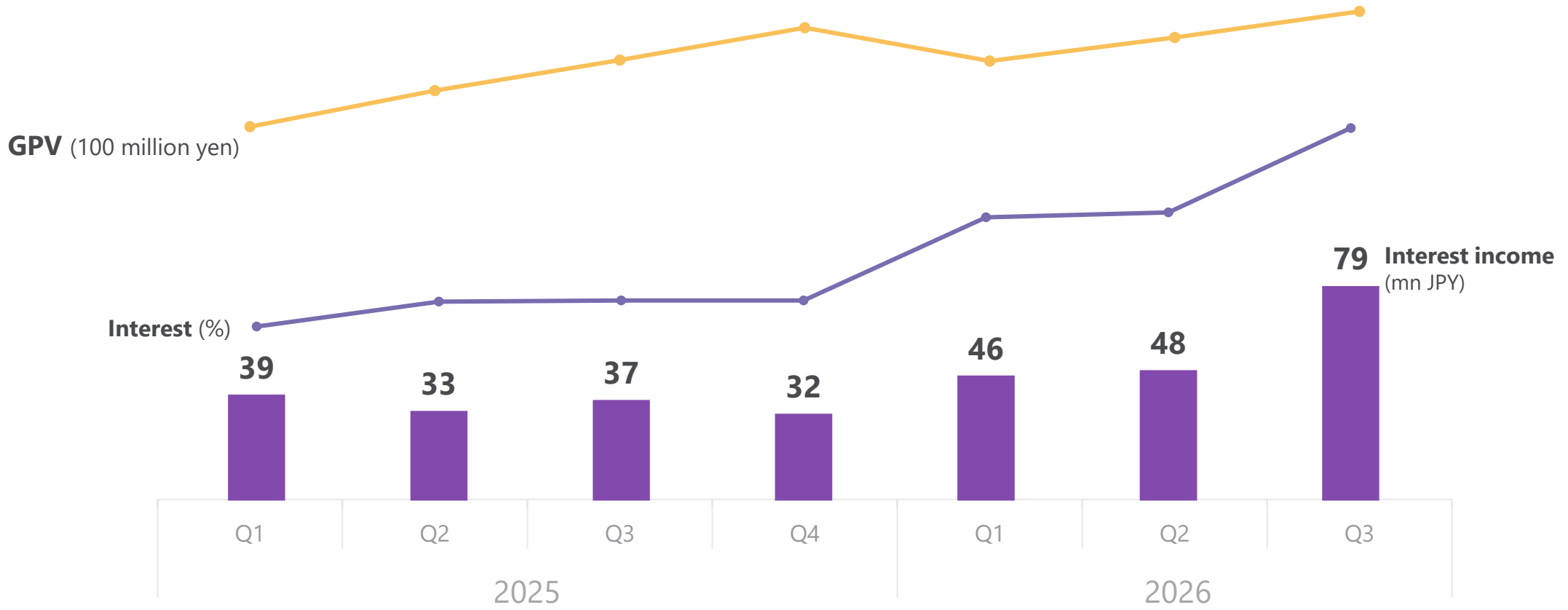


EBITDA Margin



Trend in Interest Income

Interest income, recorded under non-operating income, increased in line with GPV growth. Interest income also tends to increase in line with BOJ policy rate increases.



Full-Year Earnings Forecast for FY 2026 (Ending Dec. 31) Revised Downward

Net sales forecast revised down 12% due to lower-than-expected GPV and terminal sales. Operating and ordinary profit forecasts were also revised down, while net profit was revised up 11%.

(million yen)

	FYE12/25 (Results)	Initial FYE12/26 Forecasts	**FYE12/26 Revised Forecasts**	Amount of Increase (Decrease) vs. Initial Forecasts	Rate of Increase (Decrease) vs. Initial Forecasts
Net sales	4,788	5,760	**5,050**	**-710**	**-12.3%**
Payment-related	4,310	5,150	**4,445**	**-705**	**-13.7%**
DX & mini apps	317	410	**405**	**-5**	**-1.2%**
Other	160	200	**200**	**-**	**-**
Cost of sales	1,122	1,590	**1,111**	**-479**	**-30.1%**
Gross profit	3,665	4,169	**3,938**	**-230**	**-5.5%**
SG&A expenses	3,372	3,668	**3,538**	**-130**	**-3.6%**
Operating profit/loss	293	500	**400**	**-100**	**-20.0%**
Ordinary profit/loss	443	707	**643**	**-64**	**-9.2%**
Profit attributable to owners of parent	485	493	**546**	**+53**	**+10.8%**

Revision of the Earnings Forecast for FY 2026 (Ending Dec. 31)

(million yen)

	Consolidated										
	FYE12/25 (Results)					FYE12/26					
	Q1	Q2	Q3	Q4	Full-year	Q1 (Results)	Q2 (Results)	Q3 (Results)	Initial Full-Year Forecasts	Full-Year Revised Forecasts	Amount of Increase (Decrease)
Net sales	1,051	1,107	1,208	1,420	4,788	1,331	1,135	1,215	5,760	**5,050**	-710
Payment-related	951	991	1,062	1,305	4,310	1,192	986	1,101	5,150	**4,445**	-705
DX & mini apps	61	77	105	71	317	82	101	85	410	**405**	-5
Other	38	37	40	43	160	56	47	28	200	**200**	-
Cost of sales	242	232	239	407	1,122	363	217	226	1,590	**1,111**	-479
Gross profit	808	874	969	1,013	3,665	967	918	988	4,169	**3,938**	-230
SG&A expenses	811	812	847	901	3,372	851	879	884	3,668	**3,538**	-130
Operating profit/loss	-2	62	121	112	293	116	38	104	500	**400**	-100
Ordinary profit/loss	52	98	155	136	443	161	81	189	707	**643**	-64
Profit attributable to owners of parent	45	82	92	265	485	137	66	160	493	**546**	+53
GPV (100 million yen)	4,674	5,128	5,508	5,916	21,228	5,497	5,792	6,120	25,474	—	—

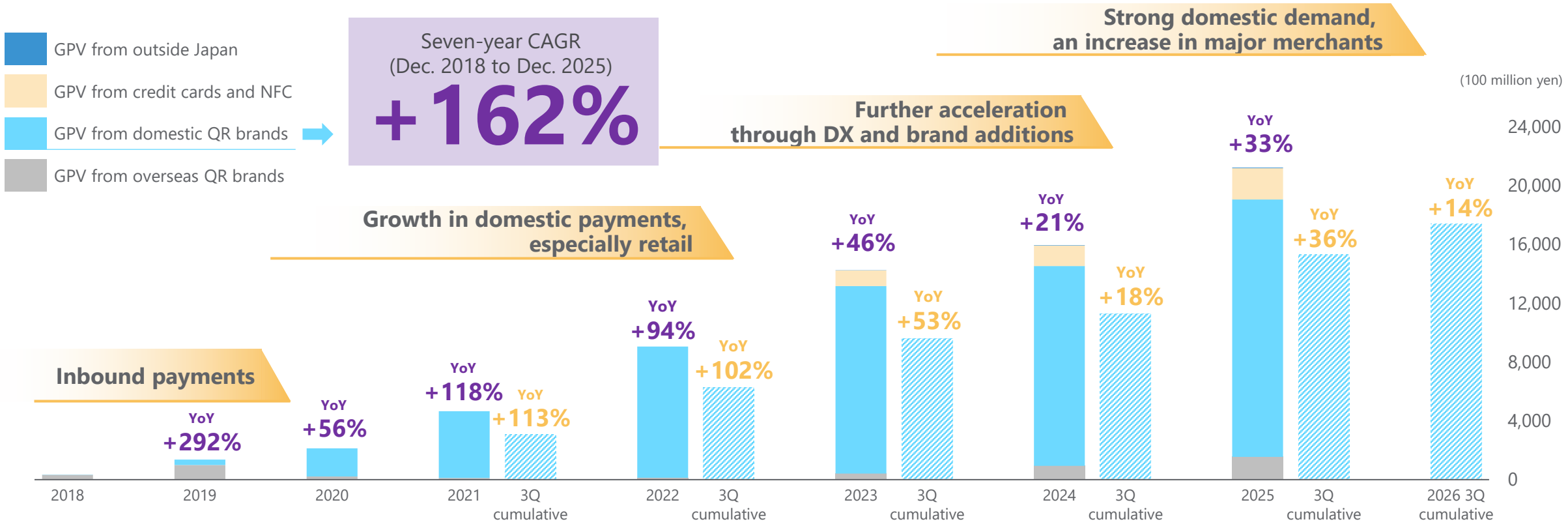
Topics (Since July 2026)

Topic 1	**Volume of payment transactions exceeded 600bn JPY for the quarter**	See page 30
Topic 2	**Selected as the QR code payment gateway for stera terminal light, a payment terminal provided by Sumitomo Mitsui Card**	See page 31
Topic 3	**Continued to expand the network of payment brands**	See page 32
Topic 4	**Connected Japan's Five Major QR Code Payment Brands to Stripe**	See page 33

Topic 1: Volume of payment transactions exceeded 600bn JPY for the quarter

Cumulative GPV grew steadily by +14% YoY. Posted a record high for a quarter. However, the results fell short of the plan. Future macroeconomic instability and the timing of the recovery in inbound payment volumes are difficult to predict, so we will continue to monitor the situation.

