

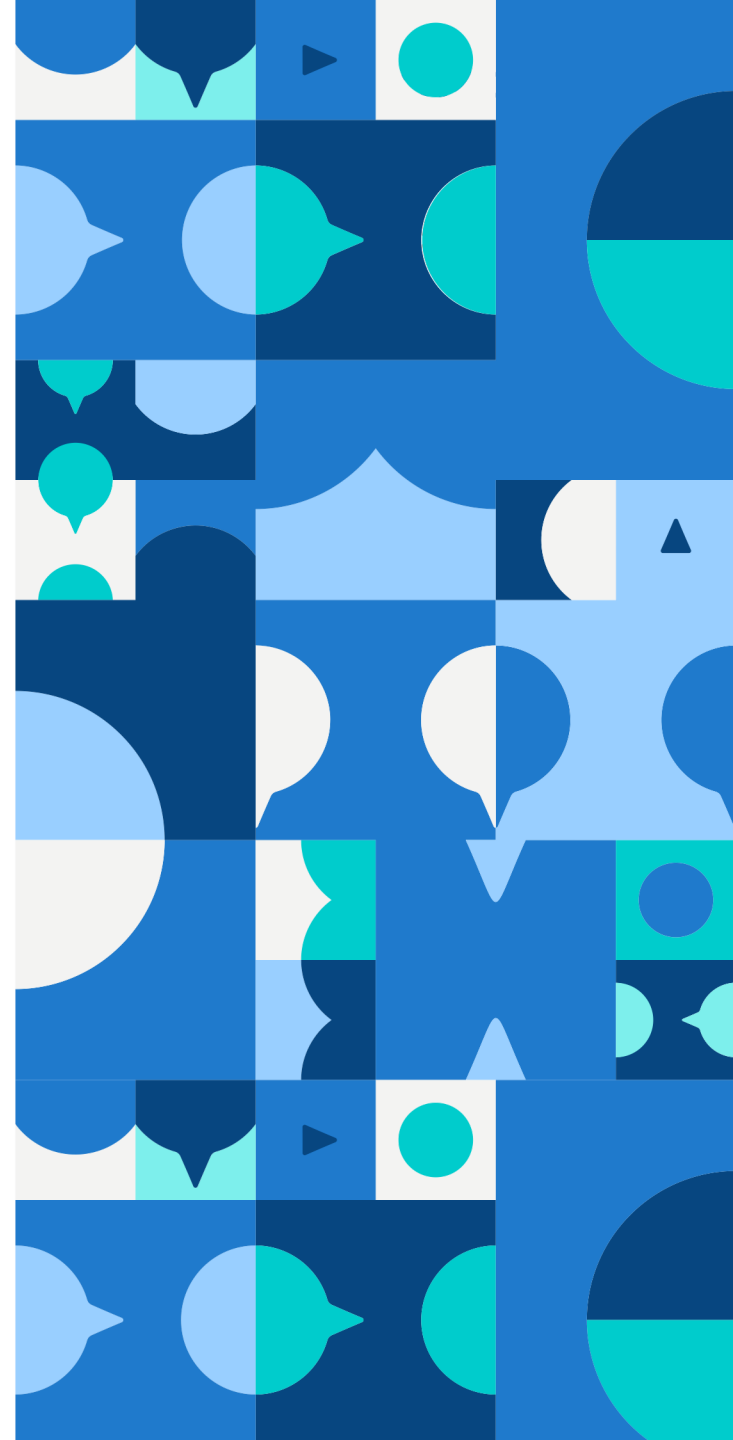


Fiscal Year 2024 Second Quarter

Results Presentation

GMO Pepabo, Inc.

Stock code: 3633 (TSE Standard Market)



- Significant increase in profit compared with the previous year when bad debt-related expenses were recorded
- We will make strategic investments in new businesses and new services, aiming for business growth from the next fiscal year and beyond

Hosting business

(servers, domains)

Strong performance due to the effects of price revisions and a higher ratio of high unit price plans

- Effects of price revisions for Lolipop! continued, and the ratio of high unit price plans increased
- At MuuMuu Domain the effects from the introduction of service maintenance adjustment expenses continued to be felt

E-commerce Support business and Handmade Products business

(e-commerce site building, original goods and handmade goods)

Decline in gross merchandise value in non-recurring businesses in response to slumping e-commerce market

- Production outsourcing sales utilizing IT subsidies at Color Me Shop increased year on year
- Year-on-year decline in gross merchandise value occurred at SUZURI and minne non-recurring businesses due to a slumping e-commerce market
- Increased profit was secured through the efficient management of promotional costs

Financial Support business

(factoring for FREENANCE)

Significant contraction in extent of losses due to decline in bad debt-related expenses

Decline in sales reflecting decrease in amount of purchases of invoices due to stricter purchase criteria

Other

We made approaches to the streaming sector and provided GMO SOKURESU AI, helping to solve social issues and contributing to the development of the creator economy

AGENDA

- Summary of Results in Q2 FY2024 Page 4
- Detailed Results by Segment Page 10
- FY2024: Report on the Current Situation and Future Policy Page 21
 - Approach to streaming culture Page 24
 - GMO SOKURESU AI Page 28

Summary of Results in Q2 FY2024

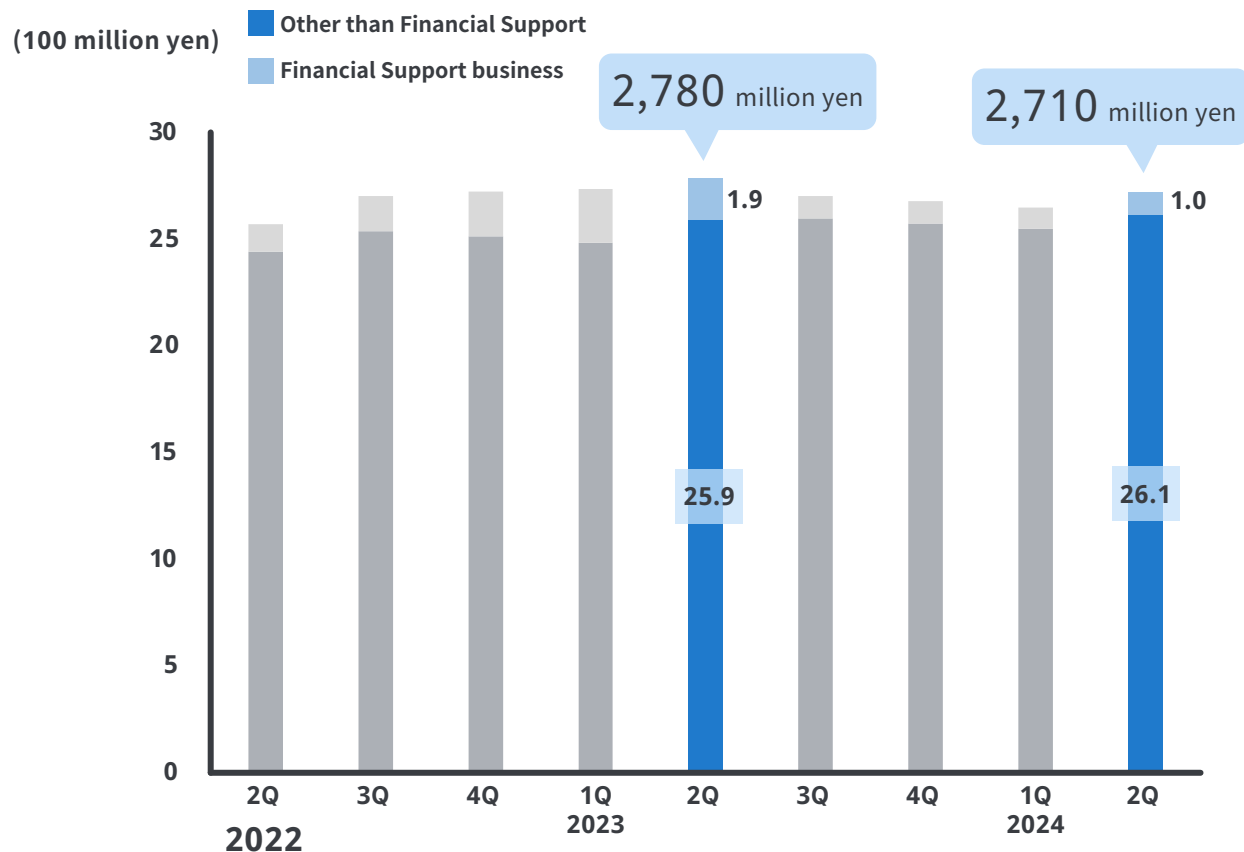
- Net sales were 97.1% compared with the same period last year, as a result of a decrease in the amount of purchases of invoices due to stricter purchase criteria in the Financial Support business
However, operating profit increased significantly thanks to a decline in bad debt-related expenses
- Despite making steady progress towards the FY2024 forecast for operating profit of 700 million yen, from the second half of the year and beyond we expect increases in new business investment and promotional costs

(Million yen)

