

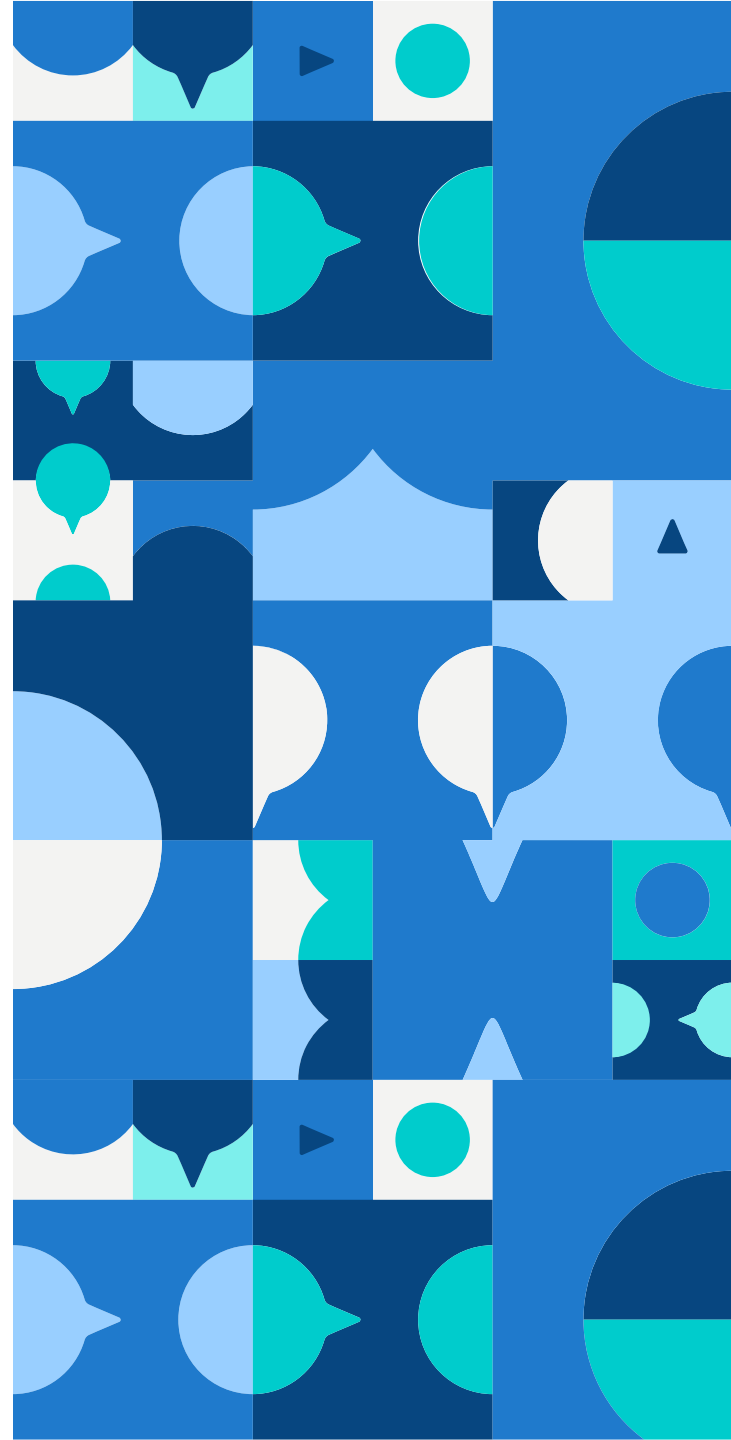


Fiscal Year 2023 First Quarter

Results Presentation

GMO Pepabo, Inc.

Stock code: 3633 (TSE Prime Market)



Sales rose and profit fell from a year ago.

- Although there was an increase in the amount of purchases on invoices in FREENANCE, a large amount of receivables became in arrears.
- The recurring-type business achieved solid sales, enjoying the effect of a price revision.

AI-based functions were released.

- We focused on applying AI to services in anticipation that the day would come within several years when AI would be commonplace.
- In Lolipop!, we offered functions for creating a code for a website and for uploading in a single-click operation.
- In Color Me Shop, SUZURI and minne, we released a function of automatically generating texts for explaining products and texts to be posted on social media.
- In GMO Renshu, we released the first function among the money collection and communication services for teams and learning classes.



AGENDA

- Summary of Results in Q1 FY2023 Page 3
- Progress against Forecast for FY2023 Page 28
- Swift Response to AI Technologies Page 33

Summary of Results in Q1 FY2023

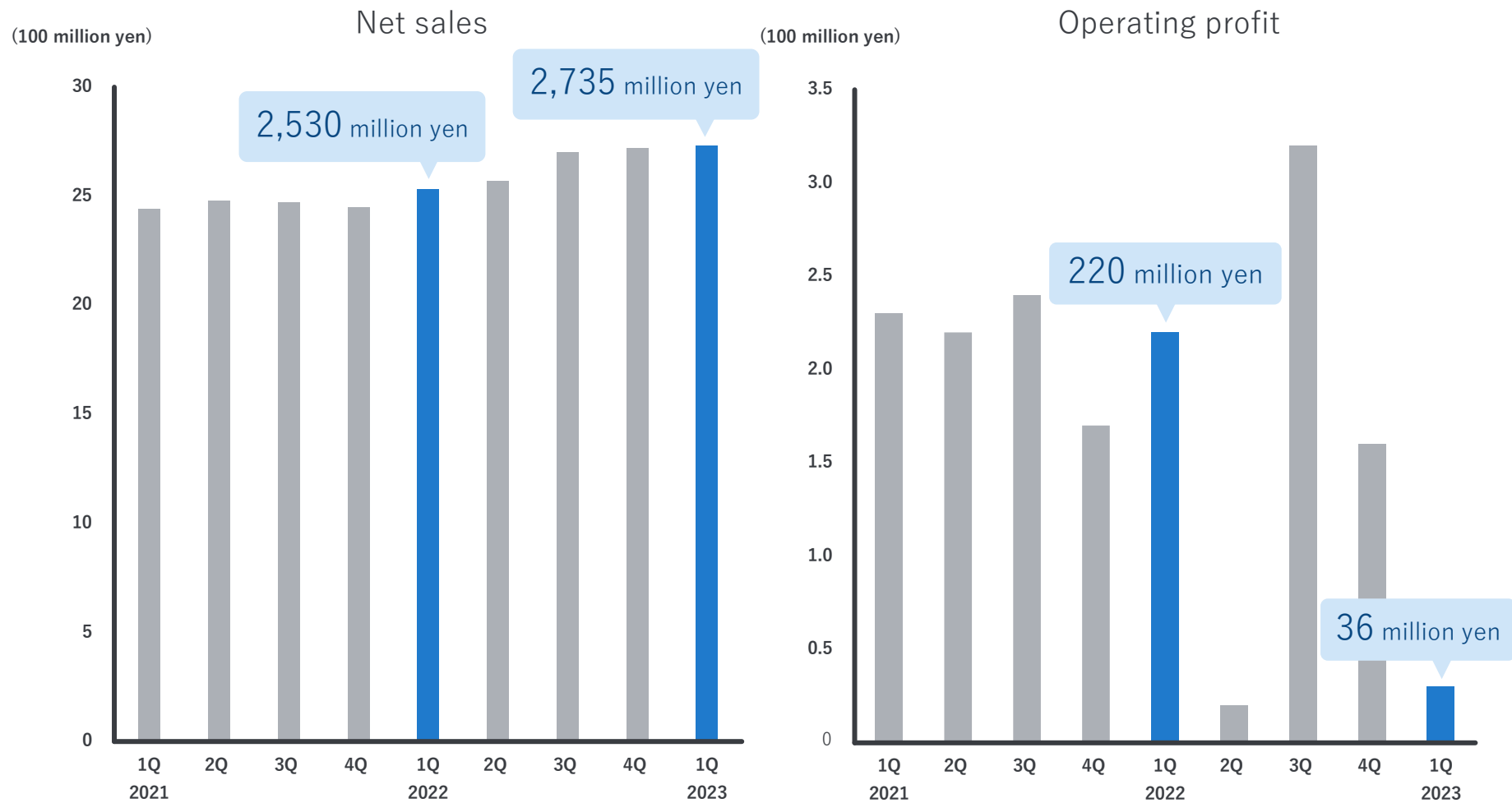
Net sales increased 7.9% year on year, hitting a record high.

Operating profit rose 16.0% year on year, after bad debt-related expenses were recorded due to a large amount of receivables in arrears.

Ordinary profit surged 44.0% year on year after a gain on valuation of investment securities was posted.

(Million yen)	Q1 FY2022 (three months)	Q1 FY2023 (three months)	Change	YoY
Net sales	2,535	2,735	+199	107.9%
Operating profit	225	36	-189	16.0%
Operating profit margin (%)	8.9	1.3	—	—
Ordinary profit	237	104	-133	44.0%
Profit attributable to owners of parent	170	41	-128	24.3%

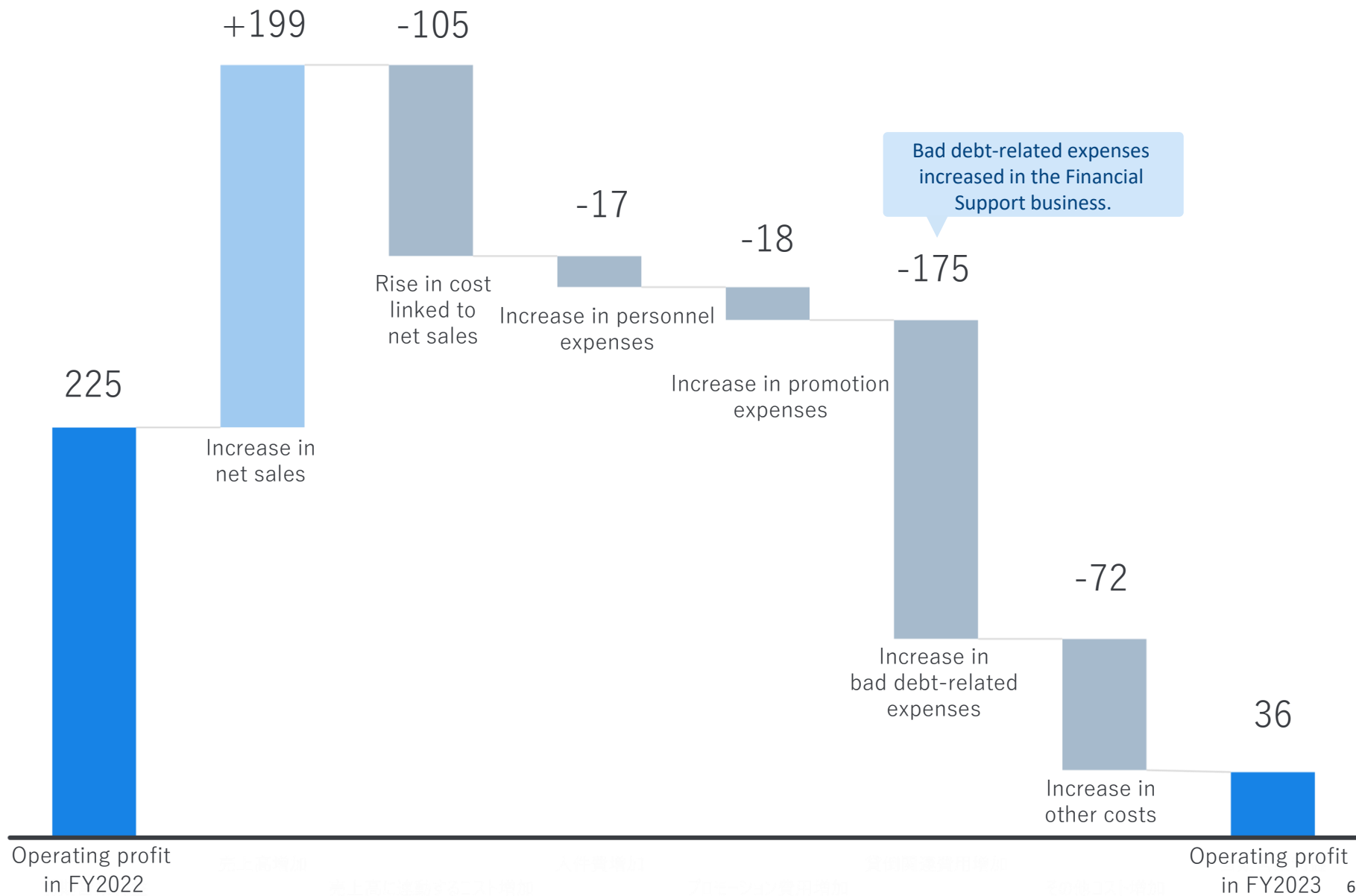
Net sales hit a record high.



* The figures for the year ended December 31, 2021 are unaudited figures after application of the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and guidance.

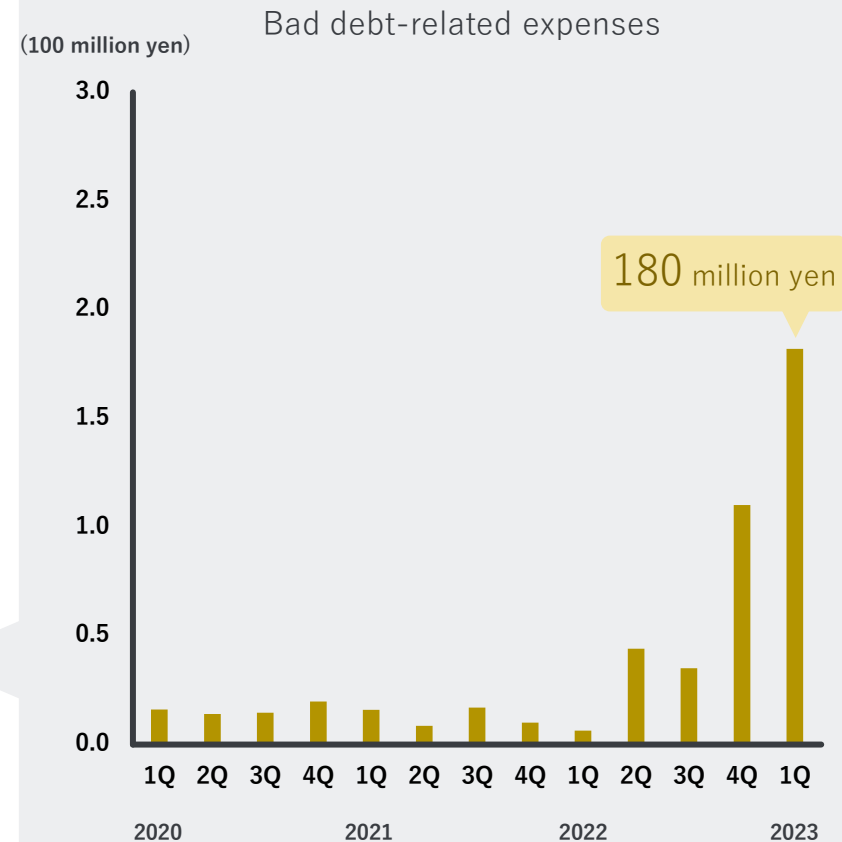
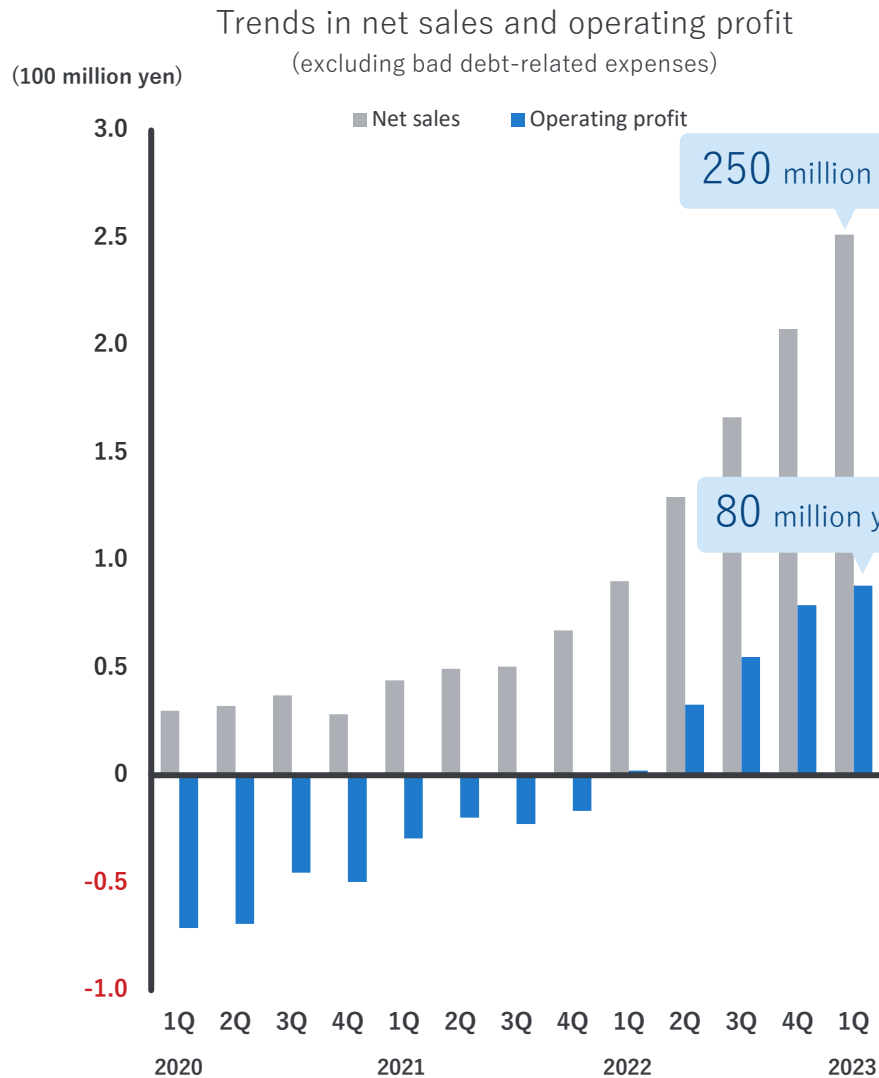
Analysis of Change in Operating Profit

(Million yen)



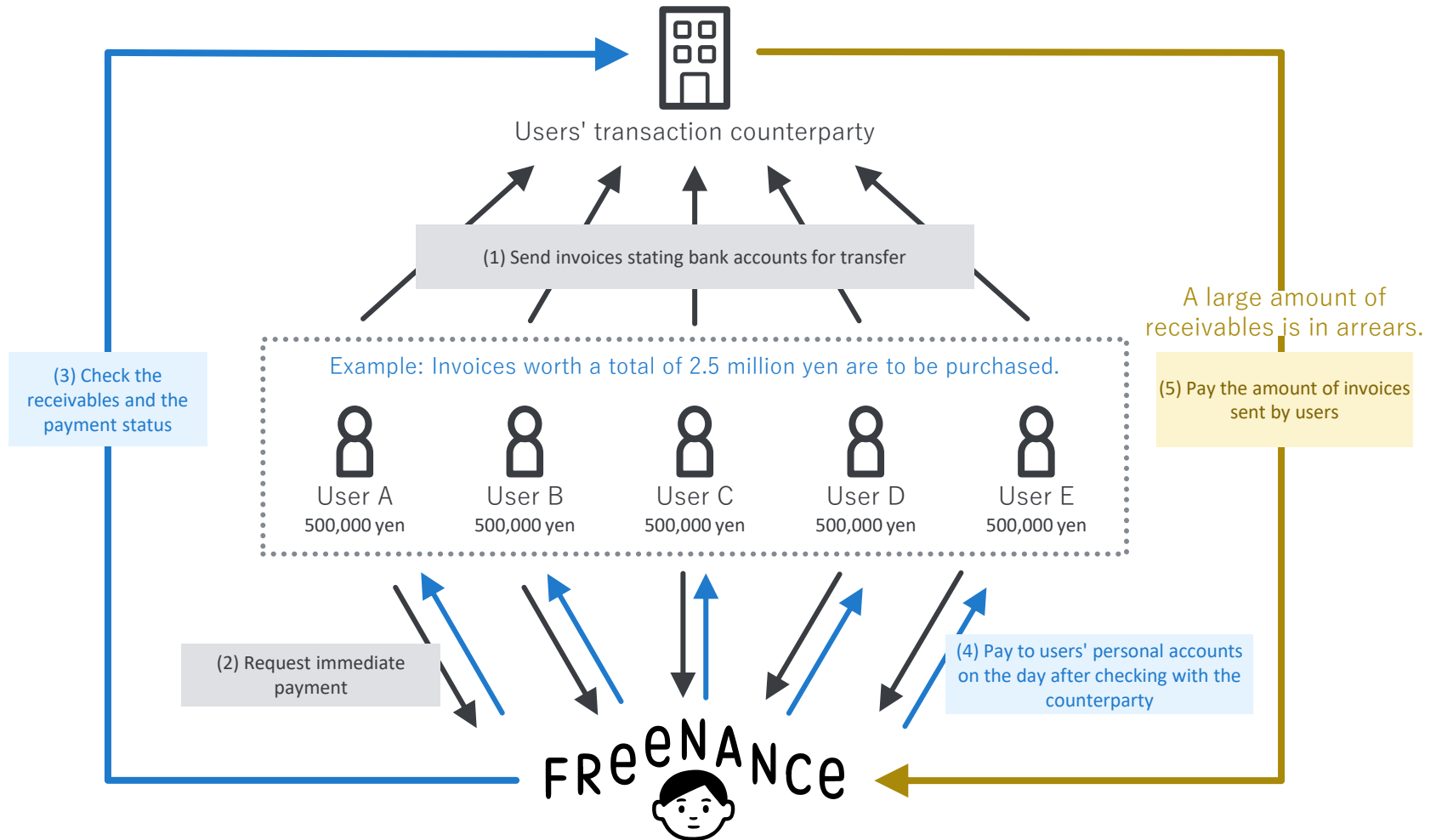
Trends in Net Sales and Operating Profit in Financial Support Business (excluding bad debt-related expenses)

Excluding bad debt-related expenses, operating profit was increasing.