Volume of payment transactions over time



Topic 2: Selected as the QR code payment gateway for stera terminal light, a payment terminal provided by Sumitomo Mitsui Card

We were selected as the QR code payment gateway for stera terminal light, a payment terminal provided by Sumitomo Mitsui Card. By combining the two companies' payment and merchant networks with our QR code payment gateway technology and operational expertise, we aim to strengthen the payment infrastructure needed to support growth in both the number of merchants and transaction volume.

- Expanded the scope of collaboration to strengthen the service framework that supports the growing volume of QR code payments
- Adopted as the QR code payment gateway for "stera terminal light," a new model in the stera terminal series
- Building a service framework capable of handling the growth in merchants and transaction volume, and considering expanding supported services and usage scenarios

SMBC 三井住友カード



stera terminal light

Topic 3: Continued to expand the network of payment brands

We are continuing to expand our connections with domestic and overseas payment brands to meet the diverse payment needs of merchants and users. We are enhancing convenience for merchants, aiming to maximize revenue and establish a competitive advantage.

Connected with multiple brands

↓

Expanded available payment methods and usage scenarios

↓

Improved convenience for merchants

↓

Toward medium- to long-term GPV growth

Brands added/supported this fiscal year (partial list)

USDT

JPYC

wesmo!

teppay

+MORE

Continuously strengthening the value we provide as a payment gateway

Topic 4: Connected Japan’s Five Major QR Code Payment Brands to Stripe

We expanded collaboration with Stripe and newly connected five major domestic QR code payment brands. We expanded opportunities to offer StarPay to businesses using Stripe, which is used by over 5 million companies worldwide.

- Newly connected QR code payments from AEON Pay, au PAY, d Pay, Merpay, and Rakuten Pay to Stripe
- Provided businesses in Japan and overseas that use Stripe with an environment to introduce QR code payments widely used in the Japanese market
- Expanded payment methods both online and in-store, and promoted the expansion of StarPay's service areas and the strengthening of our business foundation

Five brands newly connected in addition to PayPay



3

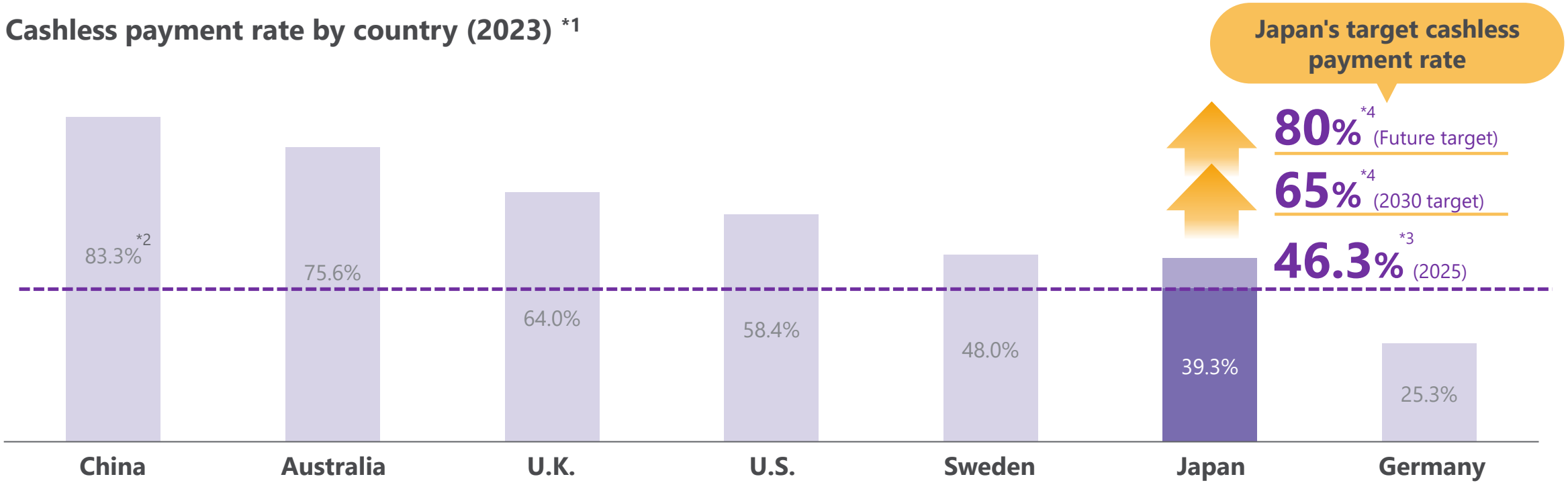
Market Environment and Our Position

Market with High Growth Potential

Japan's cashless payment rate is lower than in other countries. The Ministry of Economy, Trade and Industry has set a target for the cashless payment rate, so there is high growth potential.

Furthermore, Japan's cashless payment rate in 2025 stands at 46.3% based on the conventional calculation metric, and under the new calculation method, the domestic indicator stands at 58.0%.

Cashless payment rate by country (2023) *1



*1 The figures for cashless payment ratios by country are based on data from the World Bank's 'Households Final Consumption Expenditure 2023 (April 15, 2025)' and the annual payment amounts using non-cash methods from the BIS 'Payment Statistics' for 2023 (June 1, 2025), as calculated by the Cashless Promotion Council in its report 'Calculation of Cashless Payment Ratios in Major Countries Worldwide for 2023' (September 4, 2025)

*2 The figure for China is based on data released by Euromonitor International

*3 The news release "2025 Ratio of Cashless Payment Among the Total Amount Paid by Consumers Calculated" (March 31, 2026)

*4 "Discussion by Study Group on the Future Direction of Cashless Payment Summarized" domestic indicators based on the new calculation method by the Ministry of Economy, Trade and Industry (December 26, 2025)

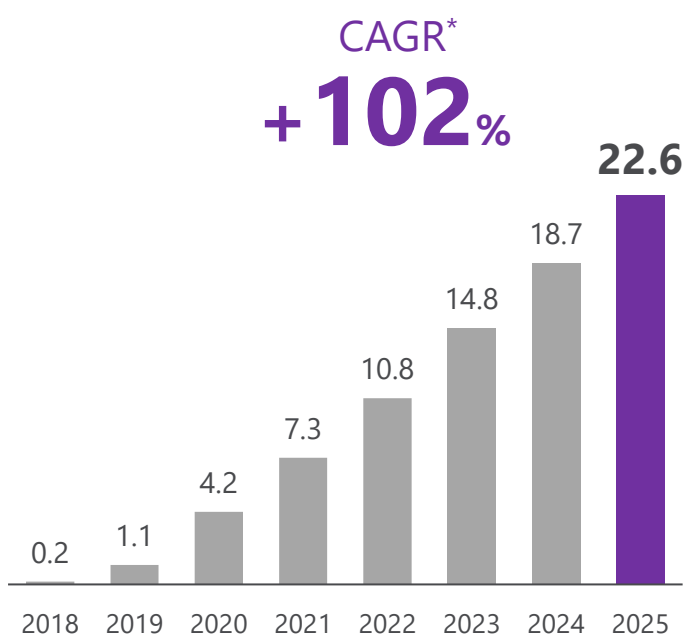
Deployment of Services in the Fast-Growing Area of Cashless Payment

The market for QR code payments (NETSTARS' core service) has grown more rapidly than credit cards and the NFC market.

