



# **Financial Results Briefing for Q1 FY2024**

**Progressing ahead of initial guidance; pursuing initiatives to strengthen business foundation**

**February 14, 2024**

**76<sup>th</sup> Investor Meeting**

# Safe Harbor Statement for Forward Looking Statements

**The contents of this document is based on generally recognized economic and social conditions, as well as certain assumptions judged to reasonable by GMO Payment Gateway as of February 14, 2024. Please note that the contents are subject to change without prior notice in the event of changes in the business environment, etc.**

Abbreviations used in this documents are as follows:

<b>GMO-PG</b>	<b>: GMO Payment Gateway</b>
<b>GMO-EP</b>	<b>: GMO Epsilon</b>
<b>GMO-MR</b>	<b>: GMO Medical Reservation Technology</b>
<b>GMO-PS</b>	<b>: GMO Payment Service</b>
<b>GMO-FG</b>	<b>: GMO Financial Gate</b>
<b>GMO-CAS</b>	<b>: GMO Card System</b>
<b>Merchandise EC</b>	<b>: Apparel, food/beverage, cosmetic/health food, delivery/newspaper, daily goods/office supplies and C2C, etc.</b>
<b>Non-merchandise EC</b>	<b>: Digital content/telecommunication, utility, travel/ticket, insurance, membership fees/services, etc.</b>
<b>PF</b>	<b>: Platform</b>
<b>MSB</b>	<b>: Money Service Business</b>
<b>BaaS</b>	<b>: Banking as a Service</b>

- 1. Summary of Financial Results for Q1 FY2024**
- 2. Growth Strategy and Initiatives in Focus Areas**
- 3. Sustainability**
- 4. Financial Highlights and Reference Materials**

# **1. Summary of Financial Results for Q1 FY2024**

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# 1.1 Summary of Consolidated Results

## Both revenue and OP outperformed Q1 plans

(¥ mil)	Q1 FY2023	Q1 FY2024	% YoY	FY2024 Guidance	Progress ratio to FY2024 guidance
Revenue	14,813	17,785	+20.1%	73,286	24.3%
Gross Profit	9,791	11,547	+17.9%	—	—
Operating Profit	5,090	5,830	+14.5%	25,000	23.3%
Pre-tax Profit	4,687	5,919	+26.3%	23,904	24.8%
Profit attributable to owners of parent	2,447	3,447	+40.9%	15,523	22.2%
EBITDA*1	5,657	6,594	+16.6%	—	—
	<b>Operating Stores*2*3</b> <b>Operating terminals*2</b> <b>End-Q1 F2024</b>		<b>Consol. TRX Volume</b> <b>(Q1 FY2024)*2*4</b>		<b>Consol. TRX Value</b> <b>Q1 FY2024*2</b>
KPI (% YoY)	<b>151,519 stores (+11.3%)</b> <b>326,072 units (+49.5%)</b>		<b>Approx. 1.76 billion</b> <b>(+20.9%)</b> o.w., online approx. 1.55 bn (+16.5%)		<b>Approx. ¥4.4 trillion</b> <b>(+23.7%)</b> o.w., online approx. ¥2.9 trn (+11.2%)

\*1 Sum total of operating profit and depreciation.

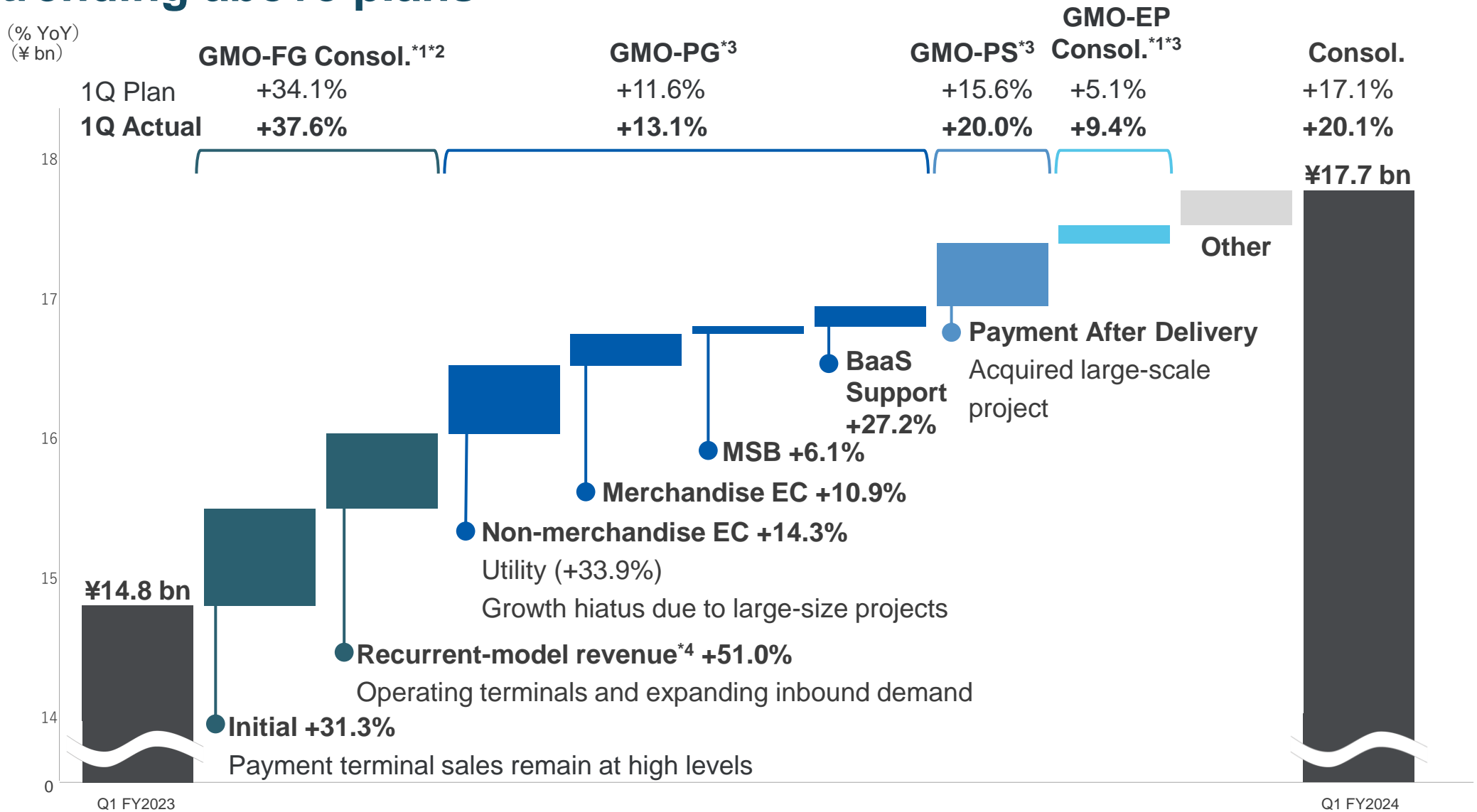
\*2 The figure for operating stores is for GMO-PG and GMO-EP, and the figures for operating terminals are for GMO-FG. Consolidated TRX volume and value figures are the sum totals for GMO-PG, GMO-EP, GMO-PS and GMO-FG. The online payment figures are the sum totals for GMO-PG, GMO-EP and GMO-PS.

\*3 The standards for recognition of the number of operating stores has been revised from Q4 FY2023. Figures exclude a specific case and fincode byGMO. If figures for the specific case is included, the number of operating stores for the same period would be 606,262 stores, up 20.7% YoY.

\*4 TRX volume is calculated based on fee revenue standards, which in the case of online consists of multiple (1 to 3) transactions per payment including authorization and actual proceed amount. Offline transaction volume is based on one transaction per payment.

# 1.2.1 Waterfall Chart of Consol. Revenue

**Strong offline and Payment After Delivery; online payment also trending above plans**



\*1 GMO-FG consolidated is comprised of GMO-FG, GMO-CAS. GMO-EP consolidated is comprised of GMO-EP, GMO-MR.

\*2 Figures present consolidated financial results of GMO-FG. \*3 Figures of each company are before the eliminations from consolidating into GMO-PG.

\*4 Recurring-model revenue consists of stock, fee and spread revenue and excludes initial revenue that mainly consists of payment terminal sales.

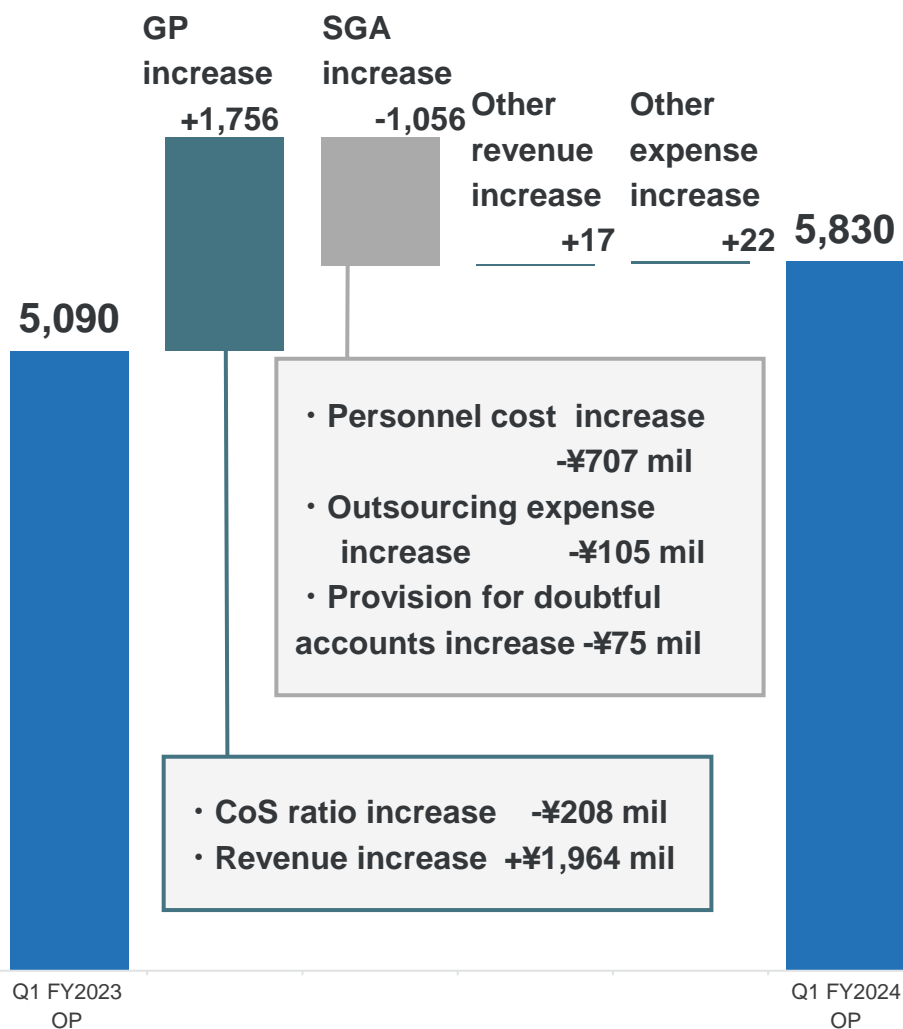
# 1.2.2 Waterfall Chart for Consol. OP and Pre-tax Profit

## OP inline with plans after offsetting gross profit increase with additional personnel costs

OP Waterfall Chart

Up +14.5% YoY

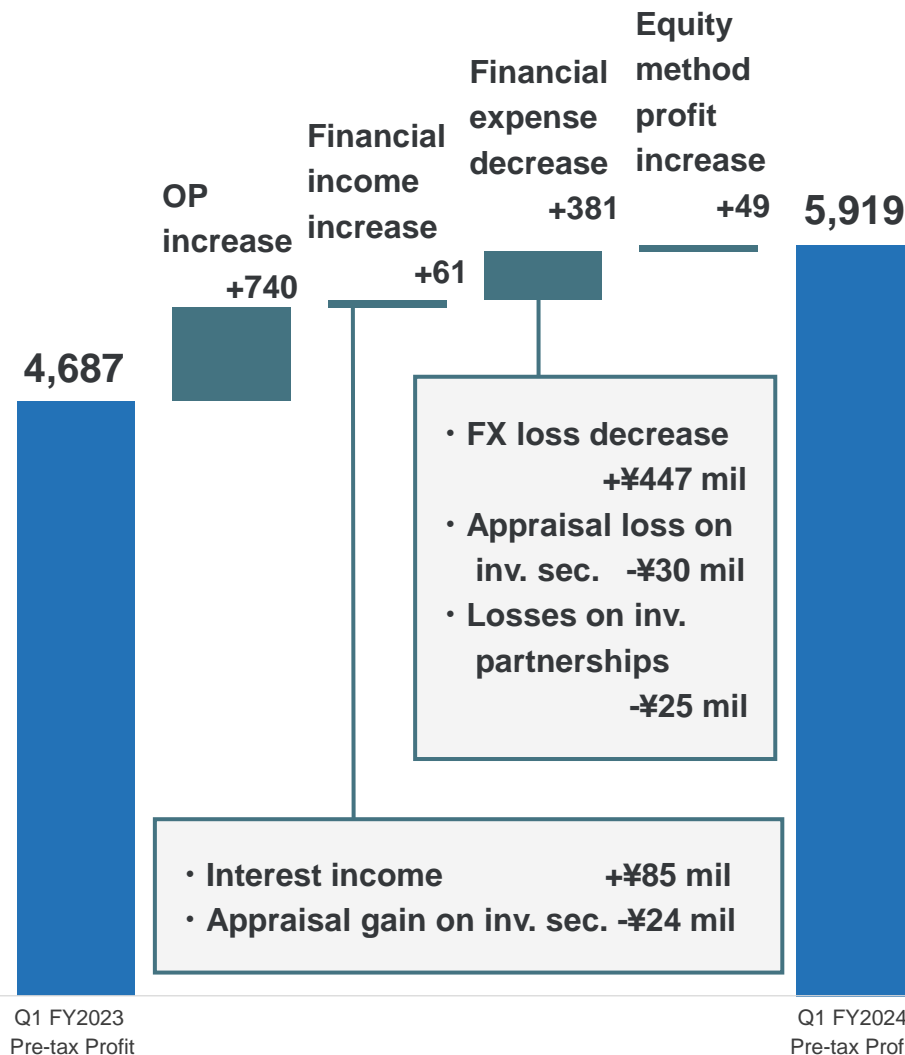
(¥ mil)



Pre-tax Profit Waterfall Chart

Up +26.3% YoY

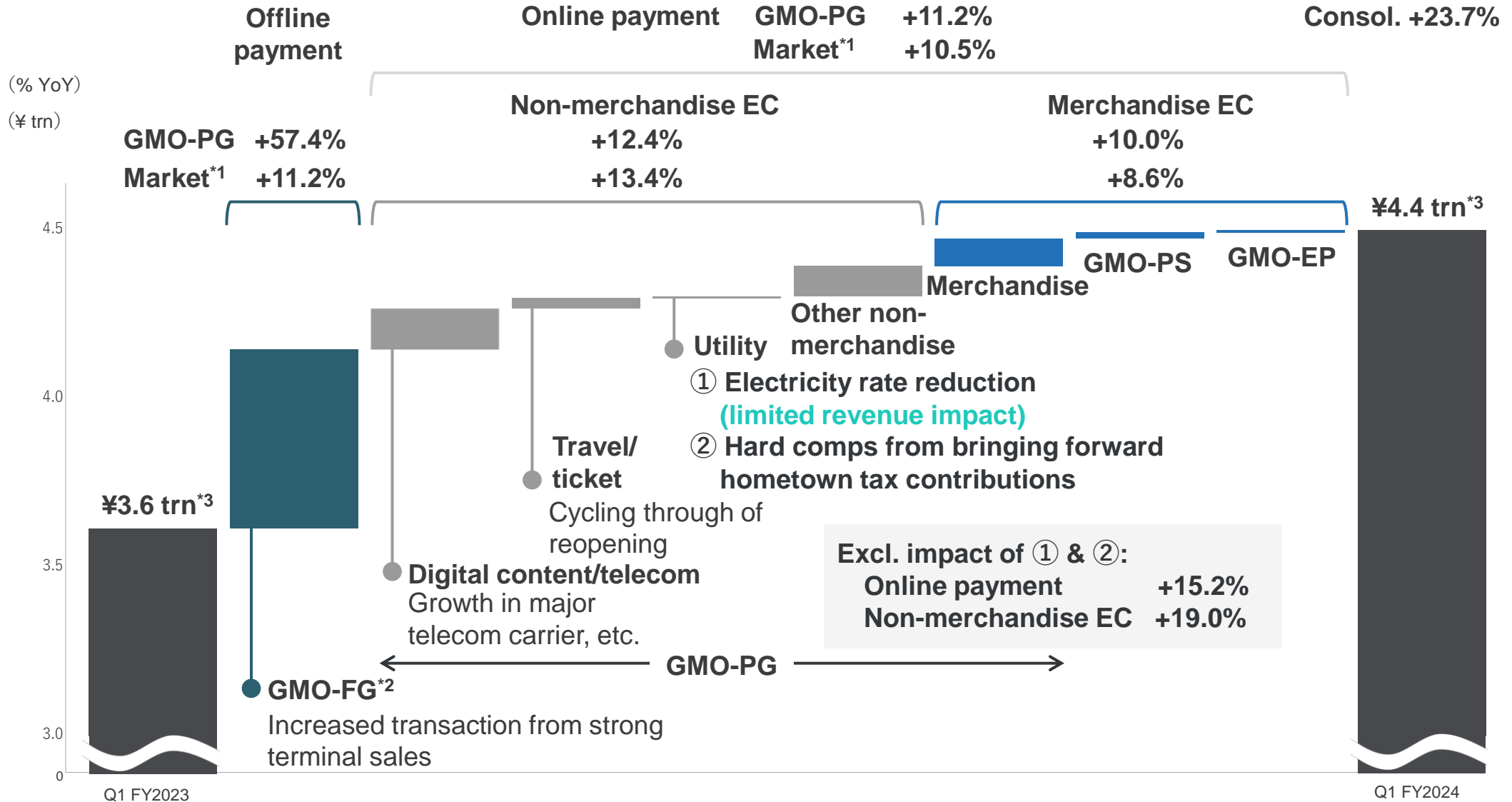
(¥ mil)



\* The "+" and "-" sign denote the direction of the impact to operating profit and pretax profit.

# 1.3 Waterfall Chart of Consol. TRX Value

Online payment grew only 11.2% due to impact of electricity rate reductions, etc.



\*1 Offline market is based on Ministry of Economy, Trade and Industry's "Survey of Selected Service Industries. Figures for offline market show the % YoY growth for the period from October to November, as December 2023 data is not available as of this writing. EC Market: Based on Ministry of Internal Affairs and Communication's "Family Income and Expenditure Survey," figures are categorized into merchandise and non-merchandise according to the Company's standards using the Internet expenditure amount per household.