Schematic of Increase in Amount of Purchases of Invoices in Three-Party Transactions in FREENANCE

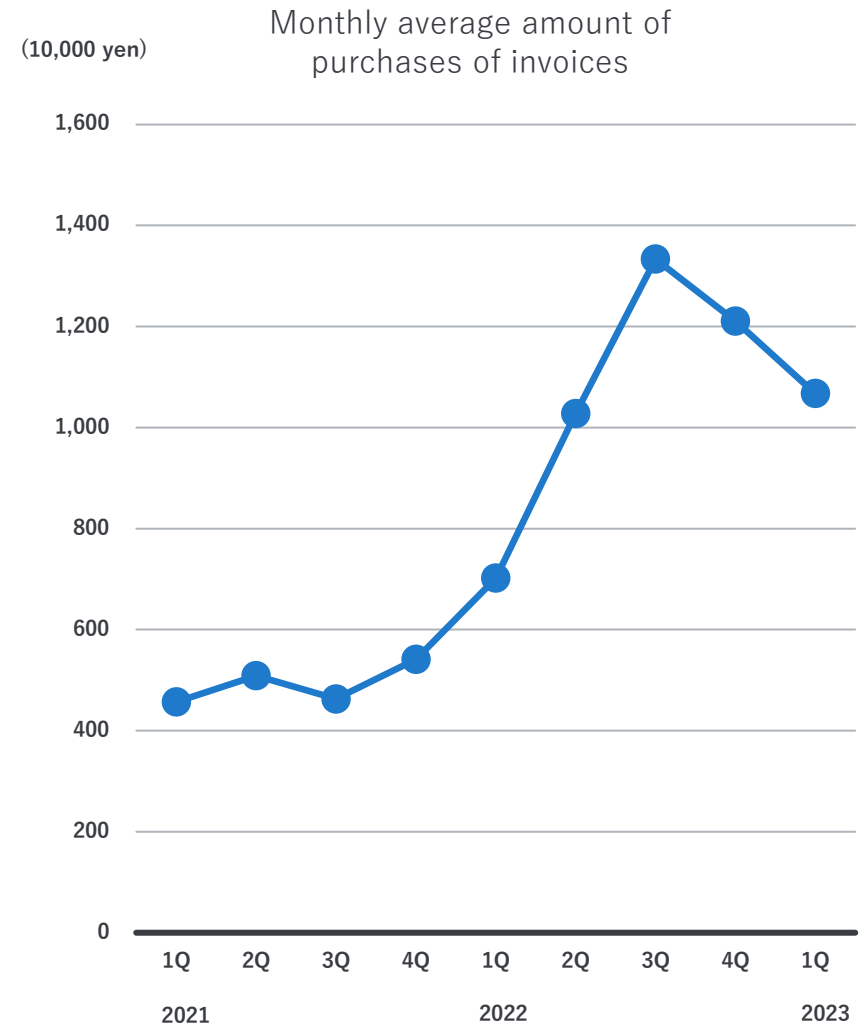
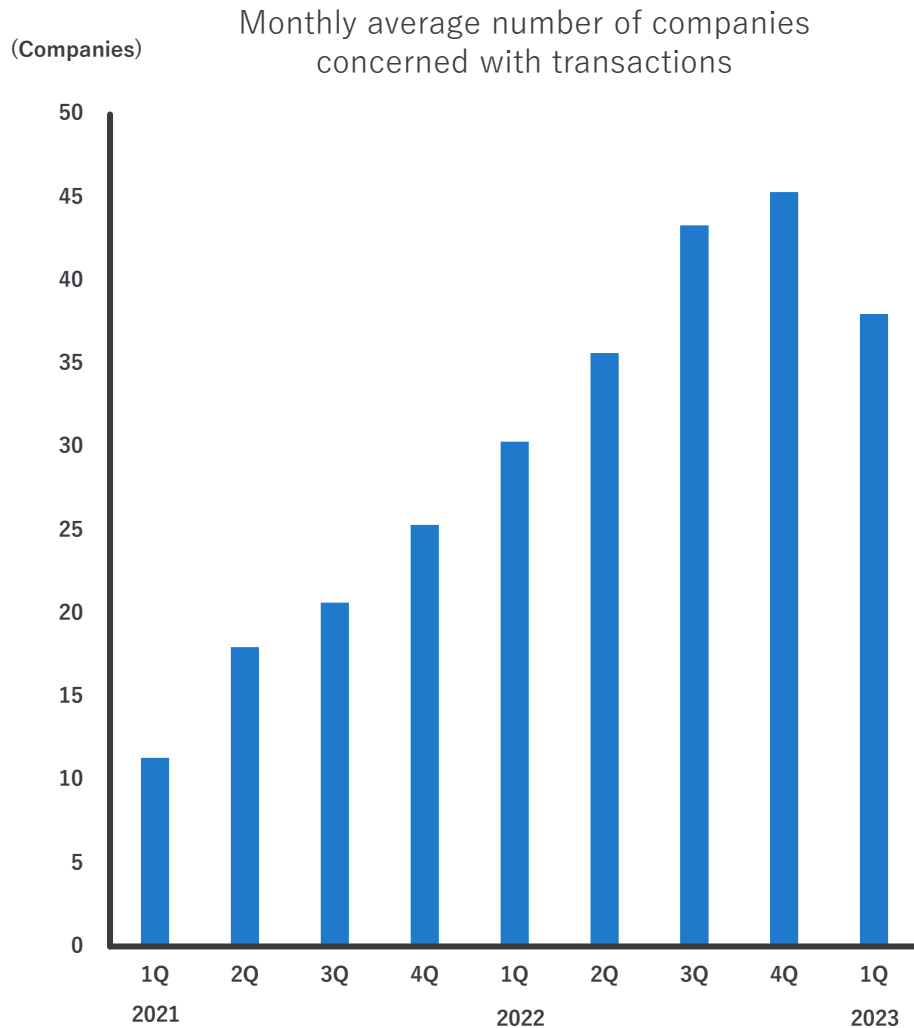
In transactions between FREENANCE, users (*) and their corporate transaction counterparties, the amount of purchases of invoices issued by the same company increased.



* Users: referring mainly to freelance self-employed workers and small businesses

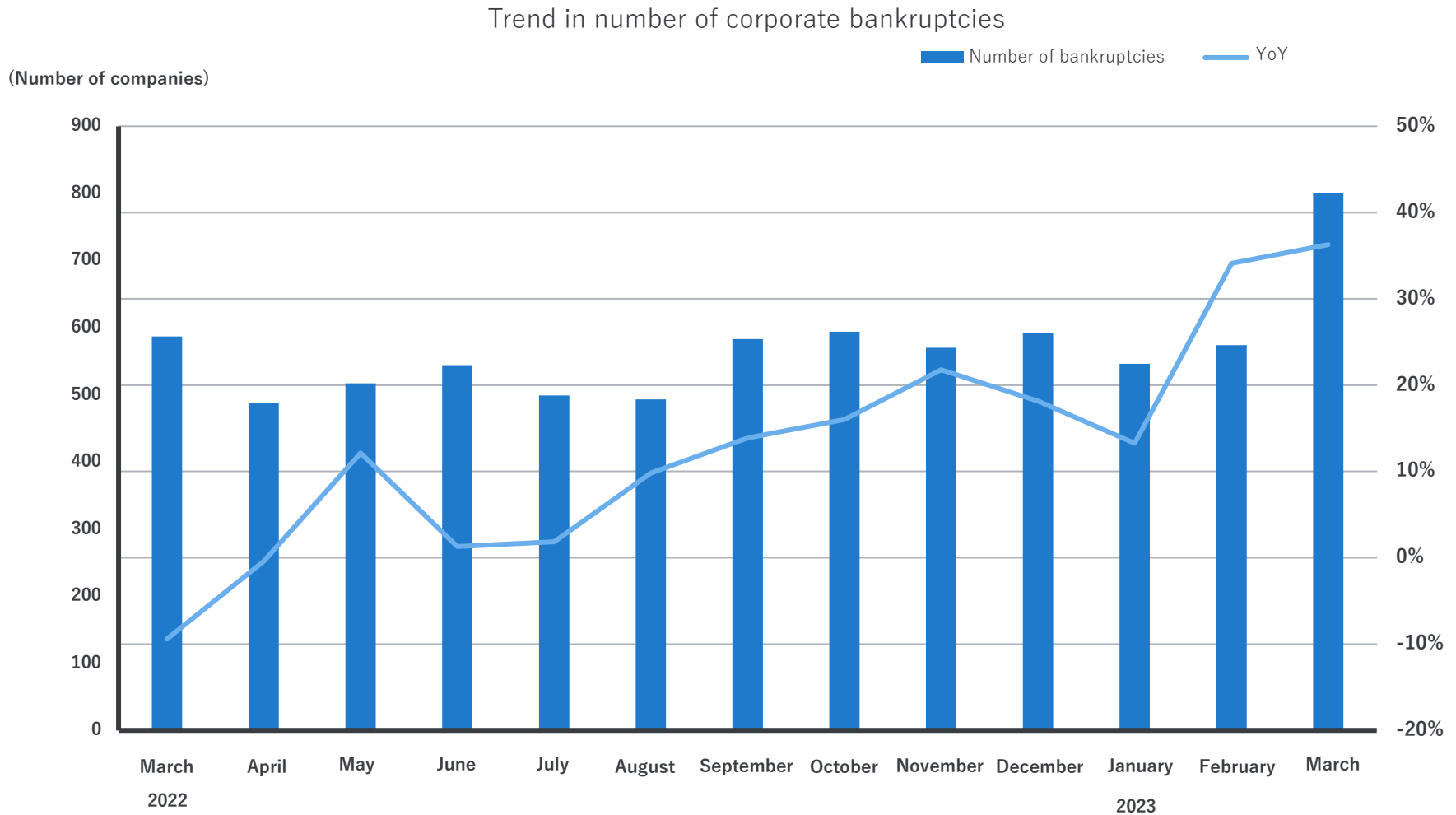
Number of Companies and Average Amount of Purchase of Invoices in Three-Party Transactions in FREENANCE

Increases in the number of companies involved in transactions and in the average amount of purchases of invoices increased the impact of receivables in arrears on results. We strengthened our management systems for the future.



Trend in Number of Corporate Bankruptcies in Japan (according to Teikoku Databank)

The number of corporate bankruptcies in Japan is on the increase.



* Source: Teikoku Databank, Ltd.

A rise in amount of purchases on invoice accounted for part of the large receivables in arrears and then to a surge in bad debt-related expenses.

To control the risk, we strengthened our management and examination systems.

Main factors

Deterioration of current business confidence due to corporate bankruptcies and other factors

Grasp the situation and collect objective information from Teikoku Databank and other sources

Lack of monitoring of additional credit information of parties concerned with continual transactions

Conduct regular credit examinations to gain information about parties concerned with transactions

Lack of measures to address the increase of tripartite factoring transactions

Set a credit limit on purchases of invoices and review the operation (Credit limit, commission, and others)

Net sales were brisk, enjoying the effect of price revision.

Hosting	Net sales:	1,369 million yen	(103.8 %)
	Operating profit:	426 million yen	(94.4 %)

Sales at SUZURI fell short of the forecast whereas sales at Color Me Shop grew 15%.

E-commerce Support	Net sales:	700 million yen	(105.5 %)
	Operating profit:	163 million yen	(93.2 %)

Gross merchandise value dropped year on year and infrastructure and other costs increased.

Handmade Products	Net sales:	413 million yen	(89.7 %)
	Operating profit:	27 million yen	(55.8 %)

Net sales rose after a sharp rise in the amount of purchases of invoices. Bad debt-related expenses occurred.

Financial Support	Net sales:	251 million yen	(278.5 %)
	Operating profit:	-93 million yen	(Down 89 million yen)

Note: The figures in parentheses are year-on-year changes.

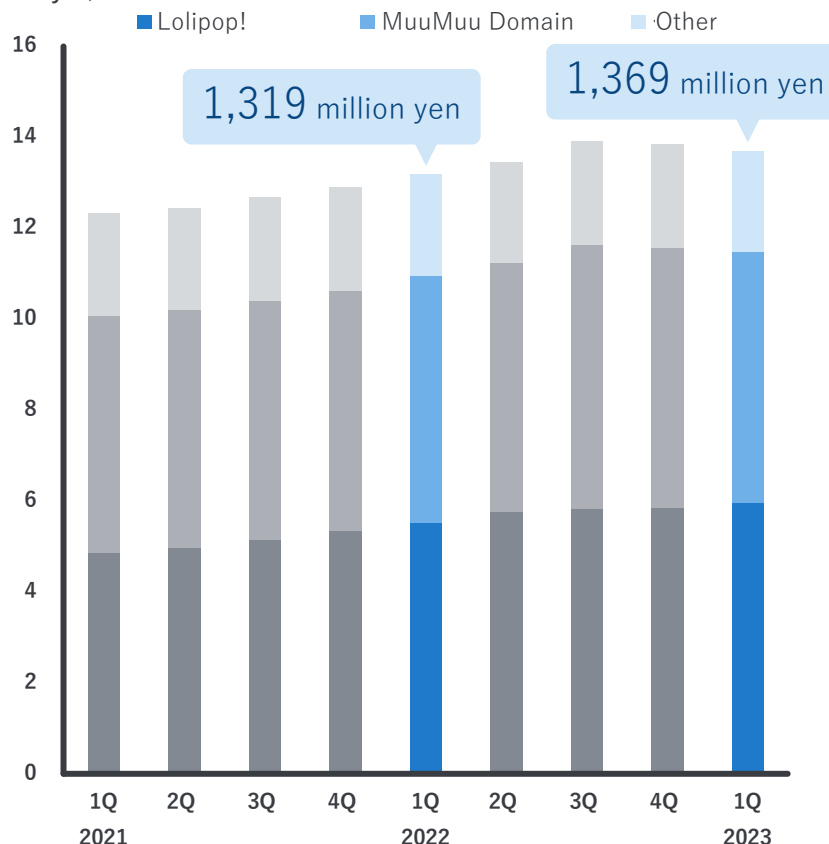
* Starting January 2023, the website creation service Goope was transferred from the E-commerce Support segment to the Hosting segment.
To simplify comparisons between periods, Goope has been listed under the Hosting segment for financial results for FY2021 and for FY2022.