This payment system is the biggest contributor to development of the cashless market in Japan.

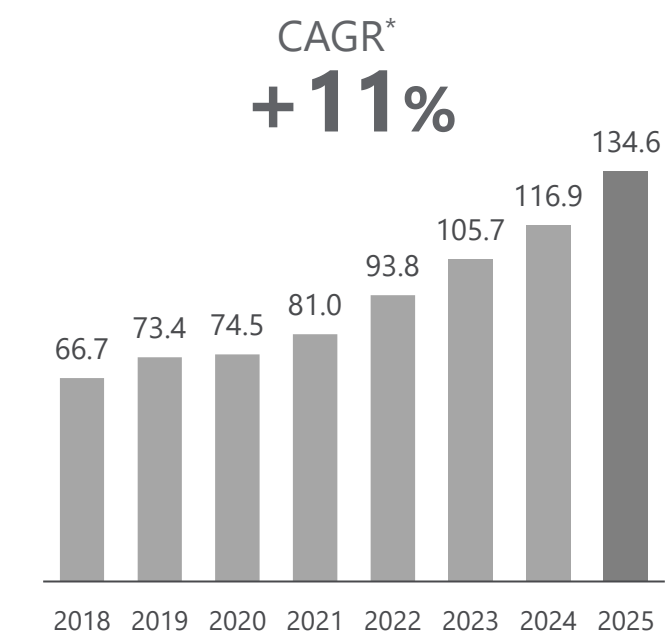
Amount of QR code payments*1

(trillions of yen)



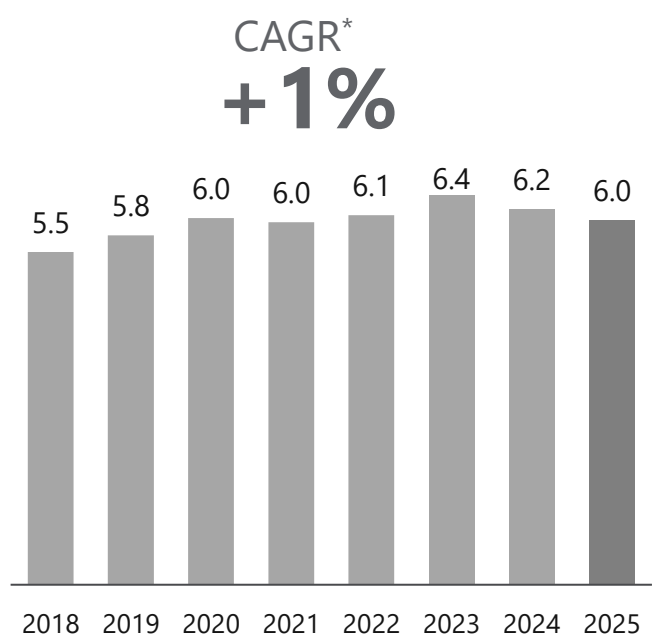
Amount of credit card payments*2

(trillions of yen)



Amount of NFC*3payments*4

(trillions of yen)



***Note** Period for CAGR calculation: 2018 to 2025

***1** Survey on Trends of Cashless Payment Use by the Cashless Promotion Council (March 30, 2026)

***2** Statistical Data Based on Results of Survey by the Japan Consumer Credit Association (March 31, 2026)

***3** Stands for Near Field Communication, which means short-range wireless communications. It is a communications standard that allows a device user to perform communications through a contactless IC chip simply by holding the device. This technology is characterized by a small communication area and is used in a smartphone with a mobile wallet and transportation IC cards such as Suica and PASMO.

***4** "Payment Trends (February 2026)," by the Bank of Japan (March 31, 2026)

4 Growth Strategy

Basic Strategy for Medium-Term Growth

We aim to accelerate the pace of growth through multiple growth drivers (growth in cashless payments/expansion of DX Solutions/overseas expansion).

Revenue = GPV × Take rate + DX products, POS, etc. (cross-selling)

Multiple growth drivers

1. StarPay
Multi-cashless payment
See page 39

2. StarPay-DX
DX Solutions
See page 40

3. StarPay-Global
Overseas expansion
See page 41

NETSTARS provides high added value for member stores as well as QR code payment brands and super app providers

1. Multi-Cashless Payment

We aim to achieve continuous growth through measures for acquiring multiple new GPVs.

Acquisition of more new member stores through sales partners (OEM, agency)

Strengthen cooperation with vendors

- Regional financial institutions
- Payment-related companies
- Cash registers and POS
- Vending machines etc.

Further expansion of the sales partner network, our strength

Accelerate acquisition of new member stores

Acquire new GPVs

Cross-selling with DX products

New customers

Acquisition by DX products

Steer customers to payment services

Acquire new GPVs

Existing customers

Cross-selling with DX products

Within DX products

Acquire new GPVs

Provide user-friendly products

Increase the number of brands that can be connected
Meet all kinds of customer needs

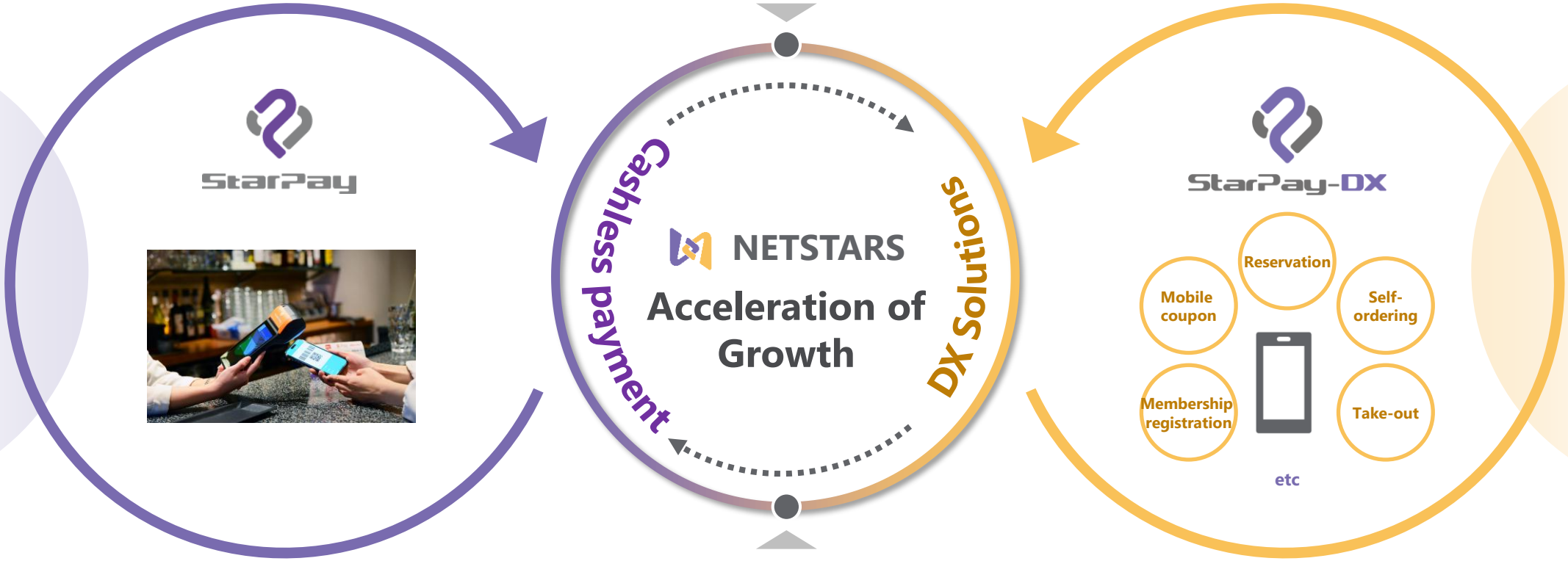
Realize product delivery with short delivery times
Our strengths, such as POS connection

Promote flexible connection
Existing payment terminals and other companies' terminals

2. DX Solutions

For existing StarPay member stores, we will also provide StarPay-DX, including labor-saving DX products, in addition to cashless services in order to achieve an increase in cross-selling. Toward this goal, increase customizability (technological capability) and delivery speed.