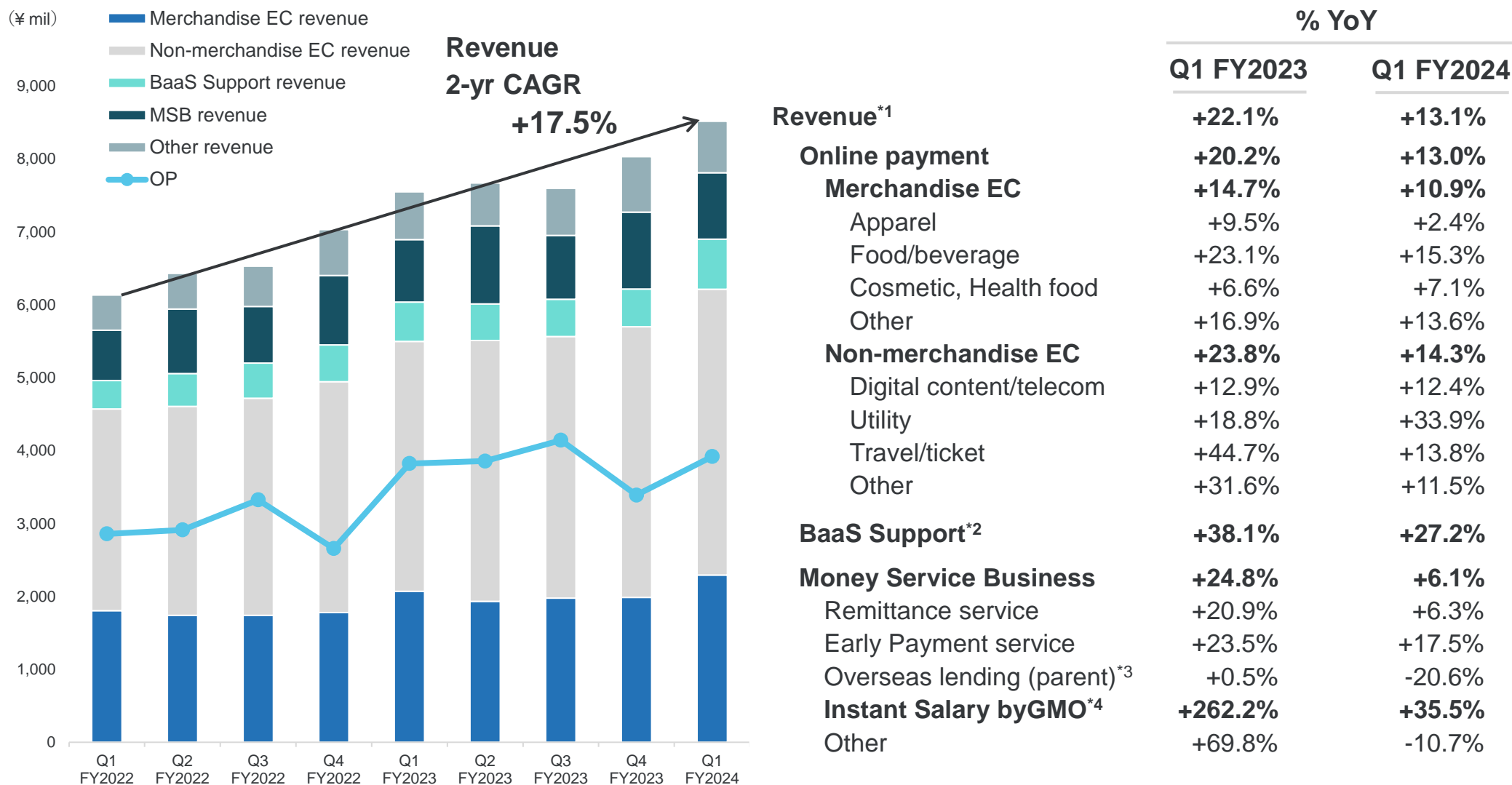
\*2 Excludes GMO-PG's offline payment (GMO Cashless Platform) \*3 Rounded off to nearest trillion of yen.



# 1.4.1 GMO-PG Non-consolidated Performance

## Achieved Q1 plans, but last year's high base caused revenue to grow by only 13.1% YoY

### GMO-PG Non-consolidated Revenue & OP \*1



\*1 Figures for revenue and operating profit are before consolidated eliminations. \*2 Figures for BaaS Support present the sum total of Ginko Pay and Processing PF.

\*3 Figures show the overseas lending revenues recorded at GMO-PG non-consolidated and do not include revenues occurring at USA, India and Singapore corporates.

Consolidated overseas lending revenue was +48.9% YoY for Q1 FY2024, +26.2% YoY for Q1 FY2023 (calculated by excluding a one-time revenue booked in Q1 FY2022, if included the growth rate would be +2.8% YoY).

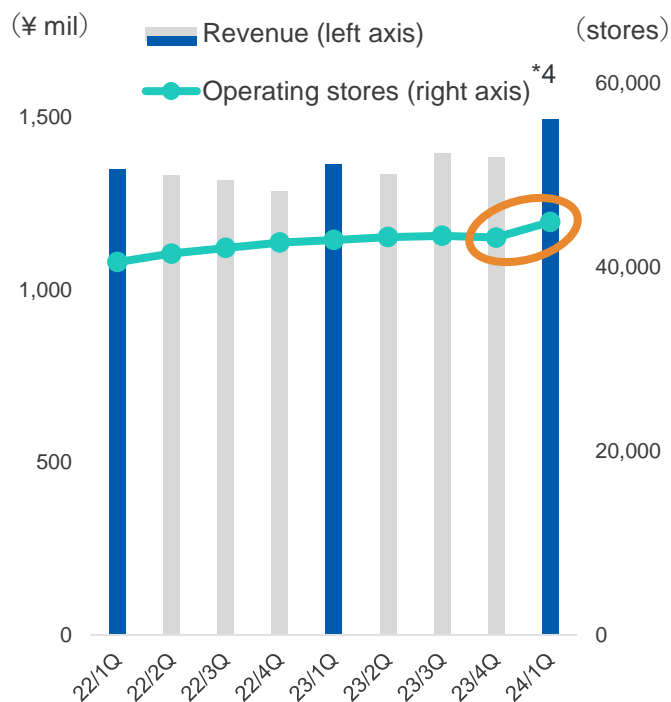
\*4 The revenue figures for some of the scheme is presented on a gross basis and not on a net basis. The % YoY figures are calculated excluding this impact.

# 1.4.2 Performance of GMO-EP, GMO-PS and GMO-FG

## EP earnings showing signs of improvement; PS's improving profitability and FG's continuing high growth

### Consol. GMO-EP\*1\*2

(% YoY)	23/1Q	24/1Q
Revenue	+1.2%	+9.4%
OP	-3.7%	+10.6%



Revenue initiatives are bearing fruit, EP non-consol. revenue growth rate is showing signs of improvement  
(GMO-EP non-consol. +4.0%/MR+76.2%)

### GMO-PS\*2

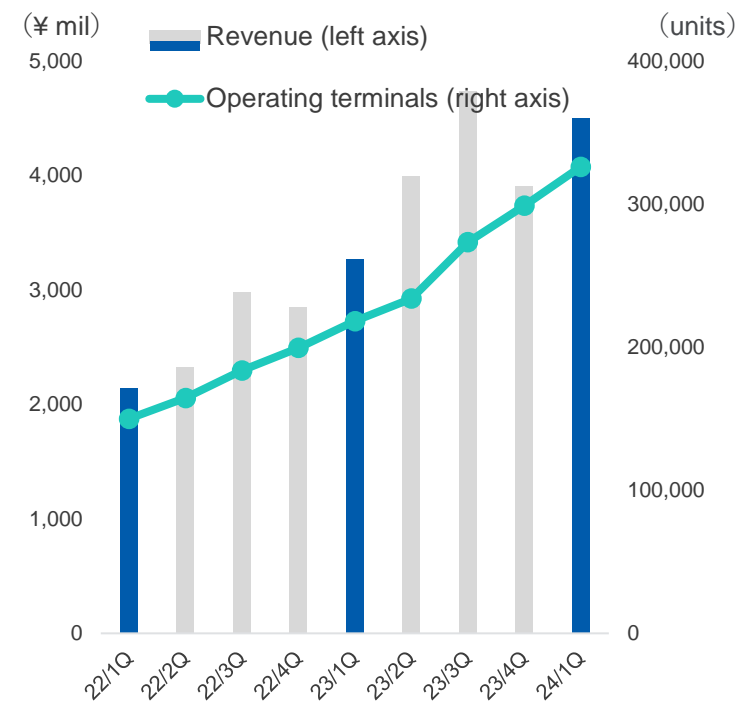
(% YoY)	23/1Q	24/1Q
Revenue	+22.3%	+20.0%
OP	-65.8%	+416.9%



Revenue grew from start of operation at large merchant Margin improvement from controlling credit cost

### Consol. GMO-FG\*1\*3

(% YoY)	23/1Q	24/1Q
Revenue	+52.6%	+37.6%
OP	+34.5%	+71.9%



Strong sales of non-steria terminals Recurring-model revenue\*5 +51.0%

\*1 GMO-EP consol. includes GMO-EP and GMO-MR. GMO-FG consol. includes GMO-FG, GMO-CAS and GMO Data. \*2 Figures are before GMO-PG consolidated eliminations.

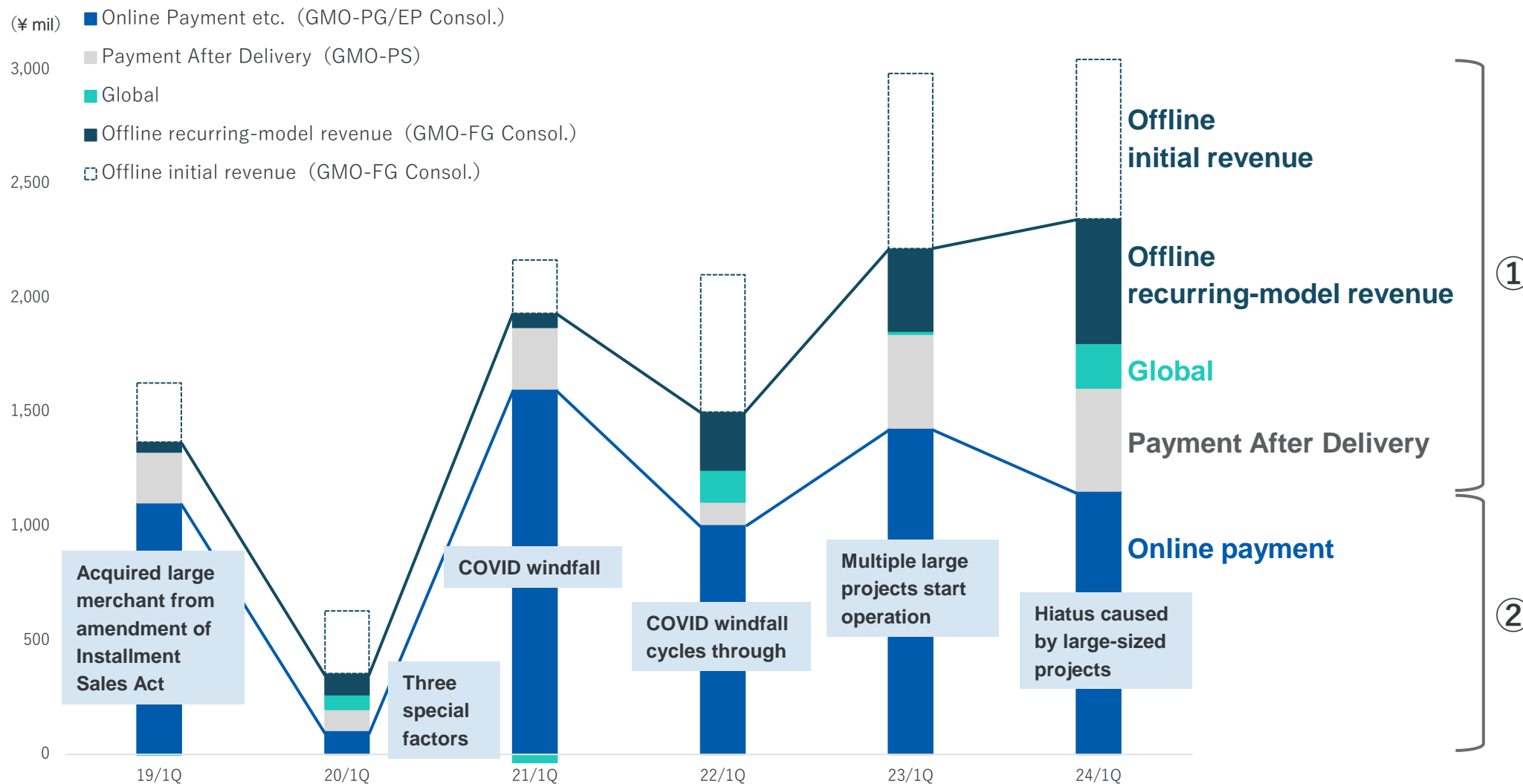
\*3 Figures are taken from GMO-FG's consolidated financial results. \*4 Figures exclude fincode byGMO.

\*5 Recurring-model revenue is the sum total of stock, fee and spread and excludes initial which mostly consists of terminal sales). consolidated eliminations.

# 1.4.3 Trend of Incremental Revenue Amount by Service

## Consolidated performance offsets the volatility of online payment caused by large-size projects

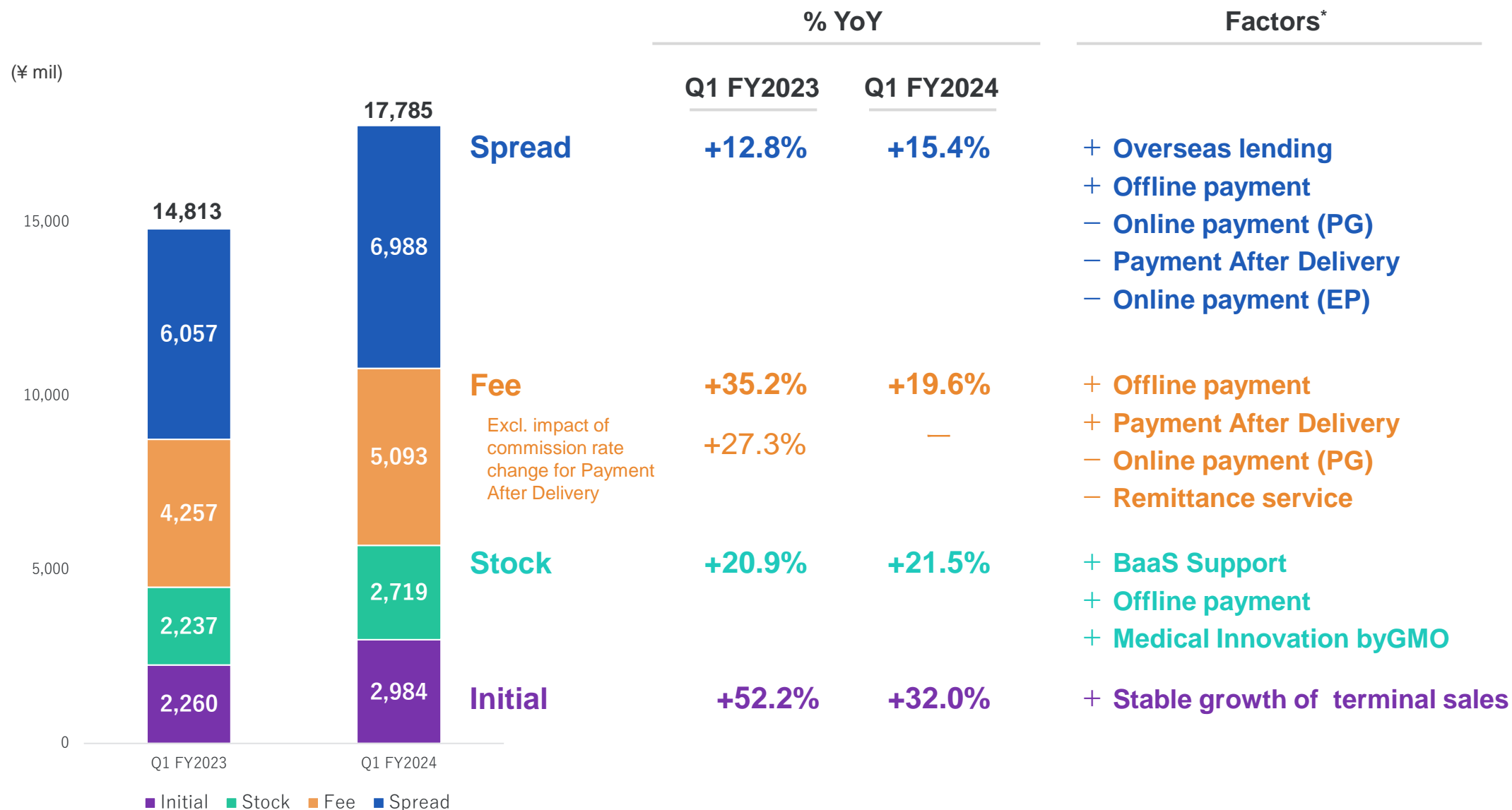
Incremental revenue increase/decrease by service\* (Q1 of each FY)



\* Figures are before consolidated eliminations. Macro Kiosk has been deconsolidated in May 2020, figures present continuing operations only and exclude discontinued operations.

# 1.5 Revenue by Business Model

## Improving fee and spread revenues from large-size projects

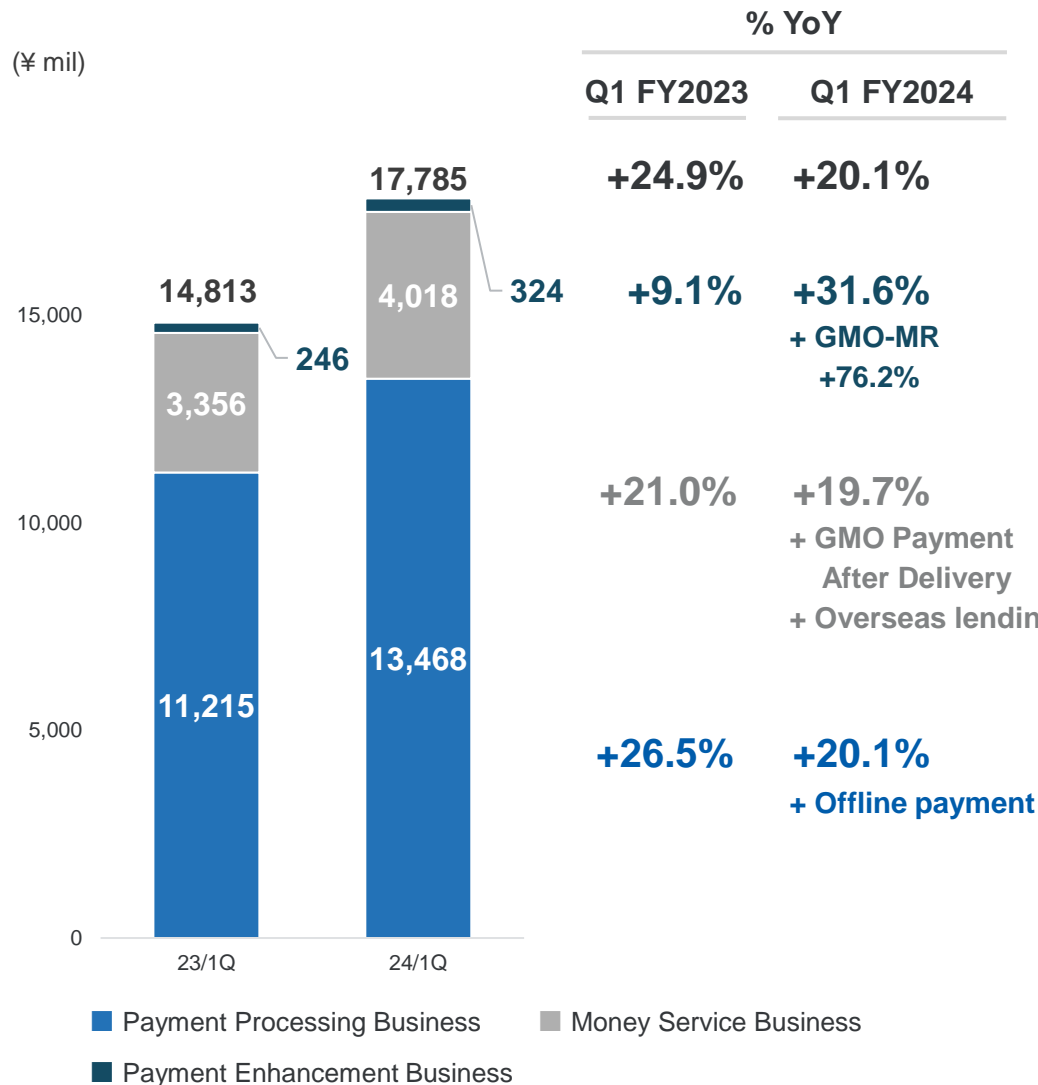


\* The "+" signs indicate services with growth rates that are higher than 20.1% or if the growth rate is higher than that of the business model; the "-" indicates growth rates that are lower.

