

March 21, 2025

For Immediate Release

Company name	GMO Pepabo, Inc.
Representative	Kentaro Sato, Representative Director and CEO (Securities code: 3633, TSE Standard Market)
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Matters Concerning Controlling Shareholders, Etc.

GMO Pepabo, Inc. (the “Company”) hereby announces matters concerning controlling shareholders, etc. with respect to GMO Internet Group, Inc., which is the Company's parent company. Details are as follows.

1. Business name etc. of parent company, controlling shareholder (other than parent company), or other affiliated company

(As of December 31, 2024)

Name	Attribute	Percentage of voting rights (%)			Financial instruments exchange, etc. on which issued share certificates are listed
		Voting rights directly held	Voting rights indirectly held	Total	
GMO Internet Group, Inc.	Parent company	57.5	2.0	59.6	Tokyo Stock Exchange, Inc. (Prime Market)

2. Positioning of the listed company in the corporate group of the parent company, etc. and relationship between other listed companies and the parent company, etc.

GMO Internet Group, Inc., which is the Company's parent company, is the Company's largest shareholder holding 59.6% of the Company's voting rights as of December 31, 2024, and is engaged in Internet infrastructure business, online advertising and media business, Internet finance business, cryptoassets business, and incubation business.

- (1) Positioning of the listed company within the corporate group of the parent company, etc.

The Company engages in some of the same businesses as several group companies of the parent company; however, the Company provides many communication tools for individuals to express themselves through their creative activities and hobbies and has operated internet services for various needs, especially lower-end products for individuals, the self-employed, and small-sized businesses.

Meanwhile, the other group companies of the parent company provide many high-performance, multi-functional services for communicating corporate information targeted at corporations and conduct business globally through the Internet and the Company sets itself apart from them because its target, price range and basic performance are different.

- (2) Interlocking directorates with the corporate group of the parent company, etc.

As of December 31, 2024, one of the Company's ten Directors (includes four directors who are Audit Committee Members) was currently serving as an officer of GMO Internet Group, Inc. which is the parent

company, and its group companies. The position at the Company, the name of the officer, and the positions at such companies are as follows.

(Interlocking directorates)

(As of December 31, 2024)

Position	Name	Position at the parent company, etc. or its group companies	Reason for assumption of the position
Chairperson of the board of directors (part-time)	Masatoshi Kumagai	<ul style="list-style-type: none"> ■ Parent company GMO Internet Group, Inc. Founder, Chairman and Group CEO ■ Affiliated companies of the parent company Chairman of the Board, GMO Payment Gateway, Inc. Chairman of the Board, GMO AD Partners Inc. Chairman of the Board, GMO HOSTING & SECURITY, INC. Chairman of the Board, GMO Research & AI, Inc. Chairman of the Board, GMO TECH, Inc. Chairman of the Board, GMO Media, Inc. 	Masatoshi Kumagai has a wealth of experience and knowledge about the management and business strategies of the GMO Internet Group and he was appointed in order to obtain advice on all aspects of management from a broad perspective with specialist expertise.

(3) Transactions with the corporate group of the parent company, etc.

The business relationship between the Company and the parent company is as stated in "3. Matters concerning transactions with controlling shareholder, etc.". Transactions with the parent company's group companies are all determined through negotiation in accordance with market principles in the same way as transactions with general companies, and do not have any impact on the Company's overall business.

(4) Ensuring independence from the parent company, etc.

The Company engages in some of the same businesses as several group companies of the parent company but clearly sets itself apart from them in terms of target, price and basic performance and there is no obstruction to the Company's business activities from the corporate group of the parent company, etc.

The Company does not conduct business operations based on instructions or approval from the parent company's corporate group. Rather, the Company makes and executes decisions independently based on the judgment of its management team, which consists mainly of independent officers and full-time officers with no risk of a conflict of interest with general shareholders.

3. Matters concerning transactions with controlling shareholders, etc.

(From January 1, 2024 to December 31, 2024)

Type	Name of company, etc. or person	Address	Share capital or capital contribution (thousand yen)	Description of business or occupation	Percentage of voting rights (owned) (%)	Relationship with related party	Description of transaction	Transaction amount (thousand yen)	Item	Balance at end of the period (thousand yen)
Parent company	GMO Internet Group, Inc.	Shibuya-ku, Tokyo	5,000,000	Comprehensive internet business	(Owned) 59.6 (2.0)	Acceptance of services, etc. interlocking directorate 1	Payment of domain registration fee (Note (1))	1,400,542	Accounts payable - other	9,003
							Loans of funds (Note (2))	1,834,615	Deposits paid to subsidiaries and associates	2,100,000

(Note) Terms of business and policies for determining terms of business, etc.

- (1) Terms of business are determined through negotiation based on comprehensive consideration of a range of factors including the size of the transaction, in the same way as transactions with companies with which the Company is not affiliated.
- (2) Loans of funds are related to the CSM (cash management service) and the interest rate is determined reasonably, taking market interest rates into consideration. The transaction amount is the average outstanding balance during the period.

4. Implementation status of measures to protect minority shareholders in conducting transactions with controlling shareholder

In conducting transactions with the controlling shareholder, the Company carefully examines, at the start of a new transaction and at renewal of an existing transaction, the need for the transaction, the terms of business and the method used to determine them, including making comparisons with transactions conducted with third parties, with a view to protecting minority shareholders.