Encourage StarPay member stores to adopt StarPay-DX



An increase in the number of DX Solutions and mini apps introduced & improvement of the engagement of member stores

3. Overseas Expansion

By advancing partnerships with overseas QR code payment brands, major overseas banks, etc., expanding the number of overseas payment brands handled and service areas, we are promoting and accelerating the global expansion of StarPay and StarPay-DX.

<Current overseas strategy>

Bring together super apps around the world as a QR code payment gateway.

+

Provide QR code payment gateway services for major overseas banks, etc. that are OEM partners.
Provide member stores with DX Solutions

<Prospects of our future overseas strategy>

Ensure that all QR code payment brands can be used around the world.
&
It will become possible to provide DX Solutions to member stores regardless of location.

Strong relations with overseas QR code payment brands

We are a QR code payment gateway that formed alliances with Alipay and WeChat Pay ahead of others.

NETSTARS



微信支付 WeChat Pay

From June 2015

- Partnered with WeChat Pay as the first QR code payment gateway in Japan
- Expanded WeChat Pay within Japan as an agent

Expand partnership with overseas QR code payment brands

Number of overseas QR code payment brands: 40 or more

Key Initiatives for This Current Fiscal Year: Multi-Cashless Payment

In addition to the traditional settlement business domain, we will work on supplementing all kinds of payment needs in domains that provide added value.

Expanding into industries that support cashless services



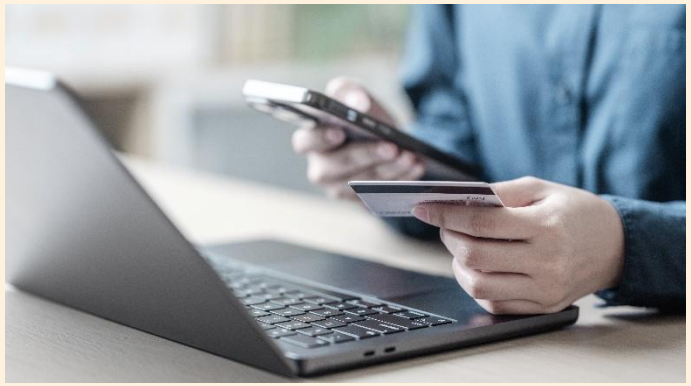
We are actively expanding not only to retailers that belong to a distribution (wholesale/logistics) group or network, but also into industries less familiar with cashless services, such as healthcare and insurance, real estate, and education.
We also plan to develop specialized payment solutions for each sector.

Expanding payment brands



We are adding and expanding payment brands, regardless of domestic or international, Web 2.0 or 3.0.
We aim to be the overwhelming leader in brand numbers

Upgrading non-face-to-face payments



We will not only continue to leverage our strength in in-person payment but also actively upgrade our non-face-to-face payments.
Out-of-app billing for smartphone games are one such example.

Key Initiatives for This Current Fiscal Year: DX Solutions

Traditionally, we provided a single product for the food and beverage industry to other businesses and business categories, but now we are working to provide solutions that respond to customer needs.

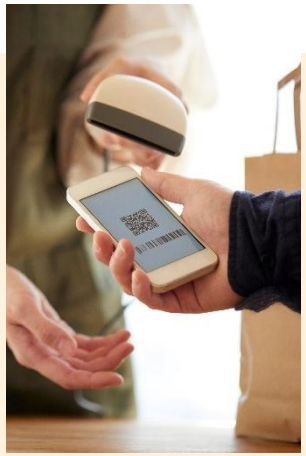
Self-checkouts

- Supports diverse business categories, including not only restaurants but also movie theaters, fitness gyms, and school cafeterias
- Contributes to labor saving and sales management efficiency optimization



Local government wallets

- We offer system development and peripheral services for digital gift certificates and wallets, such as Kanagawa Pay and NahanchuPay, promoted as regional benefit initiatives.
- Revitalization of regional economies
- Support for local communities



Upselling of payment fees
Prevents churning of payment fees

Promotes regional cashless services

Key Initiatives for This Current Fiscal Year: Overseas Expansion

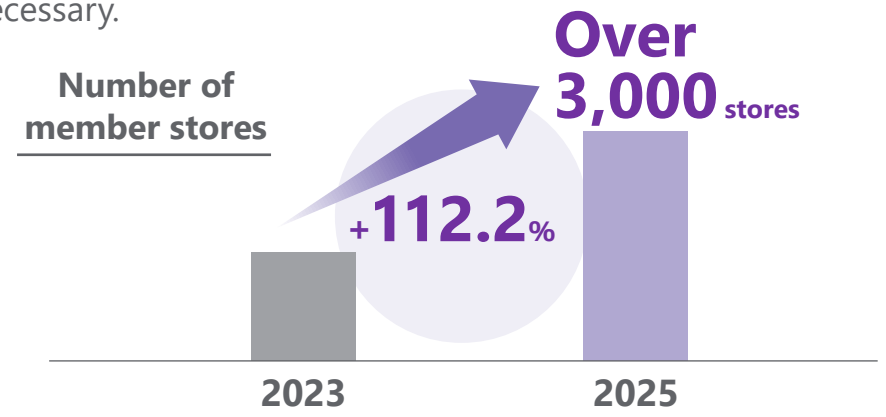
1 Expanding a made-in-Japan global payment system to multiple countries through JPQR

- We are promoting the realization of cross-border cashless payment **as the sole switcher for overseas use of the Japanese Unified QR Code (JPQR).**
- For the fiscal year ended December 31, 2025, we established payment connectivity with Indonesia and Cambodia to contribute to Japan's inbound market. Outbound initiatives are also in preparation.
- The **number of countries where QR payments can be used is expected to increase going forward.**



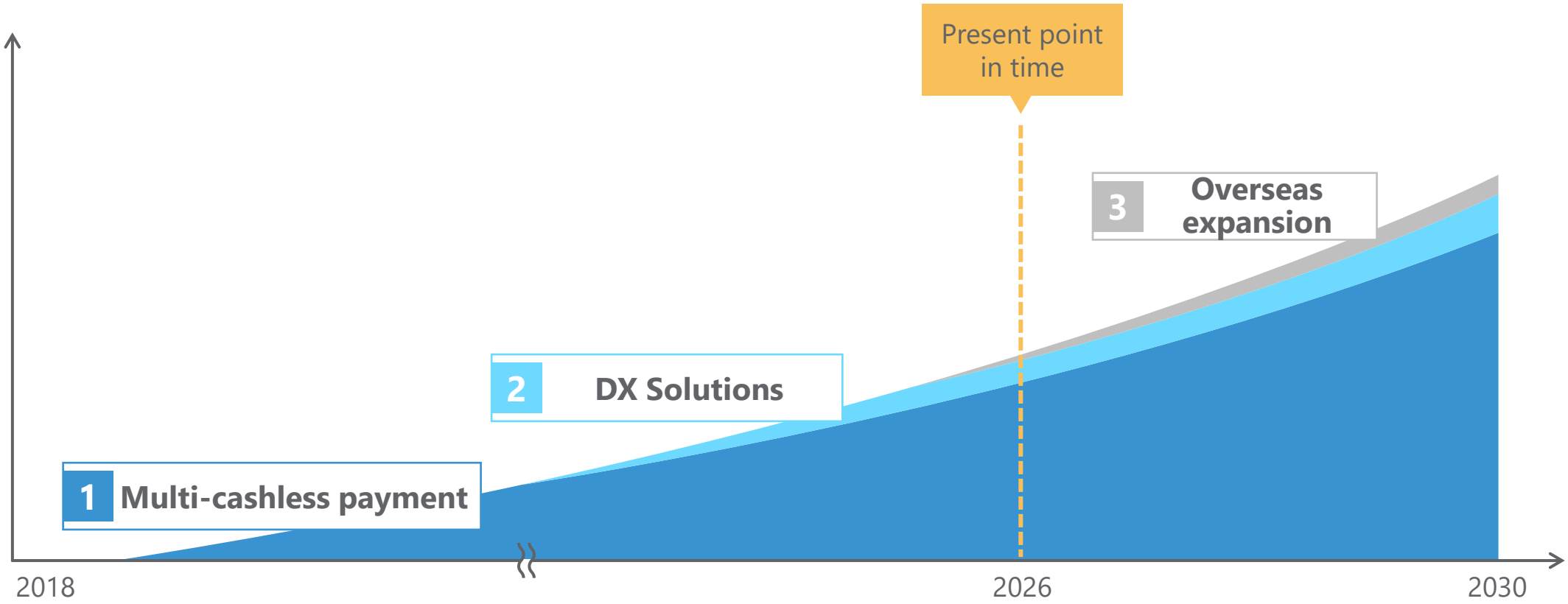
2 Accelerating the additional introduction of cashless services in Qatar

- Since launching the service in 2023, **the number of stores has increased by 112.2%.**
- We have already implemented India's Unified Payments Interface (UPI) and WeChat Pay.
- **We plan to further expand our network of new member stores and payment brands going forward.**
- We aim to provide flexible services that go beyond mere store payments and cover all points where cashless payments are necessary.