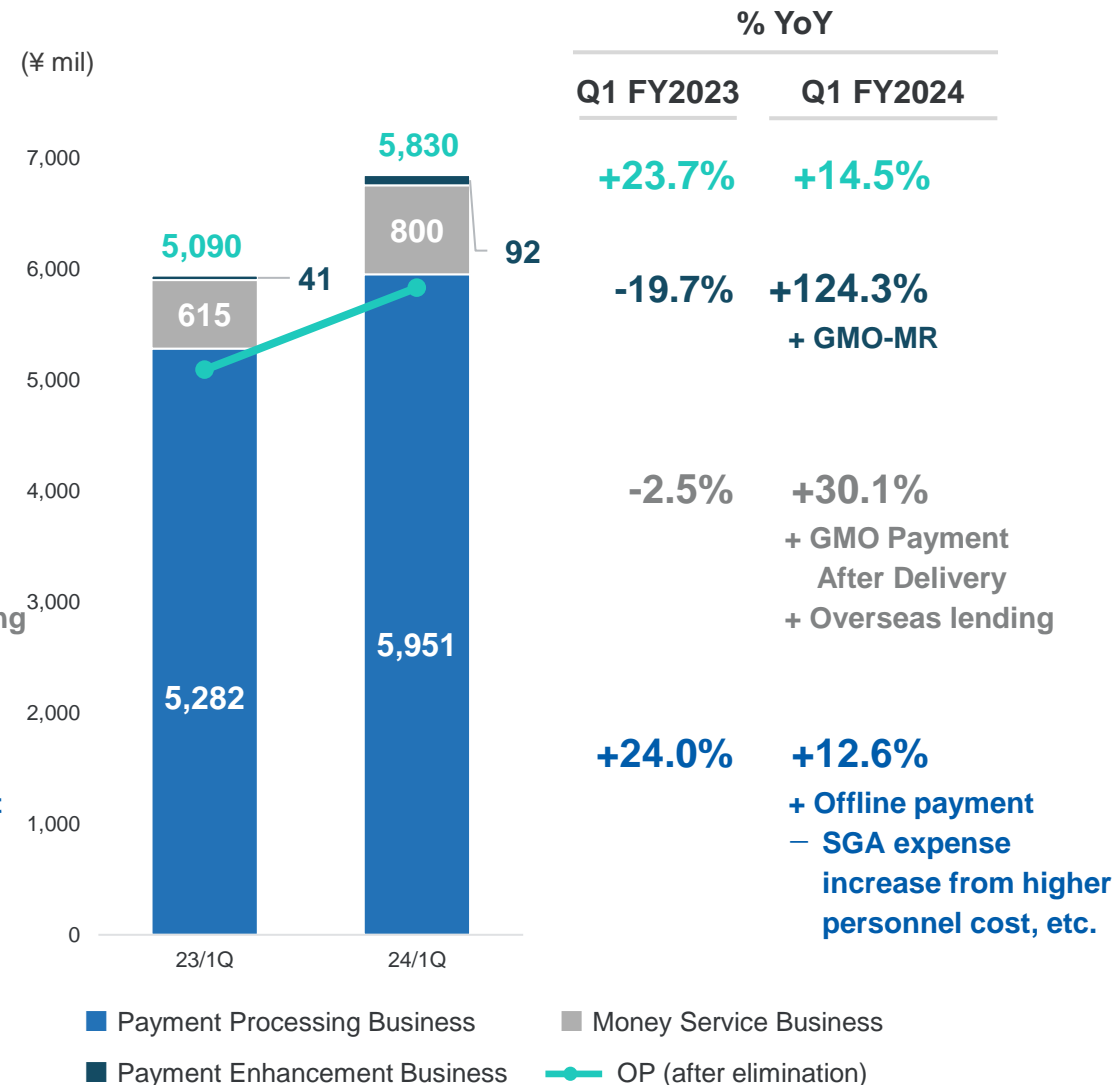
# 1.6 Segment Results

## MSB segment OP increased by 30.1% from controlling credit costs, etc.

### Segment Revenue



### Segment Profit

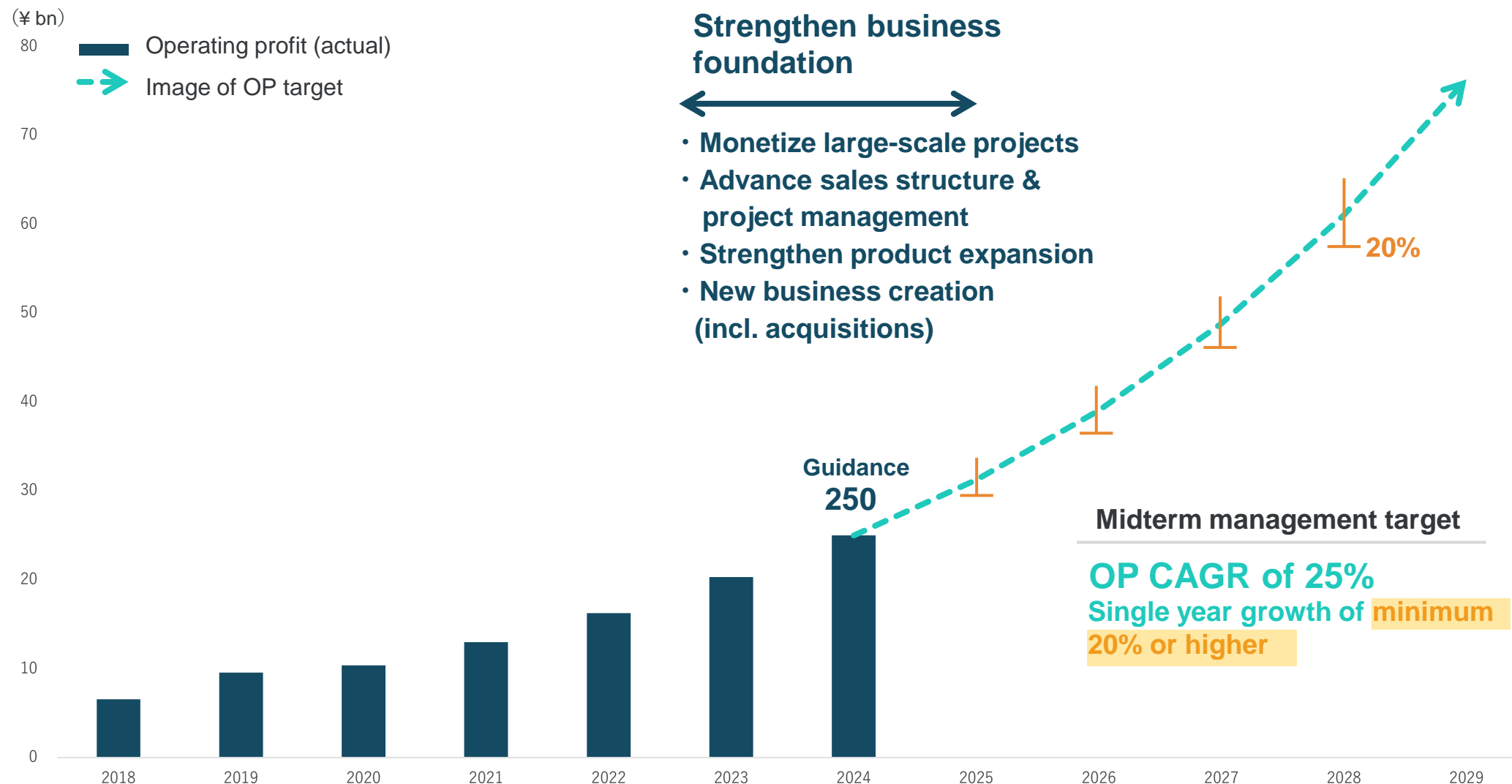


## **2. Growth Strategy and Initiatives in Focus Areas**

# 2.1 FY2024's Position and the Midterm Management Target

## Strengthening business foundation to return to cruising speed growth rates

Operating Profit Targets and Actual\*1\*2



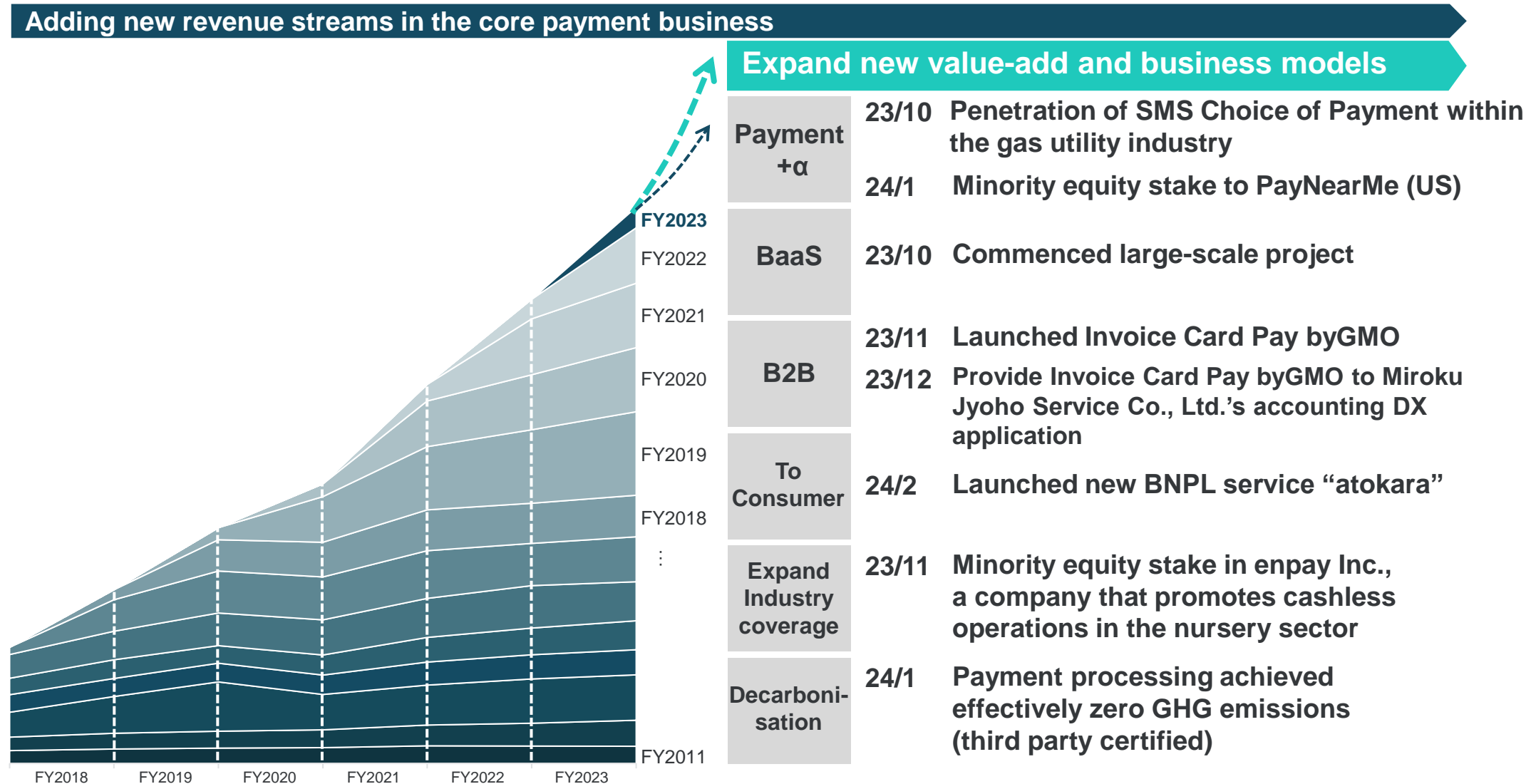
\*1 Figures from FY2018 are based on IFRS standards. Figures for FY2017 are restated based on IFRS standards.

\*2 Due to the deconsolidation of MACROKIOSK in FY2020, the figures above exclude discontinued business and present figures for continuing operations only.

## 2.2 Initiatives to Strengthen Business Foundation

# Progressing inline with plans on new initiatives that contribute to revenue expansion next FY and beyond

PG's online payment service revenue trend by year of service start (FY2011 onwards)\* and progress on major initiatives during Q1 FY2024



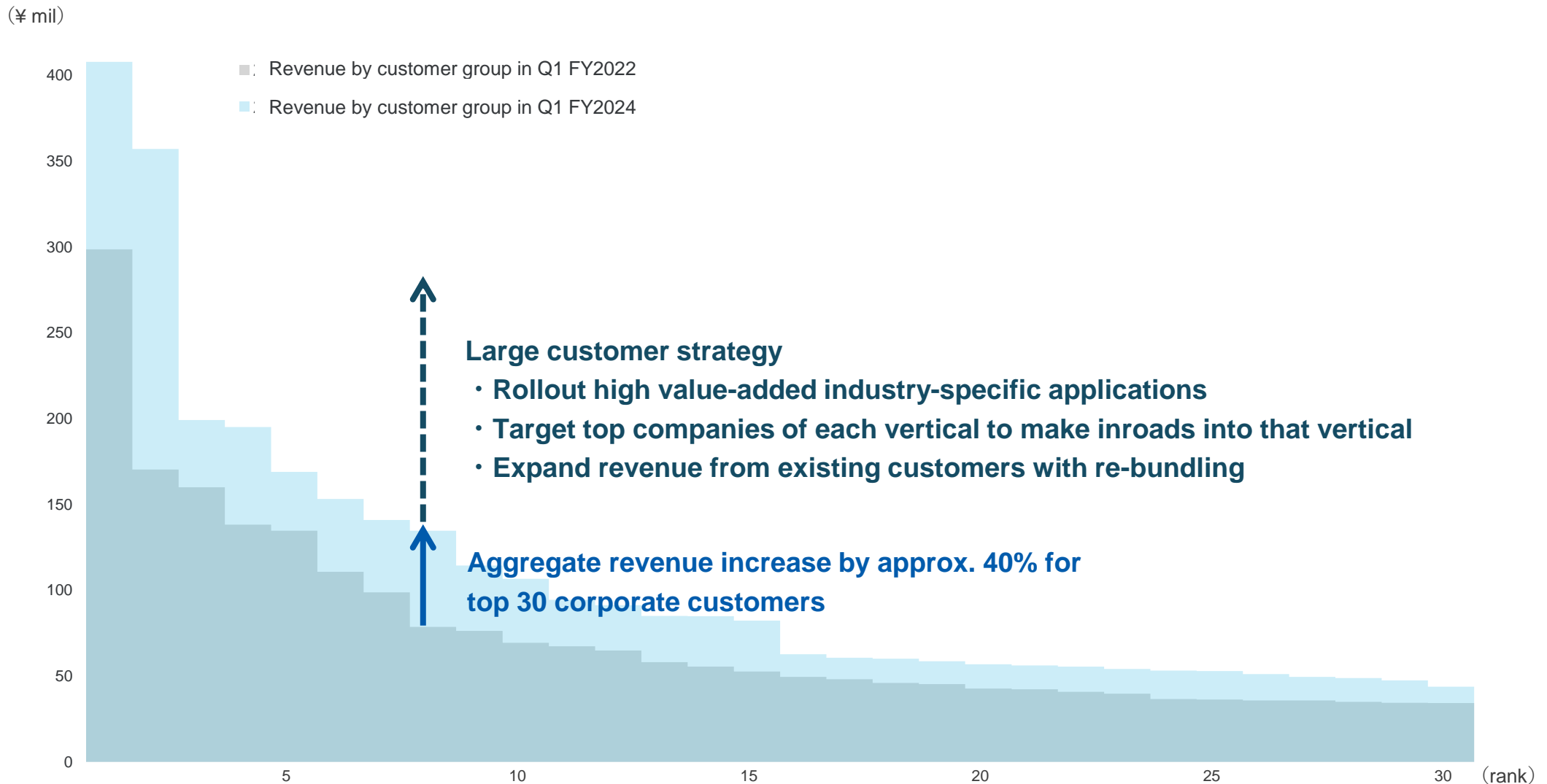
\* The graph shows the revenue trend of cohorts with the same year of implementation for the PG Multi-payment service.



## 2.3 Initiatives to Enlarge Project Size

### Further driving the large customer strategy to scale up project size

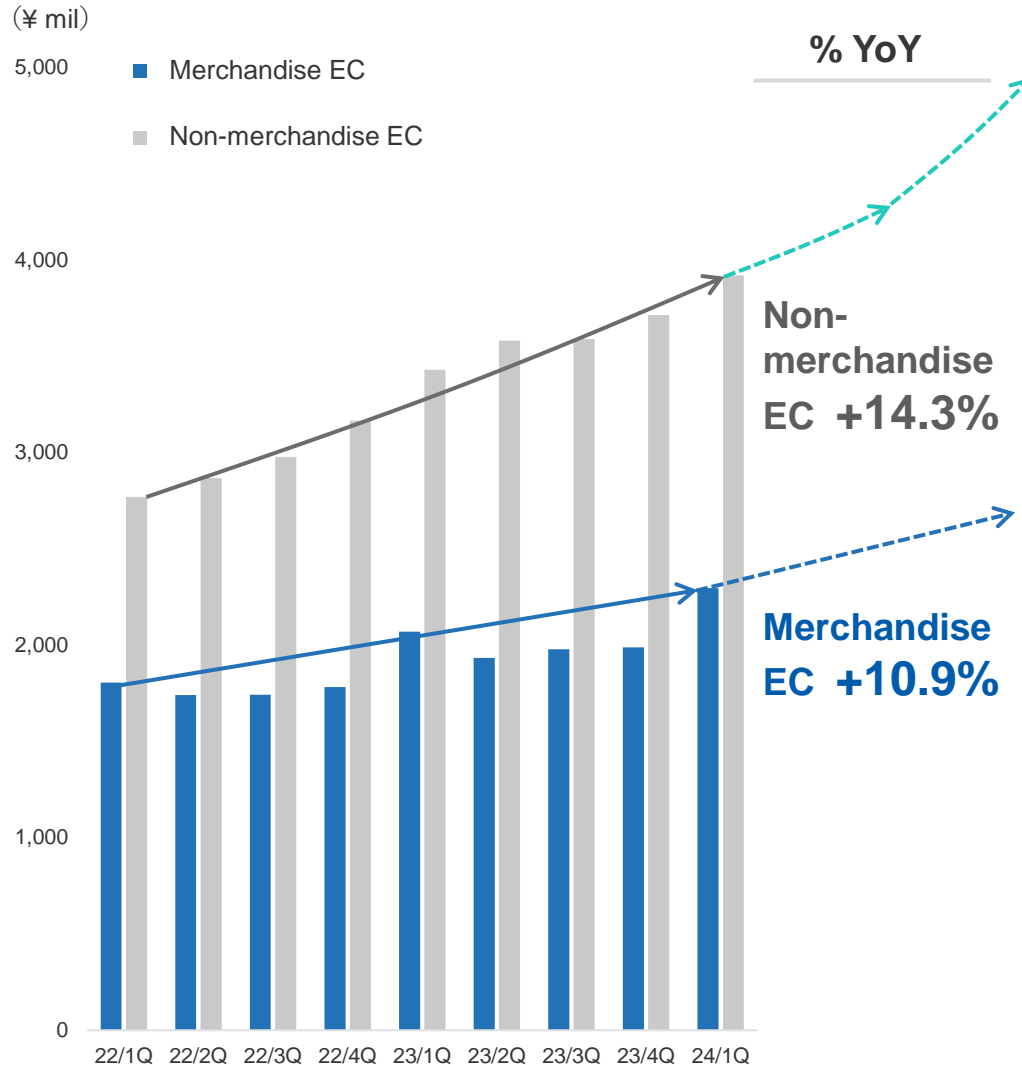
GMO-PG revenues of top-30 customer group (Q1 FY2024 vs. Q1 FY2022)



# 2.4.1 GMO-PG Non-consolidated: Broader EC

## Further strengthen industry-specific PFs to re-expand non-merchandise EC

PG's online payment: merchandise & non-merchandise EC revenues (quarterly trend)

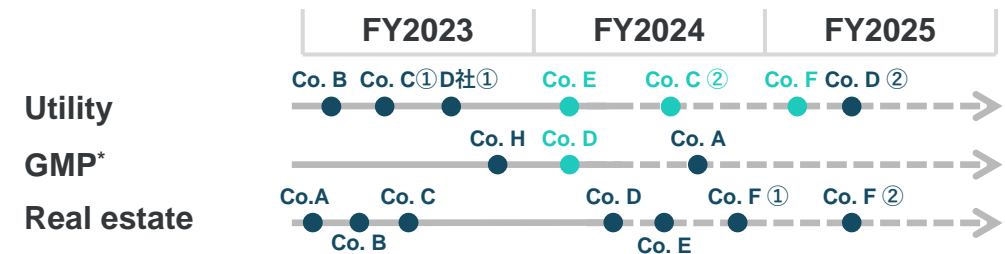


\* GMP: Global Major Player

### Basic strategy to re-expand non-merchandise EC revenues

- Deepen industry penetration and expand industry coverage
  - Become de facto standard of the industry to drive penetration
  - Address industries with high cash payment (real estate, education, etc.)
- Expand application
  - Support digital transformation of business operations in addition to enabling the online and cashless migration of payments

### Progress of initiatives



### Progress since Q4 FY2023

- Utility Co. E (gas co.) : Start SMS Choice of Payment from Q1 FY2024
- GMP Co. D (restaurant) : Start QR payment service from Q1 FY2024
- Utility Co. C ② (EPCO) : Start date brought forward
- Utility Co. F (gas co.) : Scheduled to provide SMS payment