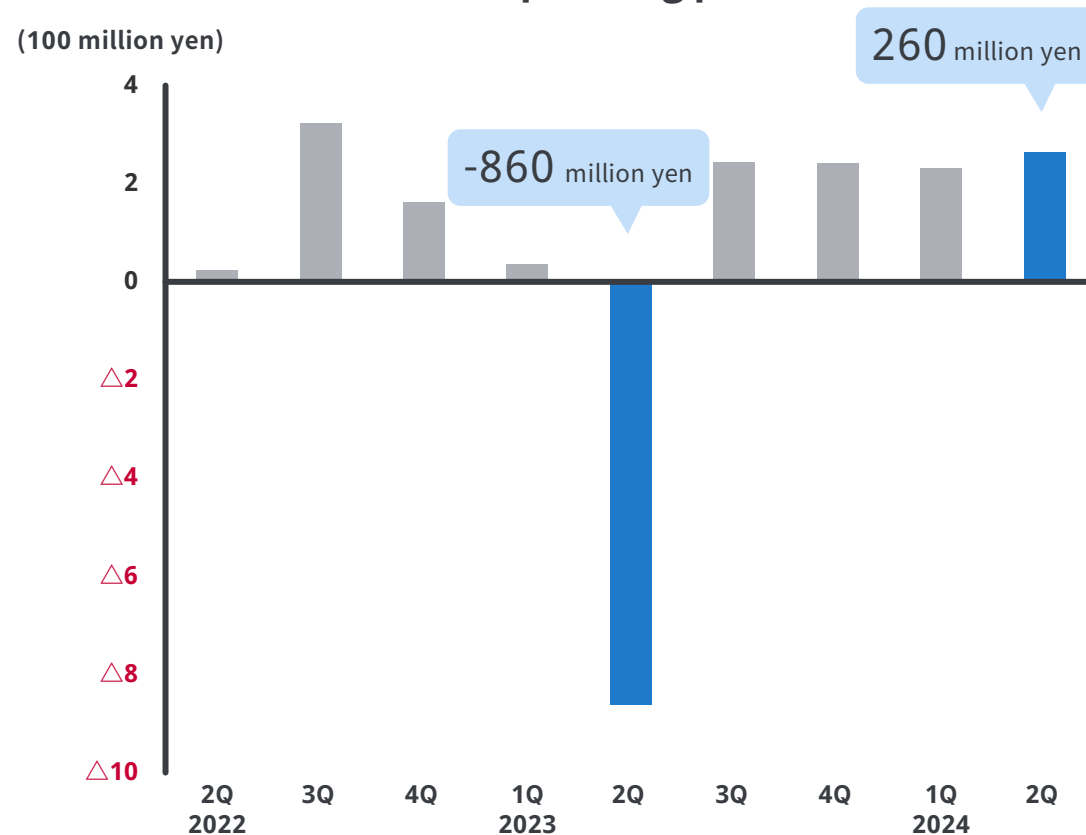
Item	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Change	YoY
Net sales	5,523	5,365	-158	97.1%
Operating profit	-825	496	+1,322	-
Ordinary profit	-746	493	+1,240	-
Profit attributable to owners of parent	-892	325	+1,217	-

- Quarterly net sales decreased due to a decline in the amount of purchases of invoice in the Financial Support business. However, net sales increased year on year when the Financial Support business is excluded.
- Quarterly operating profit has remained stable since the recording of bad debt-related expenses in Q2 of FY2023

Net sales

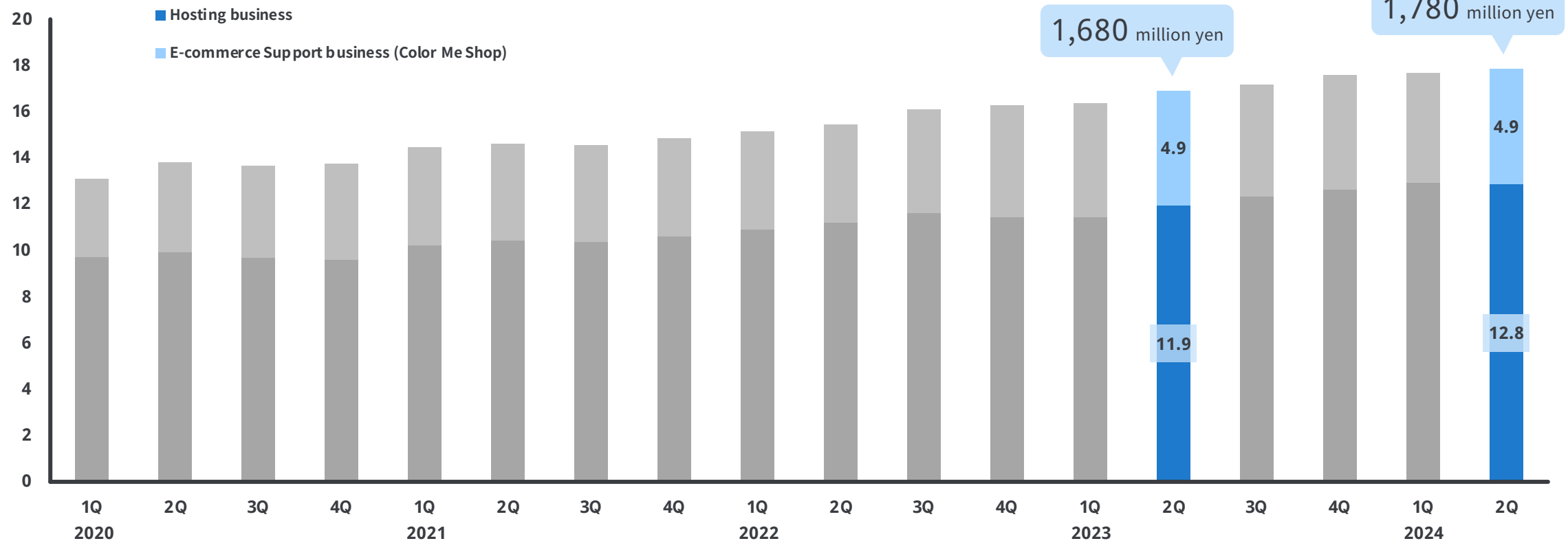


Operating profit

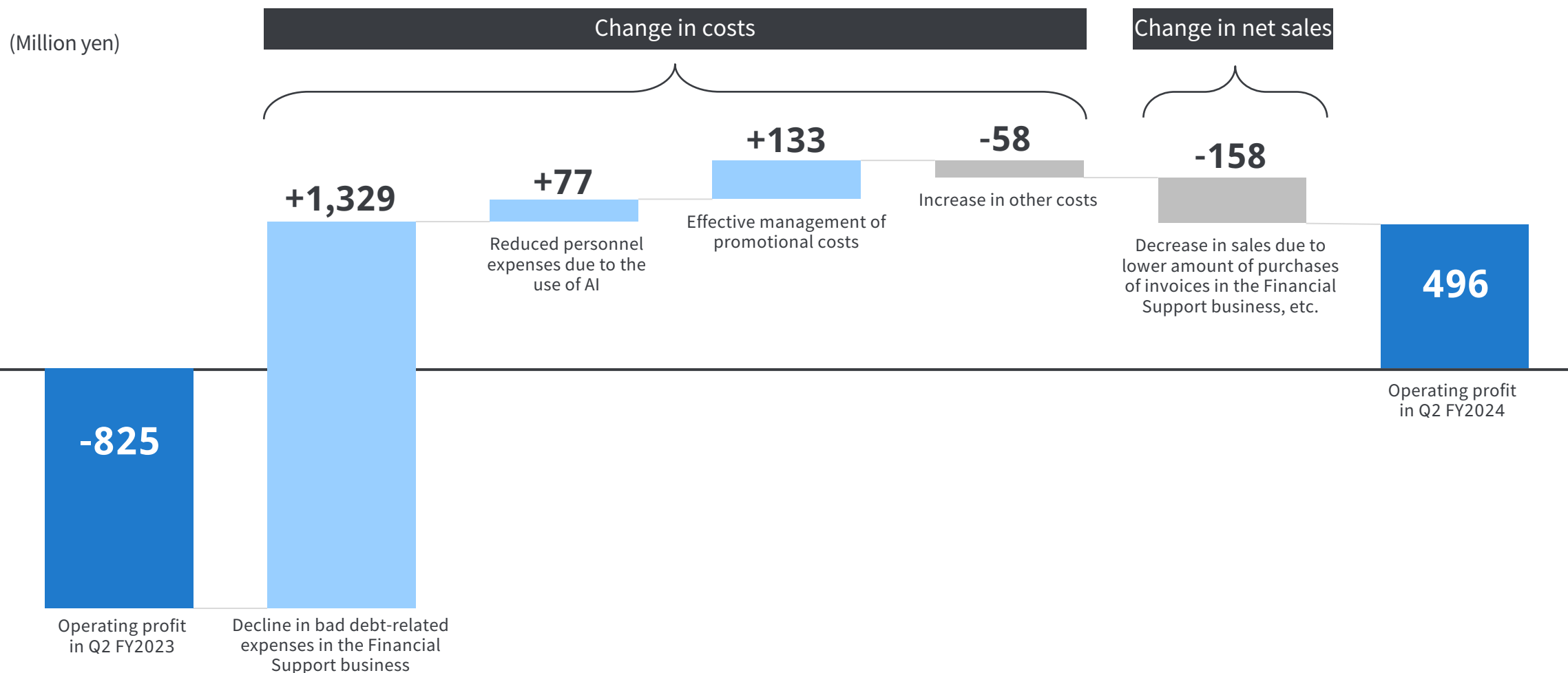


- In the recurring-type business, quarterly net sales grew moderately, positively affected by the price revision in the hosting business.
- We will provide the MuuMuu Server and Lolipop! for Gamers services with the aim of securing new revenue opportunities

(100 million yen)



- In the Financial Support business bad debt-related expenses declined and profit increased considerably year on year, reflecting reduced recruitment costs due to the use of AI and the effective management of promotional costs



- Looking at net sales, the effects of price revisions in the Hosting Business and an increase in the ratio of high unit price plans drove performance. However, the E-commerce Support and Handmade Products businesses were impacted by a downturn in the e-commerce market and stricter purchase criteria in the Financial Support business reduced the amount of purchases of invoices. As a result, sales declined.
- Operating profit was driven by strong performance in the Hosting business, while bad debt-related expenses declined in the Financial Support business. This led to a significant increase in operating profit.