Medium-Term Growth Image

Further expand cashless payments centered on QR code payments, our business foundation, while stepping up DX Solutions-based cross-selling and global expansion



Financial and Capital Strategy

We will actively promote growth investments aimed at improving corporate value over the medium to long term while enhancing shareholder returns.
We introduced a new shareholder benefit program as an additional shareholder return measure. Going forward, we plan to actively consider further measures to enhance shareholder returns.

Investment policy

[Basic policy]

To increase the total amount of payments and sales in fees through acquisition of new member stores and stable operation of our payment system, we will continue to make investments in growth opportunities, including the costs of recruiting talented development and sales personnel.

[Current plan]

We plan to make investments intended to enhance the functions of StarPay (payment system), the functions of examination and operation systems, and of systems related to DX Solutions.

Shareholder Return Policy

[Basic policy]

As for profit sharing, while securing the internal reserves necessary for future business development and strengthening the management structure, we always keep in mind the enhancement of stock value, compare business investments and dividends, and implement the optimal capital allocation at each point in time.

[Our current understanding]

We prioritize growth investments that contribute to enhancing shareholder value. Meanwhile, we introduced a shareholder benefit program to enhance shareholder returns, increase the appeal of investing in our shares, and expand our base of individual investors.
We plan to consider dividends while balancing our financial position with growth investments.

5 Supplementary Information

Company Profile

Company Name	NETSTARS Co., Ltd.
Established	February 12, 2009
Representative	Tsuyoshi Ri
Business Overview	Cashless payment services, provision of DX solutions
Capital	4,519.77mn JPY (as of September 30, 2026)
Address	3F, 4F Sumitomo Fudosan Hatchobori Building, 3-3-5 Hatchobori, Chuo-ku, Tokyo, 104-0032
Overseas locations	Singapore, Vietnam, China
Number of Employees	226 (consolidated: as of September 30, 2026)
Listed Market	Tokyo Stock Exchange Growth Market (Ticker: 5590)

Management Team

Experienced professionals are assigned to various fields. Tsuyoshi Ri, CEO, established the Company after working as an engineer at several Japanese firms. Chuck Chen, CTO, has development experience at major Silicon Valley tech firms. Hisahiro Chofuku, COO, was formerly the CEO of LINE Pay; CFO, Gen Adachi, was formerly in charge of fundraising at foreign investment banks

Technology / Development



Chuck Chen
CTO

ebay PayPal

StarPay



Kun Wang
Director

SANTSU

StarPay-DX



Kyoka Yoshida
Director

IBM



Tsuyoshi Ri
CEO

SCSK

Finance / Business administration



Gen Adachi
CFO

Goldman Sachs citi

Sales / Operations / Overseas business



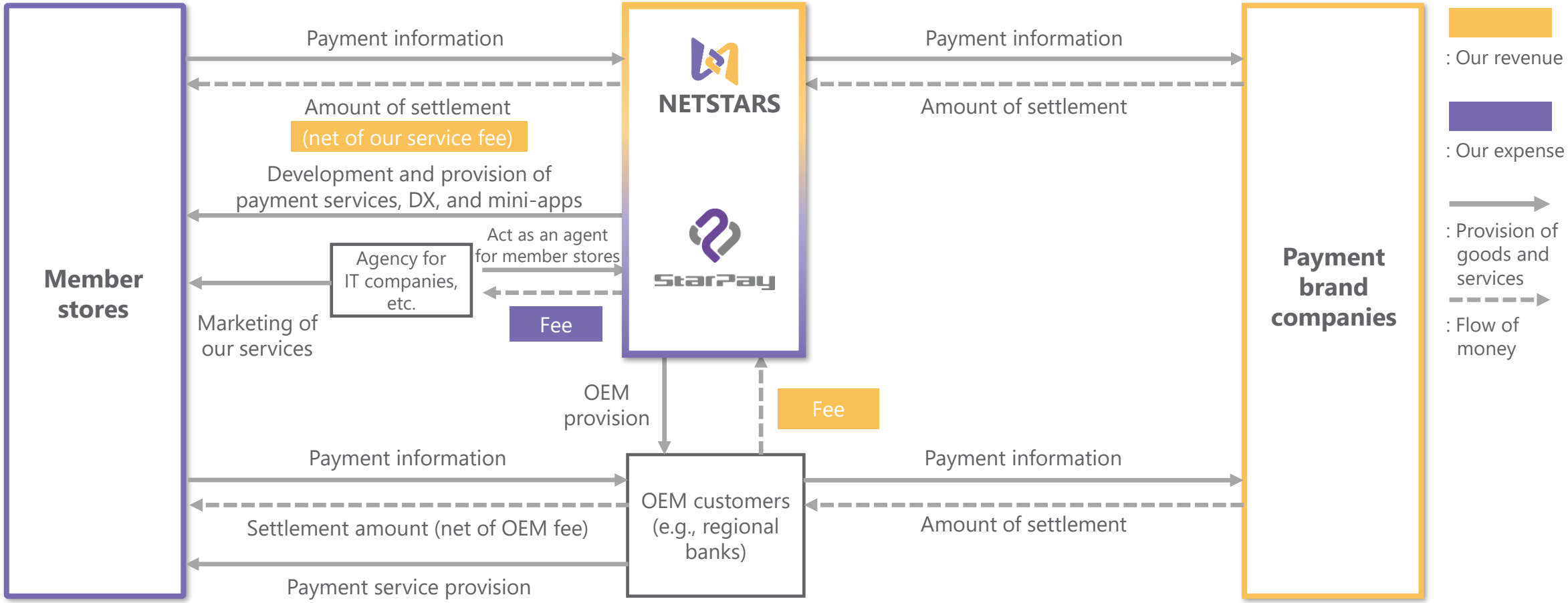
Hisahiro Chofuku
COO

LINE Pay

*NoteLogos reflect past affiliations of our management team

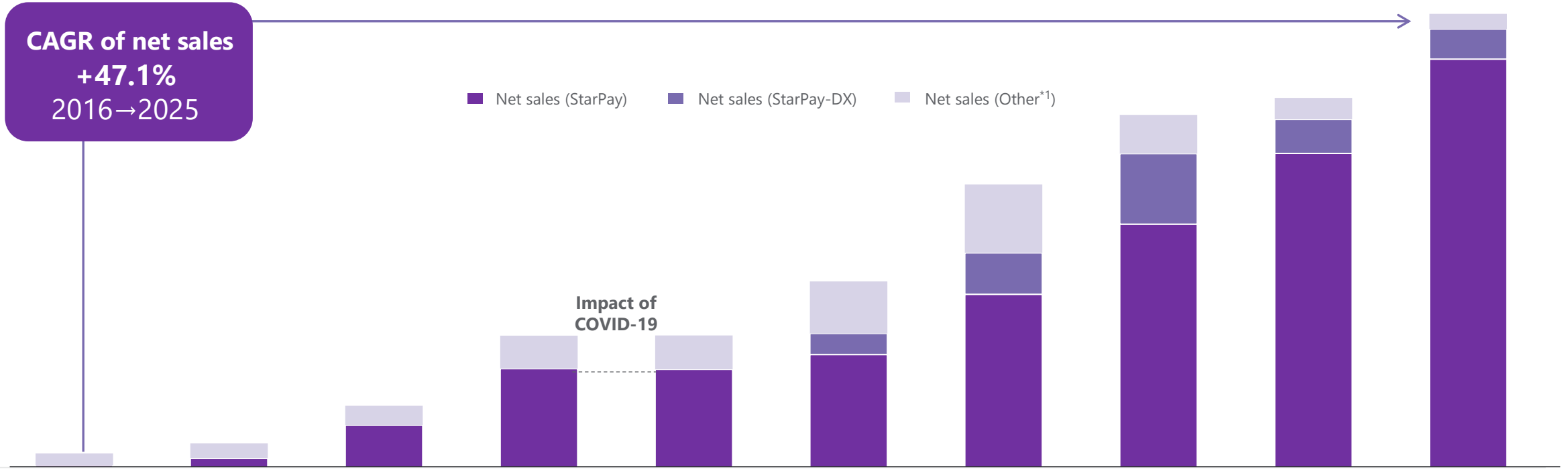
Basic Business Model: One-Stop Payment Gateway Services