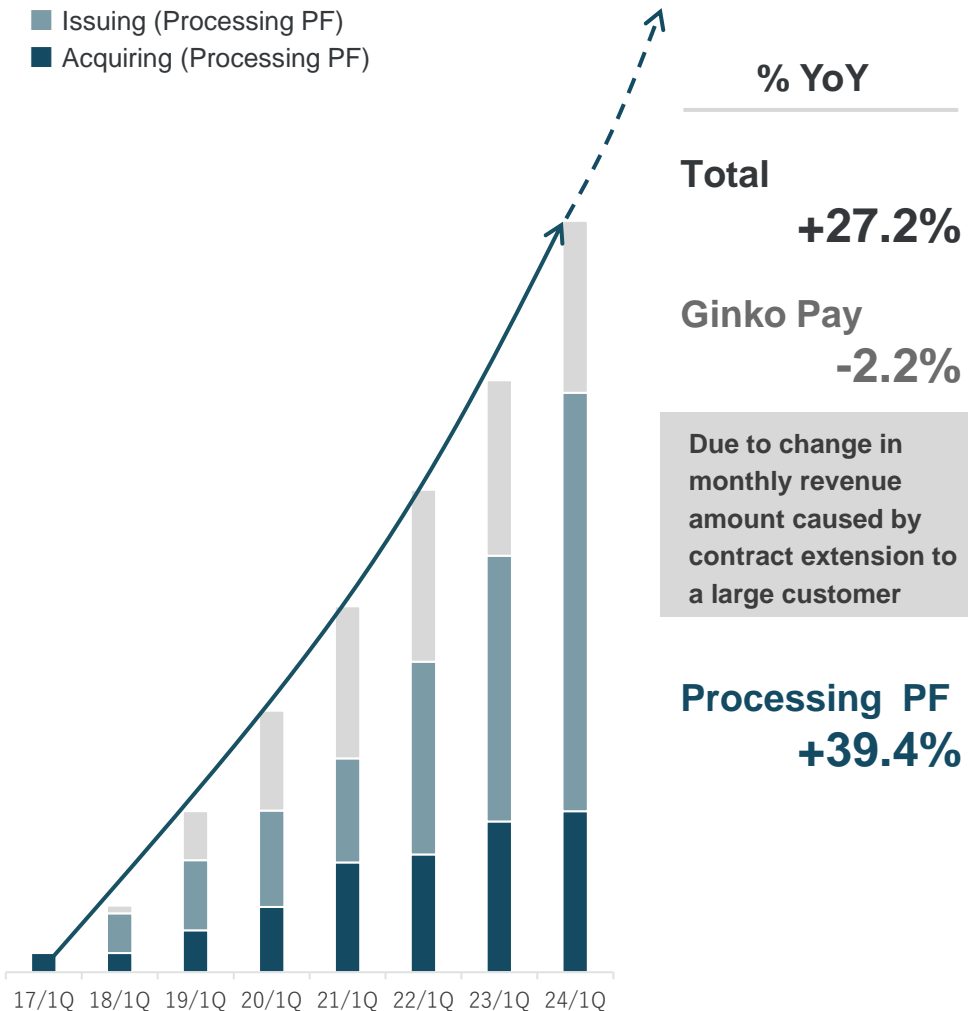
## 2.4.2 GMO-PG Non-consolidated : BaaS/Embedded Finance

### Start of revenue contribution of large-scale project from Q1; revenue contribution from multiple projects planned to start from Q2

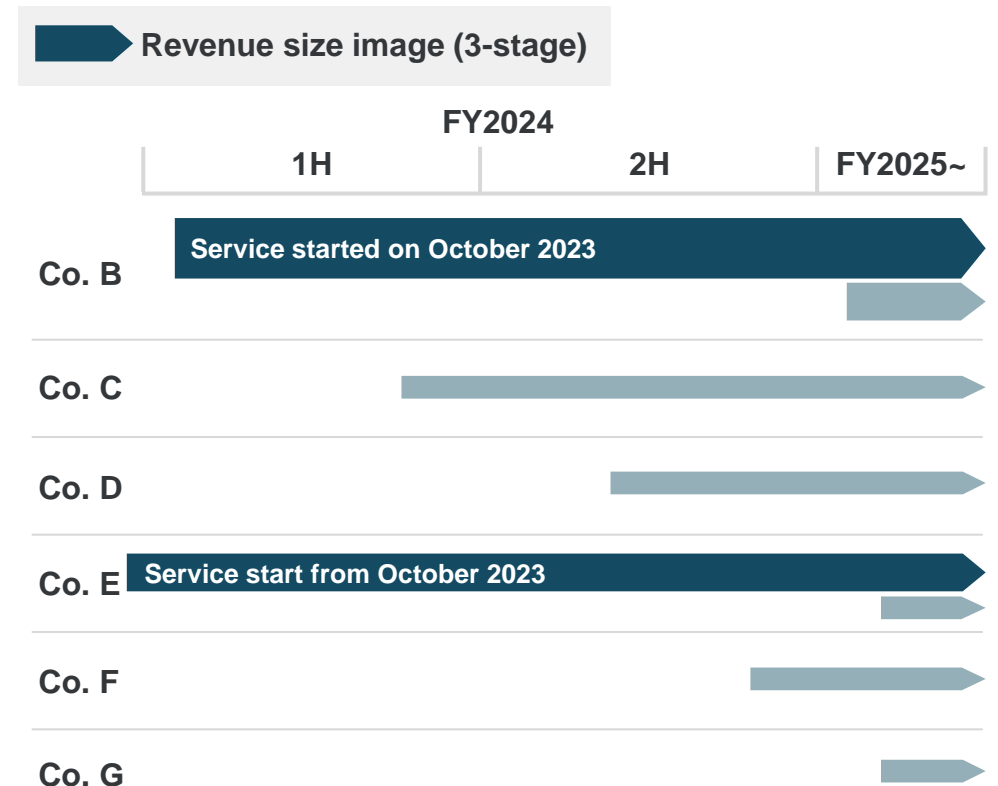
BaaS support service revenue\* (Q1 of each FY)

Progress on Processing PF projects

- Ginko Pay
- Issuing (Processing PF)
- Acquiring (Processing PF)



Scheduled to start multiple projects from Q2 and onwards  
Continue to expand stock revenue



Working on leads to business operators and financial institutions with a captive customer base

\* Includes revenue for Ginko Pay and Processing PF received from business operators as well as financial institutions.

# 2.4.3 GMO-PG Non-consolidated : Instant Salary byGMO (Salary Prepayment Service)

## Entering the vast B2E domain: high growth continues on the back of heightened need to strengthen corporate recruitment

### Product/Value proposition

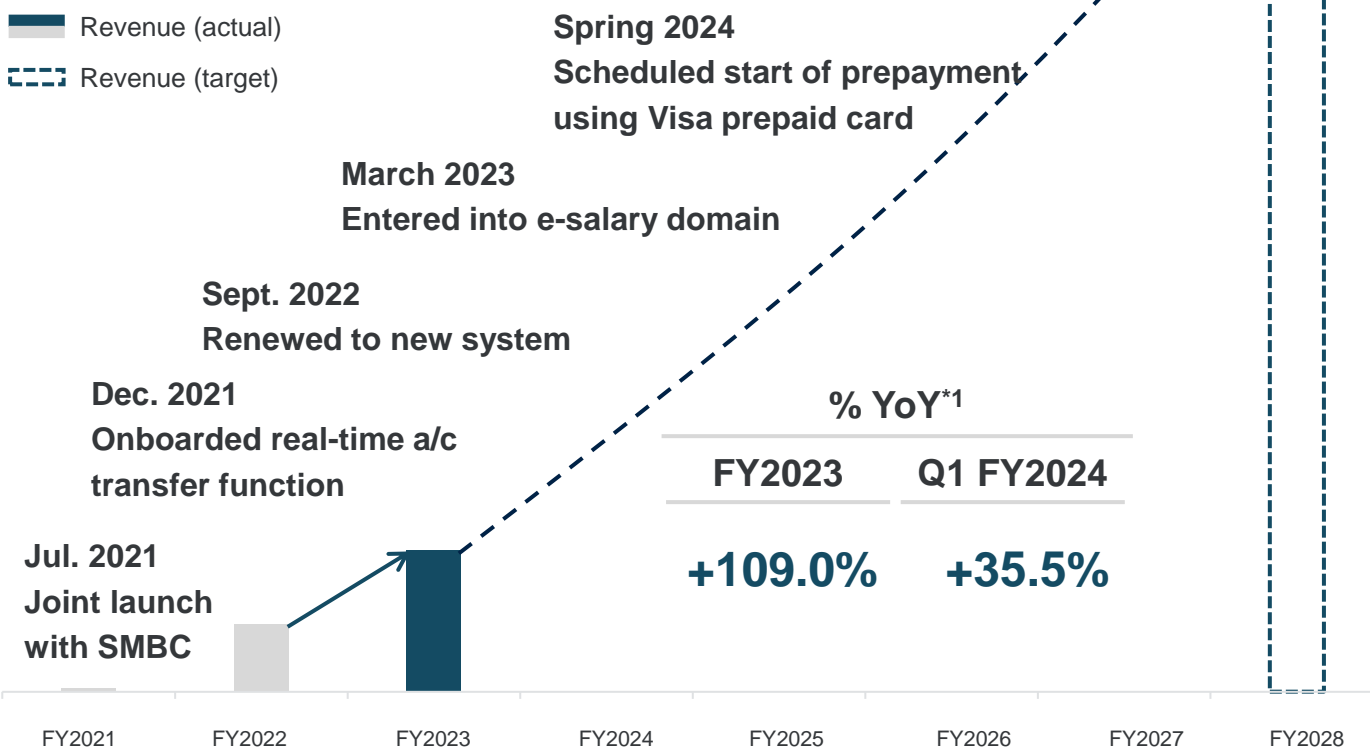
- Enables salary for the work completed to be paid instantly and whenever
- Strengthen recruitment for corporates to address labor shortage (industries: temporary staffing, security, logistics, restaurant, retail, relocation)
- Support growth of our payment-service customers (over 200 corporate users)

### Growth strategy

- Entering into short-term labor market
- Penetration within industry (CVS chain)
- Making inroads into B2E domain

### Instant Salary byGMO revenue and targets (annual trend)

■ Revenue (actual)  
 ▤ Revenue (target)



**Salary bank transfer market\*2**  
 TAM : Approx. ¥231 trn

- E-salary payment
- DX of salary operations

**Expand scope of salary remittance**

**Salary prepayment\*3**  
 Users :  
 Approx. 2 mil people

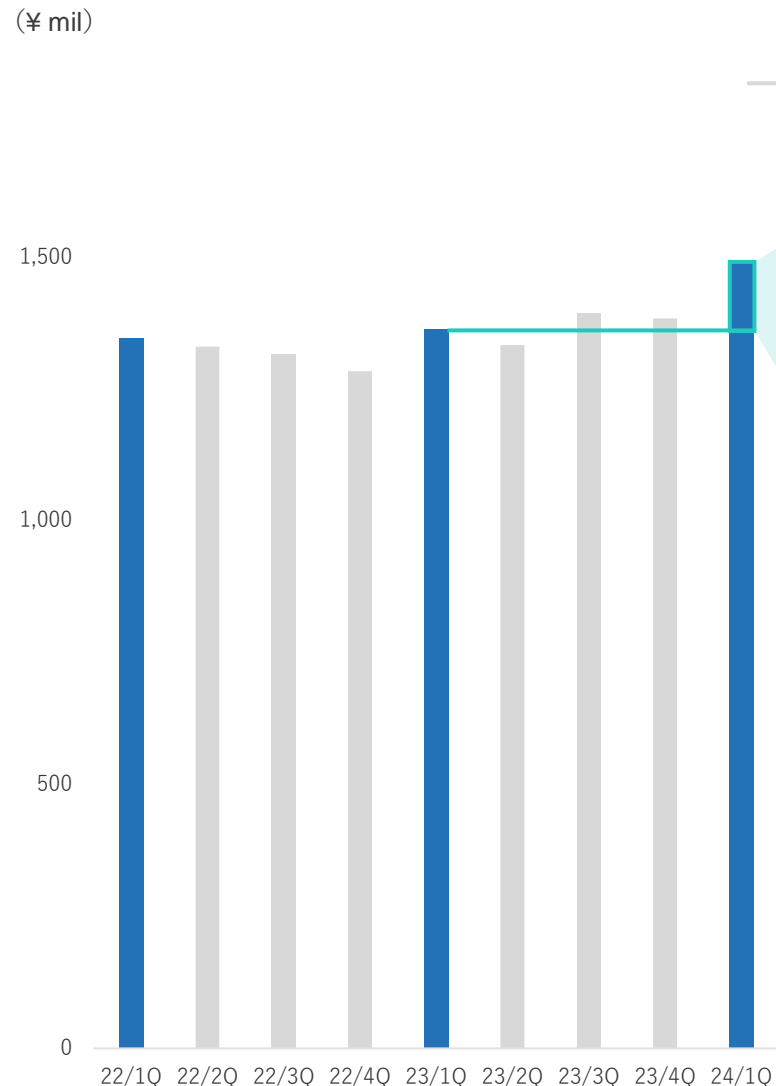
\*1 The revenue recognition for some of the scheme has been changed to gross method from net method from Q1 FY2024. The figures show the % year-on-year excluding this impact.

\*2 National Tax Administration Agency, "FY2022 Statistical Survey of Actual Status for Salary in the Private Sector". \*3 Based on GMO-PG estimates.

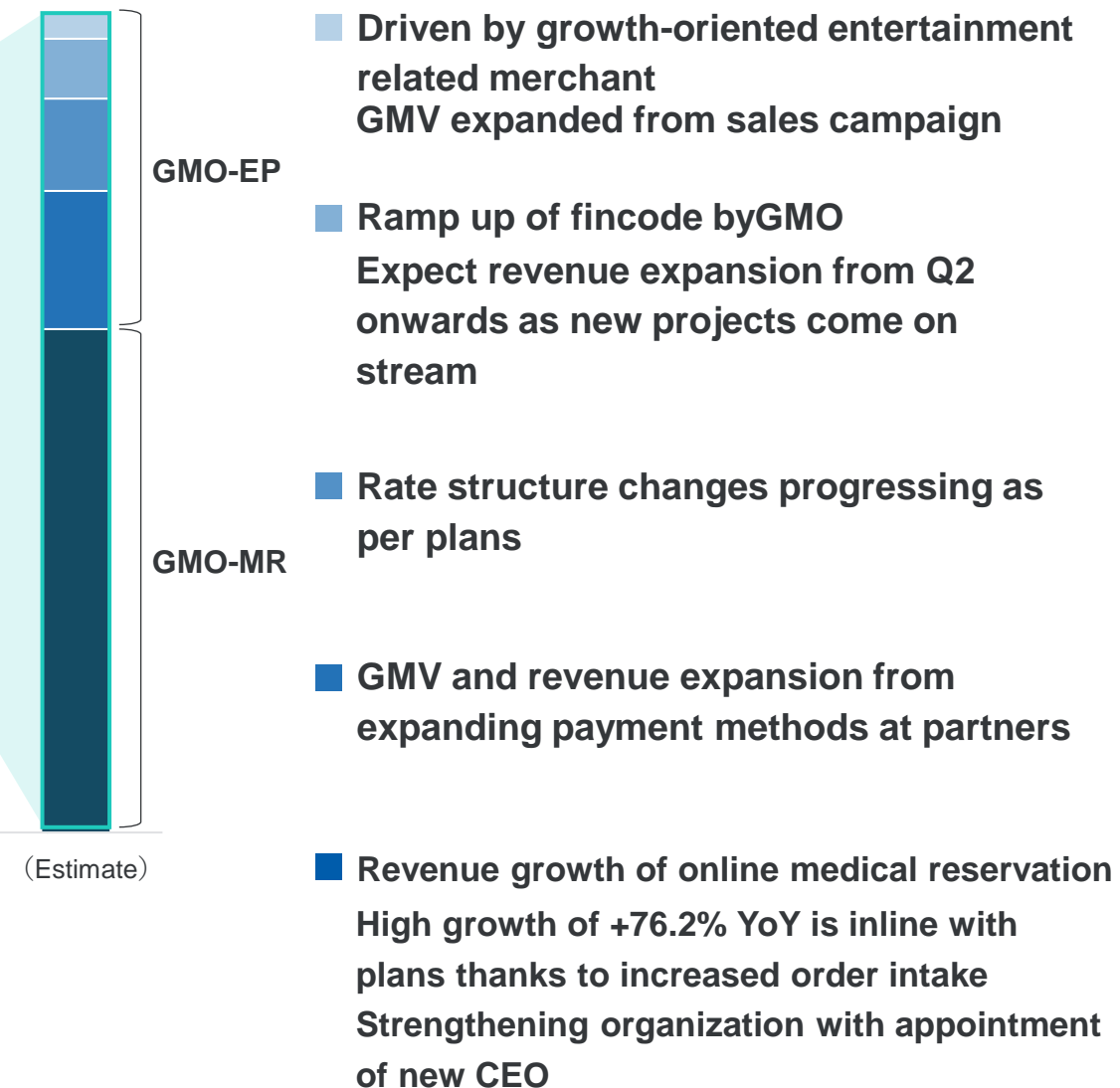
# 2.5.1 GMO-EP Non-consolidated : Broader EC (SME domain)

## Revenue growth rate is improving as initiatives start to bear fruit

Consol. GMO-EP revenue (quarterly trend)



Major initiatives that contributed to raise Q1 revenue

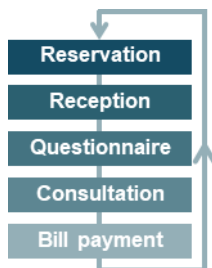


# 2.5.2 GMO-EP Non-consolidated : GMO-MR (Medical Reservation SaaS)

## Sustaining high growth by capturing DX needs at medical institutions; expanding business scope beyond reservation

### Product/Value proposition

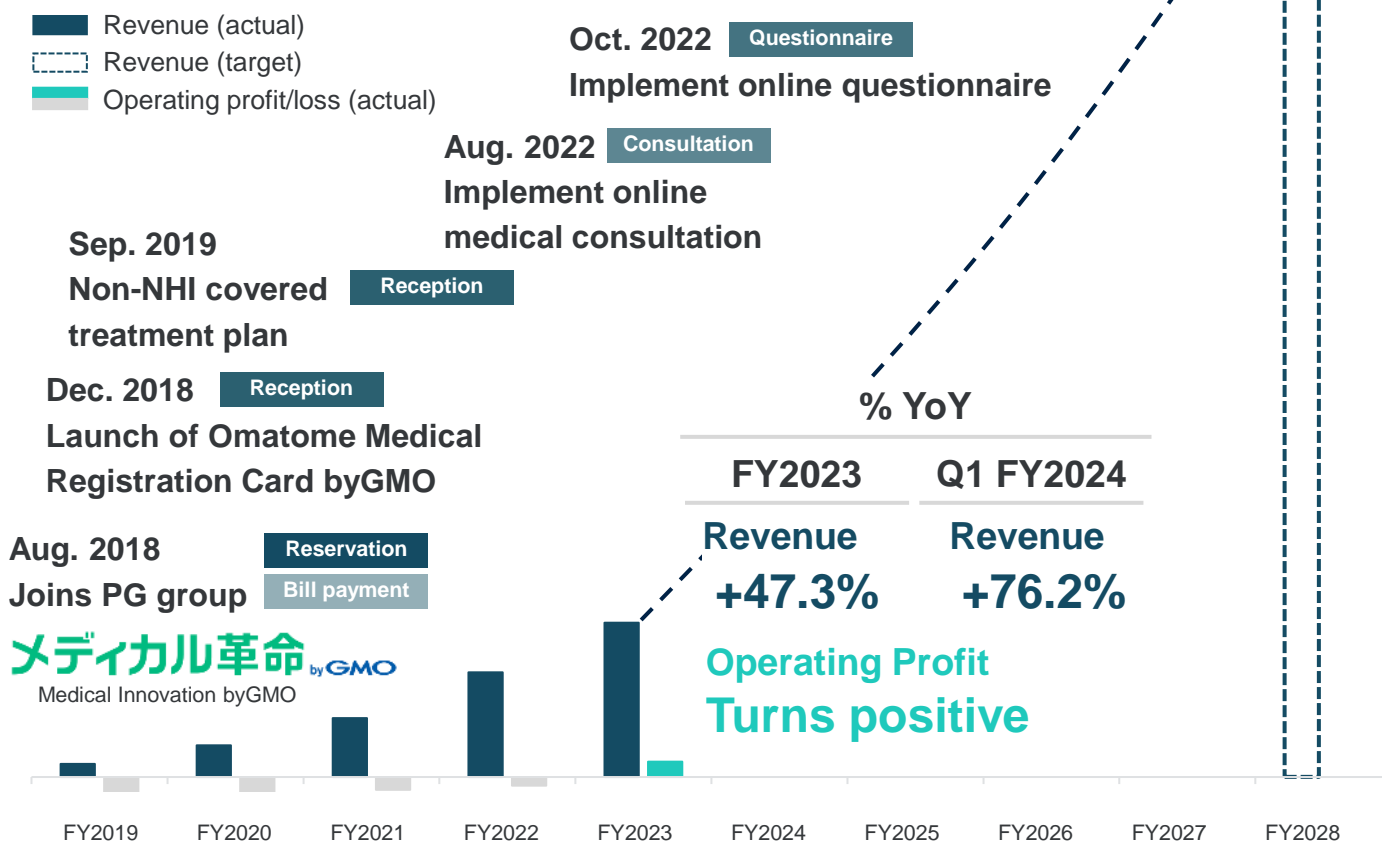
A reservation system for medical institutions that provide seamless coverage from reservation to bill payment