Hosting business

Three months Net sales: **1,369 million yen** (up 3.8% year on year)
 Operating profit: **426 million yen** (down 5.6% year on year)

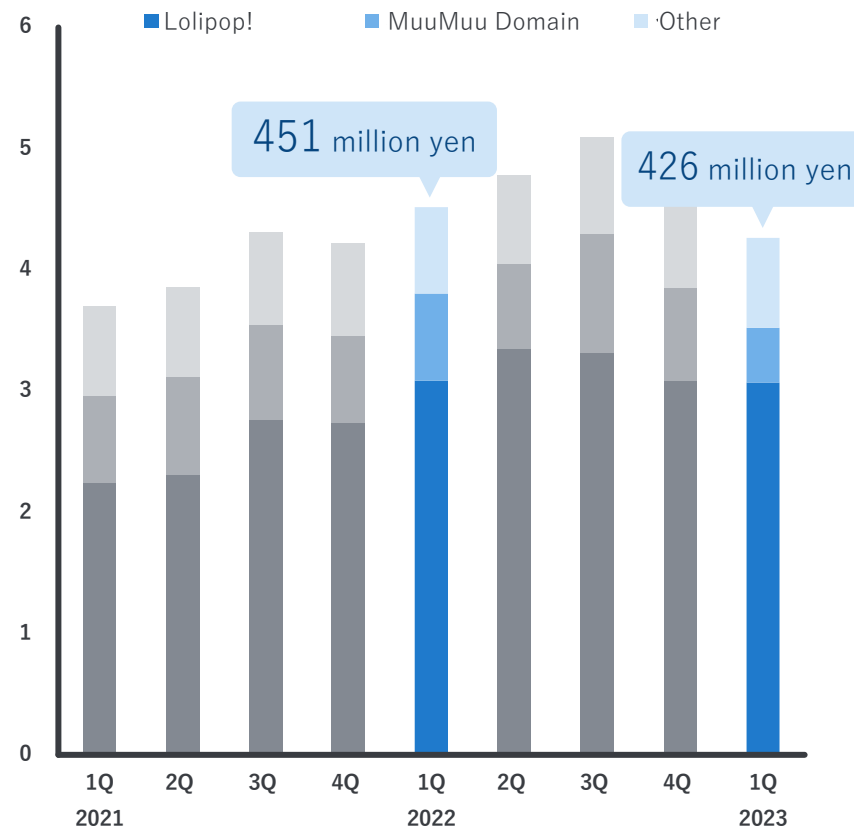
Net sales

(100 million yen)



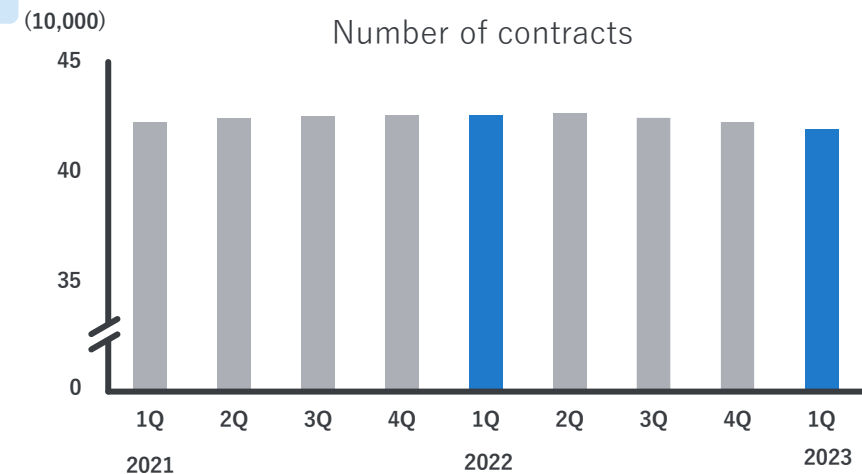
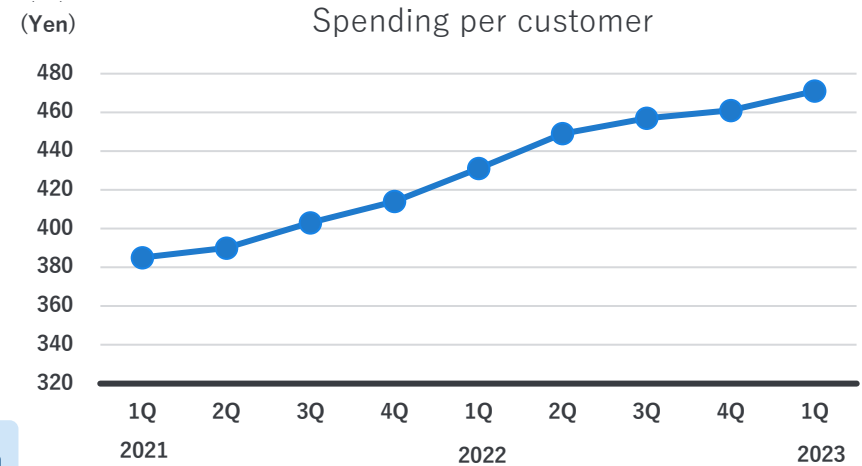
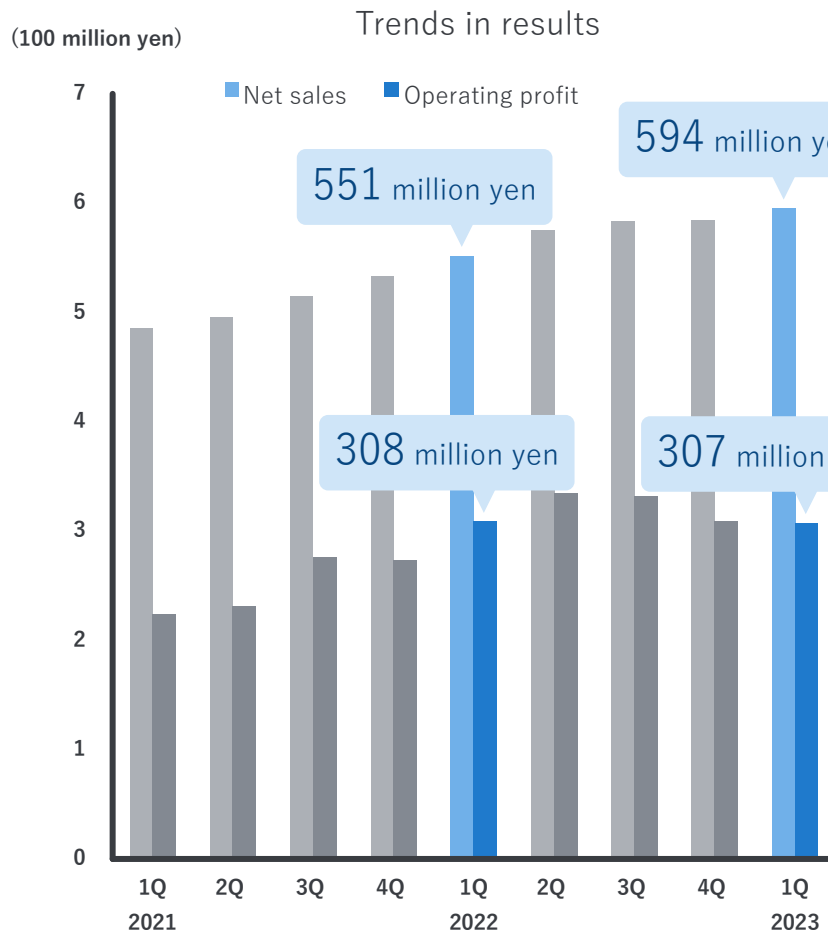
Operating profit

(100 million yen)



* Starting January 2023, the website creation service Goope was transferred from the E-commerce Support segment to the Hosting segment. To simplify comparisons between periods, Goope has been listed under the Hosting segment for financial results for FY2021 and for FY2022.

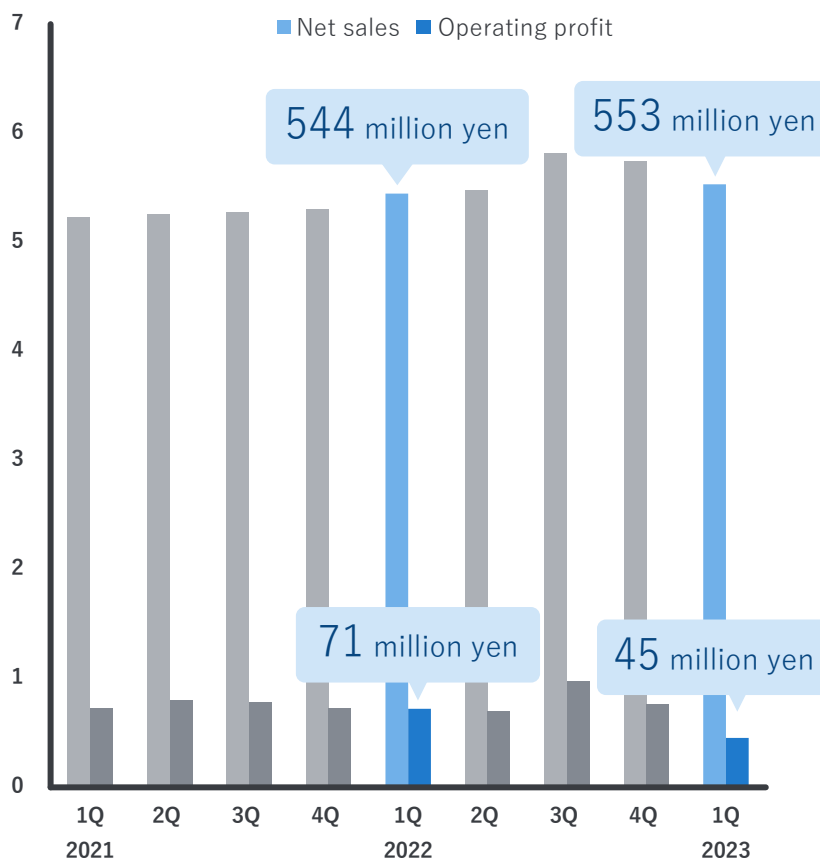
Three months Net sales: **594 million yen** (up 7.8% year on year)
 Operating profit: **307 million yen** (down 0.5% year on year)



Three months Net sales: **553 million yen** (up 1.6% year on year)
 Operating profit: **45 million yen** (down 37.2% year on year)

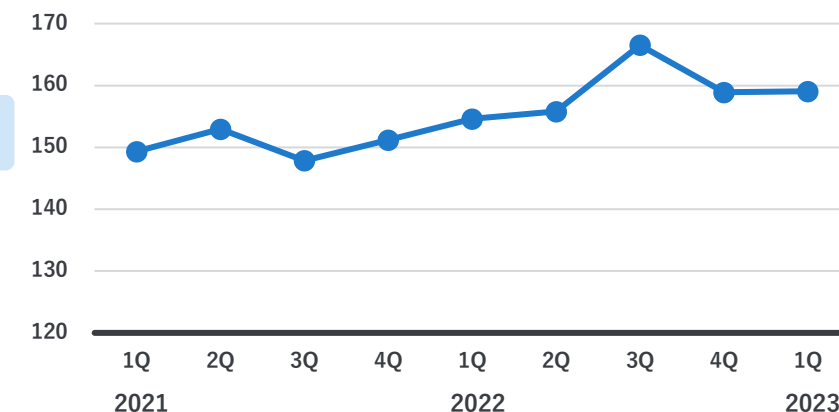
(100 million yen)

Trends in results



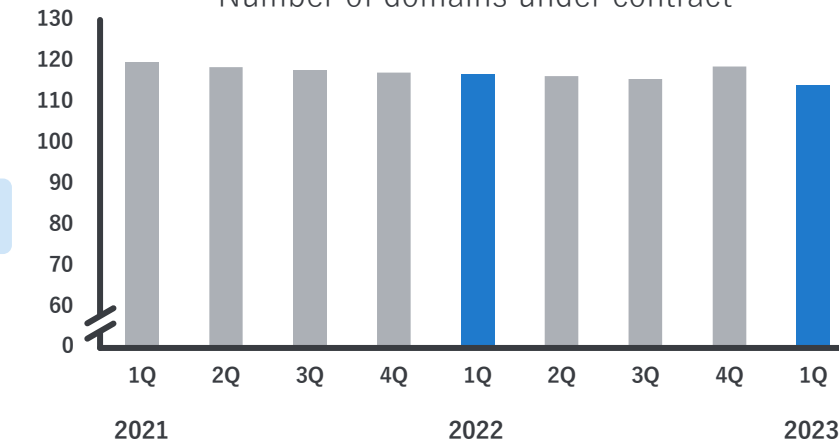
(Yen)

Average price of domains under contract



(10,000)

Number of domains under contract



E-commerce Support business

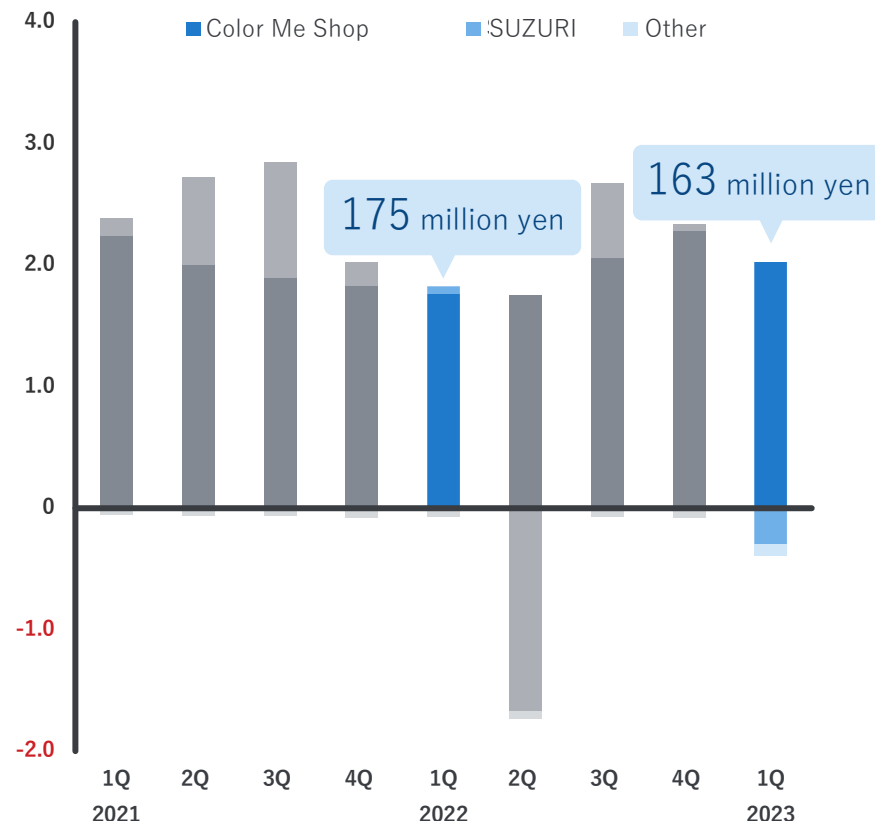
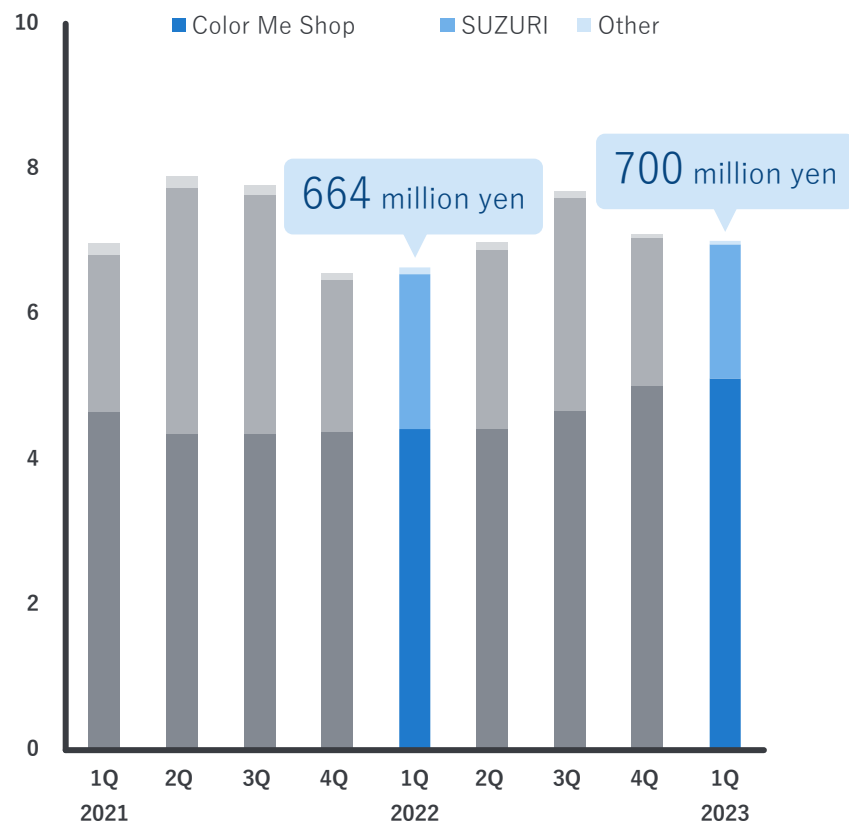
Three months Net sales: **700 million yen** (up 5.5% year on year)
 Operating profit: **163 million yen** (down 6.8% year on year)

Net sales

(100 million yen)

Operating profit

(100 million yen)



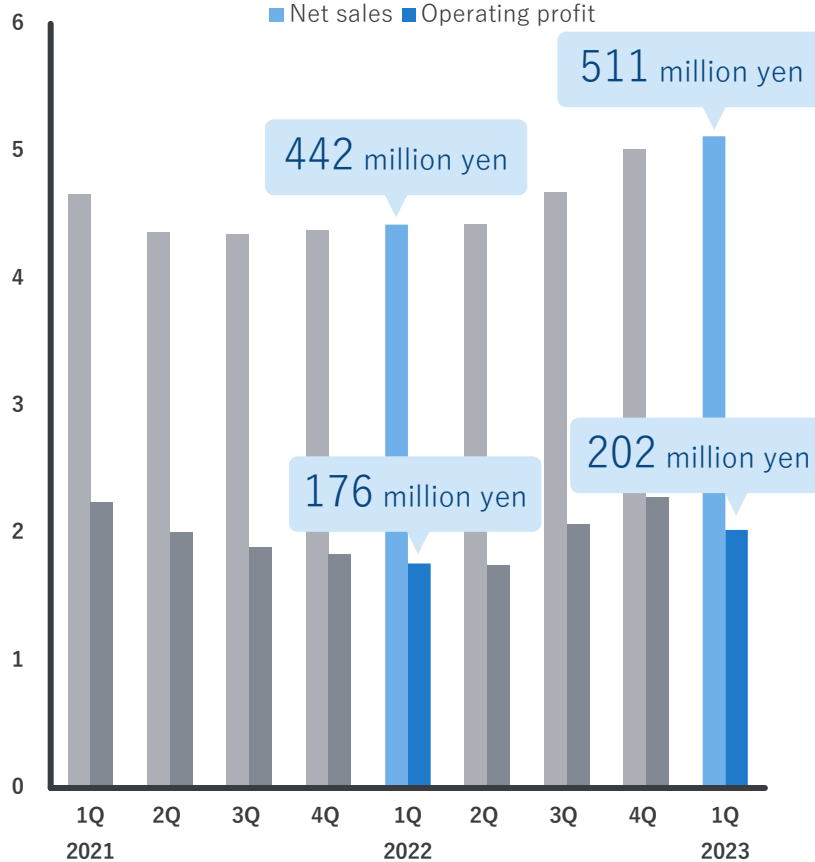
* Starting January 2023, the website creation service Goopie was transferred from the E-commerce Support segment to the Hosting segment. To simplify comparisons between periods, Goopie has been listed under the Hosting segment for financial results for FY2021 and for FY2022.