(Million yen)

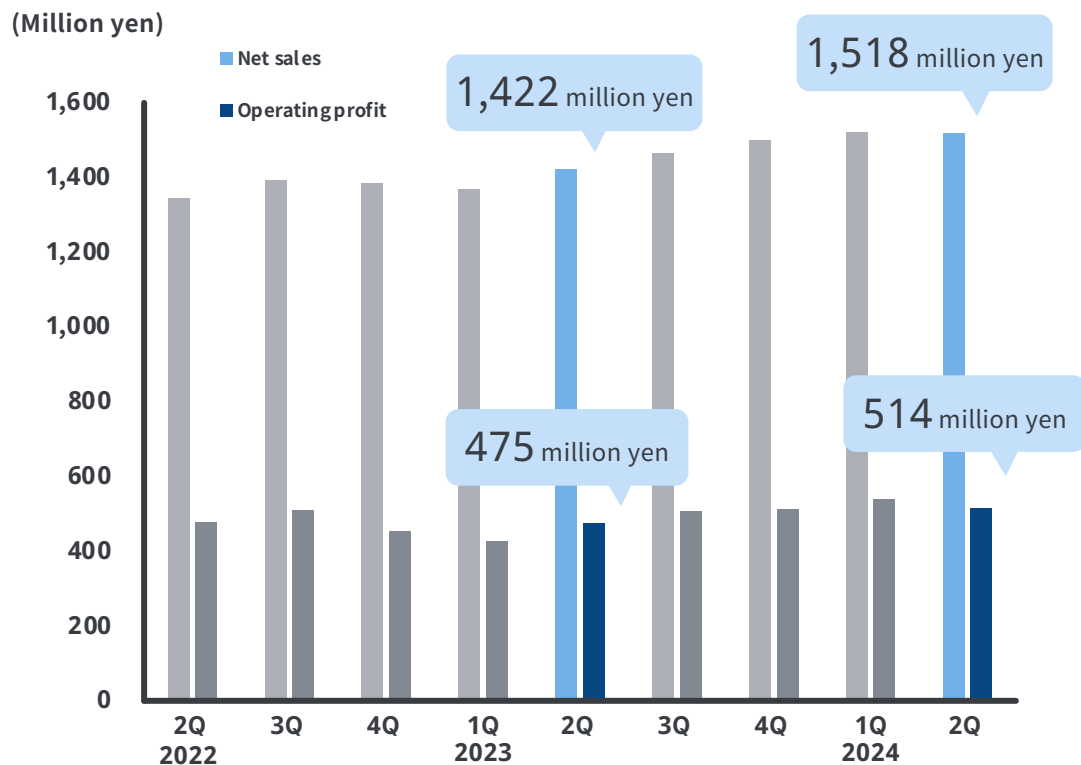
Item	Segment	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Change	YoY
Net sales		5,523	5,365	-158	97.1%
	Hosting business	2,791	3,041	+249	108.9%
	E-commerce Support business	1,522	1,433	-88	94.2%
	Handmade Products business	761	684	-76	89.9%
	Financial Support business	448	205	-243	45.8%
Operating profit		-825	496	+1,322	-
	Hosting business	902	1,054	+152	116.9%
	E-commerce Support business	391	392	+0	100.3%
	Handmade Products business	41	51	+10	123.9%
	Financial Support business	-1,172	-0	+1,172	-

* Excluding head office costs, etc.

Detailed Results by Segment

- The Hosting business recorded increases in sales and profit. The effects of price revisions persisted, and the number of subscriptions for high unit price plans increased.
- Lolipop! for Gamers, which launched in Q2, had a minor impact on performance, but has started to record sales.

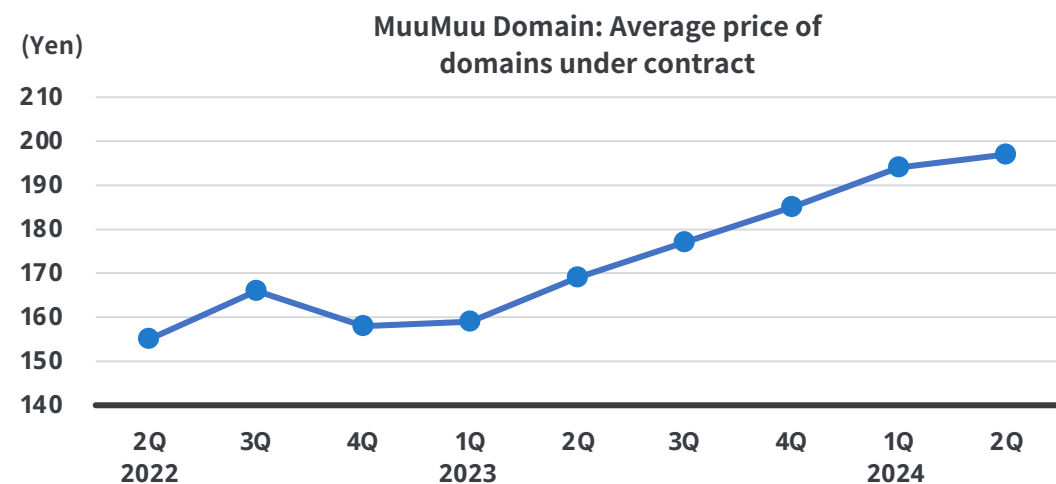
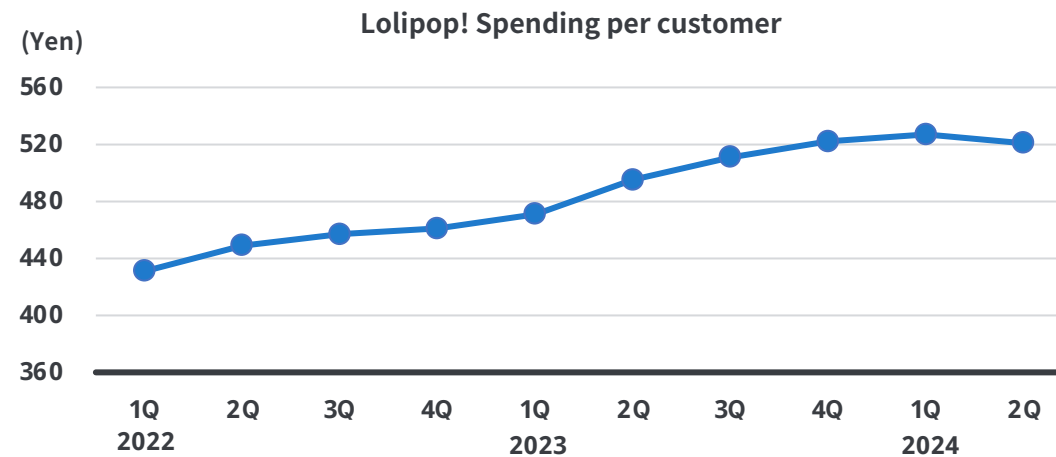
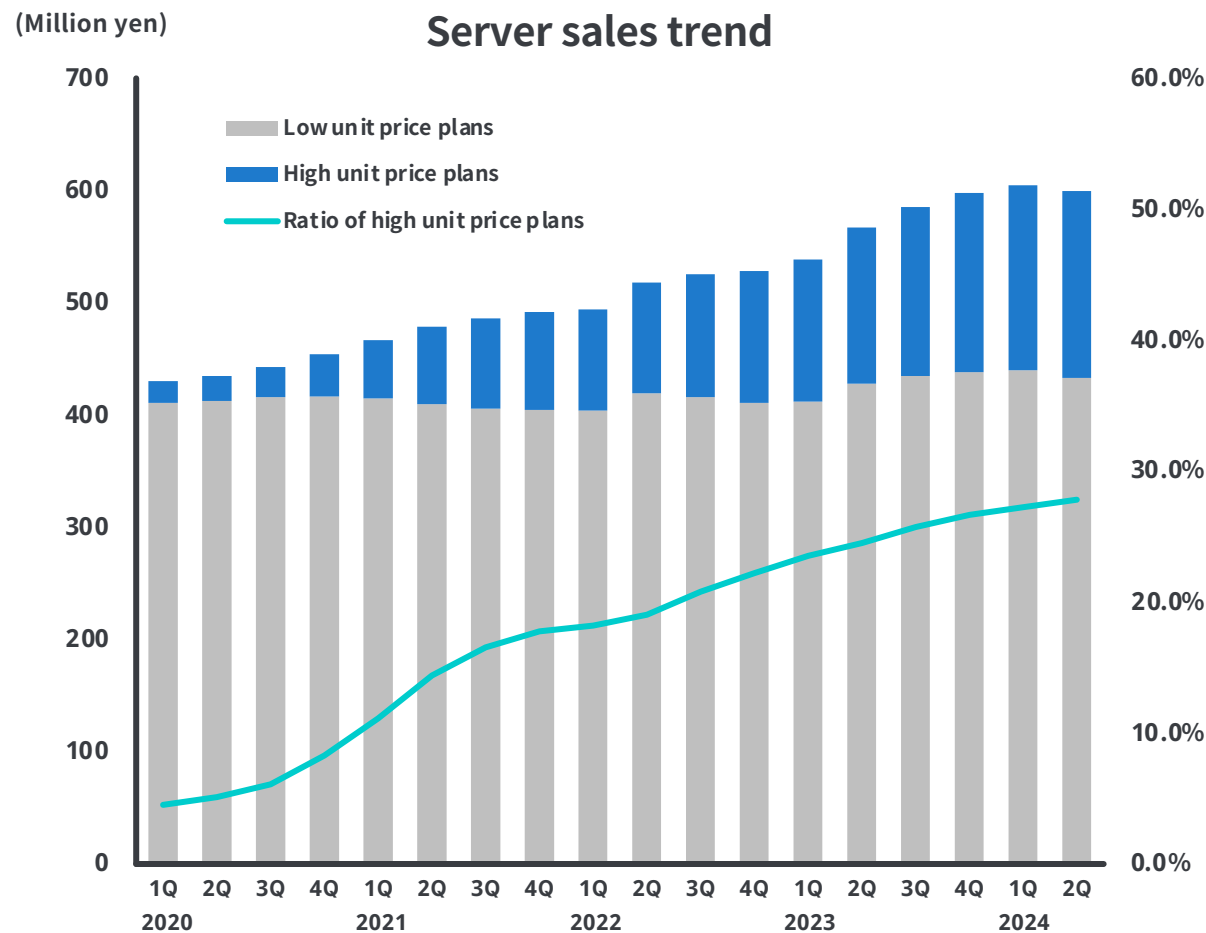
Trend in Hosting Business results