### Growth strategy

- Expand target domains
- Expand “reservation+α” product line-up
- Realize synergies with GMO-PG consolidated companies (complements payment processing)

### GMO-MR revenue and OP (annual trend)



**FinTech**  
 C2B : Nationwide medical institutions (200K sites)  
 B2E : Medical professionals (10.7 mil)<sup>\*1</sup>  
 TAM<sup>\*2</sup> ¥5.6 trn

**Medical DX SaaS (Vertical SaaS)**  
 B2B : Large medical corporate entities, regional collaboration  
 TAM<sup>\*2</sup> ¥200.0 bn

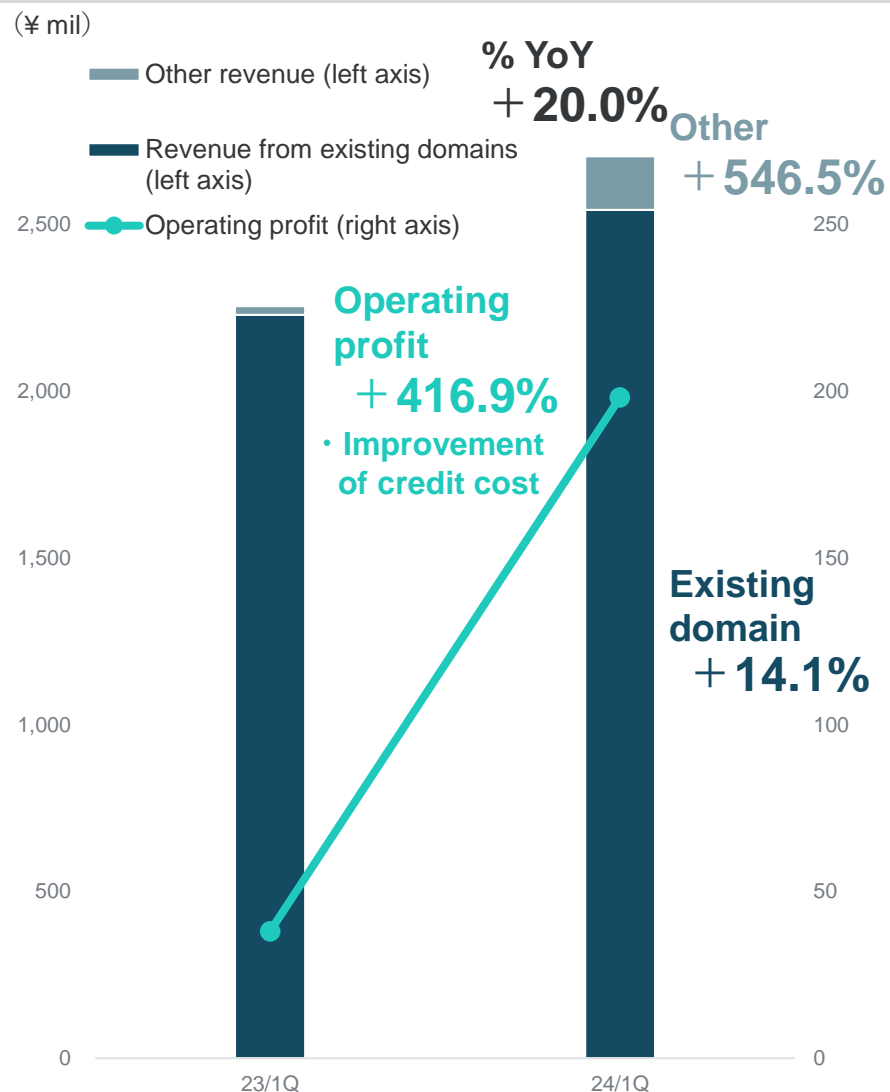
**Reservation management SaaS**  
 B2B : Clinics  
 TAM<sup>\*2</sup> ¥78.0 bn

\*1 Ministry of Health, Labor and Welfare’s white paper report “Annual Health, Labour and Welfare Report 2022”. \*2 GMO-PG estimates based on market statistics.

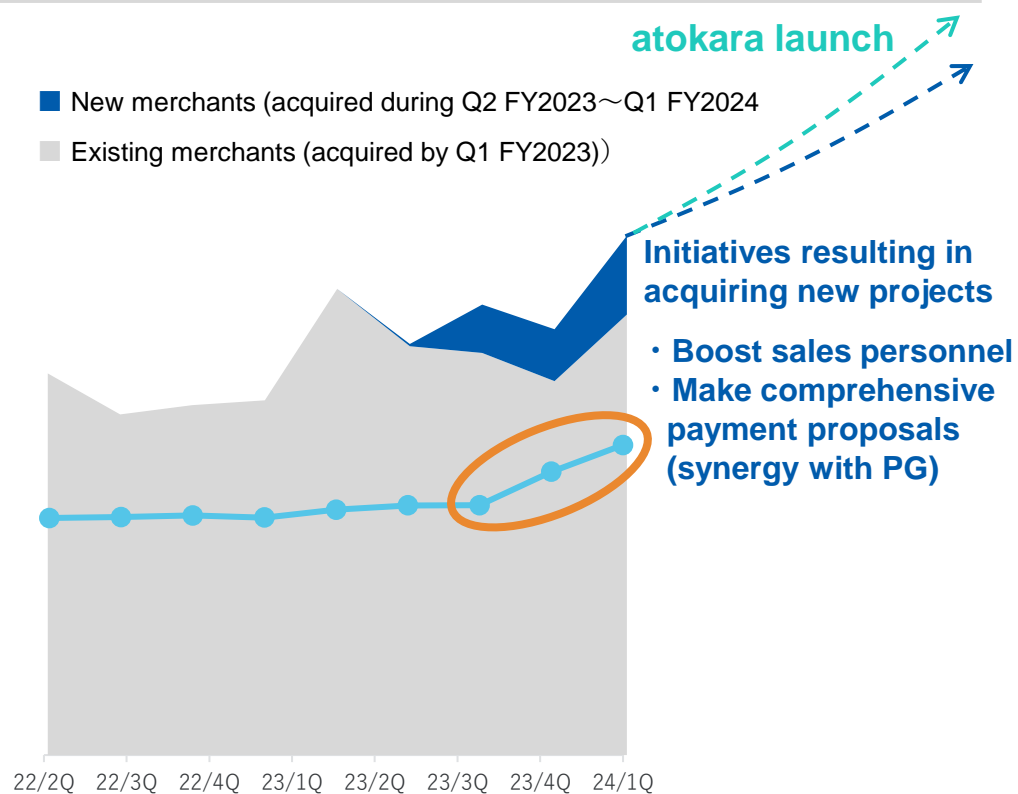
## 2.6.1 GMO-PS : FinTech

# Profit margin improved from controlling credit cost; revenue growth by continuous acquisition of new customers

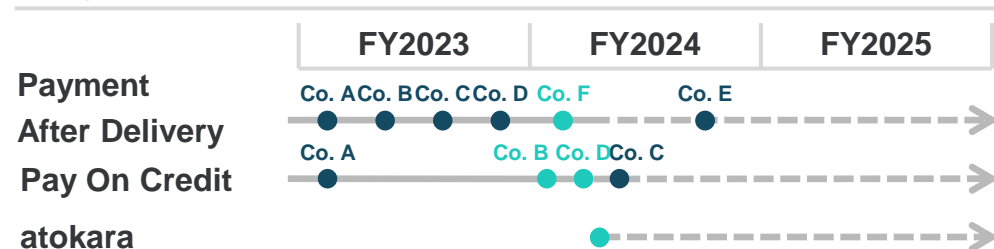
### GMO-PS revenue and operating profit



### Revenue from new and existing merchants



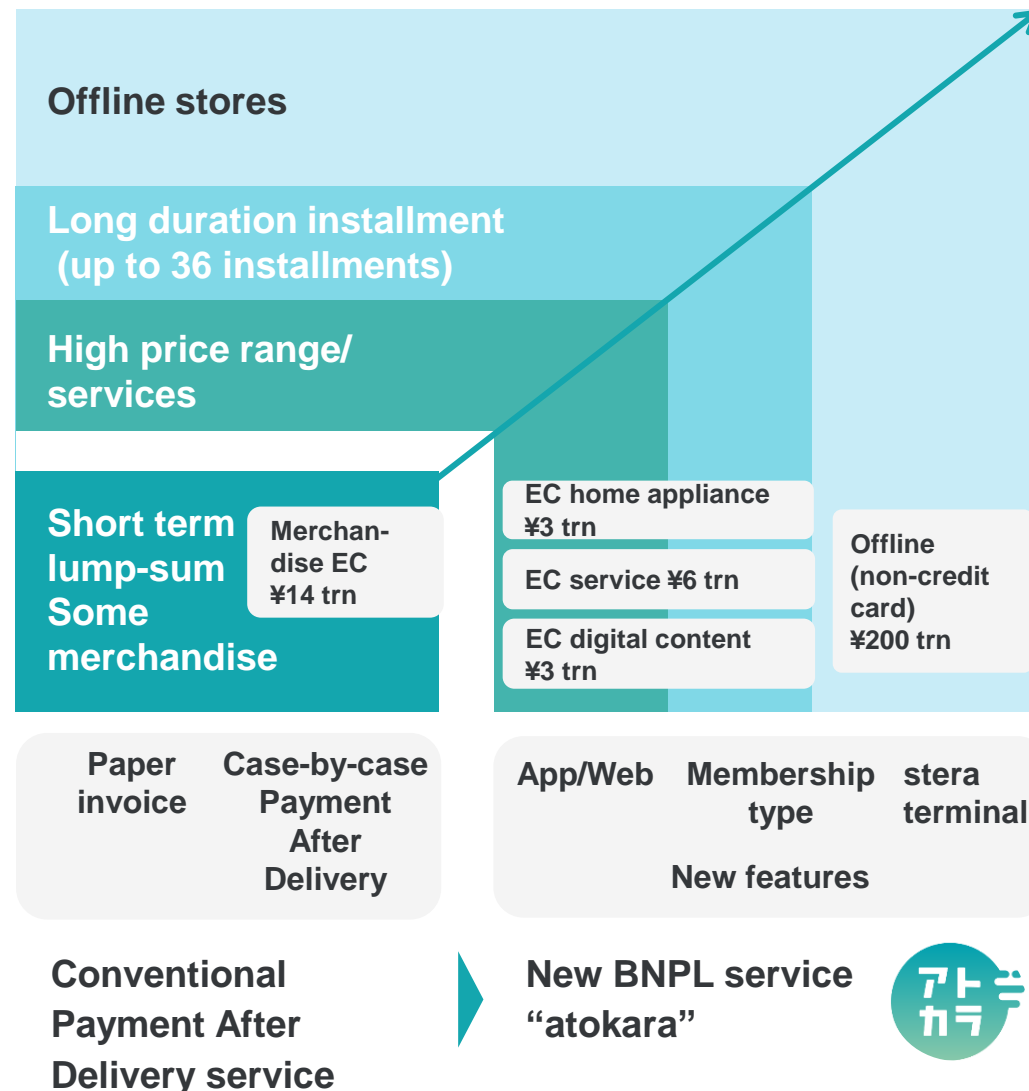
### Progress of initiatives



## 2.6.2 GMO-PS : Launch of new BNPL service “atokara”

# Reaching No. 1 position through collaboration with Sumitomo Mitsui Card Company

Expanding service domains of atokara (size of addressable markets)\*



Significance of new business

- Data storage over 10 years/Business creation with partner companies leveraging base system
  - SMCC x GMO-PS/GMO-PG’s customer base, sales capability, consumer business expertise, comprehensive payment capability
  - Usage expansion at merchants with stera terminals
- Entry into consumer business operators with end-customer base
- Expand revenue model and product/merchant base

EC websites adopting atokara	Timing
4 °C JEWELRY ONLINE SHOP	February 7
Irisplaza	Late February
Akachan Honpo Co., Ltd. online shop	After March
Belluna Co., Ltd. online store	April
XPRICE	May
Kohnan e-shop	Late May
Japanet Takata (official site)	TBD
Mizuno Corporation official online	TBD

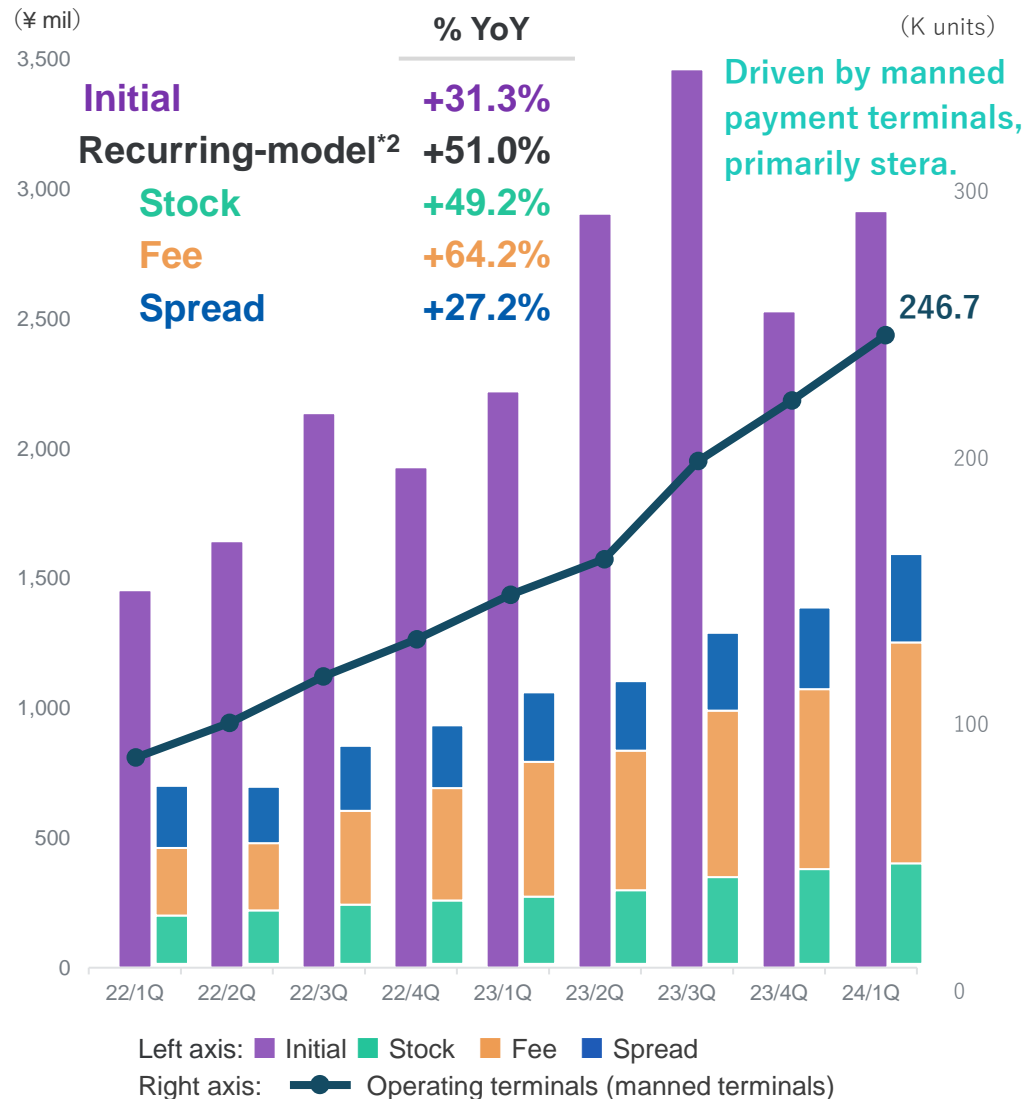
\* Ministry of Economy, Trade and Industry, “FY2022 E-Commerce Market Survey”, Payments Japan Association “Cashless Roadmap 2023”, Cabinet Office’s National Accounts of Japan (GDP statistics).



# 2.7 GMO-FG : Offline Payment

## Building up large-project pipeline by pursuing vertical strategy

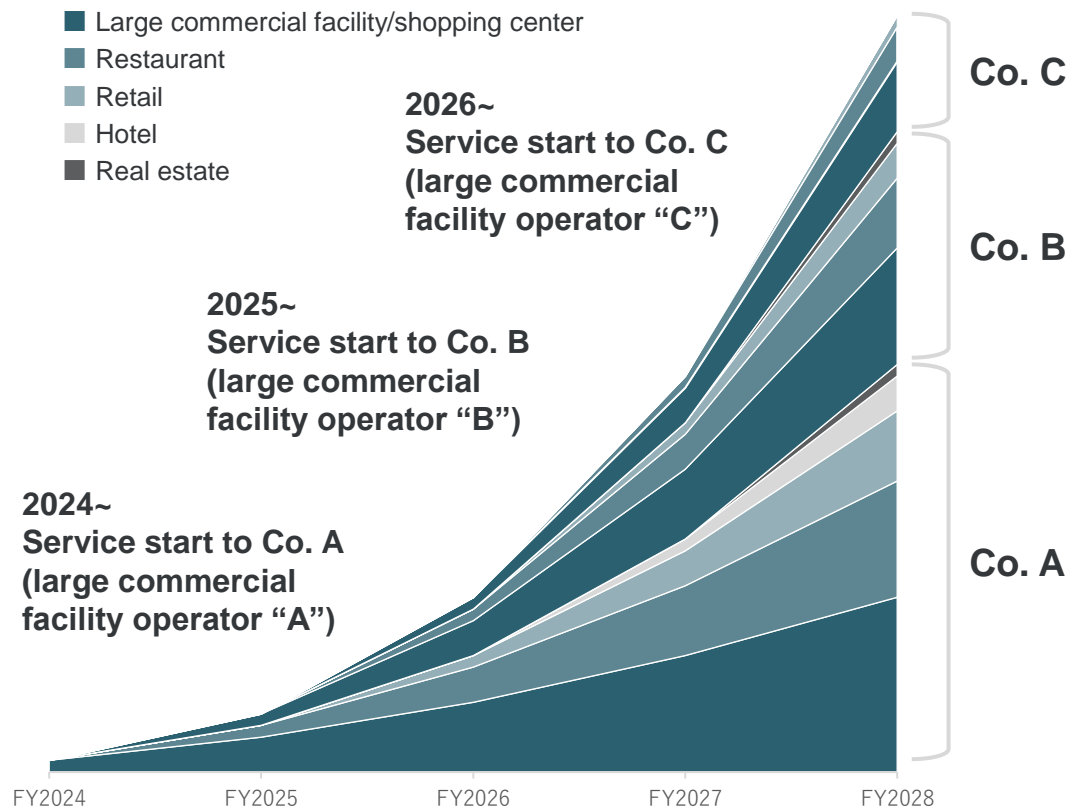
Consol. GMO-FG revenue by business model (Quarterly)\*1 Acceleration of vertical strategy deployment



Accelerate acquisition of large corporate groups by providing diverse services catered to each customer  
Rollout solutions specialized for each industries and expand revenue opportunity

### Revenue/profit image

- Large commercial facility/shopping center
- Restaurant
- Retail
- Hotel
- Real estate



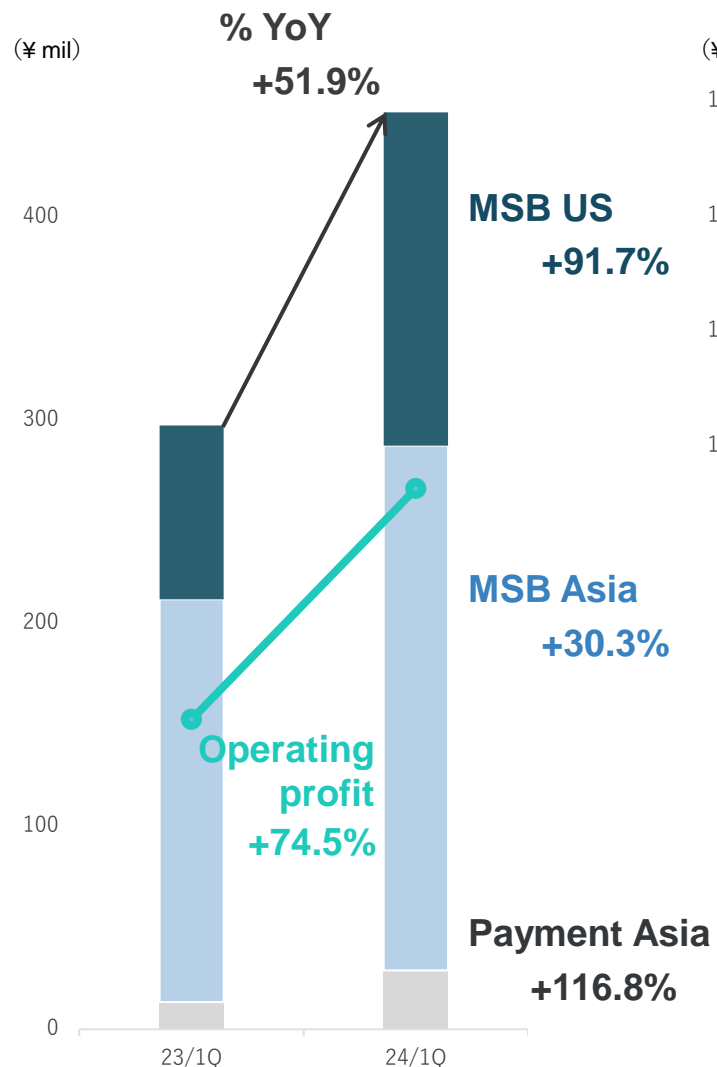
\*1 Figures presented are GMO-FG consolidated financial results.