We comprehensively support member stores with cashless payment gateway services supporting multiple methods.
We streamline contracts, examination, adjustment, and settlements with multiple payment brands via a one-stop service



Strong Net Sales Growth

QR code payment fees driving strong sales growth
COVID-19 hit inbound payments in 2020 but domestic brand usage offset the drop, and net sales grew steadily thereafter.

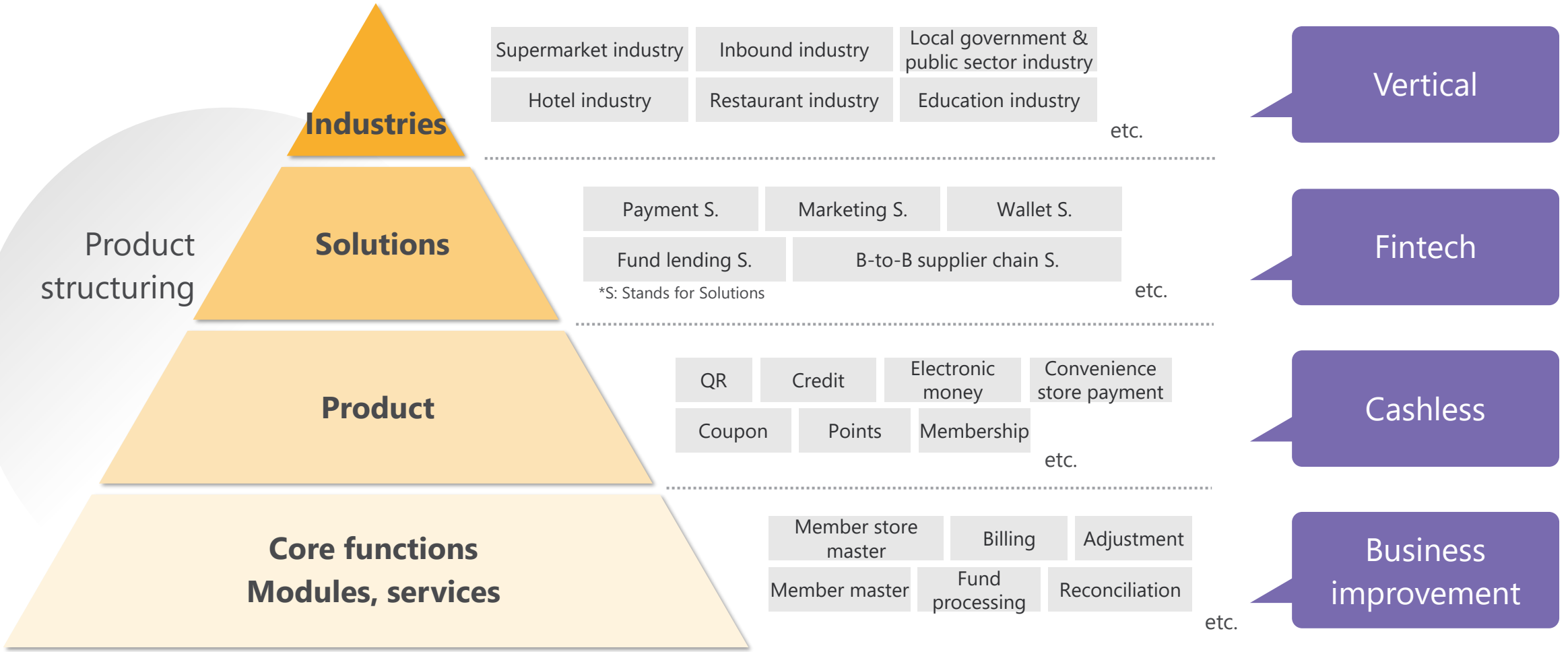


		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Gross profit margin	(Overall)			67.5%	53.6%	46.3%	52.4%	62.4%	70.5%	76.3%	76.6%
	(excluding the communications business) *2			58.9%	55.4%	54.0%	65.0%	76.0%	75.1%	76.3%	76.6%

*1 "Other" includes promotion services and the communications business.

* 2 Figures excluding the communications business, which ended at the end of April 2023

Product & Service Strategy



Factors Responsible for the Company's Technology Costs Reduction

The world's most advanced technologies help us achieve high cloud systems stability (adoption of a cloud native infrastructure + container technology).

Collaborative initiatives for products, technologies, testing, and operations balance performance, stability, and cost.

Optimization of architecture for cloud computing

- We are migrating processors from x86 to ARM architecture, thereby significantly reducing resource costs.

Optimization of batch processing

- We are extending processing times to restrict additional CPU and RAM resource consumption, and optimizing source efficiency.

Application monitoring with AI

- We utilize AI to monitor the status of system operations in real-time and accurately predict potential problems.

Smart analysis of resource use status

- We are using AI to analyze resource use data monthly and find room for improvement. Feedback from this is shared promptly with app owners.

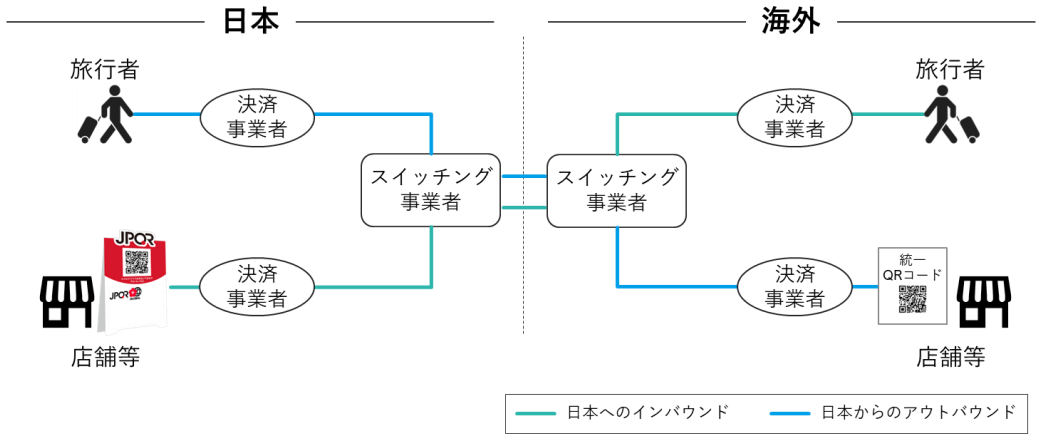
Going forward, we will work to further reduce costs via the following

- **Improving cloud computing environments**
- **Improving release processes**
- **Reducing network usage through transaction entry consolidation,** etc.

Payment example (1) : Launch of the provision of JPQR Global at the 2025 Osaka-Kansai Expo

Following Cambodia in July, Indonesia's unified QR code payment standard "QRIS" began supporting JPQR Global in August. It has been made available for use at the Indonesian Pavilion and other locations. Additional QR code payment services from Asian countries will be added in phases.

- "JPQR Global" is an initiative to achieve "mutual coordination between domestically unified standards (JPQR) and the unified standards of respective Asian nations" as indicated in policies such as the Japanese government's "Tourism Nation Promotion Basic Plan" (decided by the Cabinet on March 31, 2023).
- Through mutual coordination, foreign visitors are able to pay in Japan using their home country's QR code payment apps when making payments at stores in Japan.
- NETSTARS constructed a "JPQR switching system" and has been designated as a JPQR switching system operator.
- We are preparing for outbound payments as well as inbound payments.







