

February 5, 2025

For Immediate Release

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| Company name | GMO Pepabo, Inc. |
| Representative | Kentaro Sato, CEO and President |
| (Securities code: 3633, TSE Standard Market) | |
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Notice of Revision to Dividend Forecasts (Increased Dividend), Change in Dividend Policy and Change in Shareholder Incentive Plan

GMO Pepabo, Inc. (the “Company”) hereby announces that it resolved at the extraordinary meeting of its Board of Directors held on February 5, 2025 to revise its dividend forecasts (increased dividend) for the fiscal year ended December 31, 2024, change its dividend policy and change its shareholder incentive plan.

1. Revision to dividend forecasts for the fiscal year ended December 31, 2024 (January 1, 2024 – December 31, 2024)

(1) Details of 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%).

As disclosed in the “Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 [Japanese GAAP]” on February 5, 2025,” the Company plans to pay a year-end dividend per share for the fiscal year ended December 31, 2024 of 57.00 yen, an increase of 4 yen, because the profit attributable to owners of parent for the fiscal year exceeded the forecasted figure announced on November 6, 2024.

| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
|---|-----------------|-----------------|-----------------|-----------|-----------|
| Previous forecast (Announced on November 6, 2024) | / | / | / | 53.00 yen | 53.00 yen |
| Revised forecast | / | / | / | 57.00 yen | 57.00 yen |
| Results for fiscal year under review | 0.00 yen | 0.00 yen | 0.00 yen | / | / |
| Results for 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. Changes in the dividend policy

(1) Reason for change

The Company considers it important to increase retained earnings that allow the strengthening of its business structure and prepare for aggressive business development in the turbulent Internet industry, while it also recognizes that returning profits to shareholders is an important management issue. This time, it carefully reviewed the shareholder incentive plan from the perspective of fair distribution of profits to shareholders and decided to partially revise the plan and allocate the cash generated from the revision to dividend payment in order to ensure a more direct return of profits to shareholders.

(2) Details of change

(Before change)

The Company considers it important to increase retained earnings that allow the strengthening of its business structure and prepare for aggressive business development in the turbulent Internet industry, while it also recognizes that returning profits to shareholders is an important management issue. It works to stabilize earnings capacity that enables the continuous distribution of profits linked to performance, with the basic principle of ensuring medium- to long-term growth of its stock value based on business growth and a dividend payout ratio of no less than 50%.

(After change) Underlined portion

The Company considers it important to increase retained earnings that allow the strengthening of its business structure and prepare for aggressive business development in the turbulent Internet industry, while it also recognizes that returning profits to shareholders is an important management issue. It works to stabilize earning capacity that enables the continuous distribution of profits linked to performance, with the basic principle of ensuring medium- to long-term growth of its stock value based on business growth and a dividend payout ratio of no less than 65%.

(3) Timing of change

The change will be applied starting in the ongoing fiscal period, the fiscal year ending December 31, 2025.

The record date for the next year-end dividend will be December 31, 2025.

3. Changes to shareholder incentive plan

(1) Reason for changing shareholder incentive plan

The Company considers it important to increase retained earnings that allow the strengthening of its business structure and prepare for aggressive business development in the turbulent Internet industry, while it also recognizes that returning profits to shareholders is an important management issue. This time, it carefully reviewed the shareholder incentive plan from the perspective of fair distribution of profits to shareholders and decided to partially revise the plan and allocate the cash generated from the revision to dividend payment in order to ensure a more direct return of profits to shareholders.

(2) **Details of change in the shareholder incentive plan**

| Before change | After change |
|---|---|
| Gift of point/coupon corresponding to number of shares of the Company's stock held by eligible shareholder A. Osaipo! Points B. minne Coupons C. GMO Points | <u>To be abolished</u> |
| Cashback on entire amount of trading commission fees for purchases of shares in the Company at GMO CLICK Securities Target trading: Spot transaction, new margin buying transaction and margin repayment buying transaction | <u>Cashback on trading commission fees up to 10,000 yen</u> for purchases of shares in the Company at GMO CLICK Securities Target trading: Spot transaction, new margin buying transaction and margin repayment buying transaction |
| Cashback on trading commission fees for target trading at GMO CLICK Securities, up to the upper limit corresponding to the number of shares held by the eligible shareholder Target trading: Spot transaction, margin transaction, futures/option transaction, investment trust (limited to fees at the time of purchase), FX neo transaction and Click365 transaction | <u>To be abolished</u> |

*There will be no change in share allotment condition (continuous holding) for the shareholder incentive plan: The share allotment condition is continuous holding of no less than one unit of shares (100 shares) for at least 6 months. This means that an eligible shareholder holding no less than one unit of shares should be continuously registered or recorded on the shareholder registry under the same shareholder number on record dates (December 31 and June 30) and for the six-month periods preceding the record dates. To confirm the continuous holding of no less than one unit of shares, the Company checks the status of shareholding on any given day, other than record dates.

(3) **Time of change of shareholder incentive plan**

The content of the shareholder incentive plan will be changed as of the record date on June 30, 2025.