Three months	Net sales:	511 million yen	(up 15.7% year on year)
	Operating profit:	202 million yen	(up 15.0% year on year)

(100 million yen)

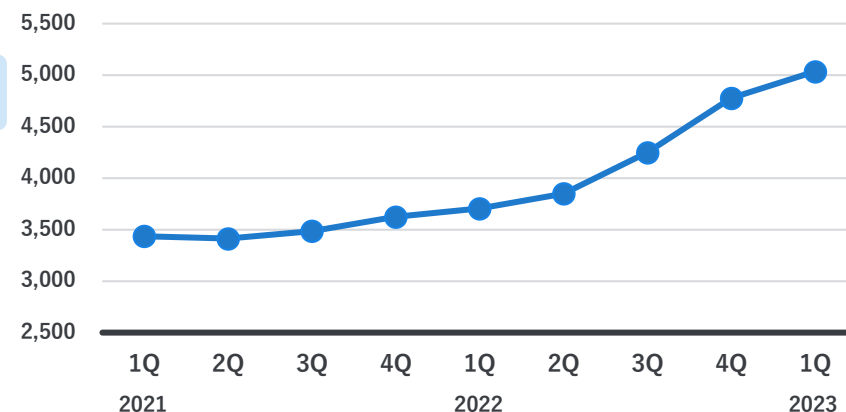
Trends in results

■ Net sales ■ Operating profit



(Yen)

Spending per customer

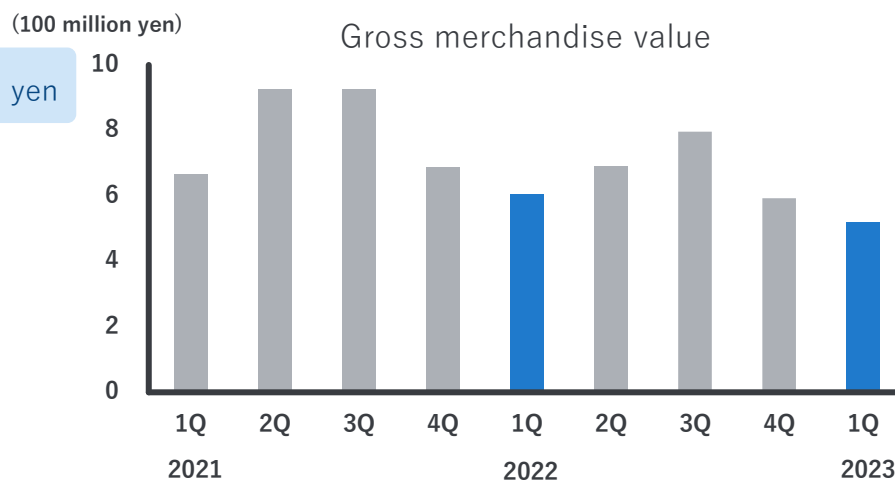
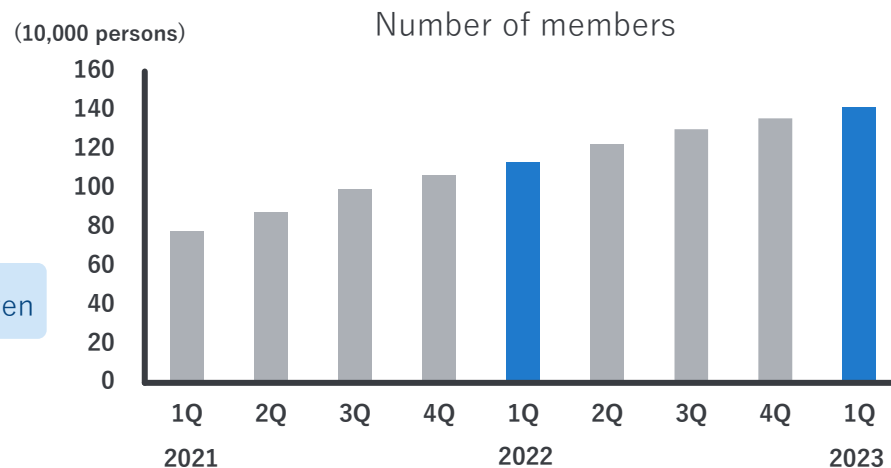
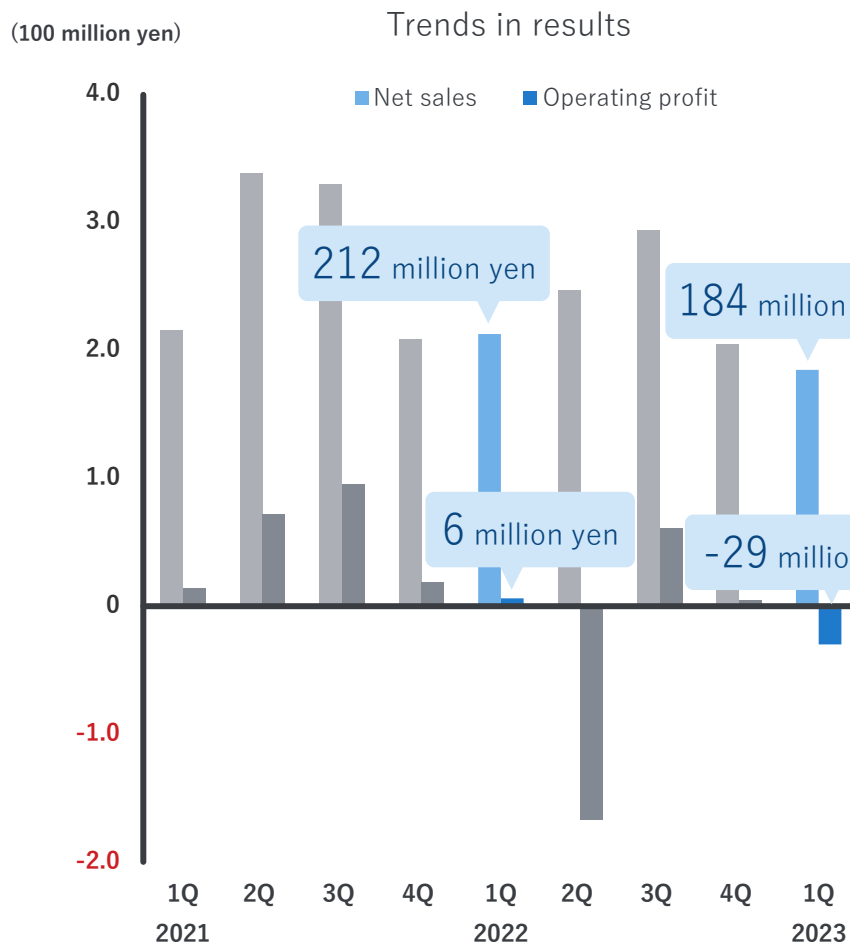


(10,000)

Number of contracts

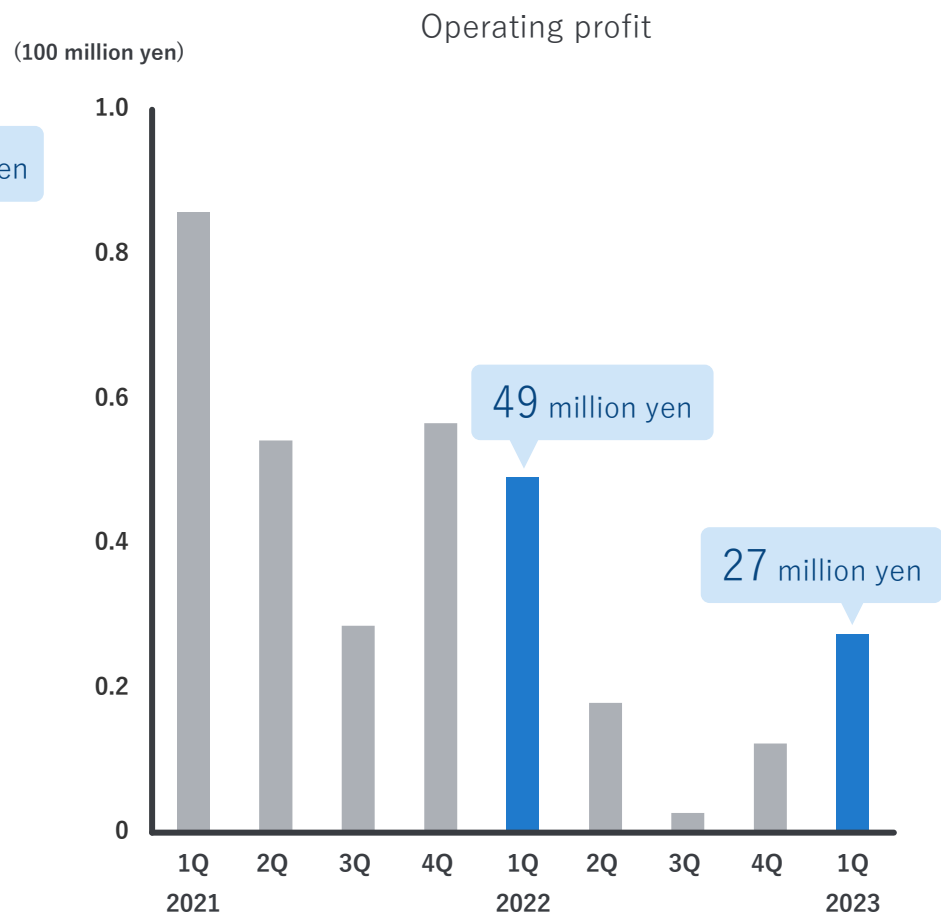
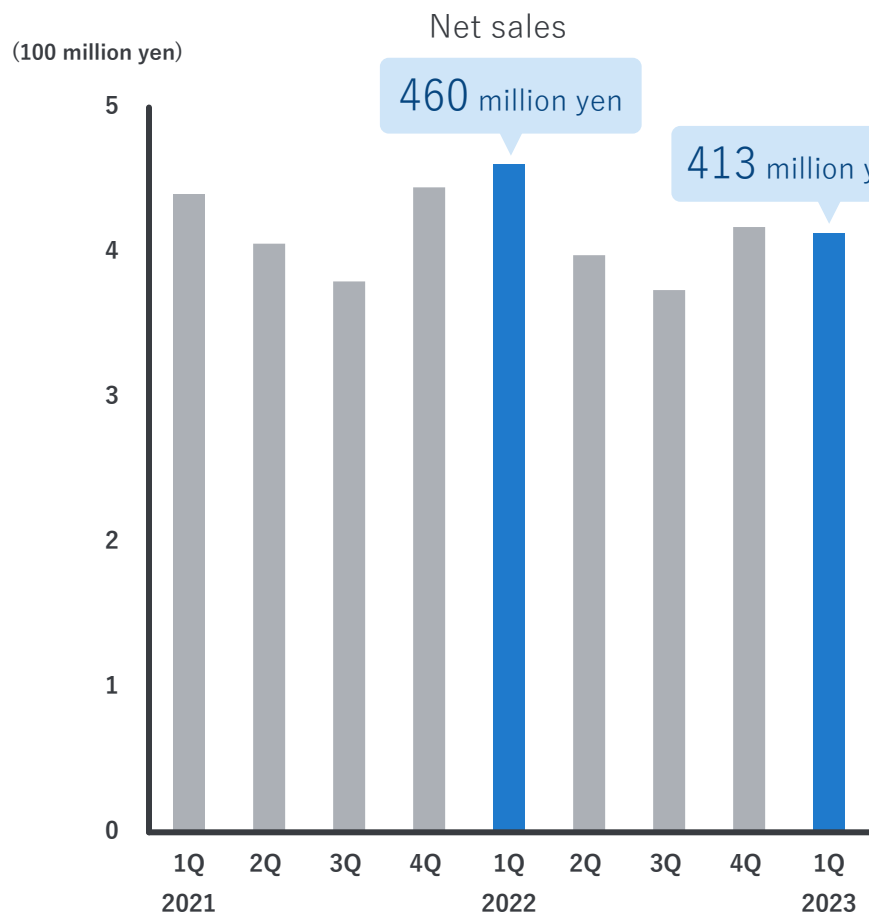


Three months Net sales: **184 million yen** (down 13.2% year on year)
 Operating profit: **-29 million yen** (down 36 million yen year on year)

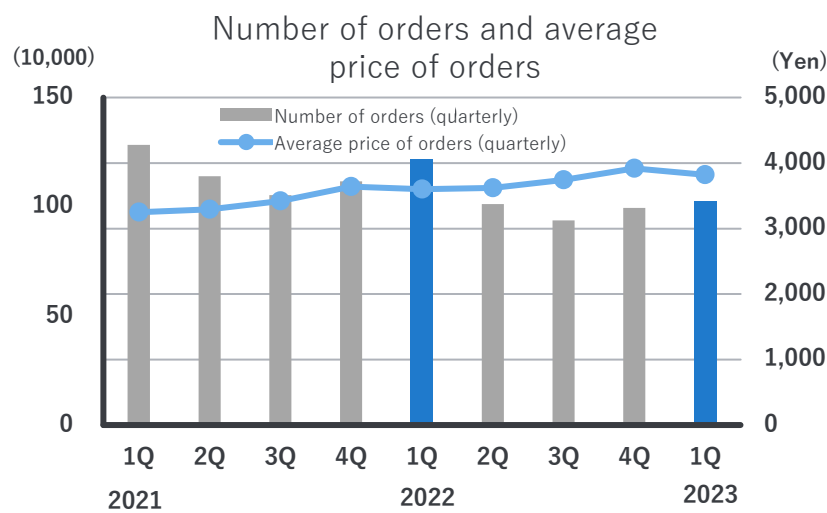
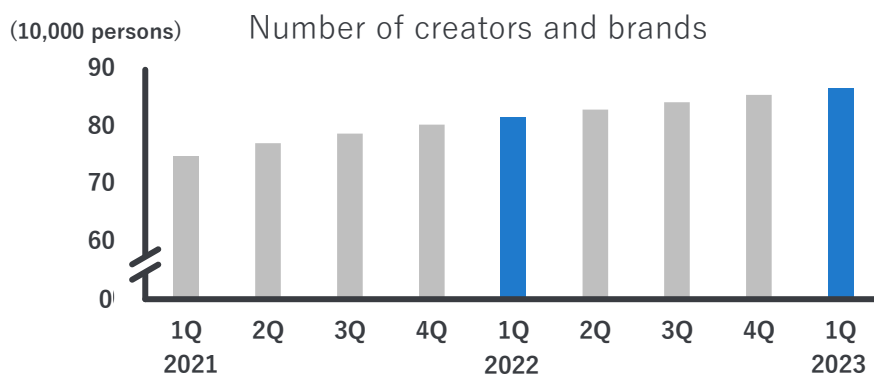
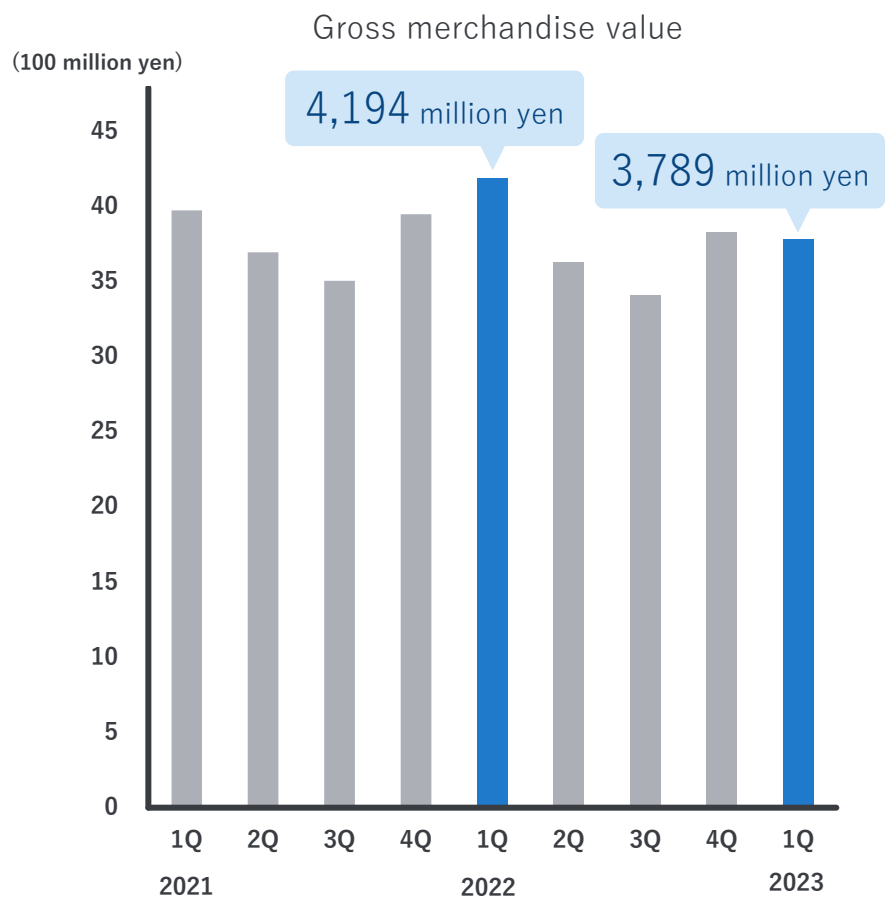


Handmade Products business

Three months	Net sales:	413 million yen	(down 10.3% year on year)
	Operating profit:	27 million yen	(down 44.2% year on year)



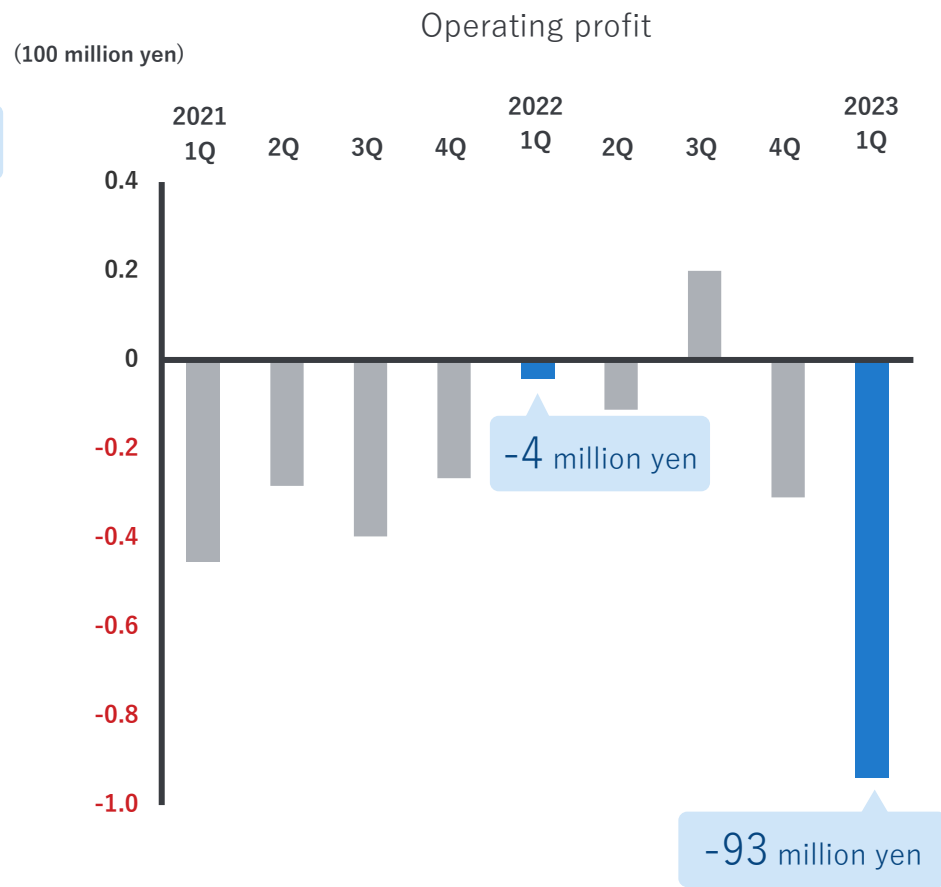
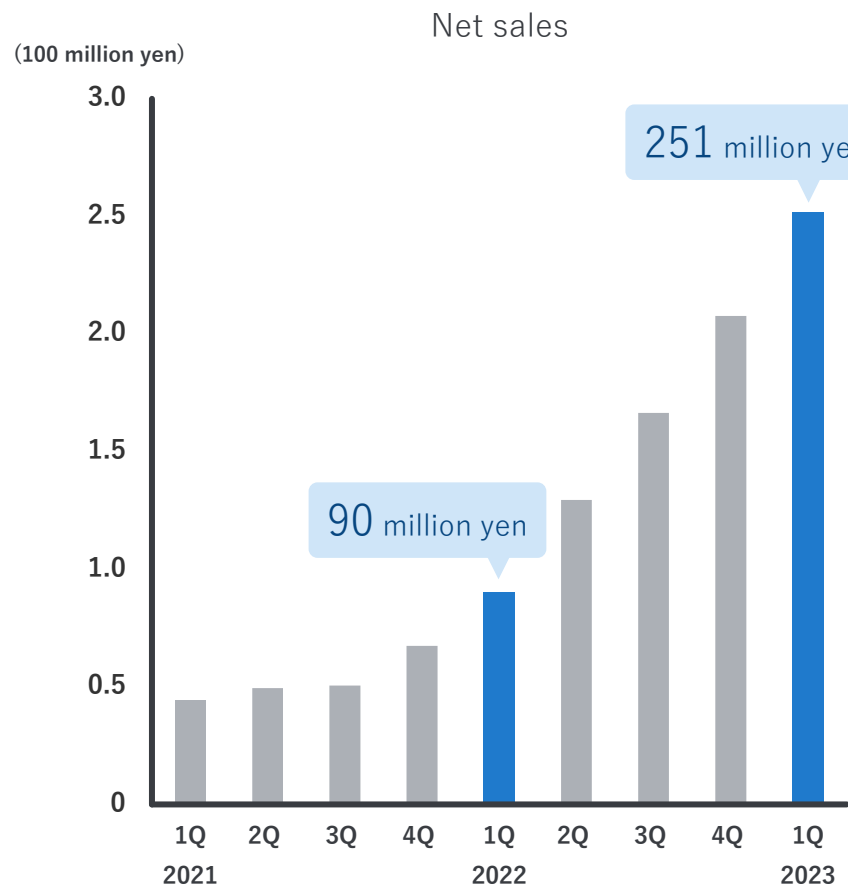
Three months	Gross merchandise value:	3,780 million yen	(down 9.7% year on year)
	Average price of orders:	3,823 yen	(up 6.2% year on year)
	Number of orders:	1.022 million	(down 16.0% year on year)



Note: Total prices (excluding taxes) (including the prices of options) of works delivered excluding merchandise delivery charges and cancellations.