Payment example (2): Connecting StarPay to Merpay/d Pay Shared QR Codes

Connecting NETSTAR's StarPay to Merpay/d Pay shared QR codes*. As the first step, payments via WeChat Pay are now possible. We are also considering adding support for QR code payments, in addition to WeChat Pay.

*Supports Merchant-Presented Mode (MPM)

- Merpay and Docomo have partnered in the smartphone payment domain to offer Merpay/d Pay shared QR codes, which allow both Merpay and d Pay smartphone payment services to be used with a single QR code.
- By utilizing the StarPay member store registration system, new applicants for the Merpay/d Pay shared QR code can now receive WeChat Pay approval instantly, allowing smooth activation for merchants wishing to accept WeChat Pay.



DX Case Study 1: DX Product Provision

Expanding into new business categories, such as karaoke payments and automated hotels

Karaoke Room Uta Hiroba

Challenges
- ✓ Customer looking to reduce staffing during labor shortage
- ✓ Customer looking to reduce cashier staffing during extended business hours

Effect of DX
- ✓ Customers self-pay via QR code at kiosks
- ✓ Company-wide rollout reduced checkout staffing needs



1955 Tokyo Bay by Hoshino Resorts

Challenges
- ✓ Resort experiences user traffic surges at peak times at the newly opened 1955 Tokyo Bay by Hoshino Resorts in the Maihama theme park area.
- ✓ The challenge here was to provide services that minimize wait times for tired guests

Effect of DX
- ✓ Guests able to make late-night food & drink purchases via unmanned checkout
- ✓ Utilizing self-checkouts at dinner and breakfast times reduce guests' wait-time stress



DX Case Study 2: Payment Wallets, Digital Gift Certificates, Etc.

Wallet & gift certificate-related services for corporations & municipalities

Tie up with House Pay®/SunplazaCardPAY

First stage of our tie up with House Pay® from JACCS CO., LTD. and StarPay from NETSTARS. Checkout is now possible with SunplazaCardPAY, the original payment service from Sun Plaza supermarkets.

SUPERMARKET Sunplaza

Digital gift certificates/NahanchuPay for Local Governments

We participated in the Naha City premium gift certificate service, which was implemented in 2024 with outsourcing involving companies such as The Bank of Okinawa and SCSK ServiceWare.
This was efficiently and effectively managed in a way that was citizen-focused and provided efficient support during inflation.



「なはんちゅPAY」Webサイト

Points/Kanagawa Pay

Managed Kanagawa Pay app (the Kanagawa Prefecture initiative for cashless transactions and encouraging consumer spending) and member store systems (2021–2023). The app enabled citizens of the prefecture to collect and use points, etc.
Developed a system to issue region-specific points via multiple payment platforms.

かながわPay

Digital gift certificates for local governments / Yokohama City Shopping District Wide Area Premium Gift Certificates

We were entrusted with providing the system and managing the secretariat operations for the Yokohama City Shopping District Wide Area Premium Gift Certificates project, organized by the Yokohama City Shopping Street Total Federation.
We are working to revitalize regional economies and support sustainable local communities.



DX Case Study 3: What Is a Mini-app?

Mini-app: Enables multiple functions within a super app

Joshin Denki (LINE)



Gacha campaign

BYD (LINE)



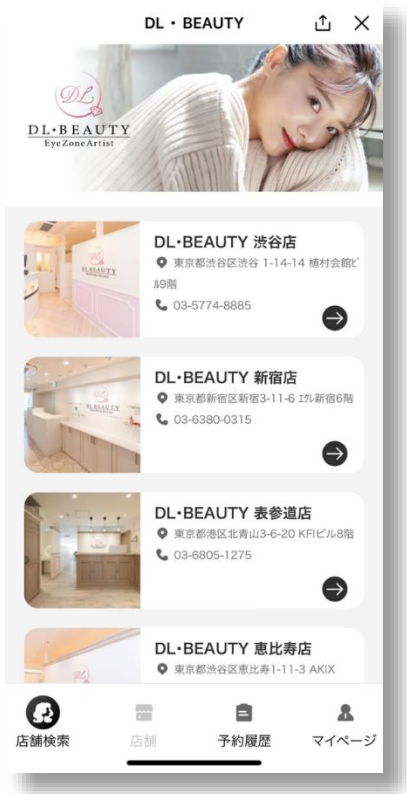
Survey campaign

Heart Up (LINE)



Membership management

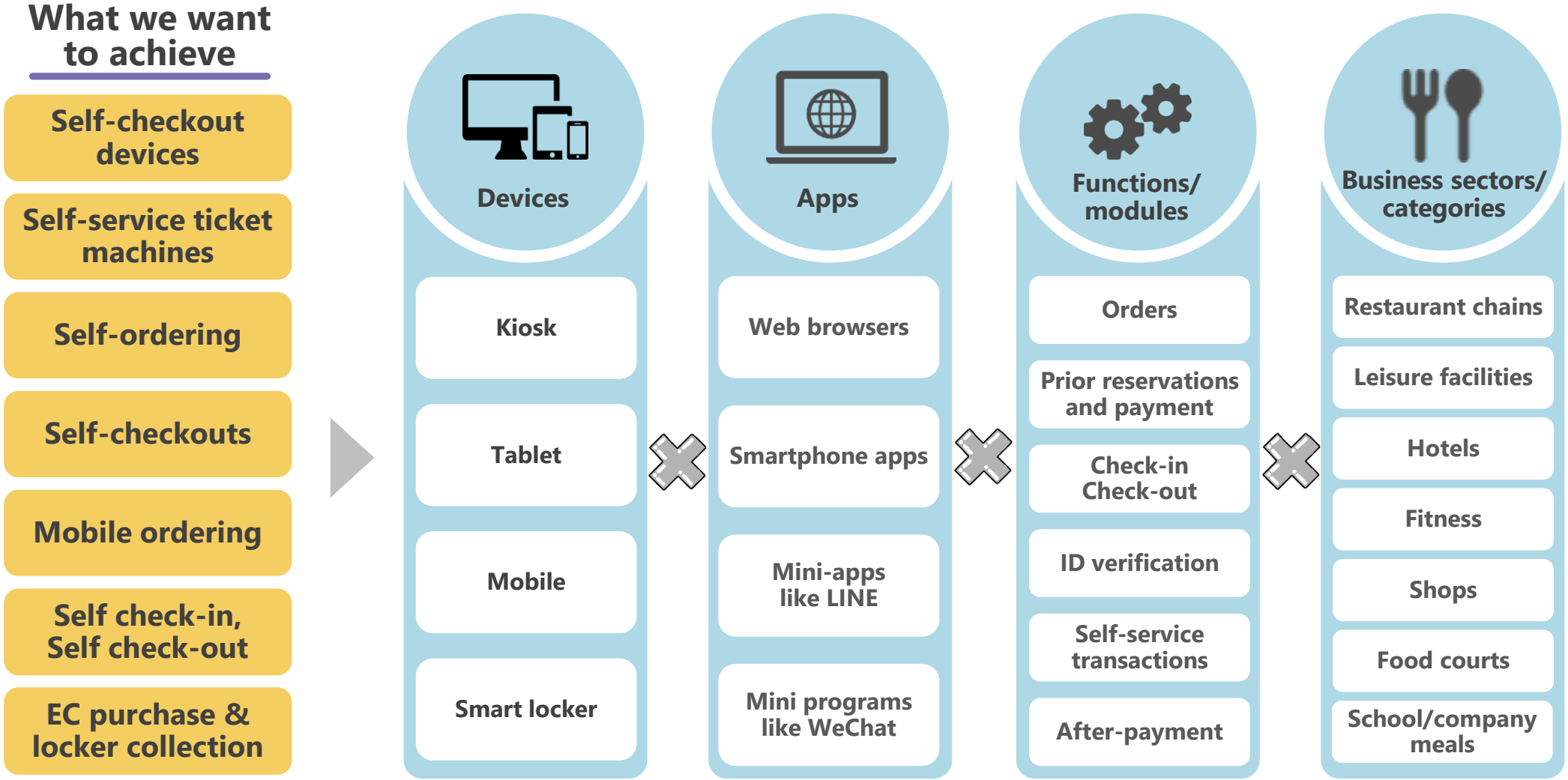
Hyper Soft (LINE)



Hair salon reservation

Priority Measures for DX Solutions

To accelerate the cross-selling of multi-payments and DX Solutions, we will accelerate the expansion of our total solution Checkout-Less Platform, which supports the introduction of self-payments and self-ordering. We will promote the provision of products that are compatible with various device formats for individual business categories.