\*2 Recurring-model revenue is the sum total of stock, fee and spread, and excludes initial revenues consisting of payment terminal sales.

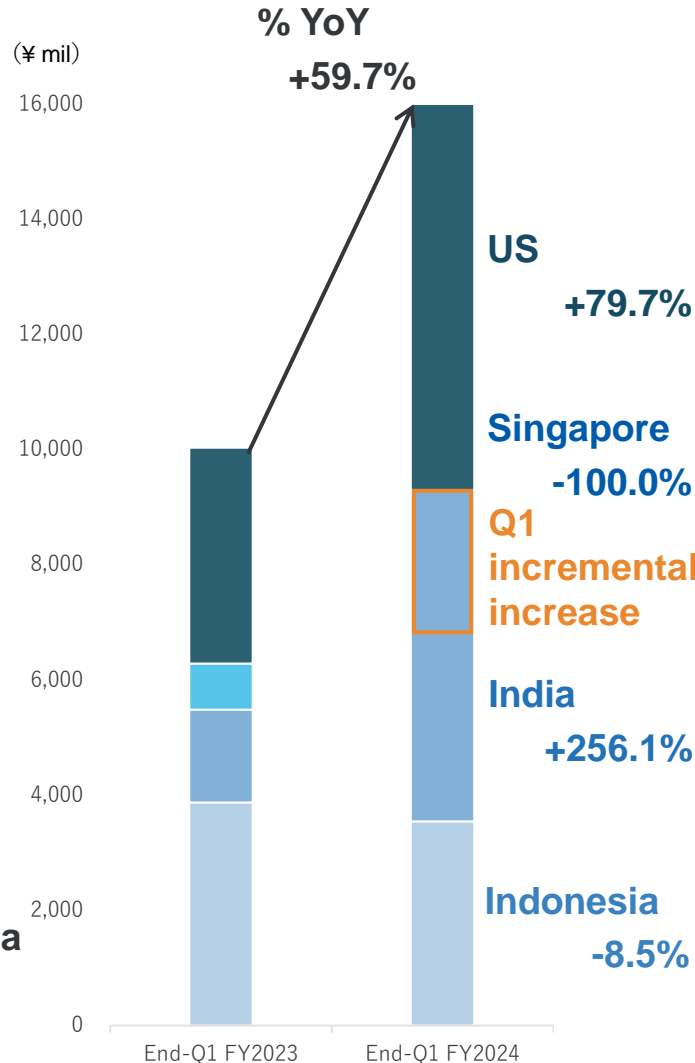
# 2.8.1 Global : Earnings Summary

## Expanding loan book: both revenue and profit grew by more than 50%


Revenue/Operating profit





Loan balance (end-Dec)



Progress on loan balance increase

-  Conducted two additional loans after the 8~9 month monitoring period of the initial loan
- Indian corporate entity initiatives
  - Expanded organizational structure
  - Strengthened sourcing activities

Near term pipeline

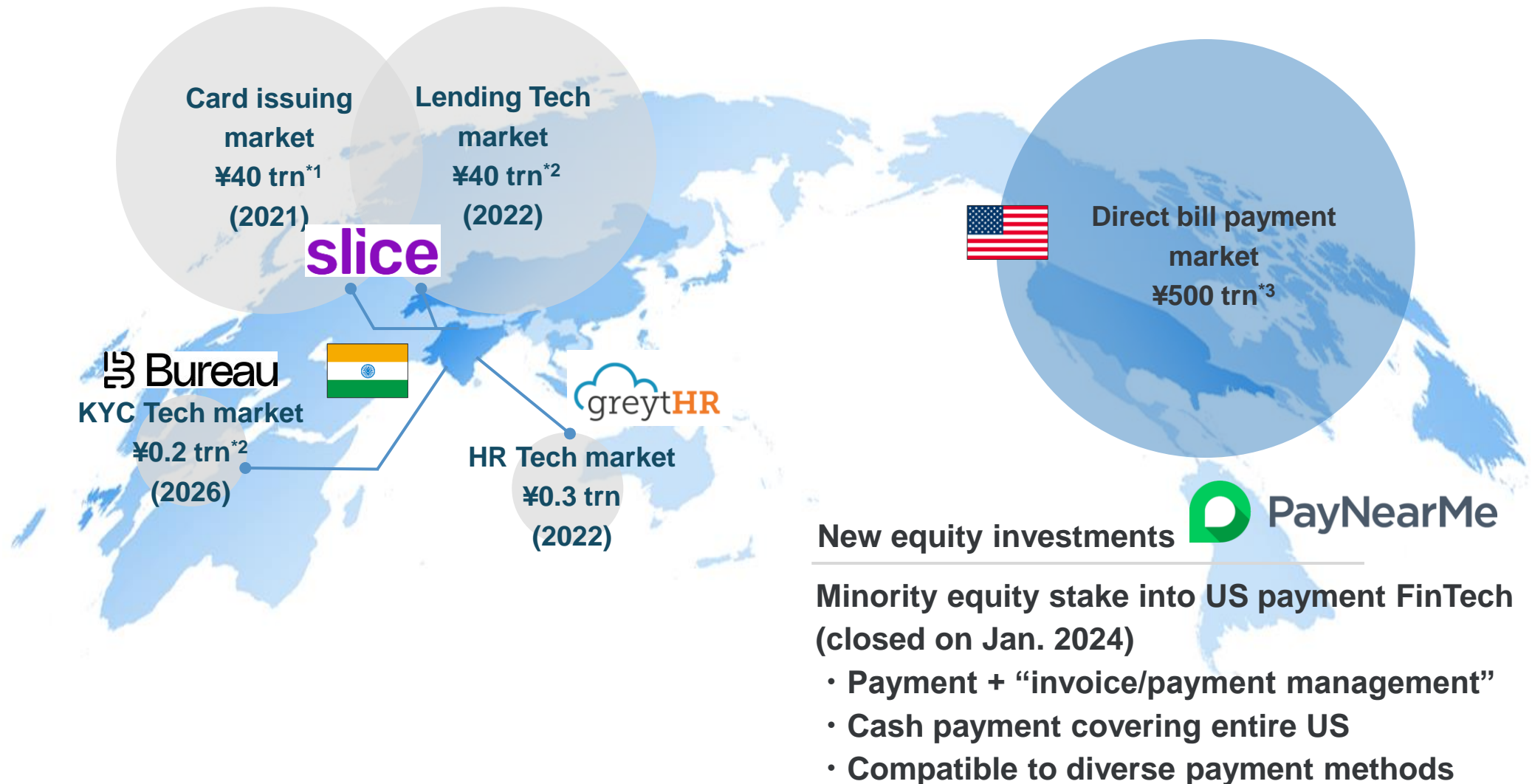
-  Microfinance FinTech
-  FinTech loan provider for commercial-use electric rickshaws
- FinTech loan provider for motorcycles
- FinTech loan provider to MSME

Payment Asia

- Growth driven by remittance service to an Asian Big Tech
- Expected to support other businesses of same company

## 2.8.2 Global : Investment Strategy

### Executed an investment to North American promising category creator company



\*1 GlobalData : total transaction value of US digital payments \*2 Based on GMO-PG estimate. \*3 Estimates of PayNearMe Inc.

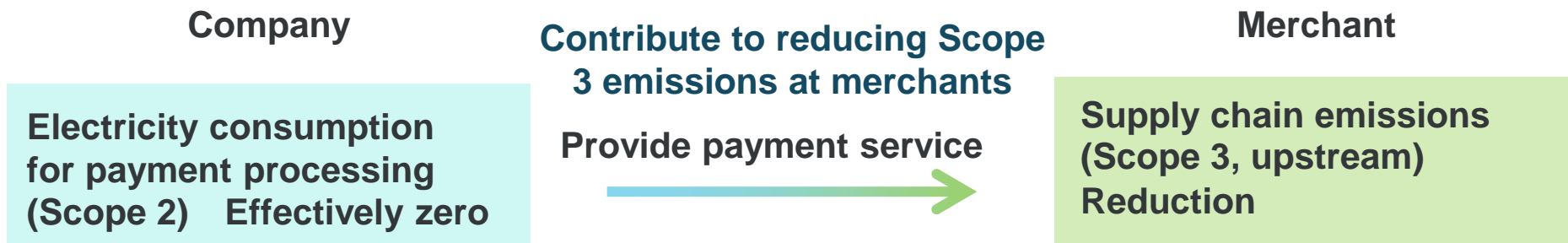
## 3. Sustainability

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# 3.1 Sustainability : Environment

## Realized carbon neutrality; achieved effectively zero emission for Scope 1+2\*1

	Scope1+2(owned or controlled operations; indirect emissions from purchased energy)	Scope3 (all indirect emissions in the value chain, excl. Scope 2)
<b>Target</b>	<p>Achieved effectively zero GHG emission in FY2023</p> <ul style="list-style-type: none"> <li>Accredited by third party*2</li> </ul>	<p>Established emission reduction targets that align with Paris Agreement</p> <ul style="list-style-type: none"> <li>Established target to reduce Scope 3 (category 1 &amp; 11) emissions from newly operating payment terminals by 55% per terminal in FY2030 compared to FY2021</li> </ul>
<b>Initiatives</b>	<p>Implemented electricity from what is de facto renewable sources at data centers that processes ¥15 trn of transactions annually</p>	<p>Initiated dialogue towards reducing GHG emissions</p> <ul style="list-style-type: none"> <li>Payment terminal manufacturers (category 1 &amp; 11)</li> <li>System development companies (category 2)</li> </ul>



\*1 Scope2 is based on market standards. \*2 Third party accreditation is received from Socotec Certification Japan Inc. in order to secure the reliability of GHG emission reporting.

# 3.2 Sustainability: Integrated Report

## Published Integrated Report with expanded disclosure of non-financial information

FY2023 Integrated Report (Japanese language):

[https://www.gmo-pg.com/corp/newsroom/pdf/20240213\\_gmo\\_pg\\_ir\\_integrated\\_report.pdf](https://www.gmo-pg.com/corp/newsroom/pdf/20240213_gmo_pg_ir_integrated_report.pdf)

\* English language version of Integrated Report is scheduled to be published in April 2024.

### Contents (excerpts)

- Value Creation model
- Identifying Materiality Issues
- Business Strategy of Each Consolidated Company
- Voices of Our Partners (Employees)
- Roundtable Meeting of External Directors
- Environment
  - Realized carbon neutrality: effectively zero GHG emissions(Scope 1 & 2) achieved
- HR Strategy
  - Establishing KPIs

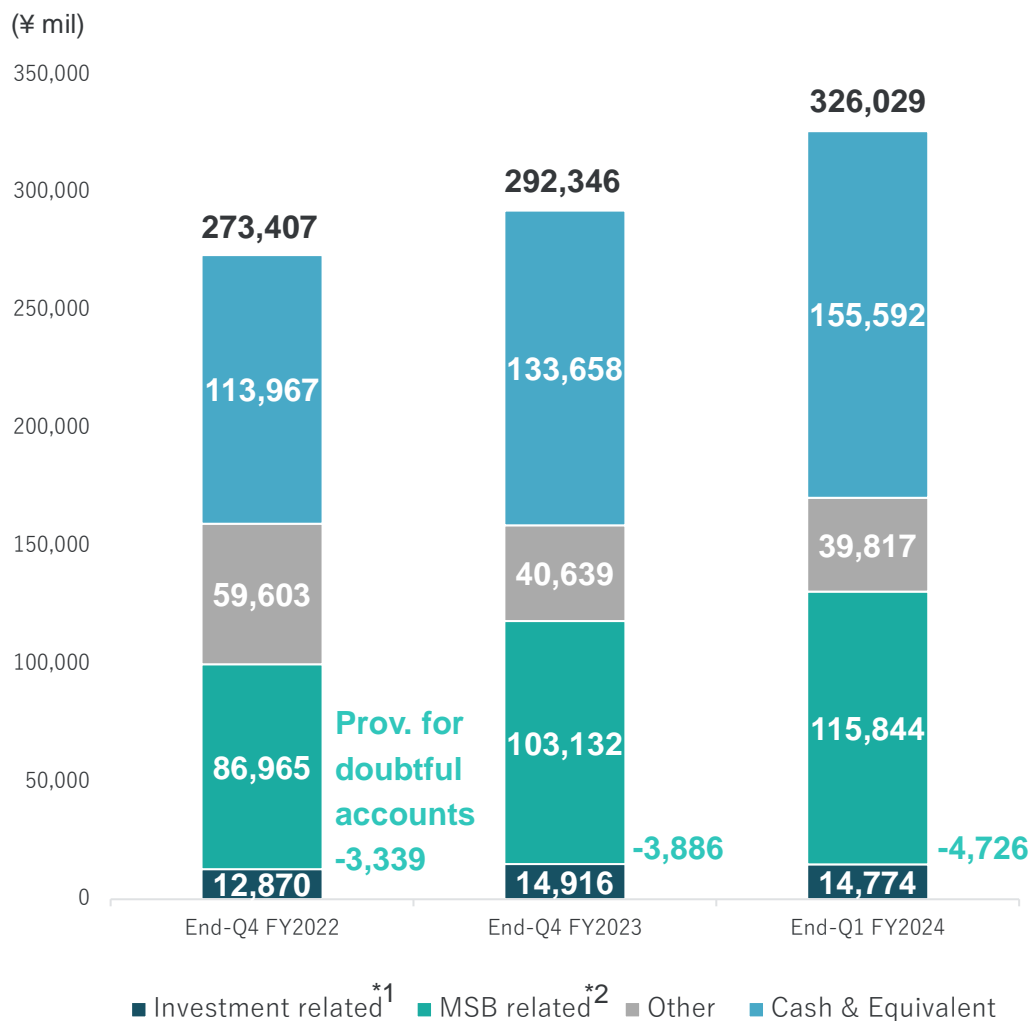
## **4. Financial Highlights and Reference Materials**

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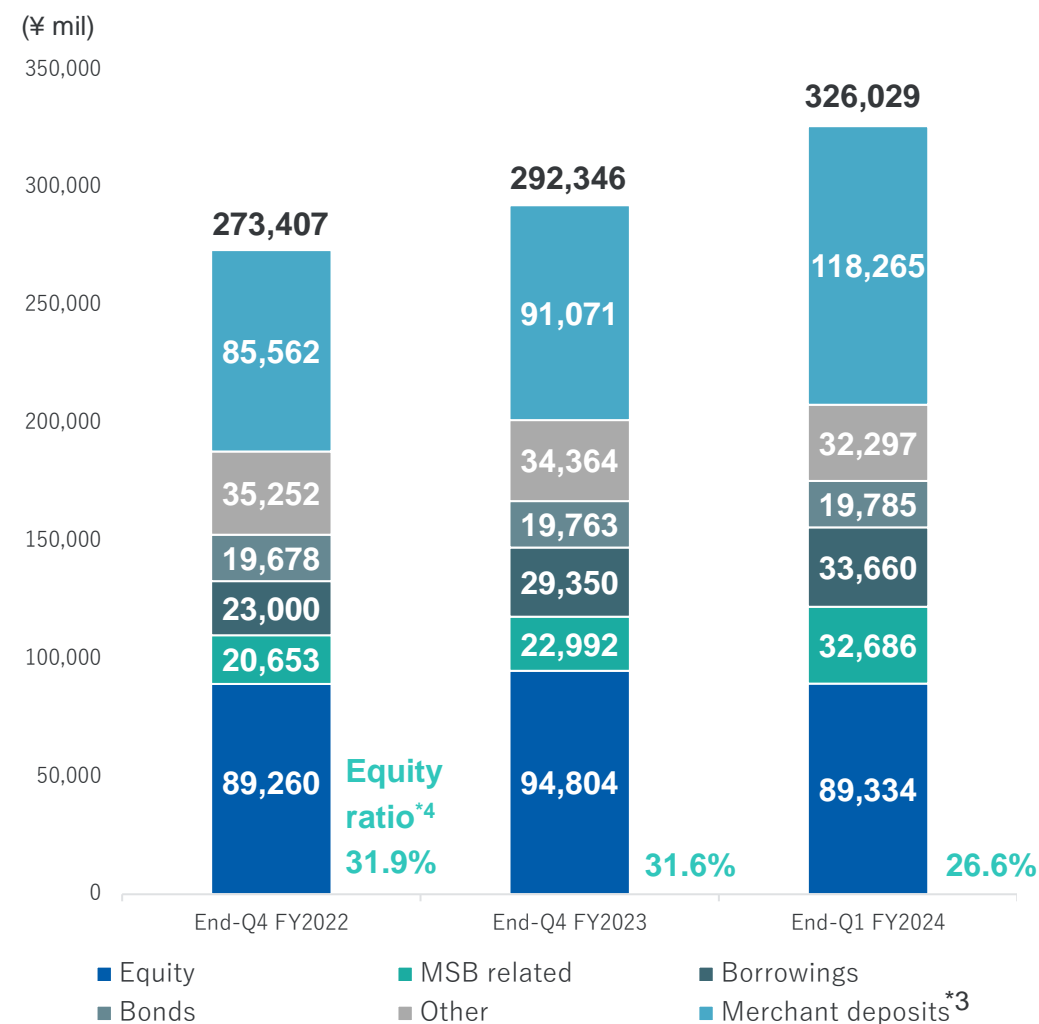
# 4.1.1 Consolidated Balance Sheet Changes

## Increase in merchant deposits and MSB related assets due to scaling up of business

### Assets



### Liabilities and Equity



\*1 Securities classified under investment securities and investment accounted for under the equity method.

\*2 MSB Related Asset: Lease assets, Short term loans, Advances paid, Accrued revenue (net of provision for doubtful accounts). MSB Related Liabilities: Accrued expenses.

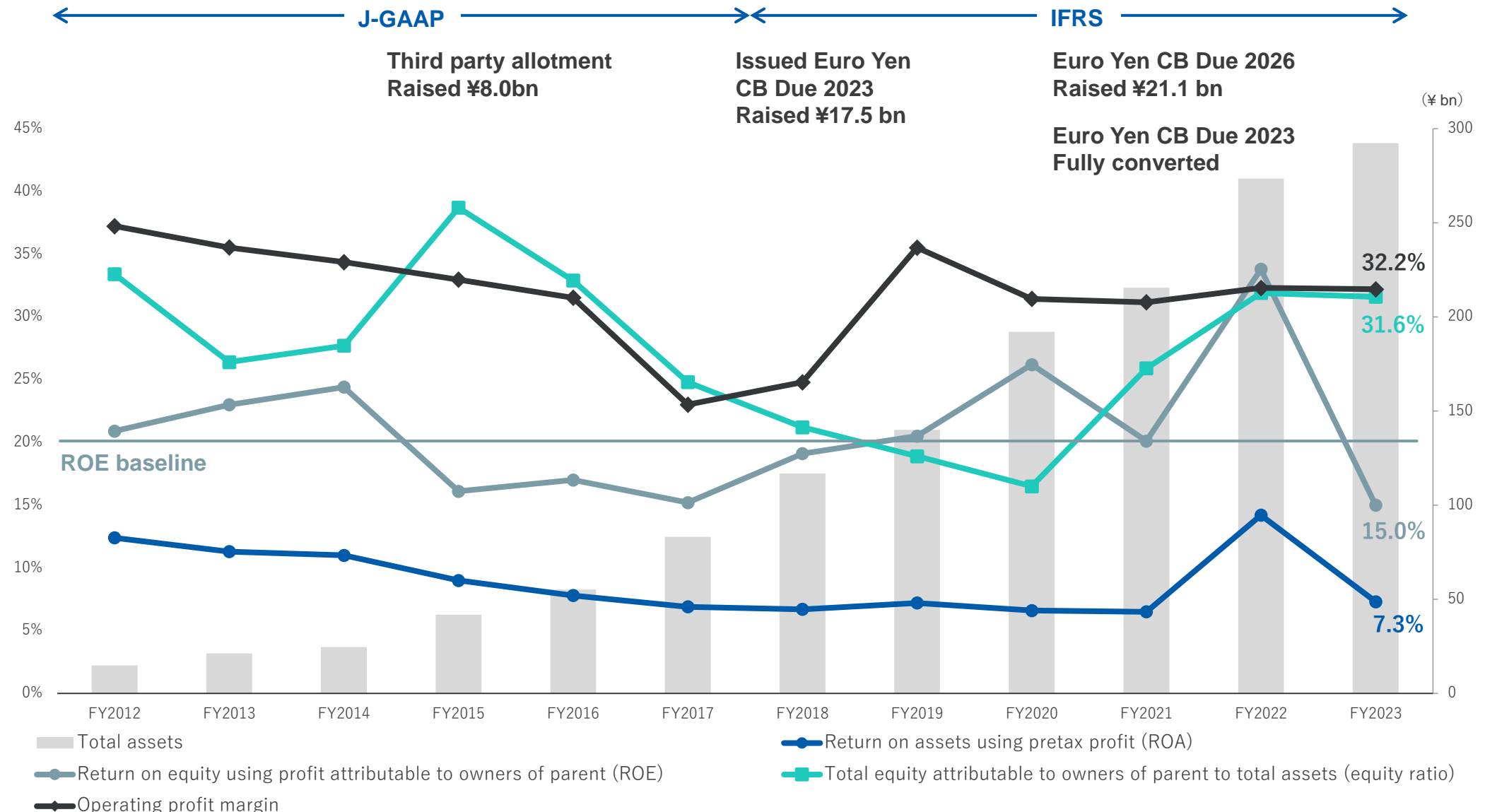
\*3 Deposits received from merchants under the Representative Contract.