	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
Net sales	(Million yen)	(Million yen)		
Hosting business	2,791	3,041	+249	108.9%
Lolipop!	1,216	1,292	+76	106.3%
MuuMuu Domain	1,130	1,294	+163	114.5%
Operating profit				
Hosting business	902	1,054	+152	116.9%
Lolipop!	634	648	+13	102.2%
MuuMuu Domain	122	226	+103	184.7%

- Net sales**
 - Lolipop! recorded increased sales thanks to the ongoing effects of price revisions and a higher ratio of high unit price plans
 - MuuMuu Domain saw ongoing effects from the introduction of service maintenance adjustment expenses
- Operating profit**
 - Factors due to higher net sales
 - Looking at profit on a per-service basis, some costs were shifted from MuuMuu Domain to Lolipop! as a result of optimizing personnel allocations inside the segment

- In server sales, demand continued to expand for high-specification servers and sales of high unit price plans increased to account for 27.8% of total sales
- Due to the effects of price revisions and the higher ratio of high unit price plans, spending per customer increased for Lolipop! and MuuMuu Domain



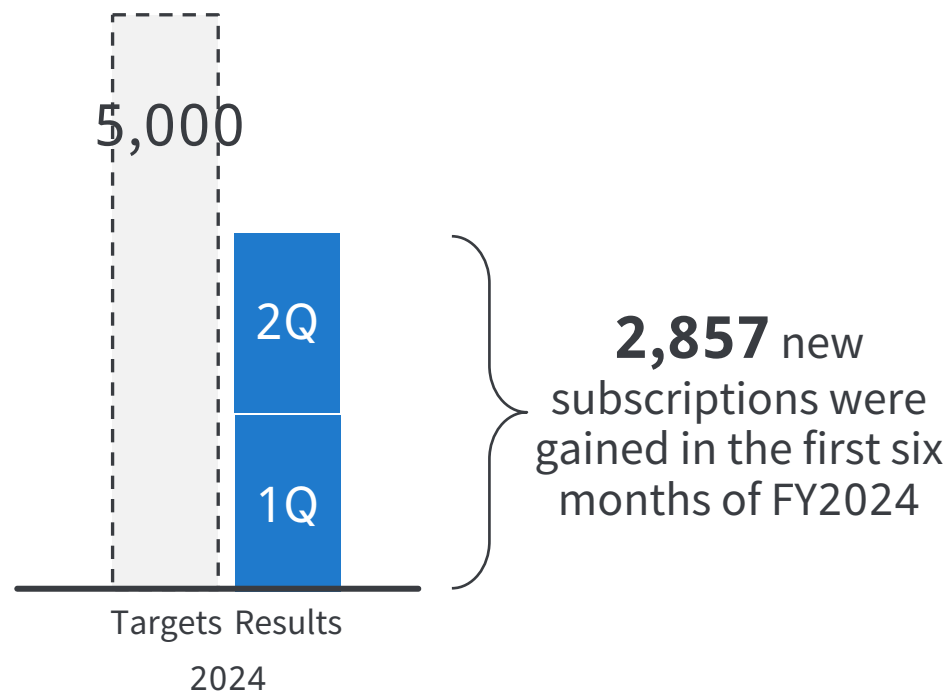
- Our aim is to gain new subscriptions for Lolipop! for Gamers, which generates higher spending per customer than previous plans, in order to accumulate sales
- The number of new MuuMuu Server subscriptions has increased, with the number reaching 2,857 for the first six months of FY2024.

Lolipop! for gamers unit price comparison

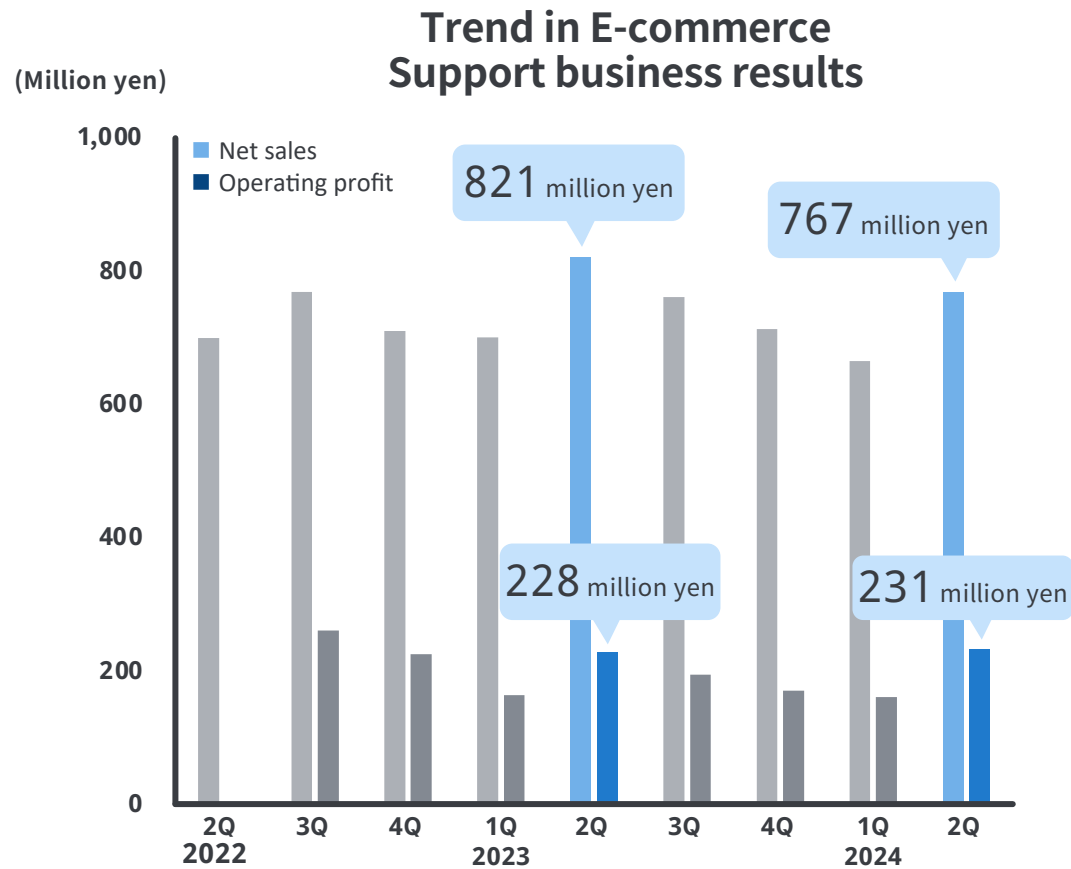
Lolipop!	Lolipop! for Gamers
Average spending per customer (Q2) 521 yen	Average spending per customer (Q2) 2,310 yen
Price plan <ul style="list-style-type: none"> • Economy • Light • Standard • High speed • Enterprise 	Game servers supported <ul style="list-style-type: none"> • Palworld • Minecraft • ARK • Rust <p>Launched on June 11</p> <ul style="list-style-type: none"> • Soulmask • 7Days to Die <p>Launched on June 19</p>

Number of new MuuMuu server subscriptions

For FY2024 we aim to gain 5,000 new subscriptions



- Despite a year-on-year increase in production outsourcing sales utilizing IT subsidies from the Color Me Shop, sales for the E-commerce Support business declined year on year due to some gross merchandise value from SUZURI slipping to subsequent periods
- Operating profit remained flat thanks to efficient management of promotional costs, despite incurring 35 million yen in costs due to SUZURI T-shirt sales shipping times slipping to Q3.



Net sales	(Million yen)	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
E-commerce Support business		2,791	3,041	+249	108.9%
Color Me Shop		1,048	1,050	+1	100.2%
SUZURI		465	382	-82	82.4%

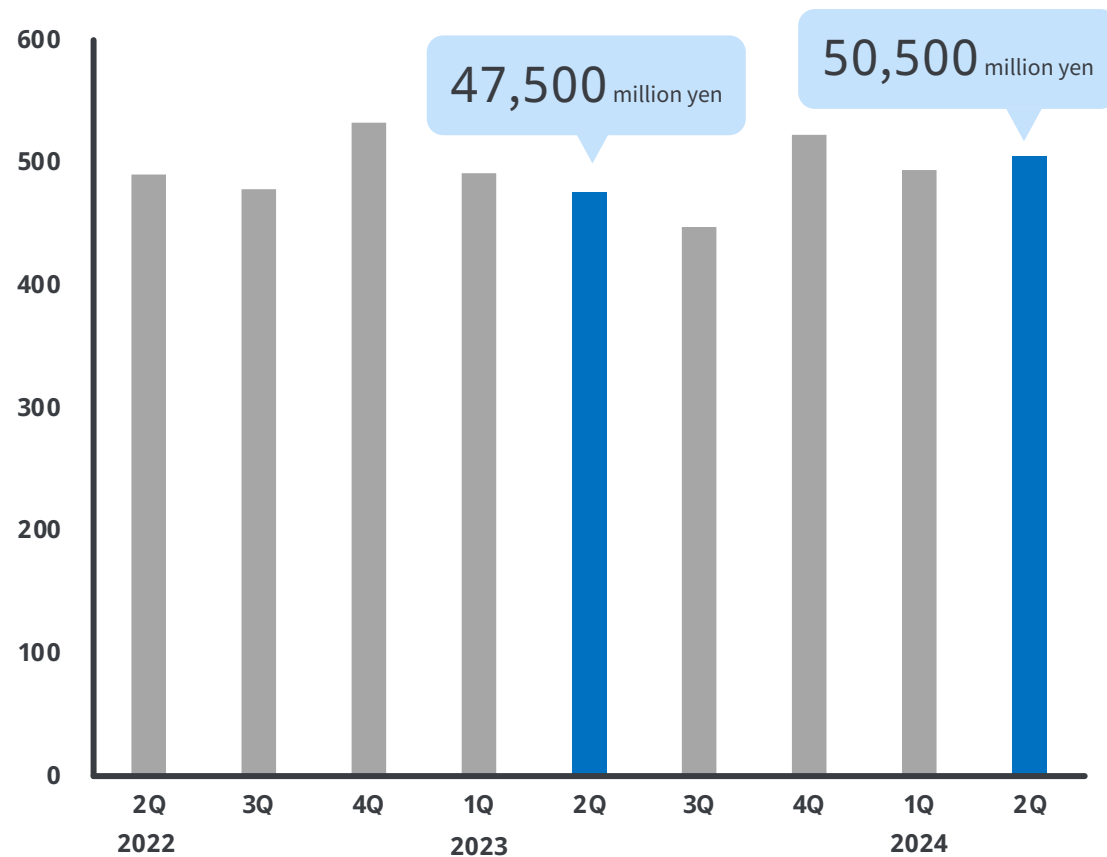
Operating profit	(Million yen)	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
E-commerce Support business		902	1,054	+152	116.9%
Color Me Shop		395	412	+17	104.4%
SUZURI		19	-1	-21	-