Financial Support business

Three months Net sales: **251 million yen** (up 178.5% year on year)
 Operating profit: **-93 million yen** (down 89 million yen year on year)



Total amount of purchases of invoices



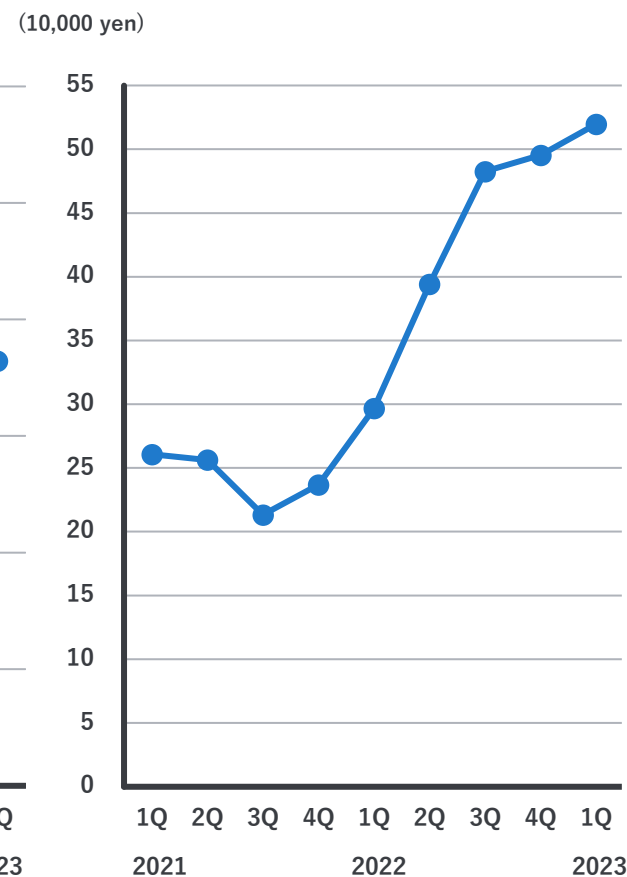
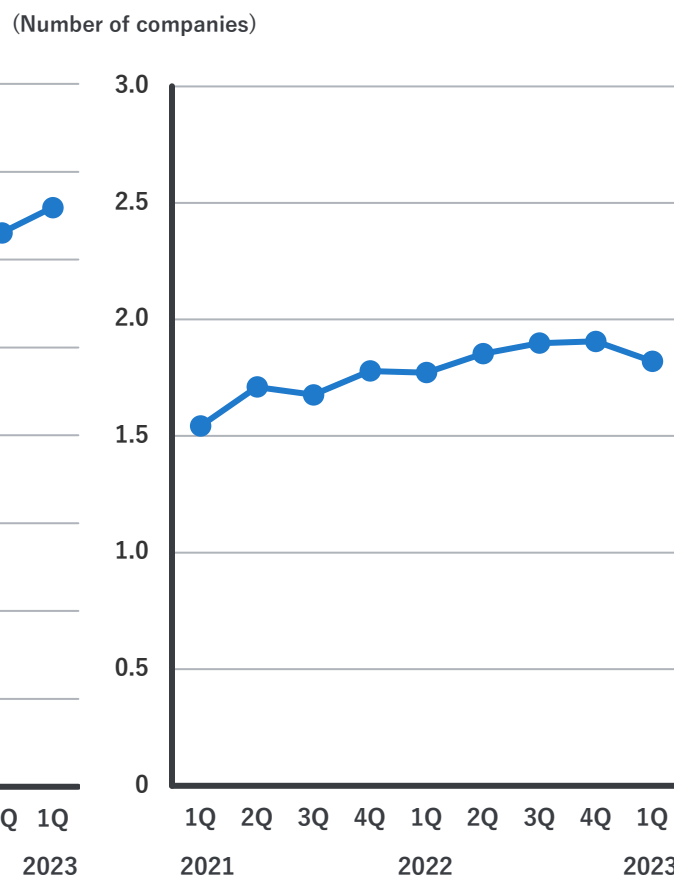
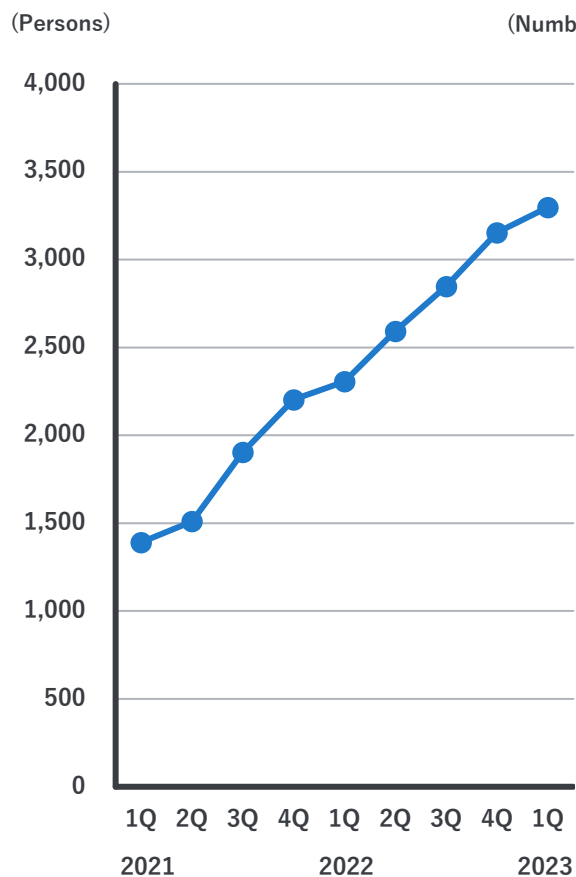
Number of users

×

Number of invoices
per user

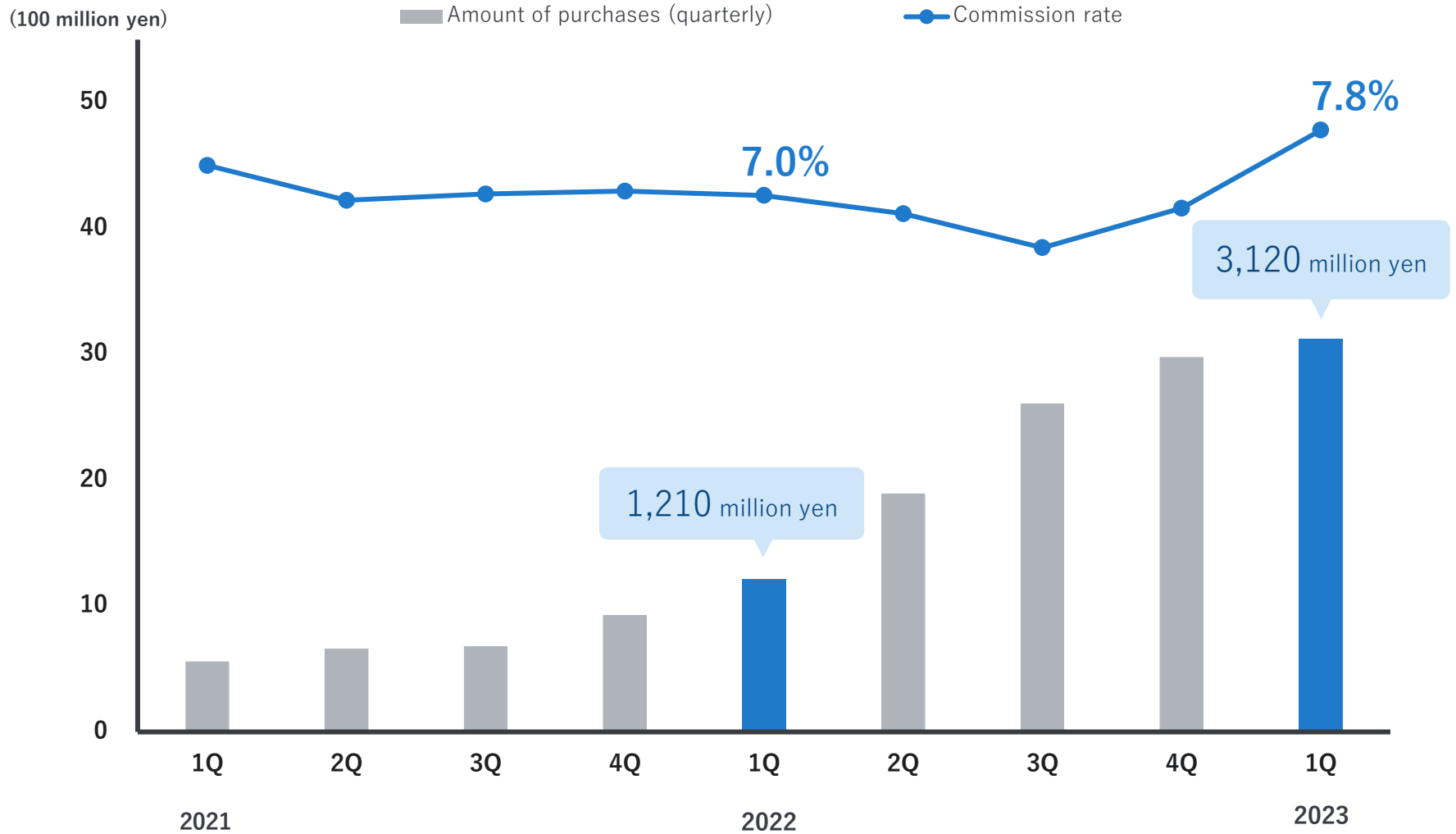
×

Average amount of purchases
of invoices



Trends in the Amount of Purchases of Invoices by FREENANCE

The number of users continued to increase, and the amount of purchases of invoices hit a record high



Progress against Forecast for FY2023

Progress in Results in FY2023 by Segment

(Million yen)

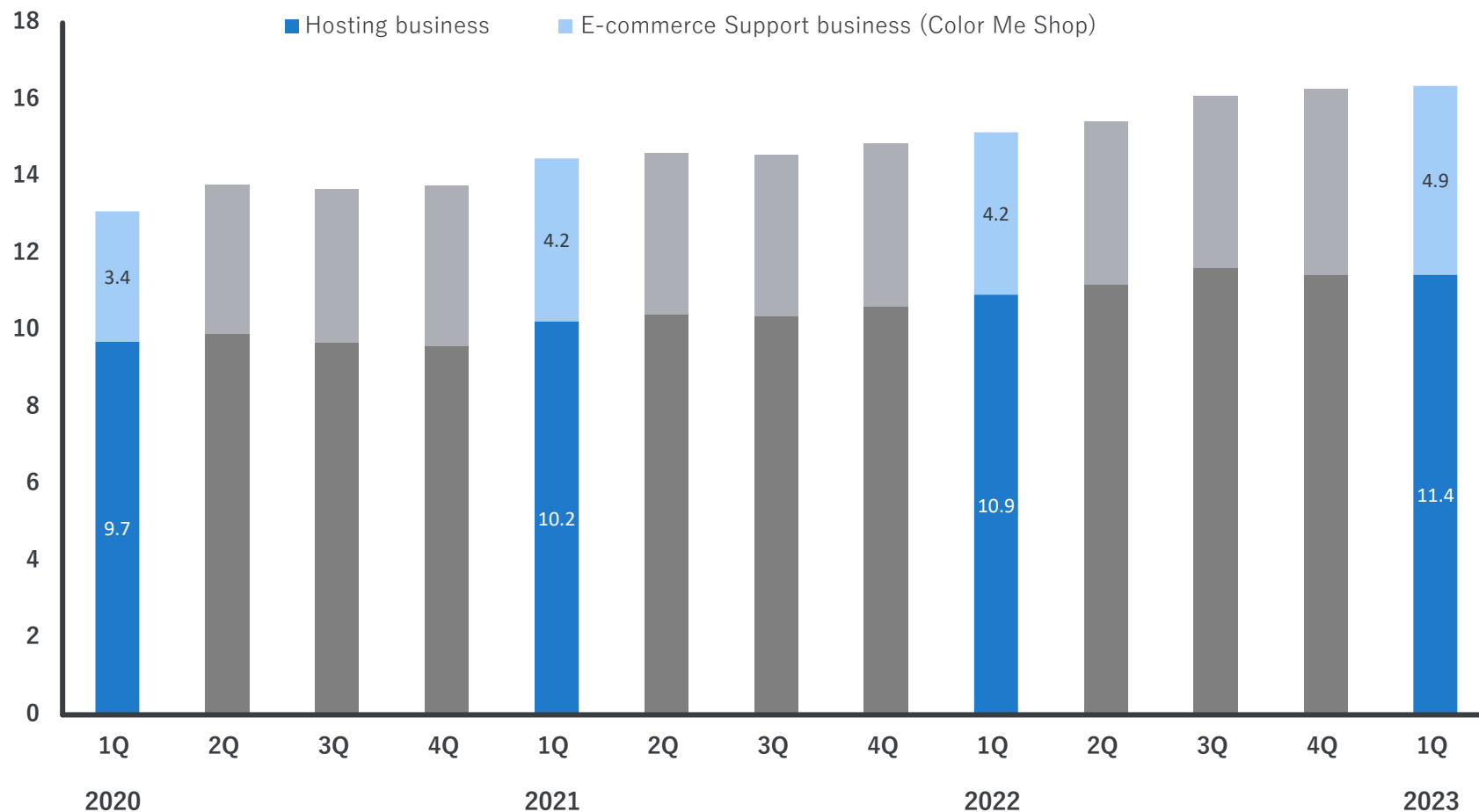
[Net sales]	FY2023 Forecasts	Results in Q1 FY2023	Progress (%)
Hosting	5,659	1,369	24.2
E-commerce Support	2,654	700	26.4
Handmade Products	1,630	413	25.3
Financial Support	1,116	251	22.5
[Operating Profit]			
Hosting	1,933	426	22.1
E-commerce Support	709	163	23.0
Handmade Products	74	27	36.7
Financial Support	251	-93	—

* Excluding head office costs, etc.

ARR showed steady growth following the price revision and offering of different fixed-rate options.

Trend in ARR(Hosting business + E-commerce Support business (Color Me Shop))

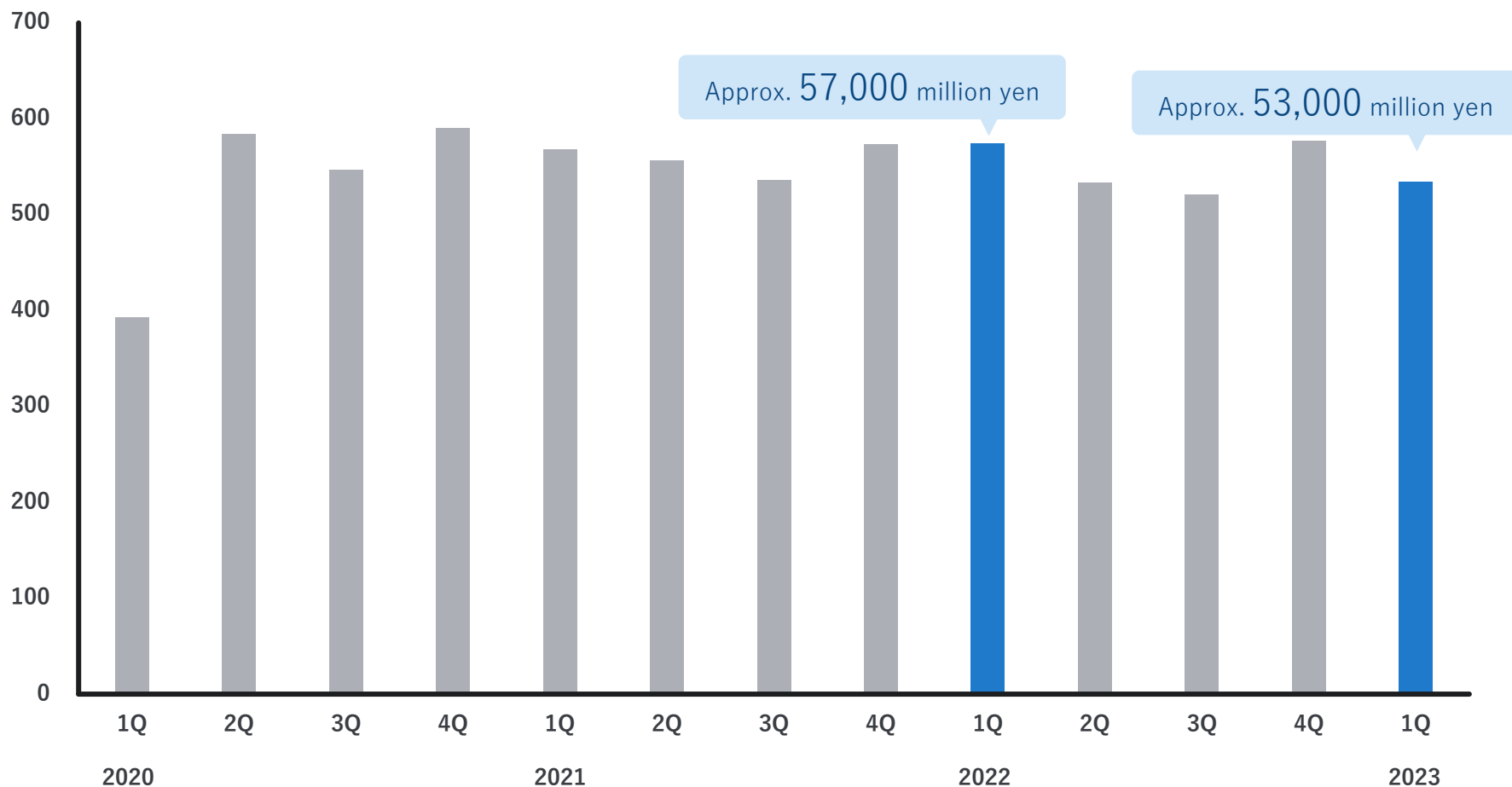
(100 million yen)



Total GMV of three services (Color Me Shop, SUZURI, and minne) decreased year on year.