\*4 Equity ratio is total equity attributable to owners of parent divided by total assets. \*5 Some figures are shown in net amounts of financial assets and liabilities.



# 4.1.2 Major Consolidated Financial Indicators (Annual Trend)

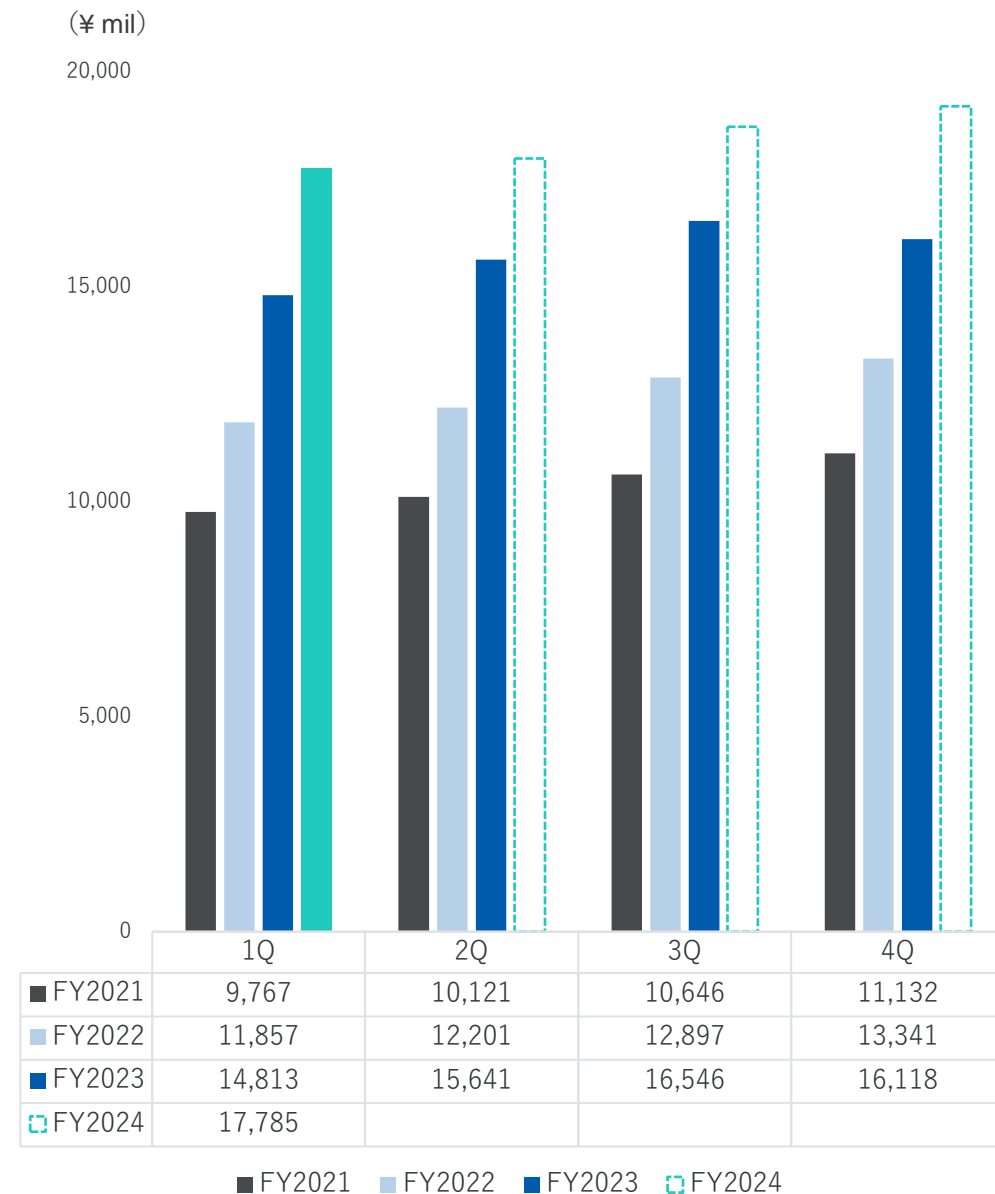
## Managing business while balancing profitability, capital efficiency and capital base



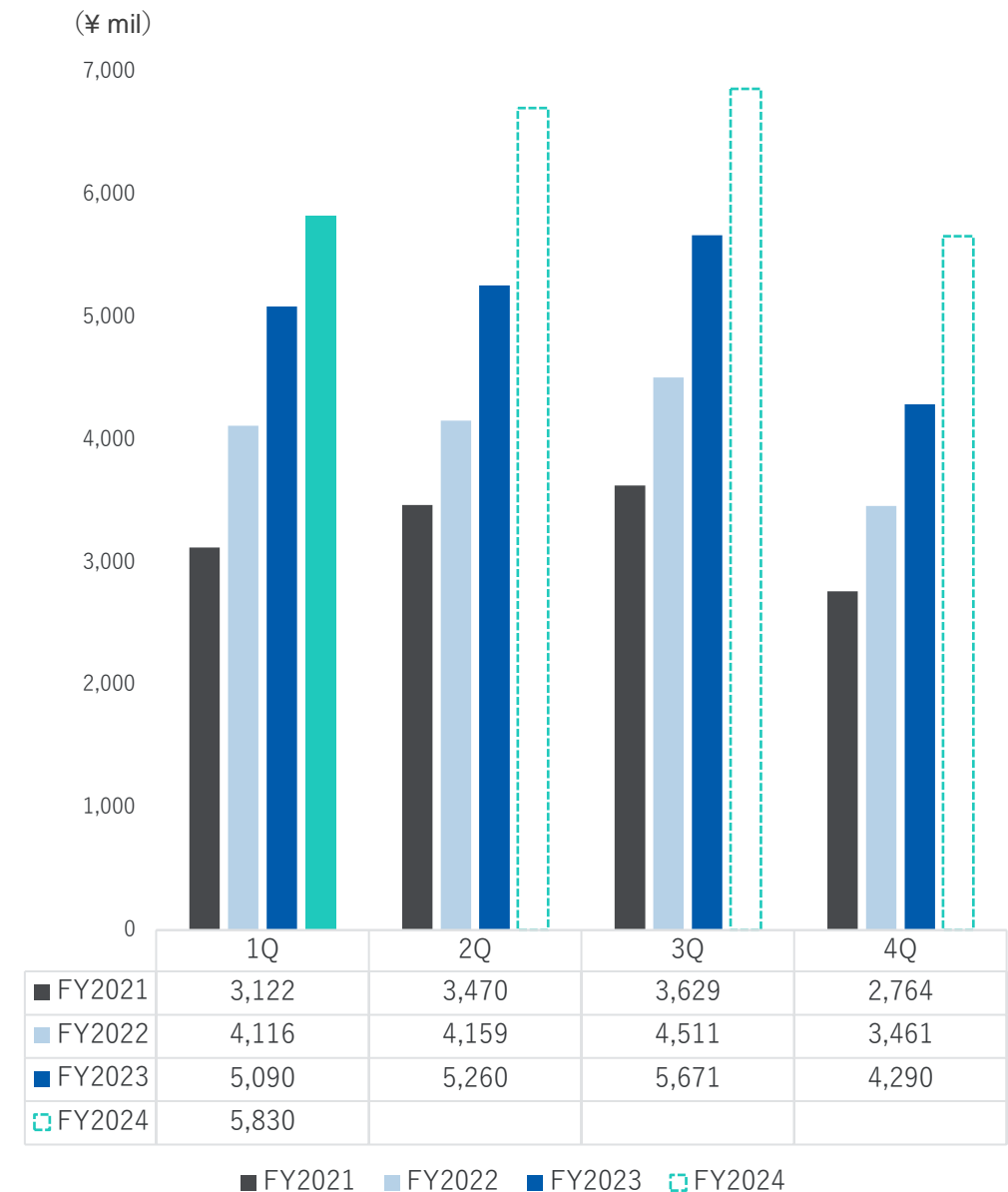
\* Figures from FY2018 are based on IFRS standards. For figures before FY ending September 2017 are based on J-GAAP standards. As such, total assets refers to assets, equity refers to net assets and total equity attributable to owners of parent to total assets refers to equity ratio, return on total assets using profit attributable to owners of parent refers to ordinary profit to assets ratio, and return on equity using profit attributable to owners of parent (ROE) refers to net profit to equity ratio.

# 4.2 Consolidated Revenue and Operating Profit (Quarterly)

## Consol. revenue

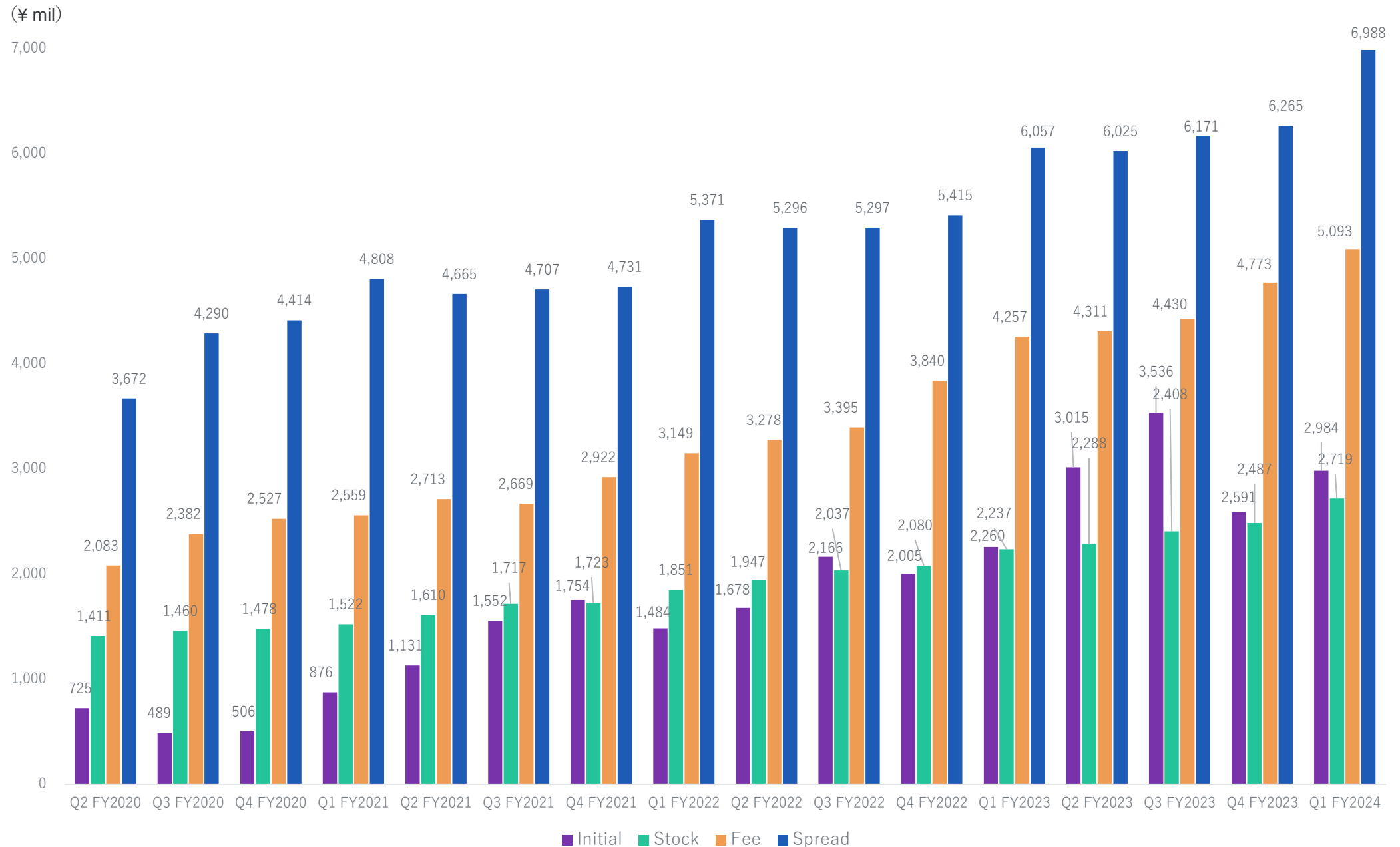


## Consol. operating profit



\* Consol. revenue and consolidated OP for Q2 to Q4 of FY2024 is based on initial guidance.

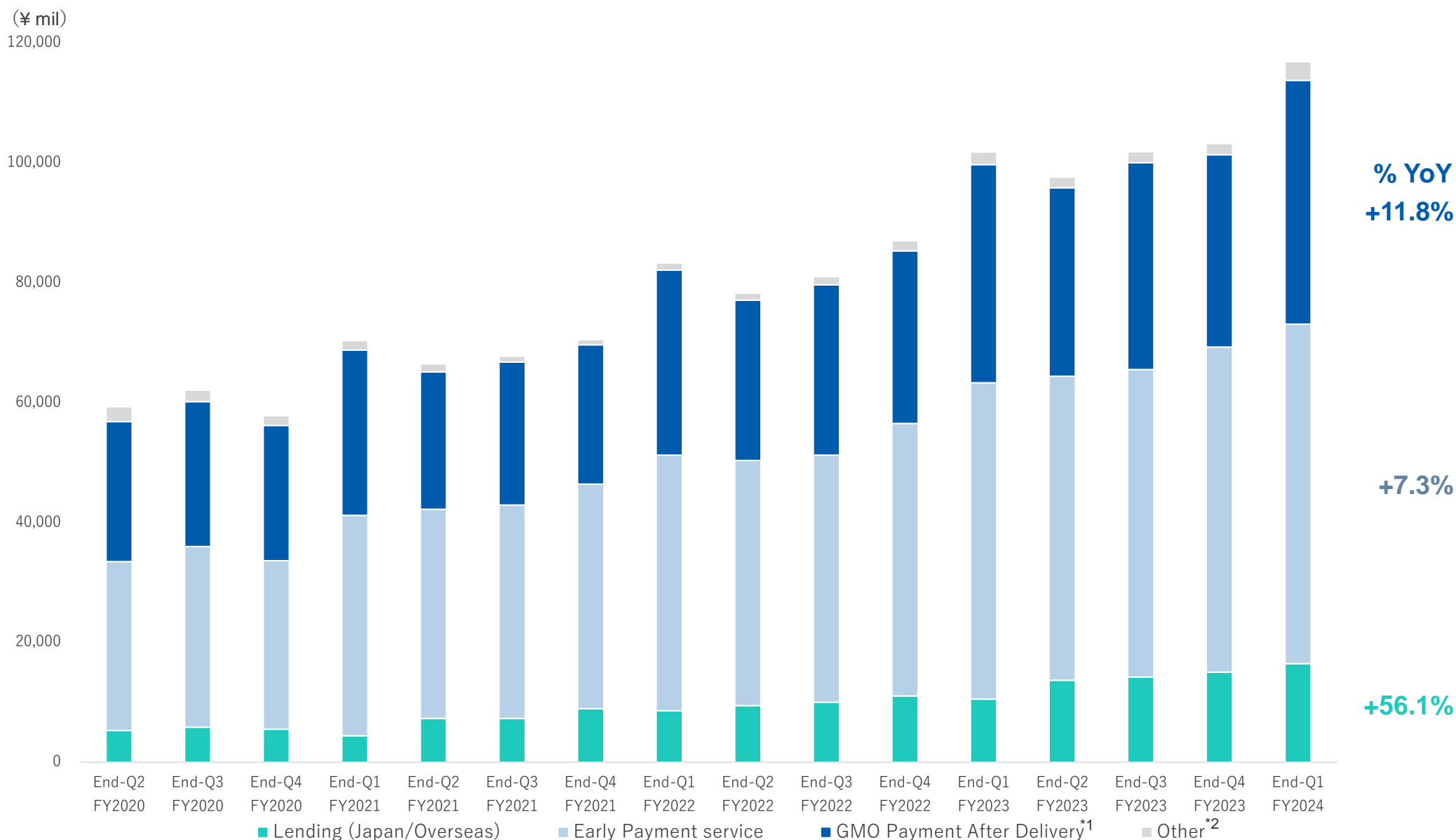
# 4.3 Consolidated Revenue by Business Model (Quarterly)



\* The figures for revenues by business model present the continuing operations only and exclude MACROKIOSK, due to its deconsolidation in May 2020.

# 4.4.1 FinTech Related Asset

## FinTech related asset (quarterly)

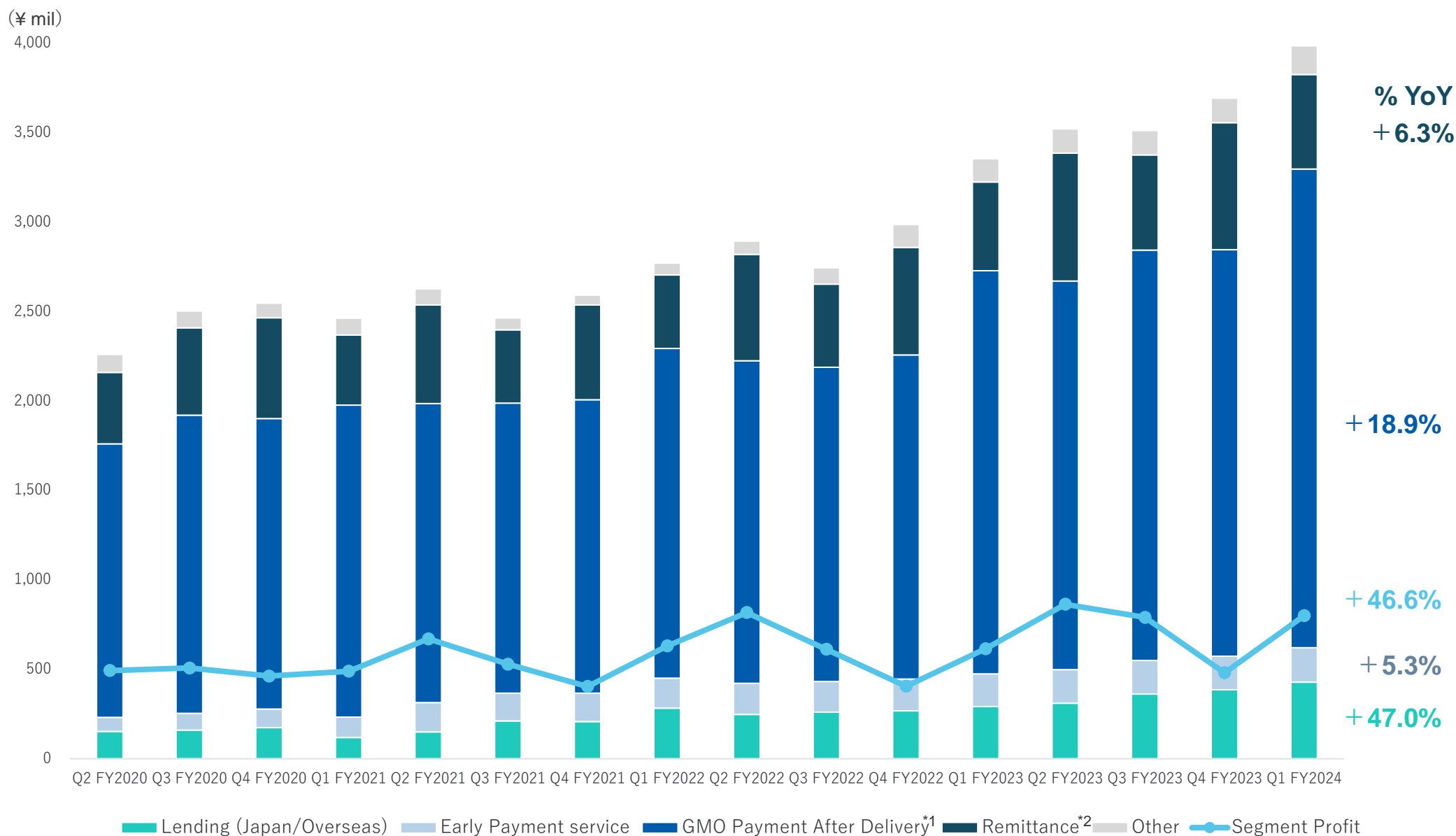


\*1 The figures for GMO Payment After Delivery related assets (accrued revenue) are after deduction of provisions for doubtful accounts.