- Net sales**
 - Color Me Shop recorded increased sales for production outsourcing utilizing IT subsidies
 - At SUZURI, despite some distribution related to the T-shirt sale slipping to Q3, sales declined due to the drop in gross merchandise value
- Operating profit**
 - Profit increased thanks to the efficiency management of promotional costs for Color Me Shop
 - 35 million yen in costs were incurred due to some shipments from the SUZURI T-shirt sale being delayed to Q3

- Quarterly gross merchandise value was 106.1% of the same period the previous year
- Average spending per customer calmed somewhat as the effects of price revisions ran their course, but quarterly gross merchandise value per store is on the rise and we will continue to provide new functions and gain subscriptions to expand the merchandise moved by subscribing stores

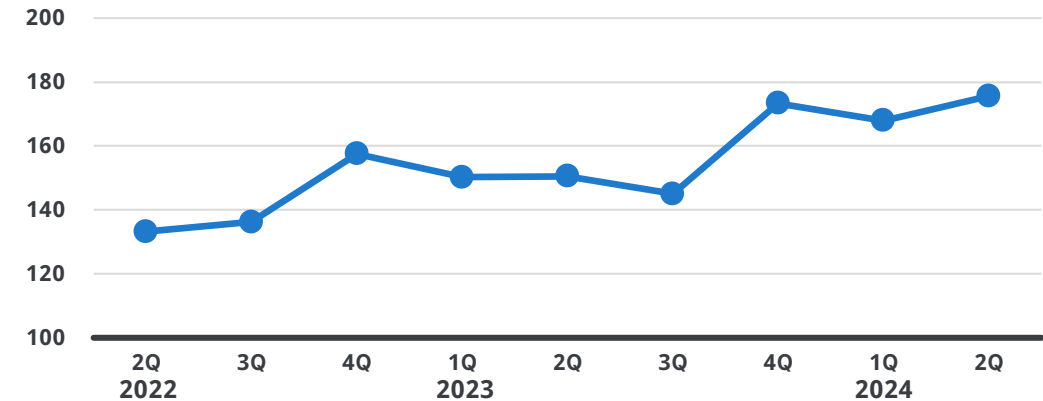
Trend in gross merchandise value

(100 million yen)



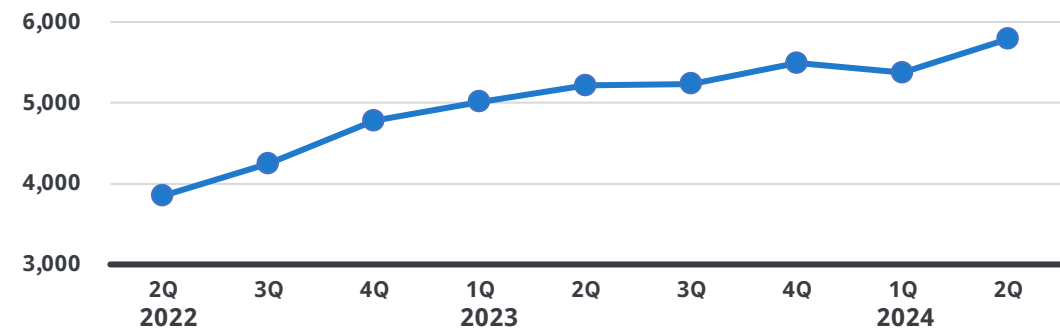
Quarterly GMV per store

(10,000 yen)

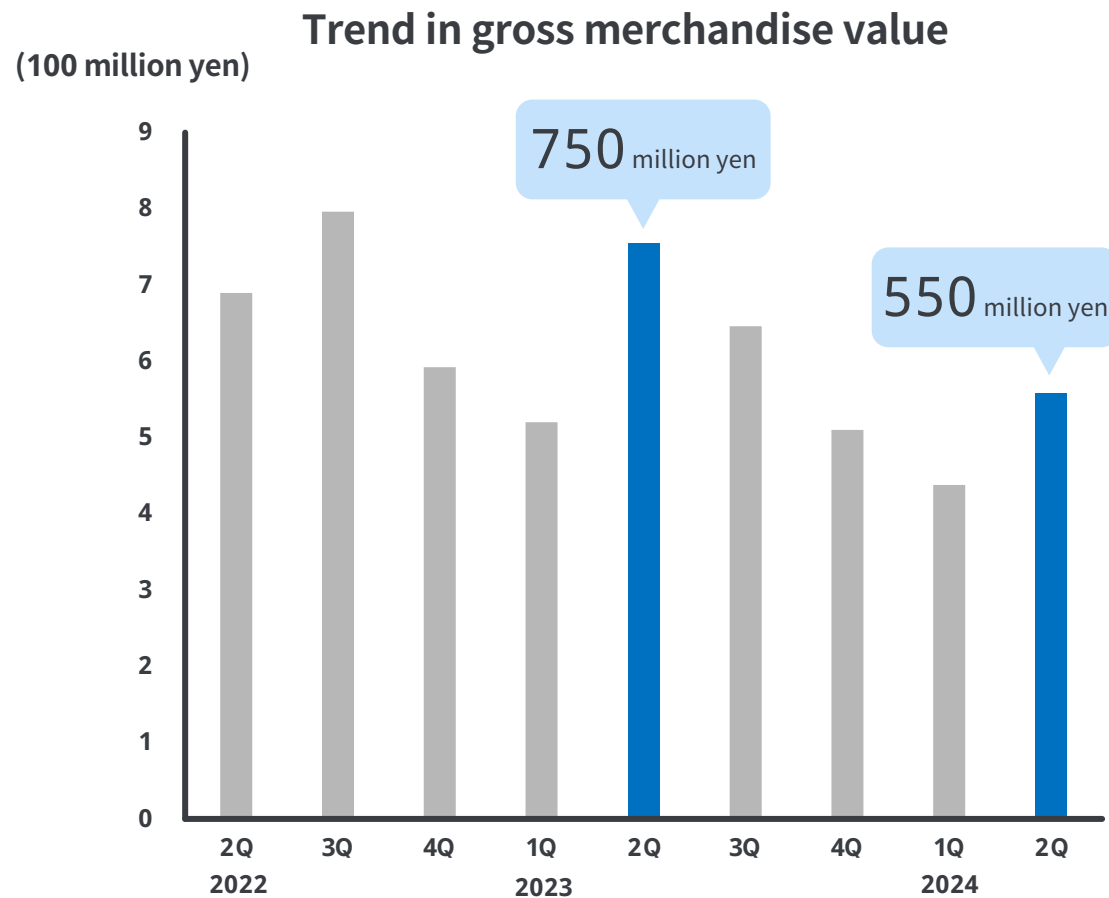


Spending per customer for paid stores

(Yen)



- Some shipments related to the t-shirt sale were delayed to Q3
- We launched a new features for creators including "Takurami," which allows users to request illustrations or other content from creators, and the "3D Goods Creation Tool" We are contributing to the creator economy by providing creators with opportunities for success through skill sharing, and providing support for output in virtual spaces



New "Takurami" feature

Against the backdrop of an expanding sharing economy market, we have launched a feature enabling creators to offer paid illustrations and other content, and are creating opportunities for creators to achieve new successes through skill sharing