Trends in GMV of EC-related services
(Color Me Shop/SUZURI/minne)

(100 million yen)



Hosting	Lolipop	<ul style="list-style-type: none"> • Price revisions to absorb the sharp rise in electricity rates and service procurement costs (Done in Q1) • Improvement in sales promotion, including website creation plans and sales of paid WP themes (Done in Q1) • Offering of functions for AI-based website creation and for expansion of user needs (To be done in Q2)
	MuuMuu Domain	<ul style="list-style-type: none"> • Introduction of service maintenance and adjustment expenses in various domain subscriptions (Done in Q1) • Selling of multiple domains in bundles and expansion of domain API provision (To be done in Q2) • Strengthening secondary domain distribution through the sale of high-value used domains (To be done in Q2)
E-commerce Support	Color Me Shop	<ul style="list-style-type: none"> • Launch of premium plans and acquisition of subscriptions (Done in Q1) • Improving shop convenience with Amazon Pay and payment plan changes (To be done in Q2) • Improvement of support for users of different plans to control the churn rate (To be done in Q2)
	SUZURI	<ul style="list-style-type: none"> • Introduction of Amazon Pay and other ID-based payment methods and start of handling and sales of digital content (Done in Q1) • Holding of a summer T-shirt sales campaign (To be done in Q2) • Sales promotion in goods sales through corporate alliances and use of IP (To be done in Q3)
Handmade Products	minne	<ul style="list-style-type: none"> • Launch of the minne College, start of sales of digital content and start of anonymous delivery services (Done in Q1) • Organization of a minne Handmade Products Market at Tokyo Big Sight (To be done in Q3) • Launch of internal advertising (To be done in Q4)
Financial Support	FREENANCE	<ul style="list-style-type: none"> • Launch of a paid membership plan and acquisition of subscriptions (Done in Q1) • Increase in API integration companies and expansion of three-party transactions for increasing the amount of purchases of invoices (Done in Q1) • Toughening of credit and examination by strengthening of risk management system (To be done in Q2)

Swift Response to AI Technologies

On the assumption that AI technologies will be commonplace in the future, we will swiftly and effectively apply them to services.

- Popularity of ChatGPT and other AI technologies
- Business streamlining through the use of AI
- Application to services with the use of API

- Support for production of advertising creatives
- Dialogues with AI concierges
- Finely tuned recommendations

- Forecast of purchasing behaviors on e-commerce and others
- Full application of AI technologies to SaaS
- Work that can be done without thinking and that can be developed into a routine

Artificial intelligence (AI)
is rapidly spreading.

The spread of AI technologies to the general public is expected to be faster than the shift from feature mobile phones to smartphones.

We will take advantage of AI's generative functions for streamlining, for effective sales promotion and for quality improvement in posting on social media to help users with output.

We will introduce a function in which AI automatically generates advertising text to be posted on social media on the basis of product information and keywords to our e-commerce-related services of Color Me Shop, SUZURI and minne.



They will be the first service of its kind to provide the automatic text generation function.

In Lolipop!, the labor involved in coding for website production are reduced.
 In GMP Renshu, the workload of class operators is reduced.

Lolipop! AI Assistant

Featuring a new function of generating HTML and CSS for a website in response to text data entered

あなたがお持ちのイメージを伝え、AIアシスタントがソースコードを書いてくれます。ホームページの基本的な一歩も、AIアシスタントにおまかせしてもらいましょう。

ドーナツ屋のホームページをかわいい感じで作ってください

AIアシスタントへ送信

あなた ドーナツ屋のホームページをかわいい感じで作ってください

AIアシスタント おつかれさます！ロリポップAIアシスタント(β)です。以下にソースコードを書きましたので、ご自由にお使いください！

```
<!DOCTYPE html> <html lang="ja"> <head> <meta charset="UTF-8"> <title>ドーナツ屋</title> <style> /* ページ全体の基本設定 */ body { font-family: sans-serif; background-color: #fff; } /* ヘッダー */ header { background-color: #fff; text-align: center; padding: 10px; margin-bottom: 20px; } h1 { font-size: 32px; margin: 0; color: #ff69b4; } /* メインコンテンツ */
```

ドーナツ屋

ホーム メニュー 店舗情報 お問い合わせ

ドーナツ

手づくりのドーナツ専門店

当店は、手づくりのドーナツを専門に販売しています。素材にこだわり、職人が丁寧に作ったドーナツは、見た目も美しく、味も抜群です。是非一度は美味くください。

フォローしてください！
Facebook Twitter Instagram

©2021 ドーナツ屋

Introduction of automatic code generation (first AI-based service)

GMO Renshu AI Assistant

Offering a function of generating texts through which texts are created by inputting simple itemizations and setting certain conditions under the notification function

レンシュ

AIアシスタント機能

お知らせ文面を要点から自動生成します

β版

チーム・教室で連絡集まるなら
GMO レンシュ

お知らせの作成

タイトル「お題」

レンシュAIアシスタント(β)

タイトル
春の新規入会キャンペーンのお知らせ

内容の要点

- ・お友達に紹介いただく紹介した人、された人両方が1ヶ月無料
- ・二人以上対象です
- ・この機会にぜひどうぞ

AIが考えた文書

みなさんこんにちは、グループ運営者の〇〇と申します。この度、春の新規入会キャンペーンを開催することになりましたので、お知らせいたします。今回のキャンペーンは、お友達に紹介し...

Communication and money collection service for teams and learning classes (first AI-based service)

In SUZURI, Surisuri AI Chat will be launched. In the future, we will offer an AI-based user experience in Color Me Shop and in minne. They are services with large gross merchandise value.

Use of interactive AI in services

- Support expression activities by answering users' problems and wishes
- Offering a supreme purchasing experience to users
- Enhancing the quality of the experience in e-commerce-related services, i.e. Color Me Shop, mine and SUZURI



Introduction of interactive AI (first AI-based service)



GMO ペパボ

GMO Pepabo, Inc.

Stock code: 3633



Questions and answers

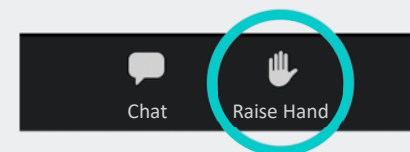
(1) Click the Raise Hand button below the Zoom screen.

Note: You can cancel your questions by clicking the Lower Hand button.

(2) The moderator will allow people to ask questions.

If you are allowed to ask a question, unmute yourself.

(3) Please ask your question.



Reference Materials

Consolidated Statement of Income (Q1)

(Million yen)	FY2022 Q1	FY2023 Q1	YoY
Net sales	2,535	2,735	107.9%
Cost of sales	1,081	1,220	112.9%
Gross profit	1,454	1,514	104.1%
Selling, general and administrative expenses	1,228	1,478	120.3%
Of SG&A expenses, promotion cost*	288	306	106.3%
Operating profit	225	36	16.0%
(Operating profit margin)	8.9%	1.3%	—
Ordinary profit	237	104	44.0%
Profit before income taxes	248	104	42.2%
income taxes	85	63	74.4%
Profit attributable to owners of parent	170	41	24.3%

* Promotion cost is the sum of advertising expenses, promotion expenses, and provision for point card certificates.

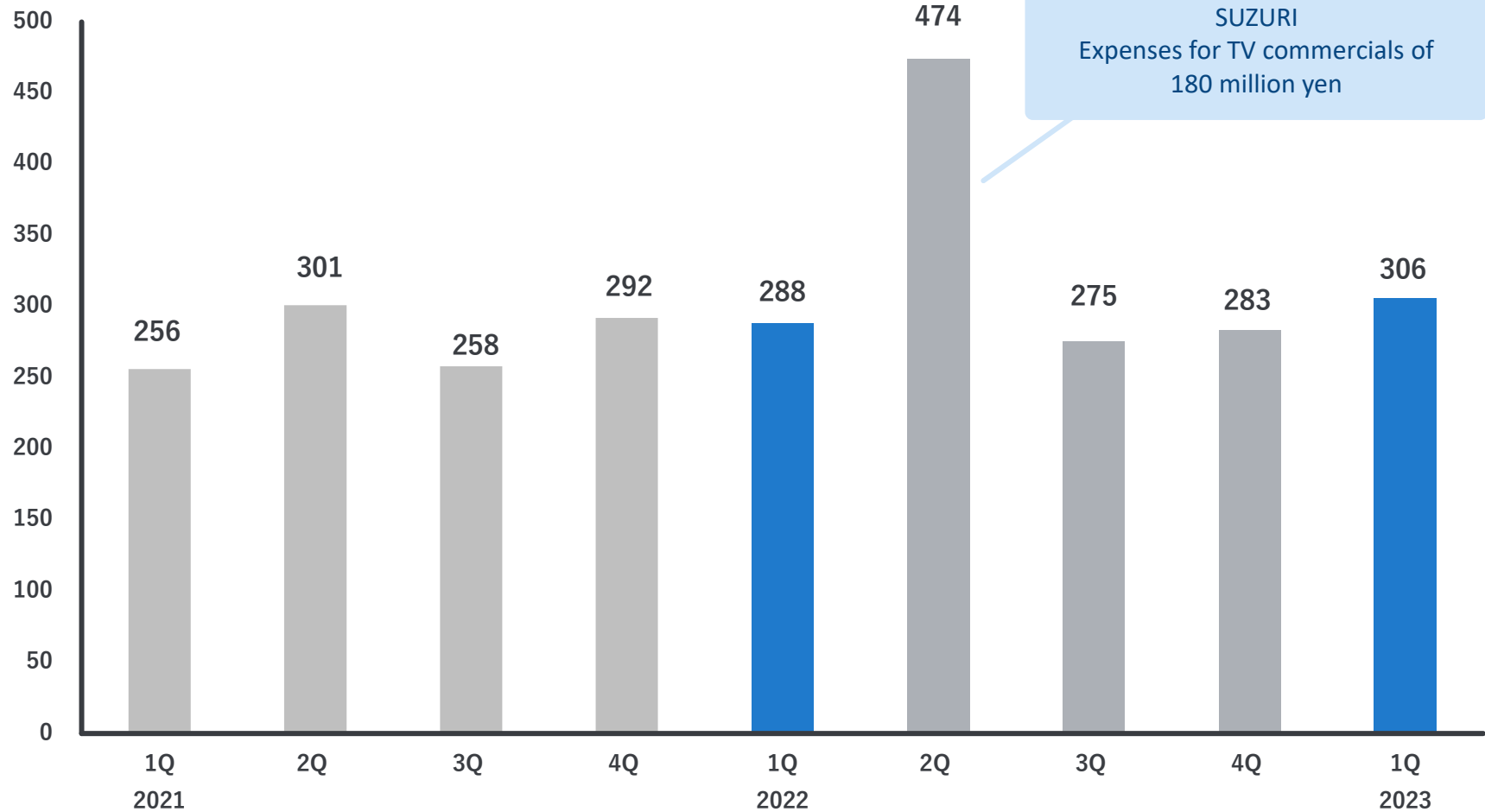
Consolidated Balance Sheet

(Million yen)	FY2022	FY2023 Q1	Change
Current assets	9,311	9,863	+ 552
Cash and deposits*	3,609	3,818	+ 209
Accounts receivable	2,593	2,689	+ 96
Non-current assets	2,124	2,124	△ 0
Total assets	11,435	11,987	+ 552
Current liabilities	8,438	8,401	△ 37
Accounts payable – other	2,107	2,099	△ 8
Advances received	3,846	4,151	+ 304
Non-current liabilities	308	1,135	+ 827
Net assets	2,689	2,450	△ 238
Liabilities and net assets	11,435	11,987	+ 552

* Cash and deposits include deposits paid to subsidiaries and associates.

Trends in promotion expenses

(Million yen)



Company Profile

Corporate Philosophy Make it more playful

Mission Increase the output of humanity

Established January 10, 2003

Share capital 262.22 million yen

Representative Director and
CEO Kentaro Sato

Head office Cerulean Tower, 26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo

Branch Tenjin Prime, 2-7-21 Tenjin, Chuo-ku, Fukuoka, Fukuoka Prefecture

Office Dai-2 NT Building 3-1 Uearatacho, Kagoshima, Kagoshima Prefecture

Subsidiaries GMO Creators Network, Inc.
GMO Pepabo Guardian, Inc.

Number of employees 475 (372 full-time employees, 103 temporary employees)
(consolidated)

(As of December 31, 2022)

Make it more playful

Creative activities on the Internet are changing and the range of them is expanding. In this environment, we want to continue to take on challenges to create more interesting things. That passion is implied in our corporate philosophy.

We can make innumerable things more interesting. We can create interesting services and plans. We can enable users to have interesting experiences. We can work out ways to enjoy our jobs.

We will create more interesting things and make our jobs more interesting. We will continue to evolve ourselves.

Increase the output of humanity

When GMO Pepabo was founded, our work was to publish pictures and photographs over the Internet, and we never thought a future would come where it would be possible to buy a work of art created by somebody else's hands from a distant location. But in the space of just twenty years, these practices have become commonplace.

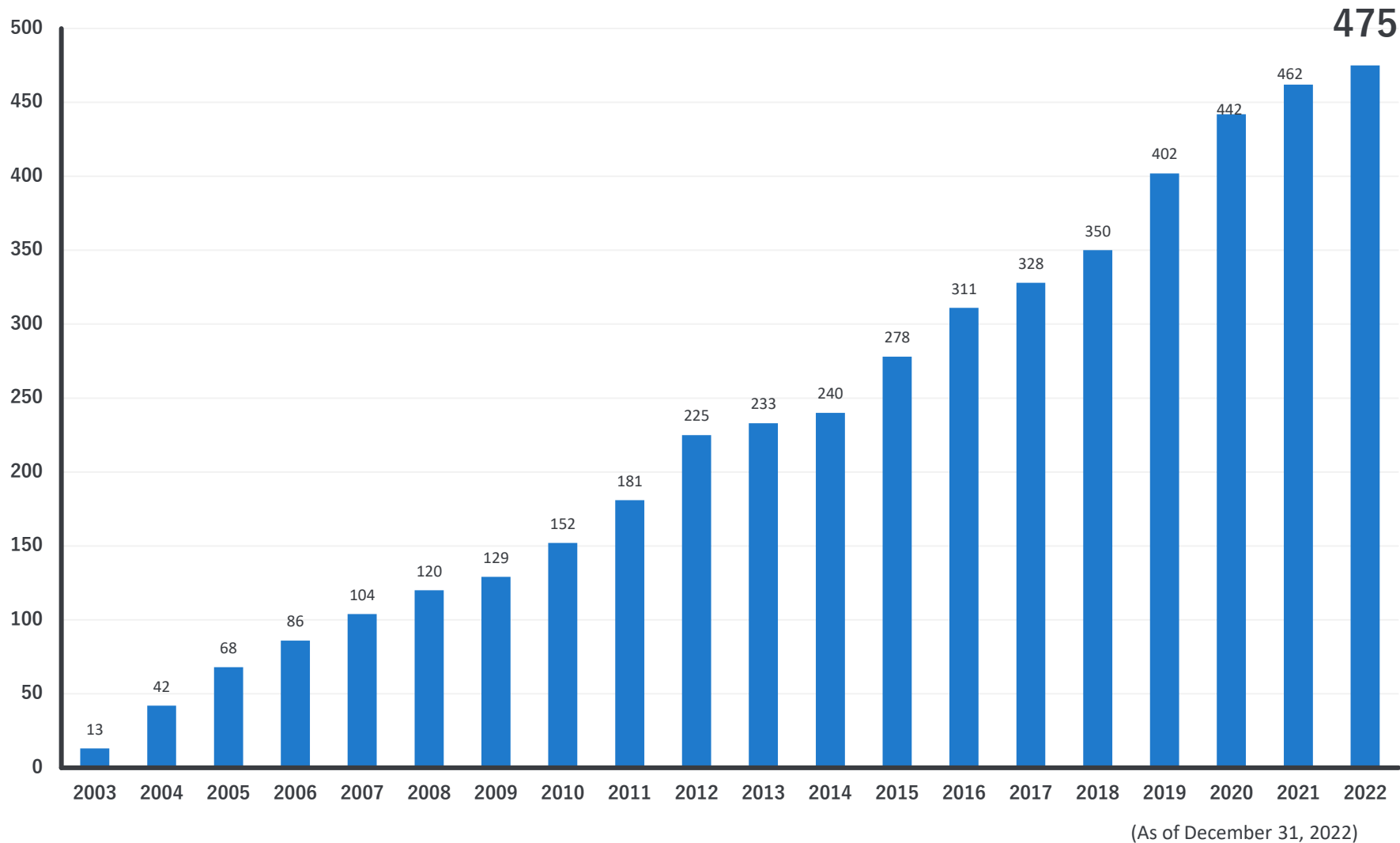
We believe that it is the output of all kinds of people around the world from major corporations to regional stores and individuals that will give rise to various evolutions and new value, creating a new future.

By continuing to create products that encourage the output of humanity, we at GMO Pepabo have incorporated the resolve to evolve and expand together with our users into our mission.

Going forward, we will not only raise total output ourselves, but work enthusiastically to develop environments conducive to output and develop mechanisms that encourage the output of others.

- November 2001 • Starts to provide Lolipop!
- January 2003 • Established paperboy&co. Y.G. in Fukuoka.
- March 2004 • Becomes a consolidated subsidiary of GMO Internet, Inc.
- May 2004 • The head office moves to Tokyo.
- February 2005 • Starts Color Me Shop, which provides an online shop opening/creation service.
- December 2008 • Listed on JASDAQ (stock code: 3633)
- January 2012 • Starts minne, a handmade products market.
- April 2014 • Renamed GMO Pepabo, Inc.
- April 2014 • Starts SUZURI, which provides an original goods creation and sale service.
- February 2019 • Makes GMO Creators Network, Inc. a consolidated subsidiary.
- December 2019 • Listed on the Second Section of the Tokyo Stock Exchange
- December 2020 • Assigned to the First Section of the Tokyo Stock Exchange
- April 2022 • Assigned to the Section of the Tokyo Prime Market
- April 2022 • Starts GMO Renshu, which provides liaison and collection service for teams and classrooms.

Number of partners



Lolipop!

