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For Immediate Release

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 (Securities code: 3633, TSE Standard Market)
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Notice of Revisions to Consolidated Financial Results Forecast and Year-end Dividend Forecast (Dividend Increase)

GMO Pepabo, Inc. (the “Company”) hereby announces that, in light of recent trends in its financial results, the Company revised its consolidated financial results and dividend forecasts for the fiscal year ending December 31, 2024 announced on February 13, 2024. Details are as follows.

1. Revisions to the consolidated financial results forecast for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Details of the revision

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net profit per share
Previous forecast (A)	million yen 10,963	million yen 700	million yen 700	million yen 421	yen 79.95
Revised forecast (B)	10,831	820	867	554	105.02
Change (B-A)	-131	119	167	132	
Change (%)	-1.2%	17.1%	23.9%	31.4%	
(Reference) Actual results for previous fiscal year (Fiscal year ended December 31, 2023)	10,903	-340	-246	-628	-119.16

(2) Reason for the revision

Net sales for the nine months ended September 30, 2024 fell, with strong performances in the Hosting business and non-recurring type businesses such as Color Me Shop in the E-commerce Support business segment offset by the underperformance of non-recurring type businesses such as SUZURI and minne under the impact of the e-commerce market. Additionally, in the Financial Support business, we

prioritized controlling delinquency rates by tightening purchasing standards, which led to slower-than-expected growth in purchased receivables. However, profit increased sharply due to the ongoing effect of price revisions in the Hosting business, a decrease in bad debt-related expenses for overdue receivables in the Financial Support business as well as lower customer service costs achieved through the use of AI. Although the fourth quarter will also see higher costs for new services and growth in the next fiscal year, our operating profit, ordinary profit and profit attributable to owners of parent are now all expected to exceed the consolidated financial results forecast announced on February 13, 2024. Accordingly, the Company revised its full-year results forecast for the fiscal year ending December 31, 2024 as described above.

2. Revision of dividend forecast

(1) Details of the revision

	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Previous forecast (Announced on February 13, 2024)				40.00 yen	40.00 yen
Revised forecast				53.00 yen	53.00 yen
Results for the current fiscal year	0.00 yen	0.00 yen	0.00 yen		
Results for the previous fiscal year (Fiscal year ended December 31, 2023)	0.00 yen	0.00 yen	0.00 yen	0.00 yen	0.00 yen

(2) Reason for the revision

The Company recognizes that the appropriate return of profits to shareholders is a key management issue. Its basic policy is to improve the share price over the medium to long term based on business growth and target a performance-linked dividend (dividend payout ratio of 50%). Accordingly, as a result of this upward revision of its full-year consolidated financial results forecast, the Company decided to set the year-end dividend forecast for the current fiscal year at 53.0 yen (an increase of 13.00 yen from the previous forecast).

(Note) The forward-looking statements in this document concerning the results forecast, etc. are based on currently available information and assumptions considered by the Company to be reasonable and that actual results can vary due to a number of factors.