Launched on July 9



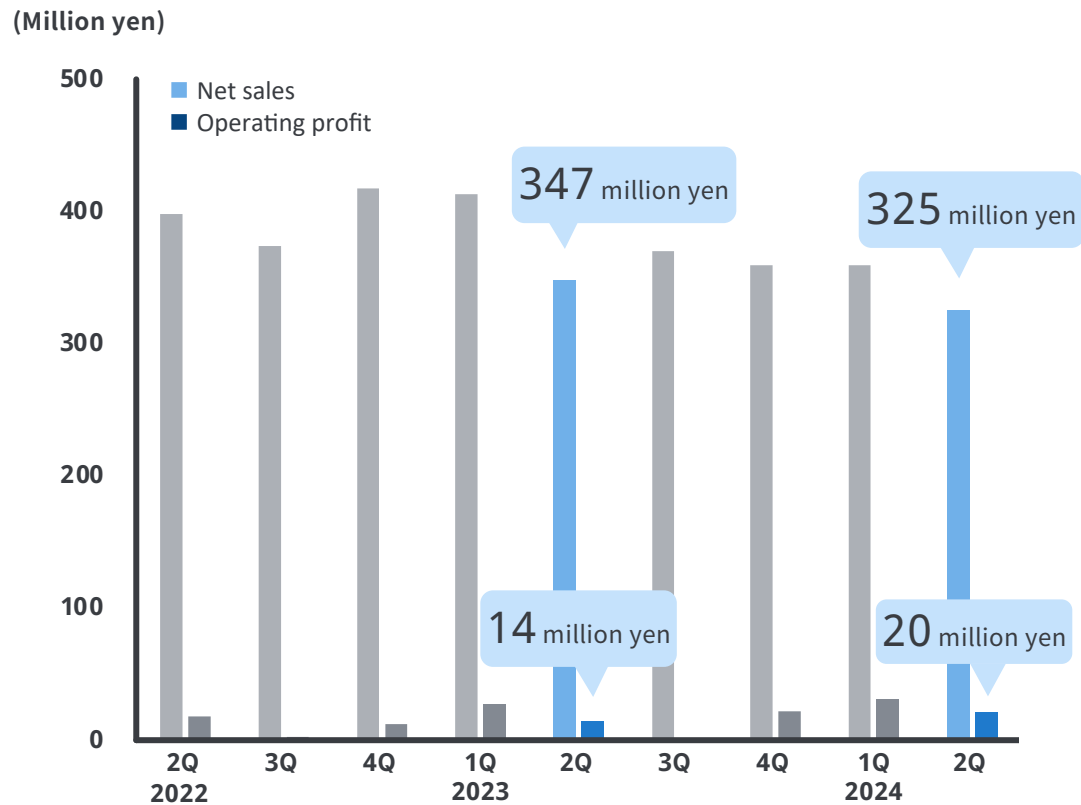
New "3D Goods Creation Tool" feature

Against the backdrop of an expanding metaverse market driven by the spread of VR equipment, we have launched a feature that enables users to create and sell 3D models and 3D goods without requiring expert knowledge or skill

Launched on July 11

- Net sales declined due to a year-on-year decrease in gross merchandise value in response to a slumping e-commerce market
- As a result of efficiently managing promotional costs, operating profit increased

Trend in Handmade Products business results



Net sales	(Million yen)	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
Handmade Products business		2,791	3,041	+249	108.9%
minne		761	684	-76	89.9%

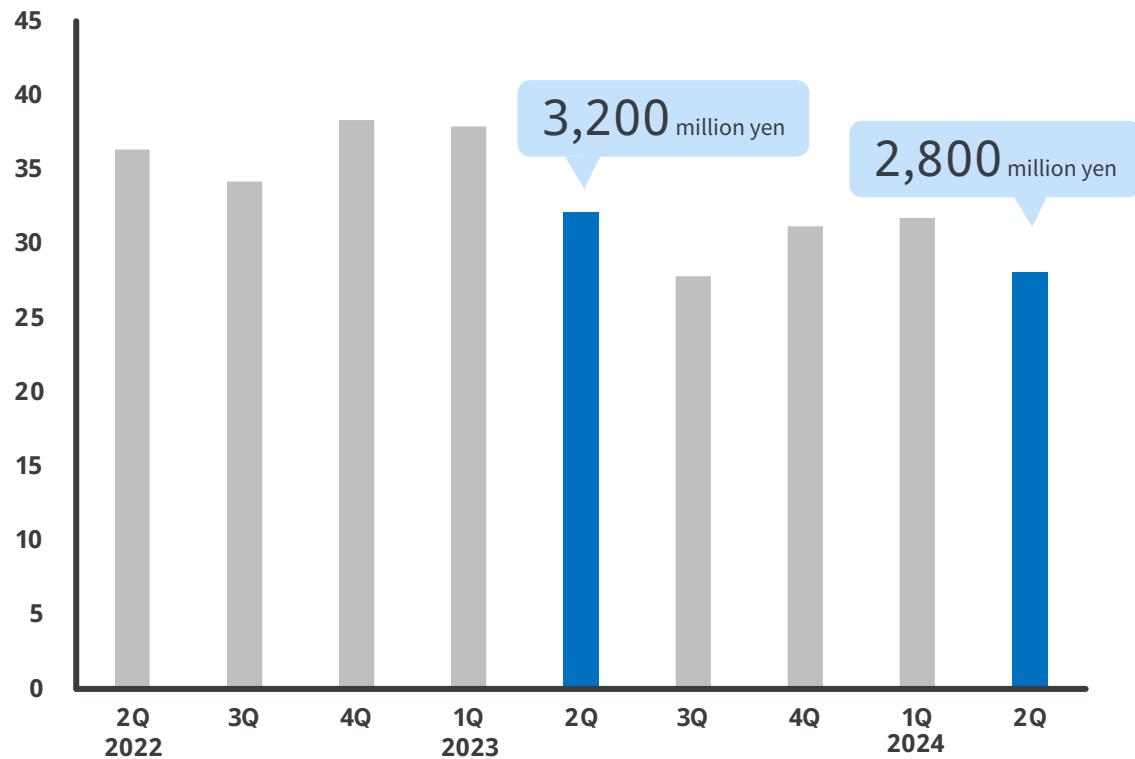
Operating profit	(Million yen)	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
Handmade Products business		902	1,054	+152	116.9%
minne		41	51	+10	123.9%

- Net sales**
 - Gross merchandise value declined, with sales reaching 89.9% of the same period the previous year
 - The "minne PLUS Artist Standard Plan" was launched as a subscription-based plan
- Operating profit**
 - As a result of efficiently managing promotional costs, operating profit increased

- Gross merchandise value declined year on year in response to a slumping e-commerce market
- We launched the "minne PLUS Artist Standard Plan" as a subscription-based plan to support artist and brand sales promotion and marketing activities

Trend in gross merchandise value

(100 million yen)



Launched on
May 15

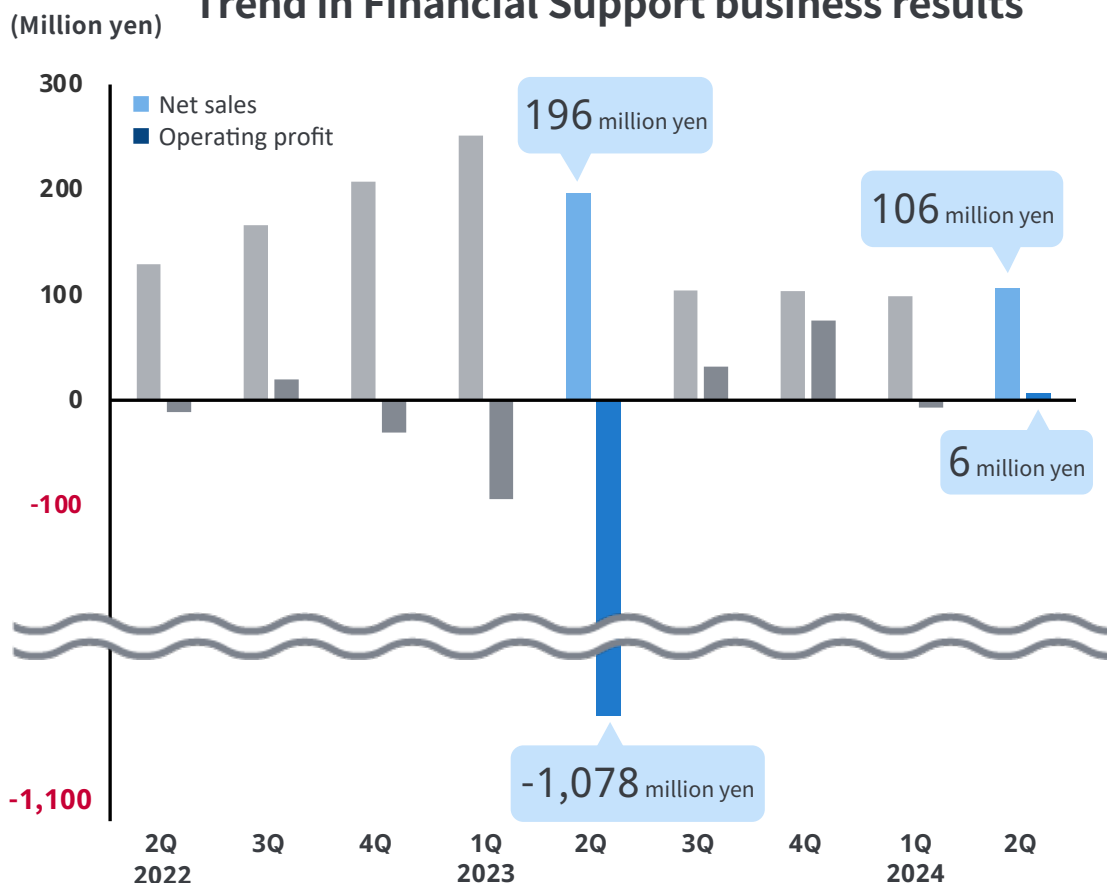
minne PLUS Artist Standard Plan



We launched a subscription-based plan that enables handmade product articles and brands to conduct sales promotion and market activities directly aimed at followers.