Formulation of NETSTARS Ideal State for 2030

While aiming for our long-term goal to “Let the payments go smoother,” we have formulated our “Ideal State for 2030” as a vision for NETSTARS over the next five years, and we are sharing this medium-term vision with our stakeholders.

Our ideal state centers on the concept of further enriching the flow of money and enhancing our societal impact as a fintech company.
We will leverage our individual business category expertise, make greater use of innovative technologies (cloud computing and digital, Web 3.0, AI, etc.), and will accelerate tailored product development.

By providing products which are widely accepted by our partners and everyone at member stores, we will encourage the continued widespread use of highly reliable cashless services and efficiency through labor saving, helping revitalize society as a whole.

Through innovation, stability and cost efficiency, NETSTARS is committed to further growth with 2030 as our target.

Our Ideal State for 2030

Through organic growth centered on existing businesses, we aim for GPV over 6 tn JPY. Assuming payment-related sales of over 10 bn JPY, for sales at all companies of over 12 bn JPY

We will keep low and stable churn rates, grow cohort-type GPV, and increase sales at all companies, focusing on payment-related sales.

Target of maintaining gross profit margin of 70%+

We will maintain attractive gross profit margin compared with competitor companies.

Target of operating and ordinary profit margin of 25%+

To reach 25% operating profit margin, we will improve cost structure, increase sales, and enhance gross profit margin.

We plan for even greater growth and to acquire new partners judged sufficiently able to bring about the added value described above of net sales and profitability. We are also considering investment in new businesses (Web 3.0 and AI-related, etc.) and will boost the figures described above

Our sales at all companies of 12 bn JPY and profitability targets are centered around the current business entity. Our aim is to further increase sales and profits via aggressive business expansion.

Our Ideal State for 2030

We will leverage our store network to deliver integrated cashless, remittance, and DX services

We will accelerate new member store acquisition, while actively expanding the provision of even more products via upselling & cross-selling at existing member stores.

We use innovative technologies (cloud computing and digital, Web 3.0, AI, etc.) to deliver tailored DX, cashless, and remittance services to each business category

By further utilizing innovative new technologies, we will develop and provide tailored new products and increase the number of cashless-related options at member stores.

Regarding costs (server & development), we will utilize container technologies and generative AI, and promote further cost reductions

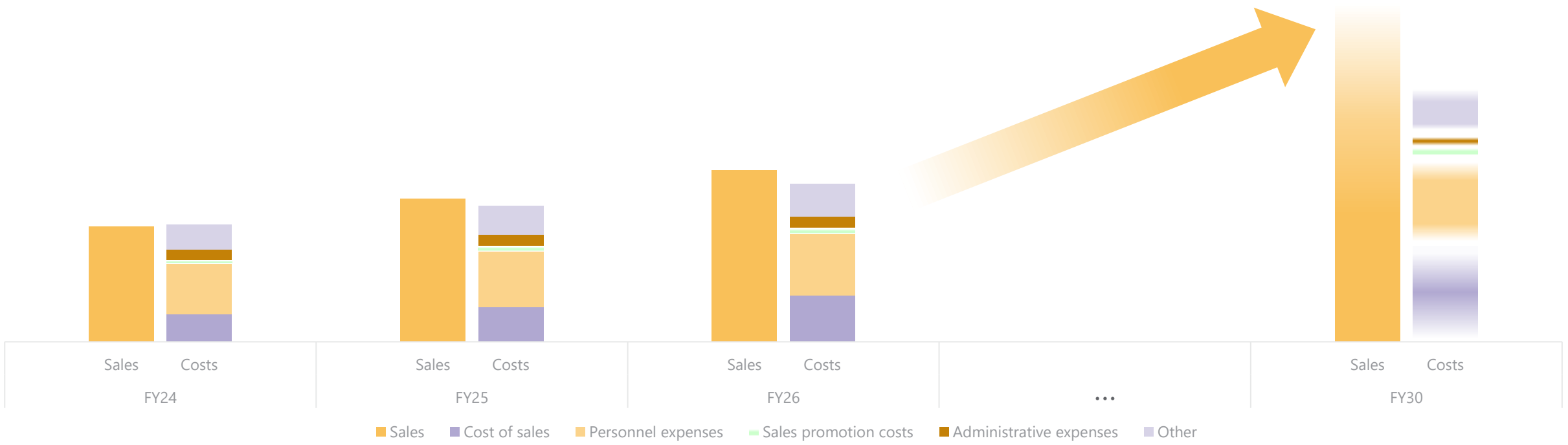
We will accelerate AI in development & maintenance environments, which are currently making significant progress, while aiming to enhance system stability and cut costs.

We will expand beyond Qatar, Cambodia & Mongolia into more regions and add more products, thus expanding our cashless, remittance, and DX services

We will expand and develop our Japanese business model overseas, and while helping build cashless infrastructure overseas, our policy is to reduce our dependence on macro indexes such as consumer trends in Japan.

Medium-Term Growth Image

The Company intends to achieve a higher operating profit margin by limiting SG&A expenses to an increase of around 10%, while maintaining solid net sales growth each year. No significant increase in administrative costs (e.g., server costs) is currently expected.



Summarized Consolidated Statement of Profit or Loss

(million yen)	FY 2024	FY 2025	As of September 30, 2026
Net sales	**3,902**	**4,788**	**3,682**
Cost of sales	**923**	**1,122**	**807**
Gross profit	**2,978**	**3,665**	**2,874**
SG&A expenses	**3,062**	**3,372**	**2,615**
Operating profit/loss	**-84**	**293**	**259**
Non-operating income	**88**	**167**	**188**
Non-operating expenses	**25**	**17**	**15**
Ordinary profit/loss	**-22**	**443**	**432**
Extraordinary losses	**9**	**40**	**-**
Pre-tax net profit/loss	**-31**	**402**	**432**
Income taxes – current	**6**	**-82**	**68**
Net profit/loss attributable to shareholders of the parent company	**-37**	**485**	**364**

Summarized Consolidated Balance Sheet

Cash and deposits are steadily increasing, boosting cash on hand

(million yen)

	FY 2024	FY 2025	As of september 30, 2026
Total assets	**35,739**	**38,354**	**39,123**
Cash and deposits	33,875	36,209	36,711
Accounts receivable - trade	333	297	251
Software	577	494	376
Investments and other assets	458	568	581
Other	494	784	1,202
Total liabilities and net assets	**35,739**	**38,354**	**39,123**
Total liabilities	**28,632**	**30,721**	**31,056**
Accounts payable - trade	147	135	121
Accounts payable – other	124	178	141
Accrued expenses	124	114	98
Deposits received	28,115	30,131	30,537
Other	121	161	158
Total net assets	**7,106**	**7,633**	**8,066**
Retained earnings	-5,178	-4,685	-4,321
Other	12,147	12,213	12,274
Total accumulated other comprehensive income	136	105	113

Deposits received

When a consumer makes a QR code payment, the payment proceeds, which are remitted to us after the QR code payment provider collects its fees but before we deduct the fees and remit the payment proceeds to the member store are recorded as deposits received.

Disclaimer

- Forward-looking statements in this document regarding future performance are based on information currently available to the Company and include potential risks and uncertainties. Therefore, please note that actual results may differ significantly from the forecasts in this document due to various factors such as the economic environment surrounding our businesses.

- Although every effort has been made to provide the information provided in this document, we do not guarantee its accuracy or completeness. In addition, please note that content may be changed or nullified without notice.

- This presentation document is provided for the purpose of providing information to investors and is presented on the assumption that any use of this material for any purpose is at the investor's own discretion and risk, and that the Company will not be held responsible in any way for such use.

- This document is a translation of the original Japanese version for reference purposes only. In the event of any discrepancy between this document and the Japanese original, the Japanese original shall prevail.

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