One of Japan's largest rental server services

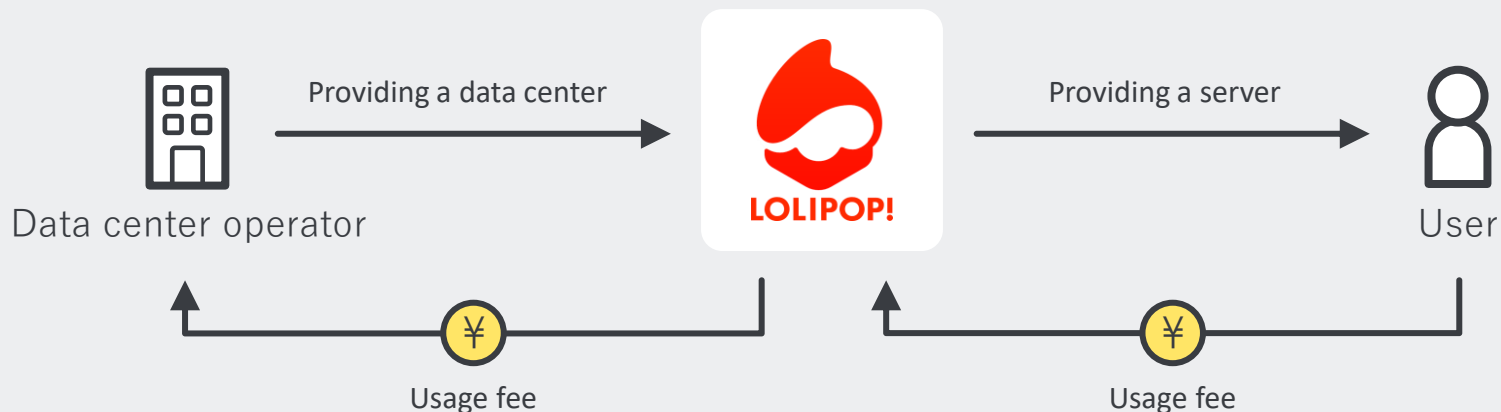
Rate plans*: **Economy/Light/Standard/High Speed/Enterprise**

Number of contracts: **0.41 million**

(As of March 31, 2023)



Business model



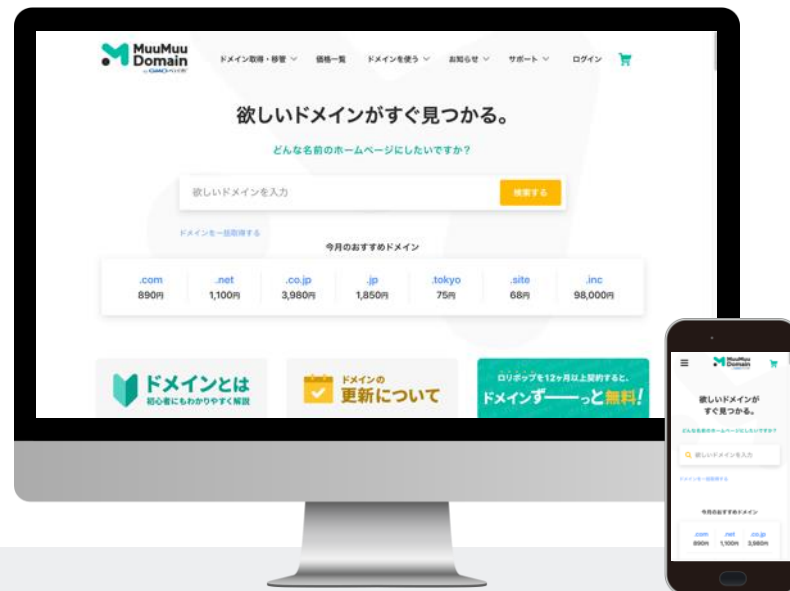
*1. Rate plans : Economy 99 yen~, Light 220 yen~, Standard 440 yen~, High Speed 550 yen~, Enterprise 2,200 yen~

MuuMuu Domain

Domain name acquisition agency

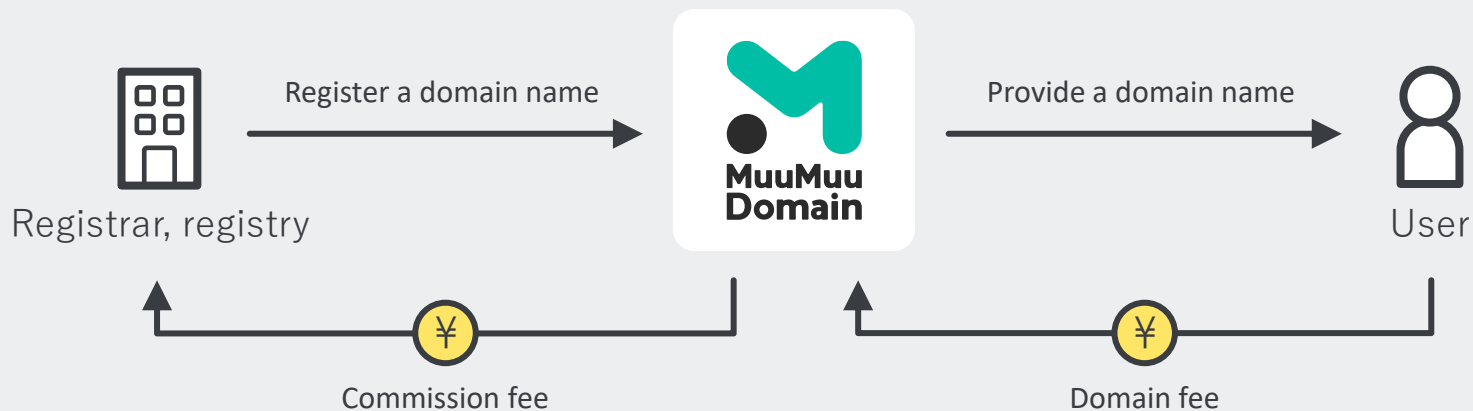
Usage fee: **An annual fee of 85 yen or more**

Number of contracts: **1.13 million**



(As of March 31, 2023)

Business model



Color Me Shop

Creation of online shops

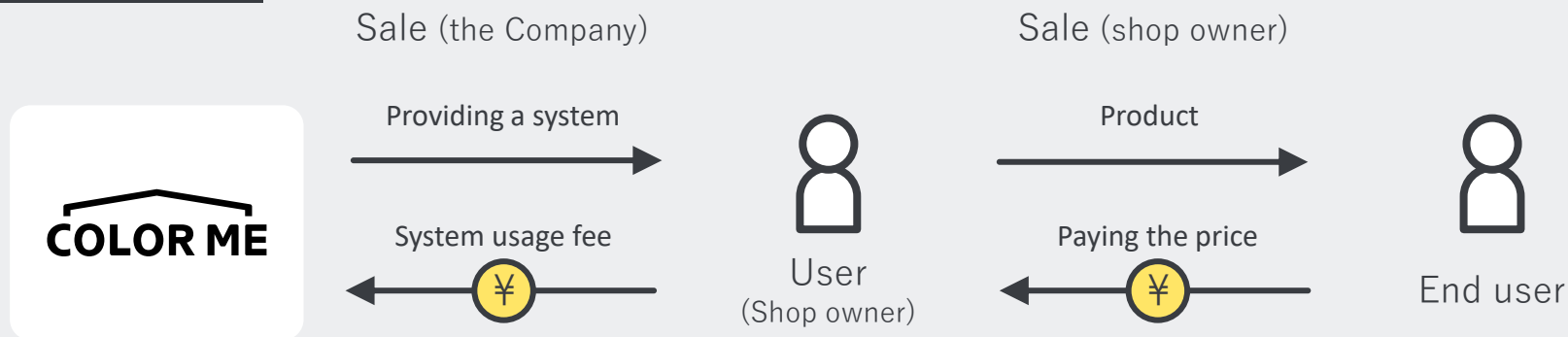
Rate plans*: **Free/Regular/Large/Premium**

Number of contracts: **50,000**

(As of March 31, 2023)



Business model



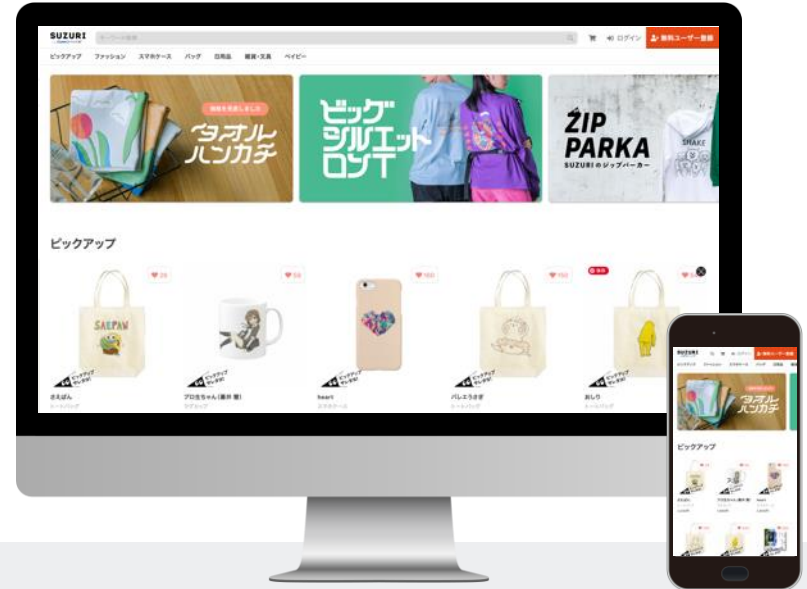
*1. Rate plans : Free 0 yen~ 、 Regular 4,950 yen~ 、 Large 9,595 yen~ 、 Premium 39,600 yen~

SUZURI

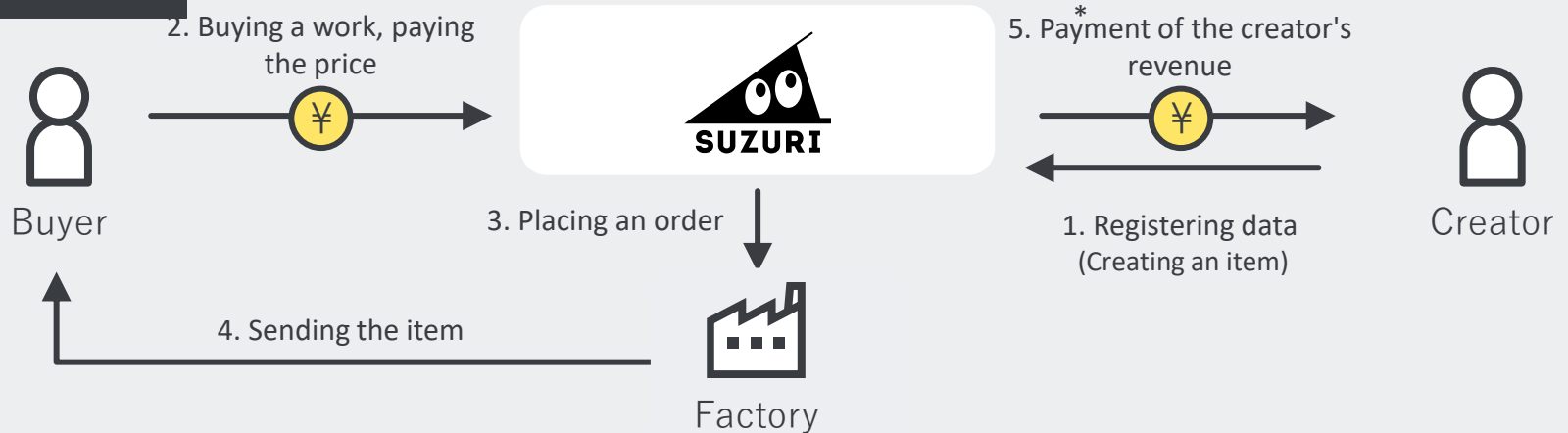
Creation and sale of original goods

Number of creators: **0.69 million**
 Number of members: **1.41 million**
 Annual gross merchandise value: **2.6 billion yen (2022 result)**

(As of March 31, 2023)



Business model



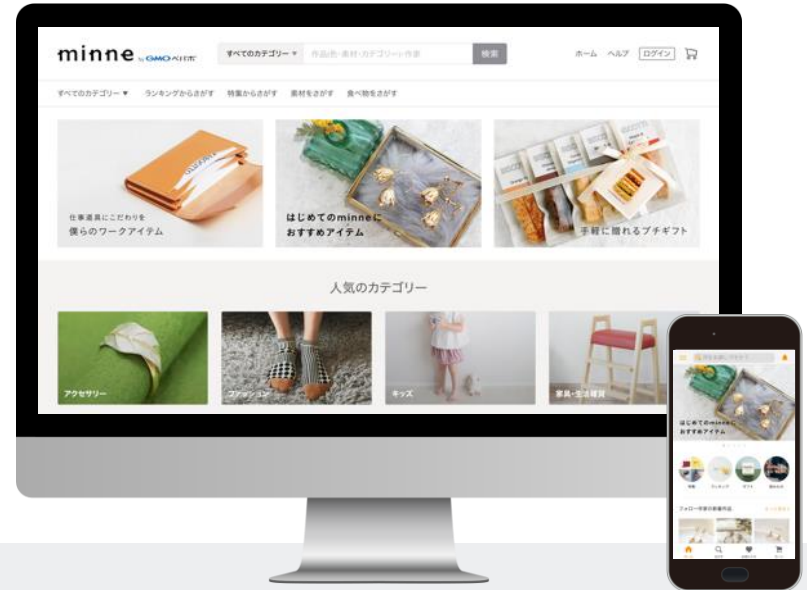
* Revenue that the creator sets = Sales price of the work minus sales at the Company

minne

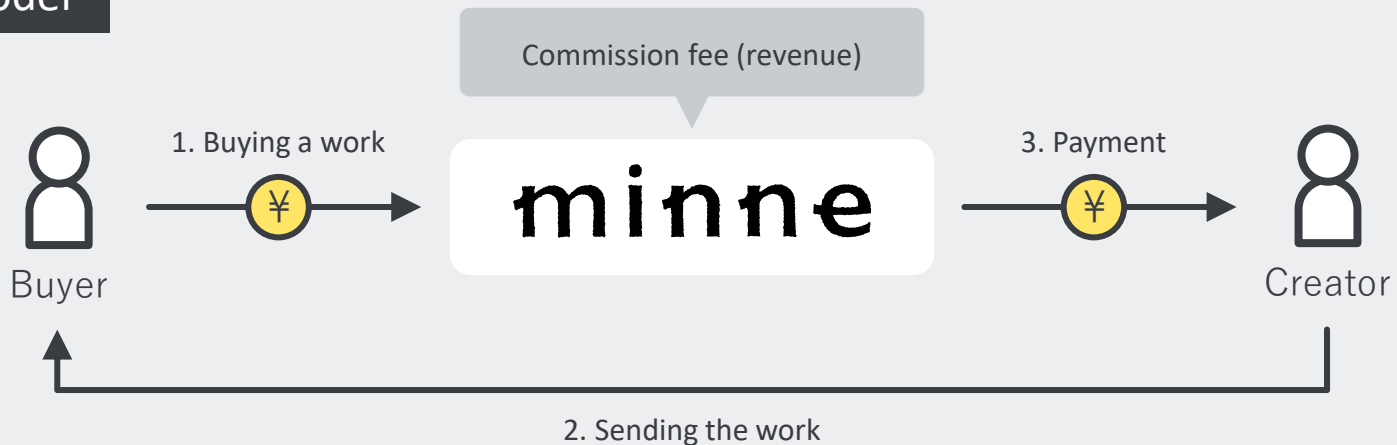
One of Japan's largest handmade products markets

- Number of creators and brands: **0.87 million**
- Number of works: **16.25 million**
- Number of app downloads: **14.28 million**
- Annual gross merchandise value: **15.0 billion yen (2022 result)**

(As of March 31, 2023)



Business model



FREENANCE

Support sole proprietors' business activities by providing immediate payment (factoring) and liability insurance.

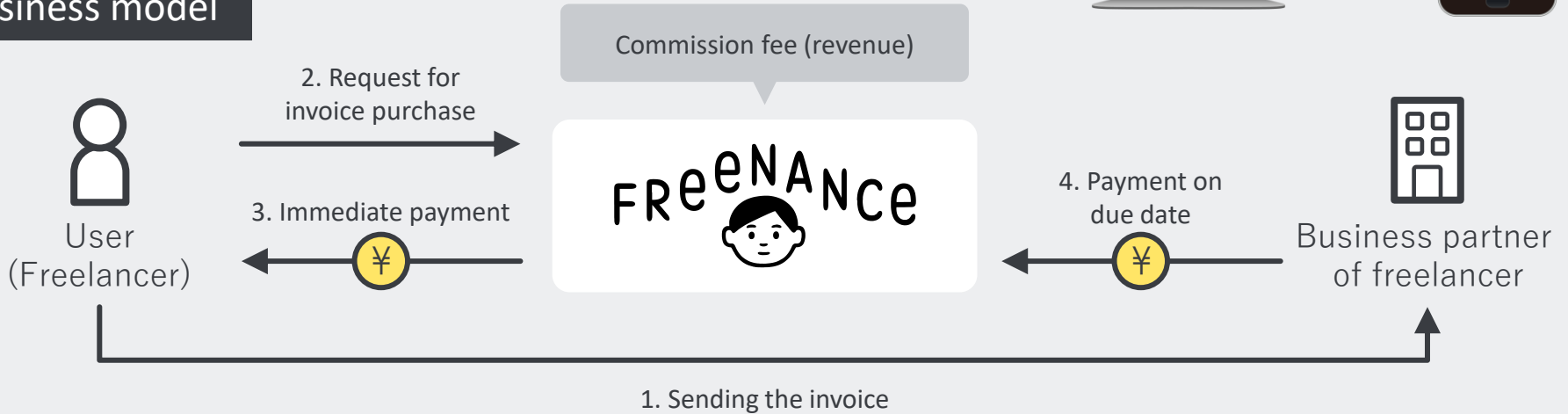
- Minimum amount of invoice purchase: 10,000 yen, no upper limit
- Commission rate: 3%-10% of invoice face value
- Main services: Immediate payment / GMO Freelance factoring / insurance, etc.