- Sales declined, reflecting a decrease in the amount of purchases of invoices due to stricter purchase criteria. This will mitigate business risks leading to a stable performance.
- The extent of losses contracted due to a significant decrease in bad debt-related expenses. We are continuously recovering overdue receivables

Trend in Financial Support business results



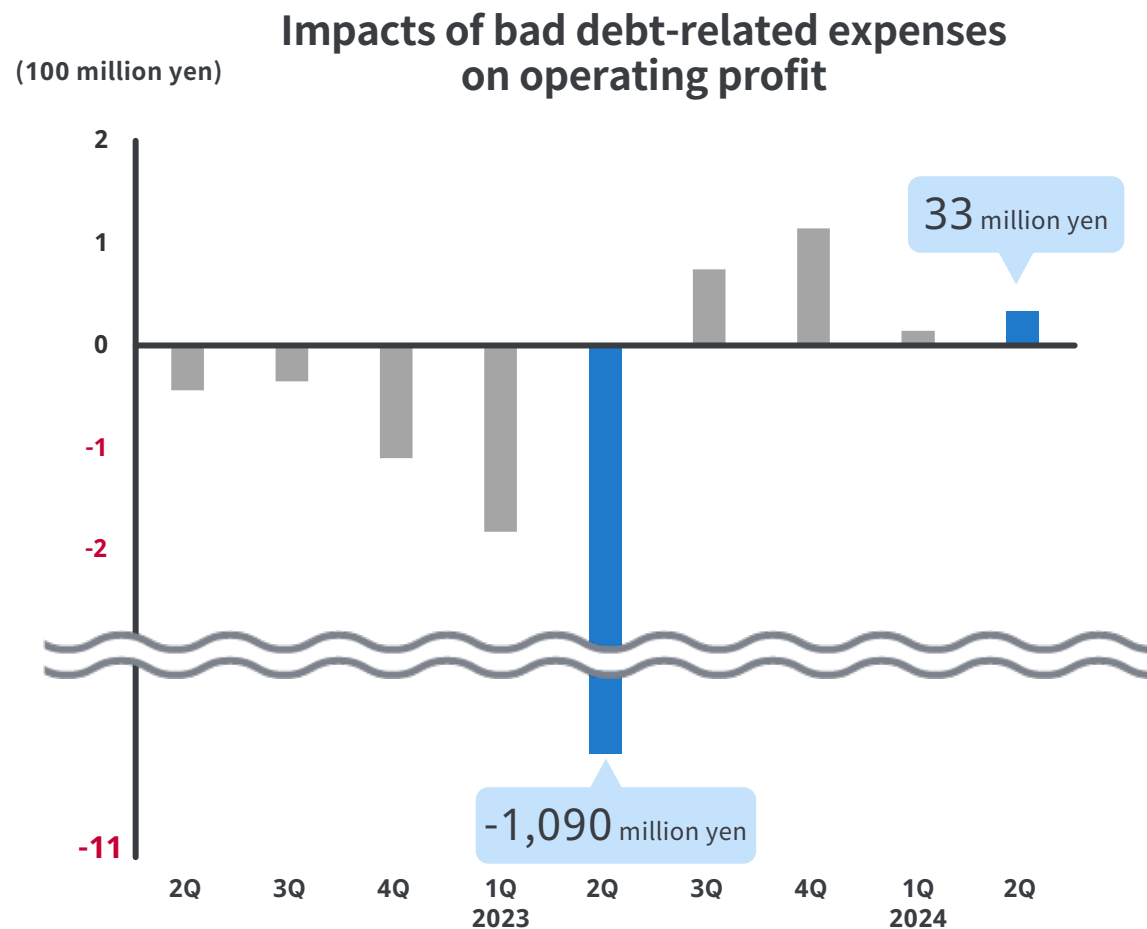
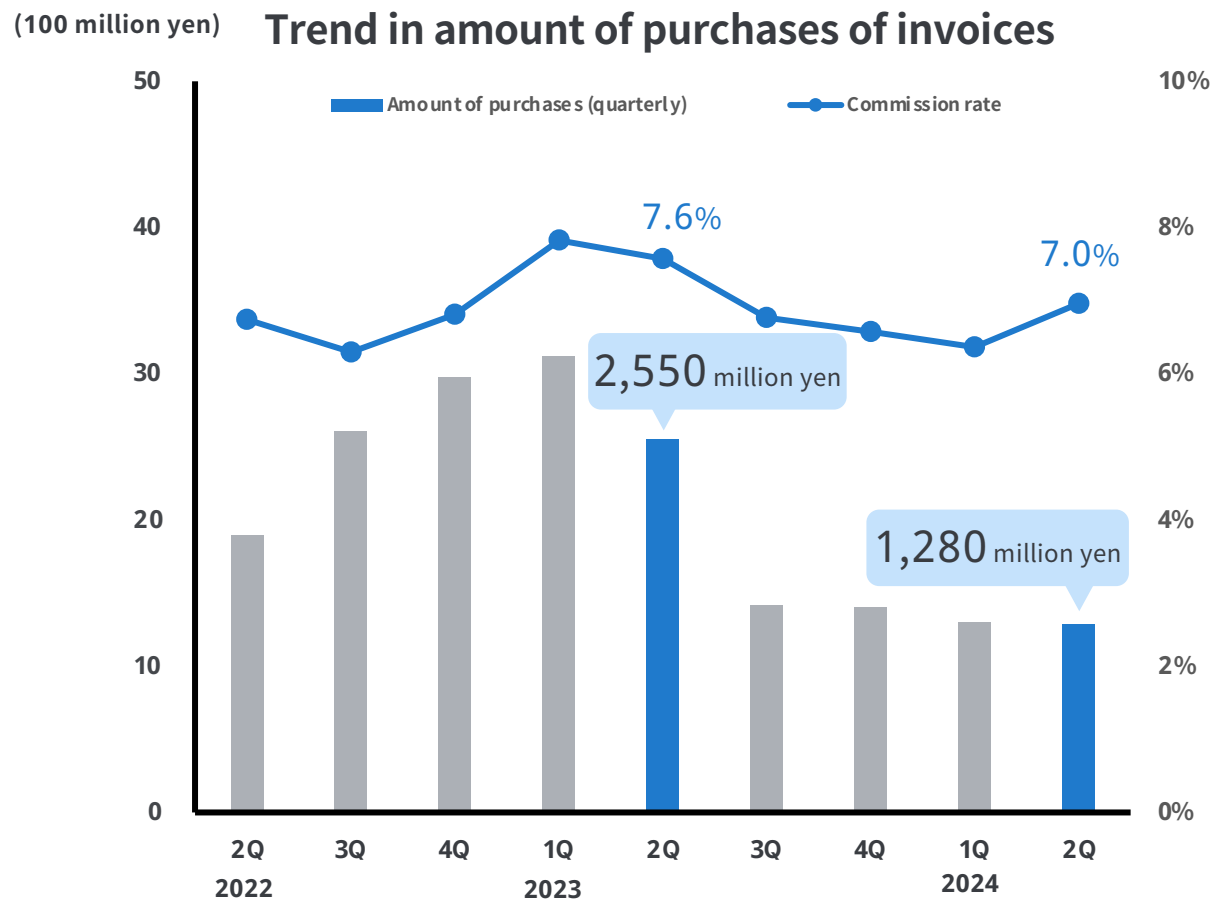
	(Million yen)	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
Net sales					
Financial Support business		2,791	3,041	+249	108.9%
FREENANCE		761	684	-76	89.9%

	(Million yen)	Q2 FY2023 (six months)	Q2 FY2024 (six months)	Difference	YoY
Operating profit					
Financial Support business		902	1,054	+152	116.9%
FREENANCE		41	51	+10	123.9%

Net sales Sales declined year on year, reflecting a decrease in the amount of purchases of invoices due to stricter purchase criteria

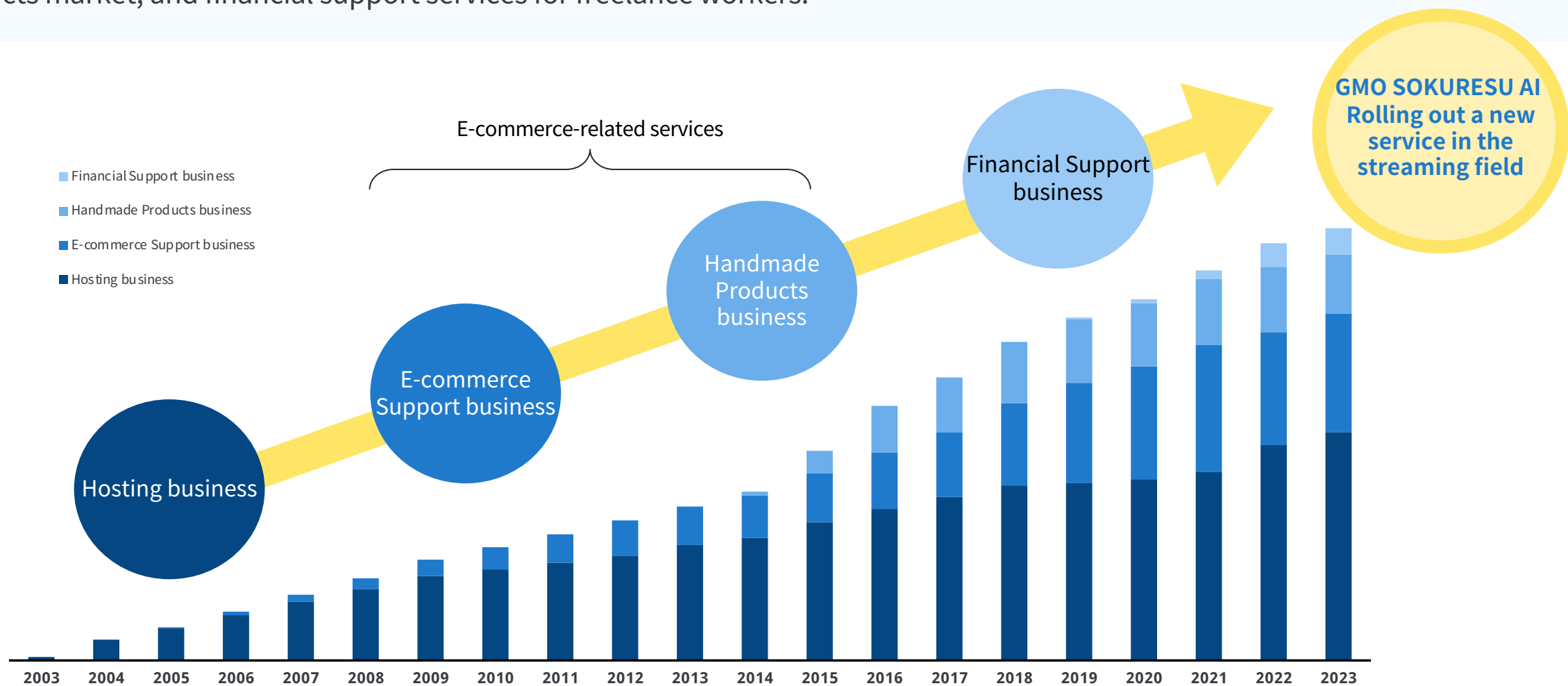
Operating profit As a result of efforts to collect receivables, bad debt-related expenses for overdue receivables declined significantly