\*2 The figures for "Other" is the sum total of B2B factoring, finance lease, Condo Pay, Instant Salary byGMO.

# 4.4.2 FinTech Revenue and Profit (Quarterly)

## FinTech segment revenue and profit

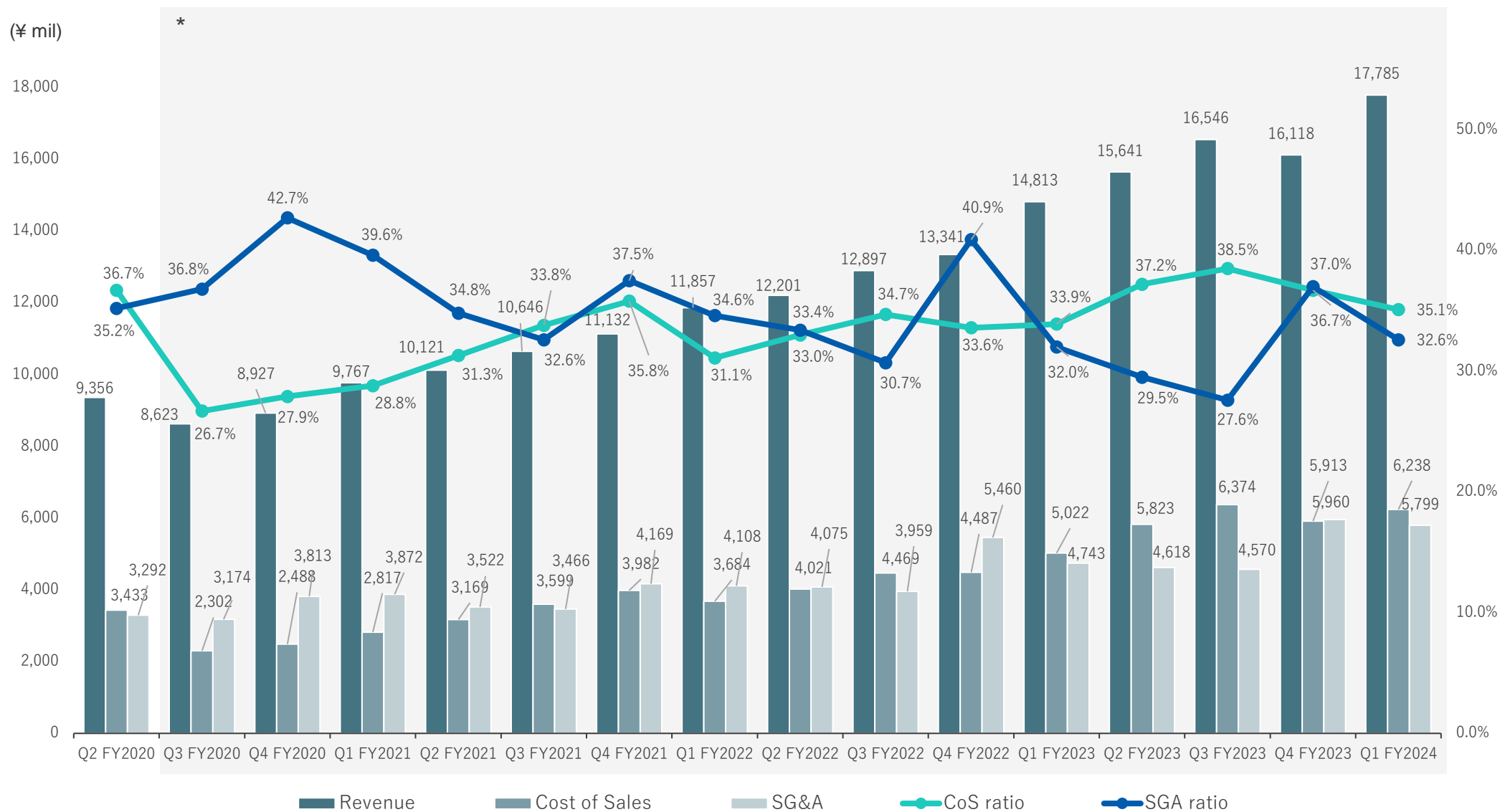


\*1 Includes the impact of commission rate revisions to reflect the increase in CVS payment agency cost for Payment after Delivery from September 2022.

\*2 The figures for "Other" is the sum total of B2B factoring, finance lease, B2B AR Guarantee, B2B Payment Guarantee, Condo Pay, Instant Salary byGMO.

# 4.5.1 Consolidated CoS and SG&A Ratio (Quarterly)

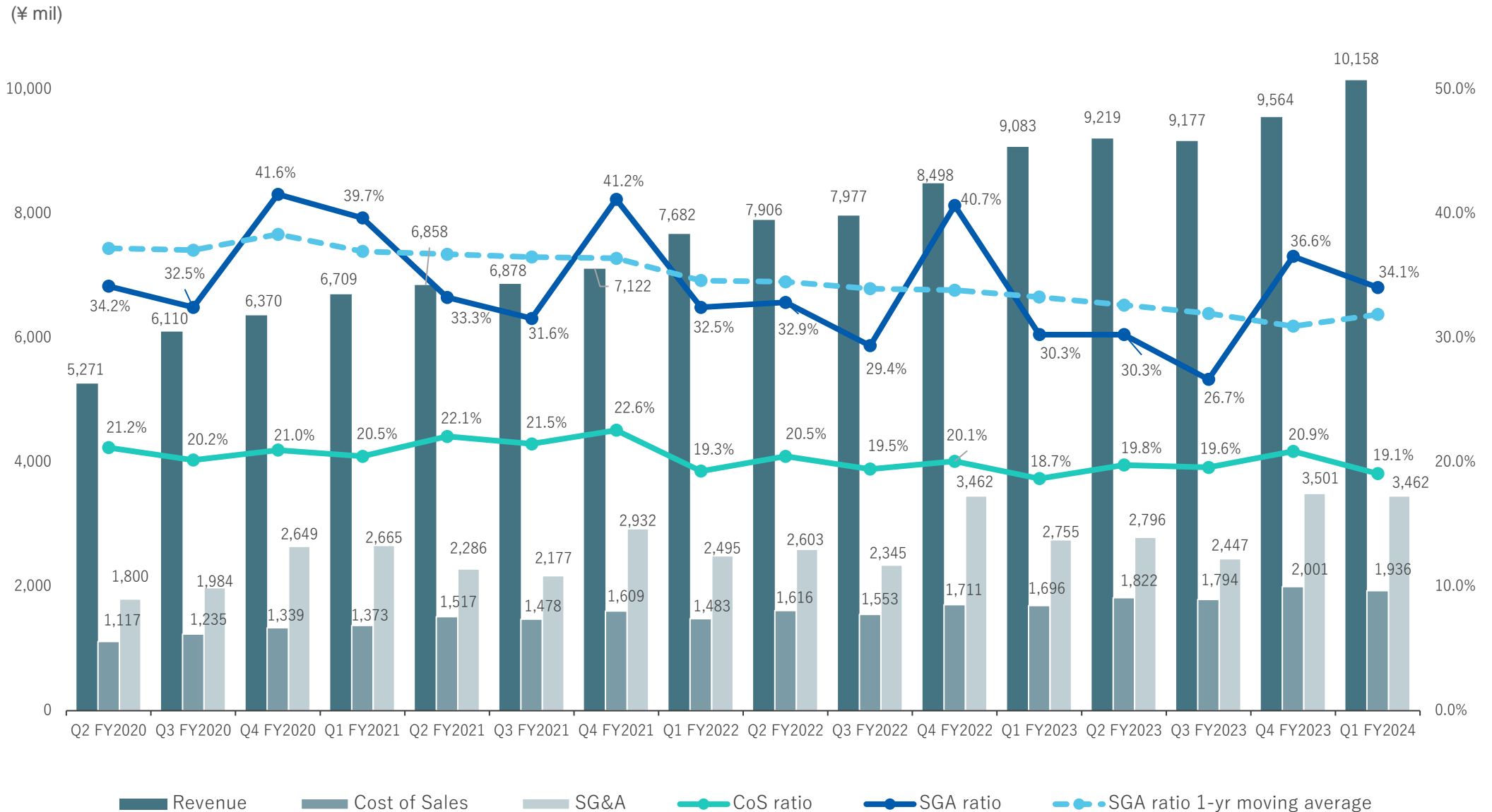
## Cost of sales ratio fluctuates depending on revenue mix



\* Figures only present the continuing operation from Q3 FY2020 and onwards and exclude MACROKIOSK (reclassified as discontinued operation) due to its deconsolidation in May 2020.

# 4.5.2 CoS/SGA Ratio of GMO-PG & GMO-EP (Quarterly)

## CoS ratio trending stably for online payment business



\* Figures presented are before consolidated eliminations.

## 4.6.1 Operating Stores, TRX Volume and Value

### Consol. TRX value reaches approx. ¥15.8 trn in the past 12 months

	Operating Stores <sup>*1</sup> /Terminals <sup>*2</sup>	TRX Volume <sup>*2*3</sup>		TRX Value <sup>*2</sup>	
	End-Q1 FY2024	Q1 FY2024	Past 12-mnth	Q1 FY2024	Past 12-mnth
<b>Consolidated</b>	-	1.76 bn	6.51 bn	¥4.4 trn	¥15.8 trn
% YoY	-	+20.9%	+25.2%	+23.7%	+28.9%
<b>Online</b>	151,519 stores	1.55 bn	5.83 bn	¥2.9 trn	¥10.9 trn
% YoY	+11.3%	+16.5%	+21.9%	+11.2%	+17.7%
<b>Offline<sup>*2</sup></b>	326,072 units	0.21 bn	0.68 bn	¥1.5 trn	¥4.9 trn
% YoY	+49.5%	+66.3%	+63.2%	+57.7%	+63.3%

**Proportion of representative contracts in online TRX value<sup>\*4</sup> : Approx. 40%**

<sup>\*1</sup> The standards for calculation the number of operating stores has been revised from Q4 FY2023. Figure exclude an operating stores of a specific merchant and fincode byGMO.

If included, operating stores would be 606,262 (up 20.7% YoY).

<sup>\*2</sup> Payment terminals exclude GMO-PG's offline payment (GMO Cashless Platform). Offline transaction volume and value includes GMO-PG's offline payment (GMO Cashless Platform).

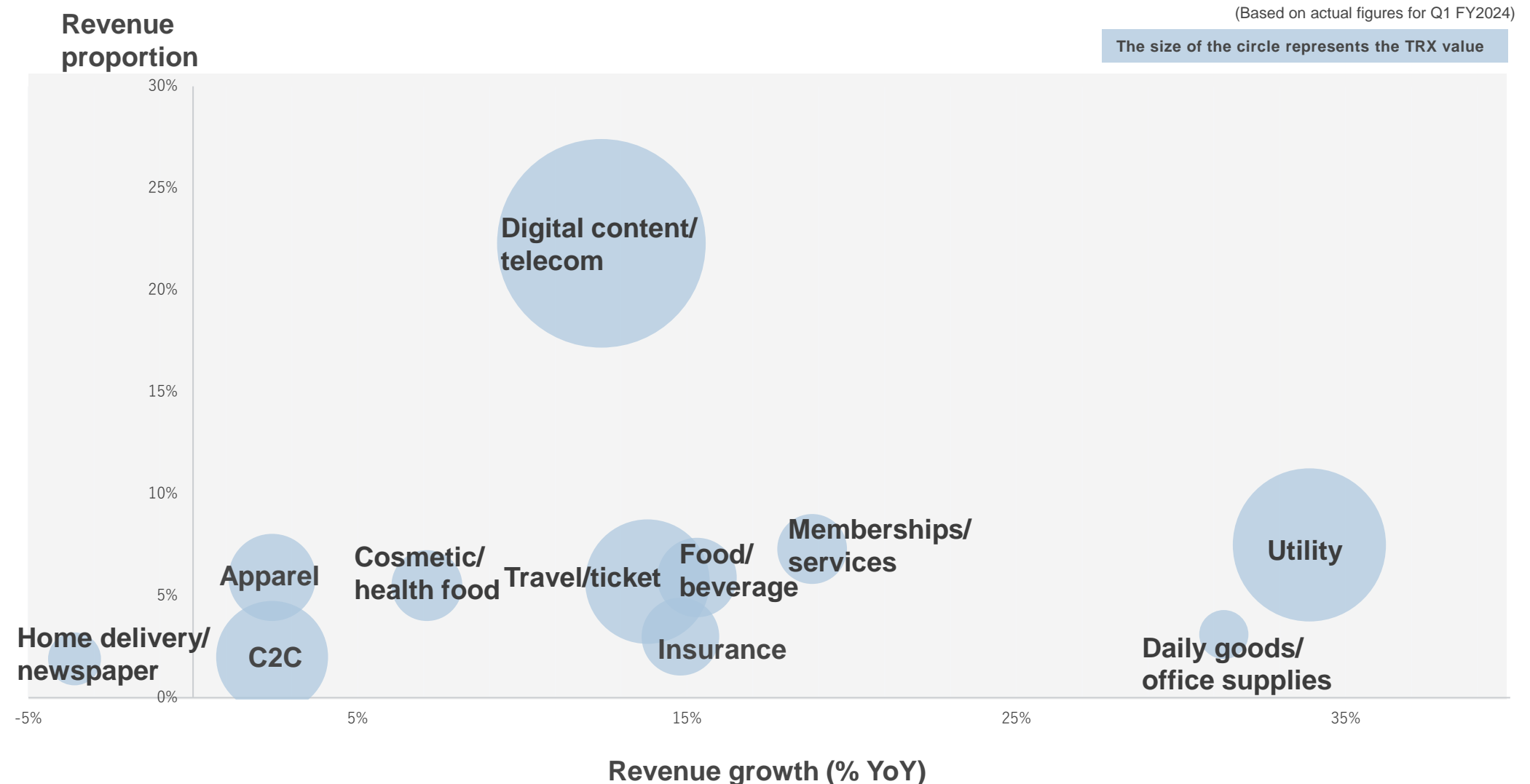
<sup>\*3</sup> Transaction volume is calculated based on fee revenue standards, which in the case of online consist of multiple (1 to 3) transactions per payment of a single authorization or actual proceed amount, and one transaction per payment in the case of offline. <sup>\*4</sup> Annual average is shown in 5% increments.



## 4.6.2 Distribution of major sectors (Q1 Standalone)

### Balance both stability and growth through sector diversification

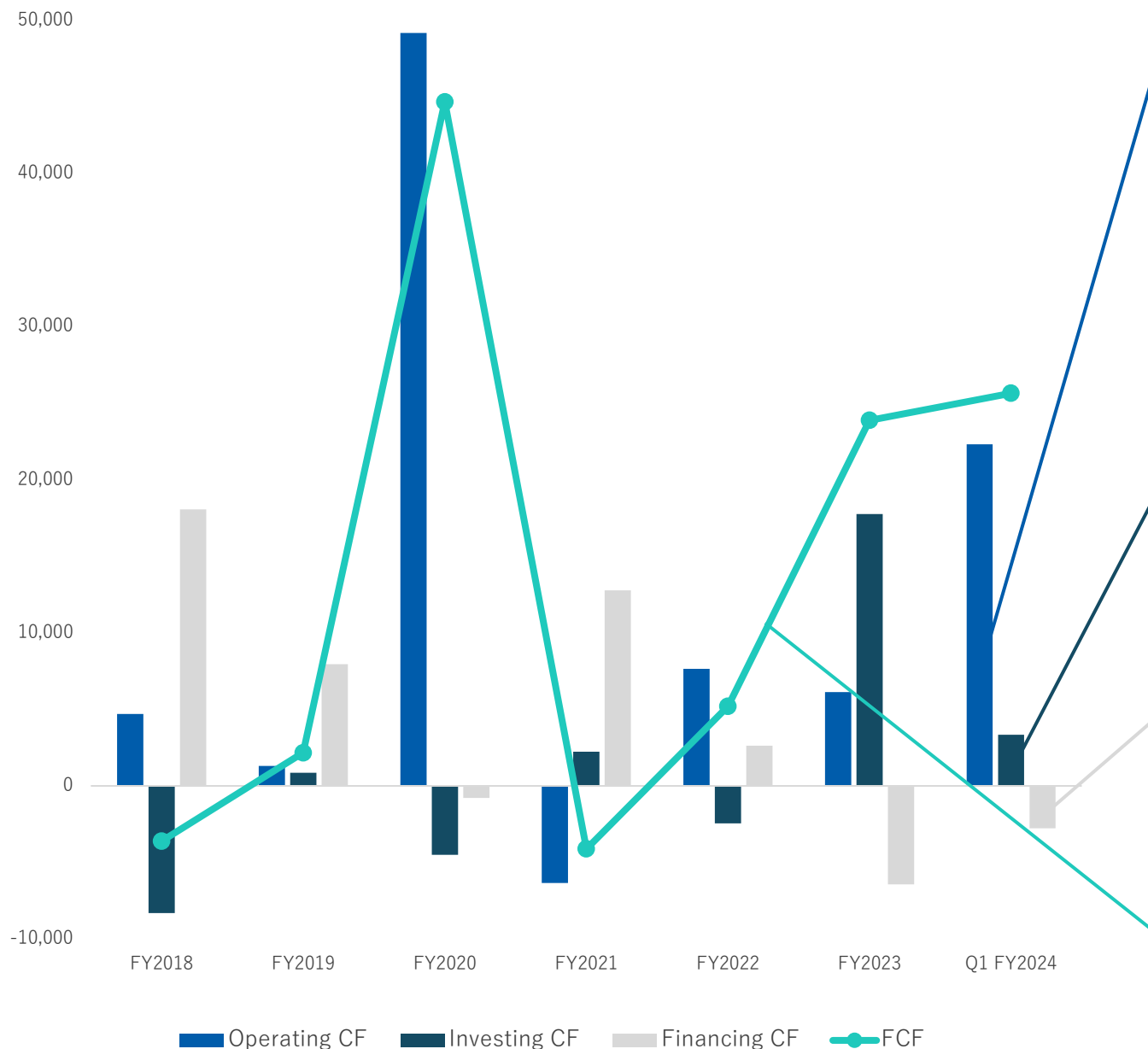
Revenue share by industry (vertical axis)/ Revenue growth rate (horizontal axis)\*



\* Composed from TRX value by sector for the PG Multi-payment service.

# 4.7.1 Consolidated Cash Flow Statement (Cumulative)

(¥ mil)



Q1 FY2024		(¥ mil)
<b>Operating CF</b>	:	<b>+22,314</b>
Pretax profit		+5,919
Deprec. & Amort.		+763
Trade receivables		-3,876
Advances paid		-2,681
Accrued revenues		-8,666
Accrued expenses		+9,458
Deposits received		+28,377
Income taxes paid		-7,810
<b>Investing CF</b>	:	<b>+3,341</b>
Acquisition of intangibles		-1,101
Purchase of inv. securities		-732
W/drawal of deposits to subsidiaries and affiliates		+5,300
<b>Financing CF</b>	:	<b>-2,771</b>
Net increase in ST borrowings		+3,900
LT borrowings		+500
Dividends paid		-6,715
<b>FCF</b>	:	<b>+25,656</b>
<b>Cash &amp; Equivalents</b>	:	<b>155,592</b>

Mainly Money Service Business

\* FCF is calculated as the sum-total of Operating CF and Investing CF. Only major items of the cash flow statement are shown on this page.

## 4.7.2 Changes in consolidated cash flow statement

### Related liabilities & assets

### Impact from business expansion

#### Payment Processing Business

Sales proceeds of  
merchants under the  
Representative Contract

Deposits received  
(liability)

Liability 


Operating CF 

Yearly fluctuations can be large as annual TRX value of trillions of yen can be carried over to the following year

#### Money Service Business

Early Payment service


Advances paid  
(asset)

Asset 

Operating CF 

Payment After Delivery  
service


Accrued revenue  
(asset)

Asset 

Operating CF 


Accrued expense  
(liability)


Liability 

Operating CF 

#### Other

Deposits to subsidiaries  
and affiliates  
(asset)

Asset 

Investing CF 

Funds temporarily deposited to GMO-IG's CMS  
(balance is zero as of end-Q1 FY2024)

\* GMO-IG: GMO Internet Group

# Thank You Very Much

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## GMO Payment Gateway, Inc. (3769; Tokyo Stock Exchange Prime)

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