Amount of purchases of invoices 8.6billion yen (FY2022)

(As of March 31, 2023)

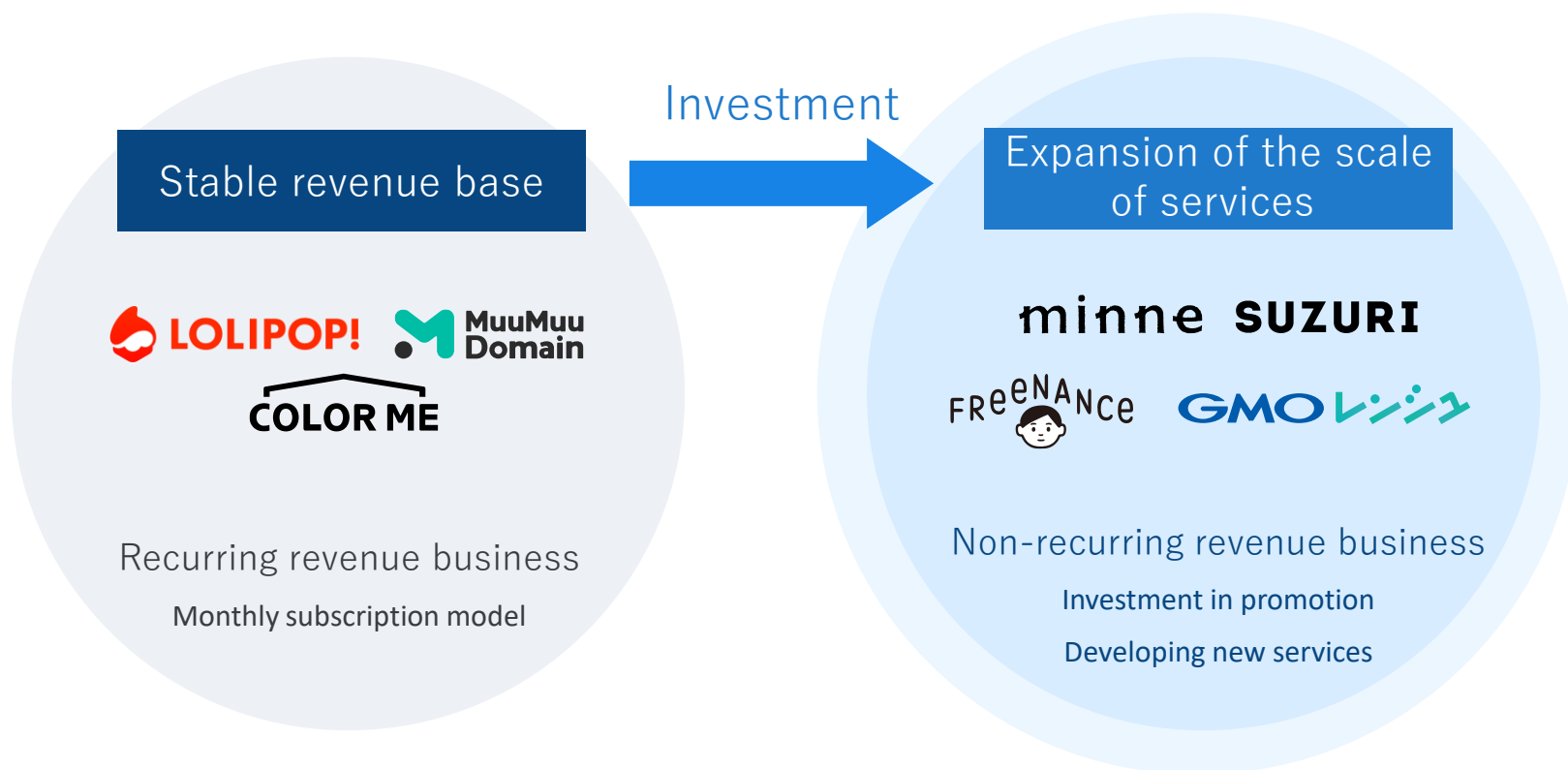


Business model



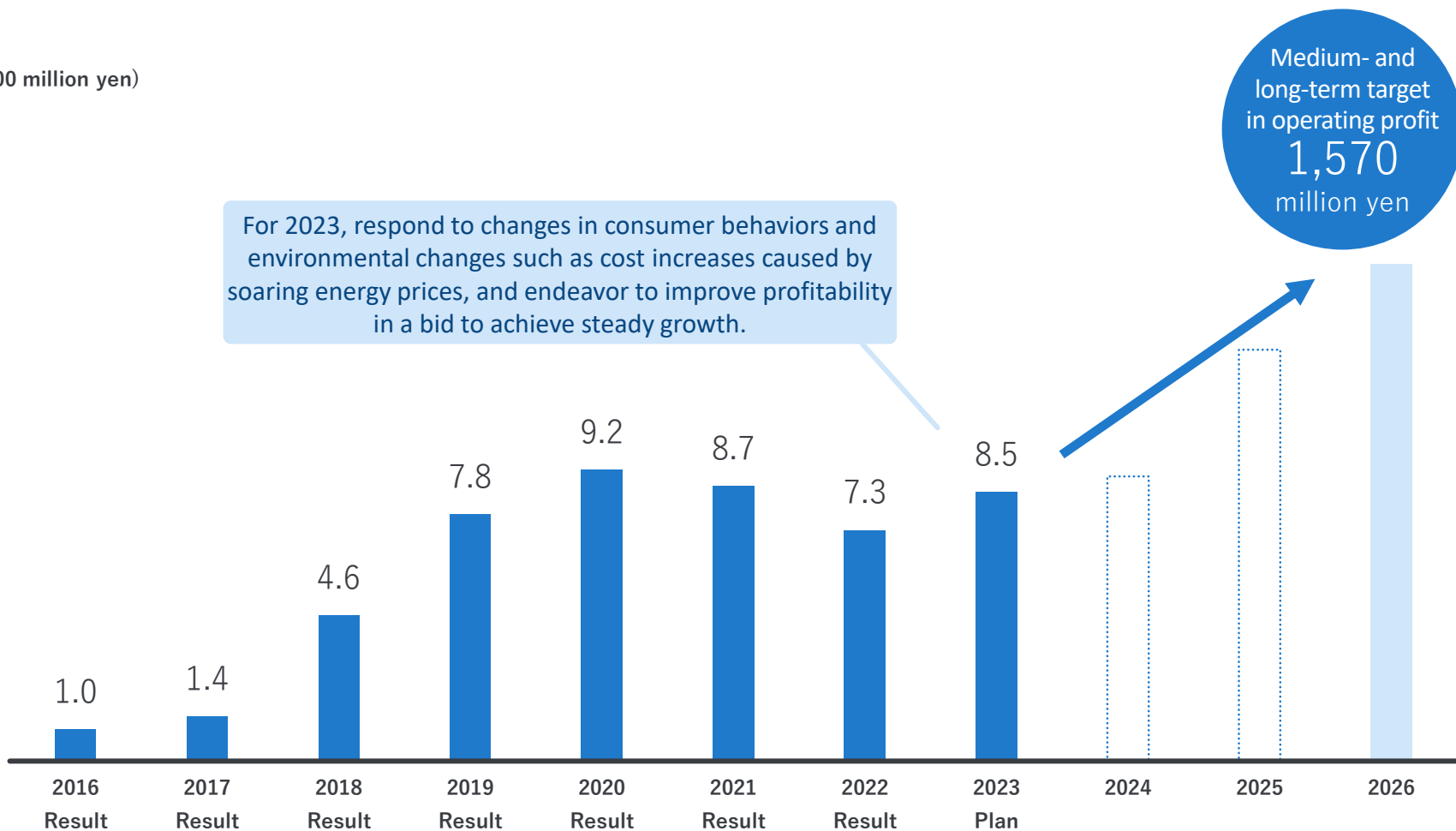
(from Recurring Revenue Business to Non-Recurring Business)

Based on stable, recurring revenue in the recurring revenue business, we are expanding the scale of services by making strategic investments in non-recurring revenue services, which are strongly expected to grow.



To attain steady growth in 2023 and beyond, consistently increase the profitability of the recurring revenue business and expand the scope of the non-recurring revenue business with the aim of reaching 1,570 million yen in operating profit over the medium to long term

(100 million yen)



We have determined three material sustainability issues and contribute to ESG management and the SDGs through business activities.

Under the corporate philosophy of "Make it more playful," we increase the output of humans through business activities and seek to enhance corporate value and solve social issues with every stakeholder to help achieve a sustainable society.

Consideration for the global environment and conservation of it through reduction of environmental impact



Support for people from all walks of life to increase human output



Strengthening governance for sound and transparent corporate management



Please find our sustainability activities and concrete efforts on the websites below.

Sustainability at GMO Pepabo

<https://pepabo.com/sustainability/>

Sustainability data

<https://pepabo.com/sustainability/data/>

COLOR ME



- Support for Kagoshima and other provincial regions

Collaboration with local governments in Color Me Shop and organization of online shop seminars for local retailers

- Launch of an SDGs award

Honoring shops selling sustainability-conscious products in the Color Me Shop Award 2022

minne



- Special features on environmental works

Showcasing on the website sustainable handmade works created in consideration of the global environment and resources

- Setup of the minne College

Founding a business school with a focus on manufacturing to widen the range of re-skilling and skill sharing

Strive to disclose information related to causes of climate change and to heighten the quality of governance for the purpose of having the Company regarded by institutional investors as an investment destination

E (Environment)

The quality of climate-related disclosure should be equivalent to the TCFD recommendations and its volume increased.



Plan to study and discuss governance, strategies, risk management, indicators and targets in accordance with the TCFD recommendations and to report them in securities reports and by other means

G (Governance)

Independent outside directors should make up at least one third of the Board of Directors.



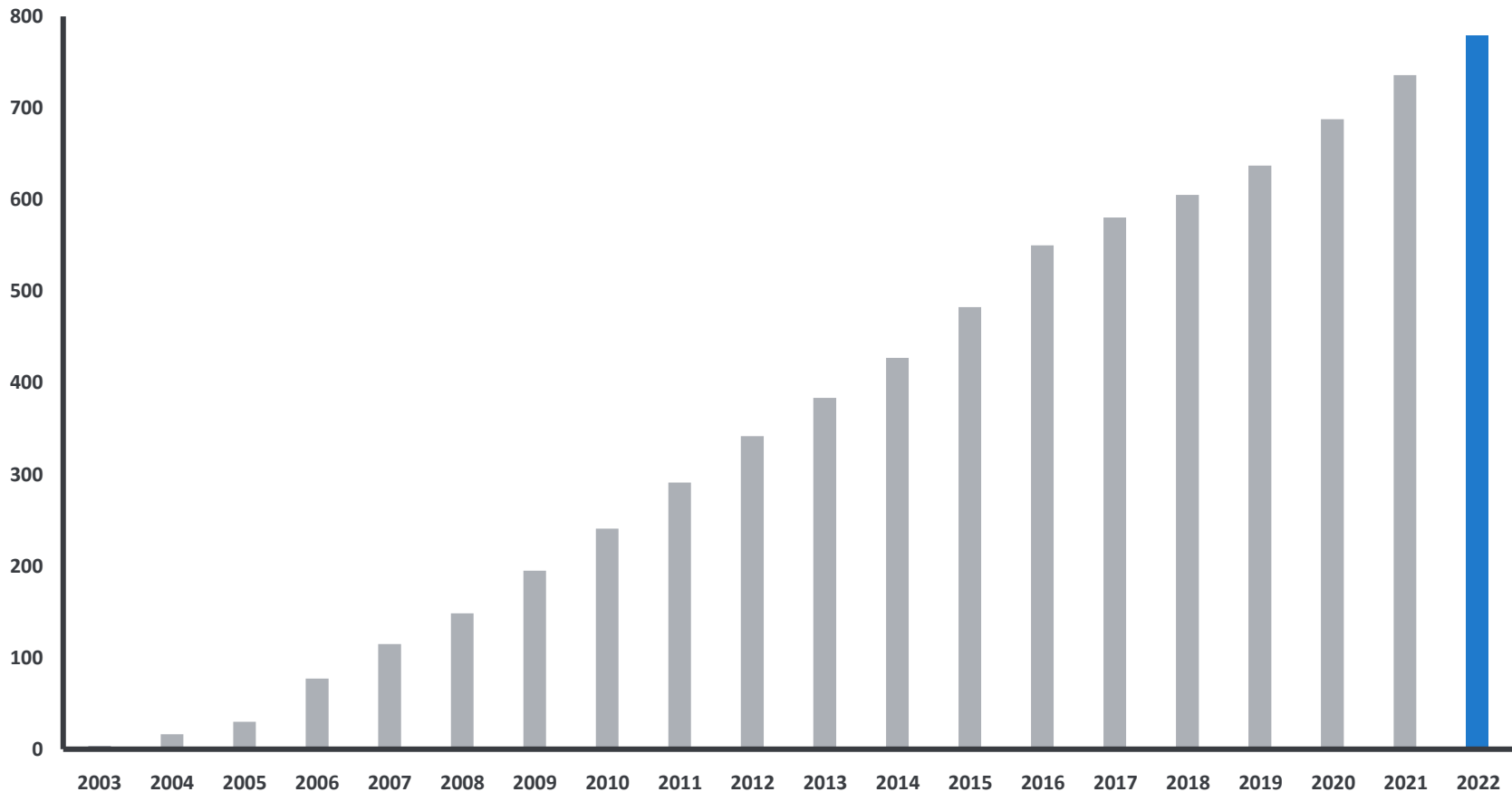
Submit a proposal for electing one outside director who is also an Audit

A candidate for a director, Ms. Mari Yamauchi, has been elected. She is a certified public accountant with expertise in corporate accounting and experience in management support for creators.

Remove obstacles to creative activities for output and increase the output of humanity

7.78 million enjoying
support in output*

(10,000 persons)



* Number of persons who have enjoyed support including other services and services that were transferred in the past

Value Creation Process

Management capital and strengths
Input

GMO Pepabo's business activities and offering of value
Output

Financial results and value offered to society
Outcomes

Offering of value through companies and services

GMOペパボ

Corporate Philosophy
Make it more playful
Mission
Increase the output of humanity

Hosting business
Lolipop!
MuuMuu Domain

E-commerce Support business
Color Me Shop
SUZURI

Handmade Products business
minne

Financial Support business
FREENANCE

- ▶ Execute a business strategy and make investments on the basis of realization of the big picture
- ▶ Take actions towards new technologies with the use of research and development organizations and assets
- ▶ Support Kagoshima and other provincial regions and invest in strengthening the corporate brand

Material ESG/SDGs issues

Environmental (E)

Give consideration to the global environment and conserve it by reducing the environmental impact



Social (S)

Support for people from all walks of life to increase human output



Governance (G)

Strengthening governance for sound and transparent corporate management



Enlarge the business network consisting of creators and users to make it more interesting

Remove entry barriers against output creation and support the distribution and development of creative activities



Fulfill the medium-term management plan and continuously increase corporate value



Building appropriate corporate value (share price) through the value creation process

Dividends

	2020	2021	2022	2023 (Forecast)
Annual dividends per share (yen)	81.00	68.00	50.00	55.00
Payout ratio (%)	50.9	50.3	51.9	50.6

Shareholder benefits

Benefit

1

Points and coupons that can be used for services provided by the Company, etc.

- Holding one unit (100 shares) Worth 1,500 yen
- Holding two units (200 shares) or more Worth 3,000 yen

Benefit

2

Cashback equivalent to a commission fee if a shareholder buys or sells certain securities at GMO CLICK securities

- Cashback on buying commission fees (limited to purchases of shares in the Company)
- Cashback on trading commission fees
 - Holding one unit (100 shares) 1,500 yen maximum
 - Holding two units (200 shares) or more 3,000 yen maximum

Business Results by Segment/Service (Quarterly) *1, *5

(Million yen)

		FY21*4				FY22				FY23
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Consolidated	Net Sales*2	2,911	3,039	3,007	2,921	2,535	2,570	2,702	2,721	2,735
		1,185	1,198	1,199	1,223	1,247	1,272	1,319	1,312	1,369
Hosting business	Lolipop	489	497	515	531	551	575	583	584	594
	MuuMuu Domain	540	549	525	534	544	547	581	573	553
	Other*3	156	152	159	158	152	150	155	155	222
		1,130	1,313	1,311	1,119	735	770	841	782	700
E-commerce Support business	Color Me Shop	471	440	439	443	442	442	467	501	511
	SUZURI	575	787	788	596	212	247	293	204	184
	Other*3	84	86	84	80	81	81	81	77	5
Handmade Products business	minne	518	477	446	511	460	398	373	417	413
Financial Support business	FREENANCE	44	49	50	67	90	129	166	207	251

		FY21				FY22				FY23
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Consolidated	Operating Profit*2	234	224	247	182	225	22	322	161	36
		341	352	394	386	413	438	467	411	426
Hosting business	Lolipop	228	232	277	271	308	334	331	309	307
	MuuMuu Domain	72	81	80	78	71	69	97	75	45
	Other*3	41	39	37	37	34	35	39	27	74
		267	300	316	233	213	41	302	266	163
E-commerce Support business	Color Me Shop	223	199	188	182	176	174	206	228	202
	SUZURI	14	71	95	19	6	-167	61	4	-29
	Other*3	30	30	33	32	31	34	35	34	-10
Handmade Products business	minne	85	54	28	56	49	17	2	12	27
Financial Support business	FREENANCE	-45	-28	-39	-26	-4	-11	20	-30	-93

※For details, please refer to "Fiscal Year 2023 1st Quarter Data sheet" on our IR page.

*1 Quarterly are rounded down to the million yen *2 Excluding sales and operating profit of others (office expenses, etc.) *3 Figures subtracted from business totals

*4 The respective figures for the year ended 31 December 2021 are unaudited figures after retrospective application of the relevant accounting standards.

*5 Starting January 2023, the website creation service Goope was transferred from the E-commerce Support segment to the Hosting segment. To simplify comparisons between periods, Goope has been listed under the Hosting segment for the FY2021 and FY2022 full-year financial results.

FY23 Q1_Results_Presentation_DataSheet

KPI by Segment/Service (as of end of quarter)

			FY21				FY22				FY23
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
			3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	3/31
Hosting business	Lolipop	Number of contracts (Numbers)	422,626	424,258	425,207	425,982	426,074	426,651	424,528	422,596	419,605
	MuuMuu Domain	Number of contracts (Numbers)	1,195,604	1,184,790	1,176,306	1,171,750	1,166,641	1,162,930	1,155,961	1,186,748	1,139,334
E-commerce Support business	Color Me Shop	Number of contracts (Numbers)	41,191	42,702	45,013	46,369	48,123	49,277	50,282	50,663	50,537
	SUZURI	Number of creators (ten thousands users)	43	48	53	56	59	62	65	67	69
		Number of members (ten thousands users)	77	87	99	106	113	122	130	135	141
	Handmade Products business	minne	Number of products (ten thousands items)	1,325	1,369	1,410	1,453	1,484	1,531	1,568	1,596
Number of creators (ten thousands users)			75	77	79	80	82	83	84	85	87
Number of app downloads (ten thousands DLs)			1,259	1,283	1,306	1,328	1,351	1,371	1,392	1,411	1,428

KPI by Segment/Service (Quarterly)

			FY21				FY22				FY23
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
			3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	3/31
Hosting business	Lolipop	Spending per customer(yen)	385	390	403	414	431	449	457	461	471
E-commerce Support business	Color Me Shop	Spending per customer(yen)*1	3,436	3,414	3,486	3,624	3,705	3,850	4,250	4,778	5,014
	SUZURI	Gross merchandise value (100 million yen)	6.6	9.2	9.2	6.8	6.0	6.8	7.9	5.9	5.2
Handmade Products business		minne	Gross merchandise value (100 million yen)	39.8	37.0	35.1	39.5	41.9	36.3	34.1	38.3
	Number of orders (ten thousands orders)		128.3	114.0	105.3	111.6	121.7	101.1	93.7	99.5	102.2
	Average price of orders(yen)		3,251	3,292	3,421	3,639	3,600	3,622	3,743	3,919	3,823
Financial Support business	FREENANCE	Amount of Purchases of Invoices (100 million yen)	5.5	6.6	6.8	9.2	12.1	18.9	26.0	29.7	31.2
		Number of invoices(Invoices)	2,146	2,583	3,193	3,919	4,086	4,805	5,407	6,012	6,006
		Average invoice purchase (Thousand yen)	260	256	213	236	296	394	482	495	519
		Number of users(users)	1,391	1,510	1,904	2,203	2,306	2,593	2,848	3,154	3,298

※For details, please refer to "Fiscal Year 2023 1st Quarter Data sheet" on our IR page.


*1 Spending per customer has been revised to the unit cost of monthly plans only. (Previously calculated as including free plans).


- This material is intended to offer insight into our Company and is not for the purpose of soliciting investment.
- We have taken reasonable care to ensure the accuracy of this material. However, there are inherent uncertainties in forward-looking statements, and we do not guarantee them.
- We accept no liability for any effects or losses caused by relying on information in this material.
- We own all rights to this material. We ask you not to fabricate or change it without permission, regardless of method or purpose.


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 **Corporate site**
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 Pepabo's official Twitter account
[@pepabo](https://twitter.com/pepabo)