- The amount of purchases of invoices declined due to stricter screening criteria introduced from Q3 of FY2023
- Operating profit benefits from the positive impact of declining bad debt-related expenses and efforts to collect overdue receivables



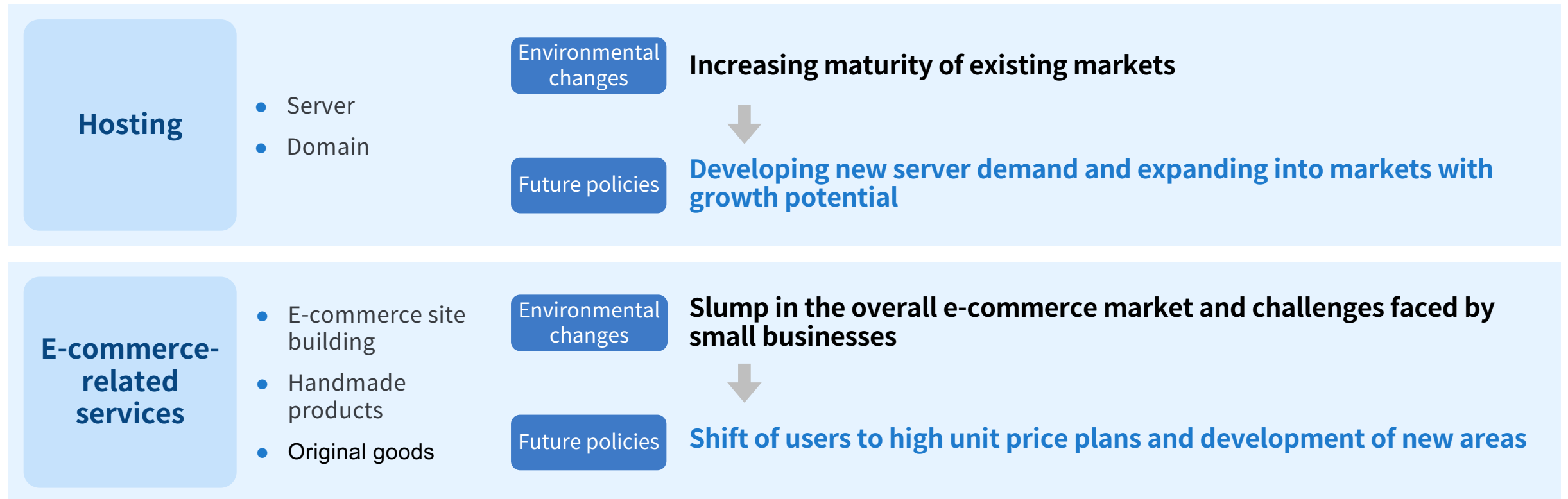
**Year ending December 31, 2024
Report on the Current Situation
and Future Policy**

- We provide services that lower the hurdles for people to engage in expressive activities, including the servers and domains used to operate websites, the building of e-commerce sites, the creation and sale of original goods, the operation of a handmade products market, and financial support services for freelance workers.



* Figures for 2021 and 2020 are unaudited following the application of the accounting standard for revenue recognition.

- The environment has undergone significant change, with the maturity of existing markets and challenges faced by small businesses
- We deliver services tailored to the needs of users engaged in expressive activities with a greater focus on vertical areas and high-price segments



Approach to Streaming Culture

Creator economy

Where creators are active

Products / content / skills

Engagement

Products

Server/domains

LOLIPOP! Xserver
MuuMuu Domain お名前.com

EC

COLOR ME BASE
SUZURI UP-T

Handmade products

minne Creema

Content

Videos / Live streaming

I7LIVE
SHOWROOM
ツイキャス
twitch
TikTok
YouTube

Text

note
Ameba
Hatena Blog

Illustrations / photos

pixiv
Instagram

Music / audio

voicy
Spotify

Gaming

STEAM
EPIC GAMES

Skills

coconala

Skeb

VIVIVIT

CAMPFIRE community

PIXIV FANBOX

Misskey

X

Creator support services

Financing

FREENANCE by GMO
Daytner

Support for production

Adobe
Canva

Sales support

Follop
toridori

Operation

freee
Money Forward クラウド

Agent

UUUM hololive production

* Source: Mitsubishi UFJ Research and Consulting "Domestic Creator Economy Research Results (2023)"

[Figure 1] Created by GMO Pepabo by referencing examples of well-known companies and services for each platform and service type

Creator economy

Where creators are active

Products / content / skills

Engagement

Products

Server/domains

LOLIPOP! Xserver
MuuMuu Domain お名前.com

EC

COLOR ME BASE
SUZURI UP-T

Handmade products

minne Creema

Content

Videos / Live streaming

I7LIVE
SHOWROOM
ツイキャス
twitch
TikTok
YouTube

Text

note
Ameba
Hatena Blog

Illustrations / photos

pixiv
Instagram

Music / audio

voicy
Spotify

Gaming

STEAM
EPIC GAMES

Skills

coconala
Skeb
VIVIVIT

CAMPFIRE community
PIXIV FANBOX
Misskey
X

Creator support services

Financing

FREENANCE
Daytner

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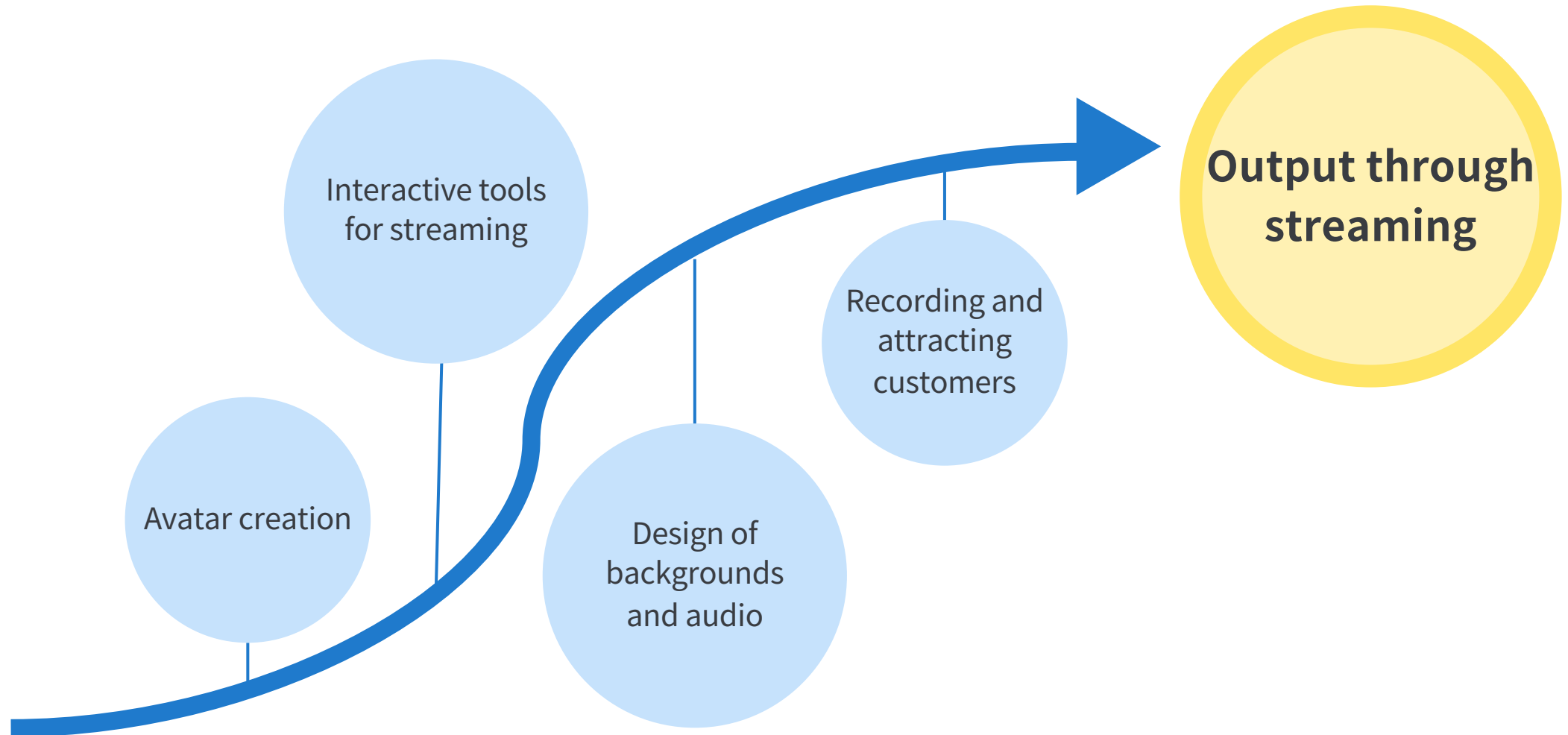
Agent

UUUM
hololive production

* Source: Mitsubishi UFJ Research and Consulting "Domestic Creator Economy Research Results (2023)"

[Figure 1] Created by GMO Pepabo by referencing examples of well-known companies and services for each platform and service type

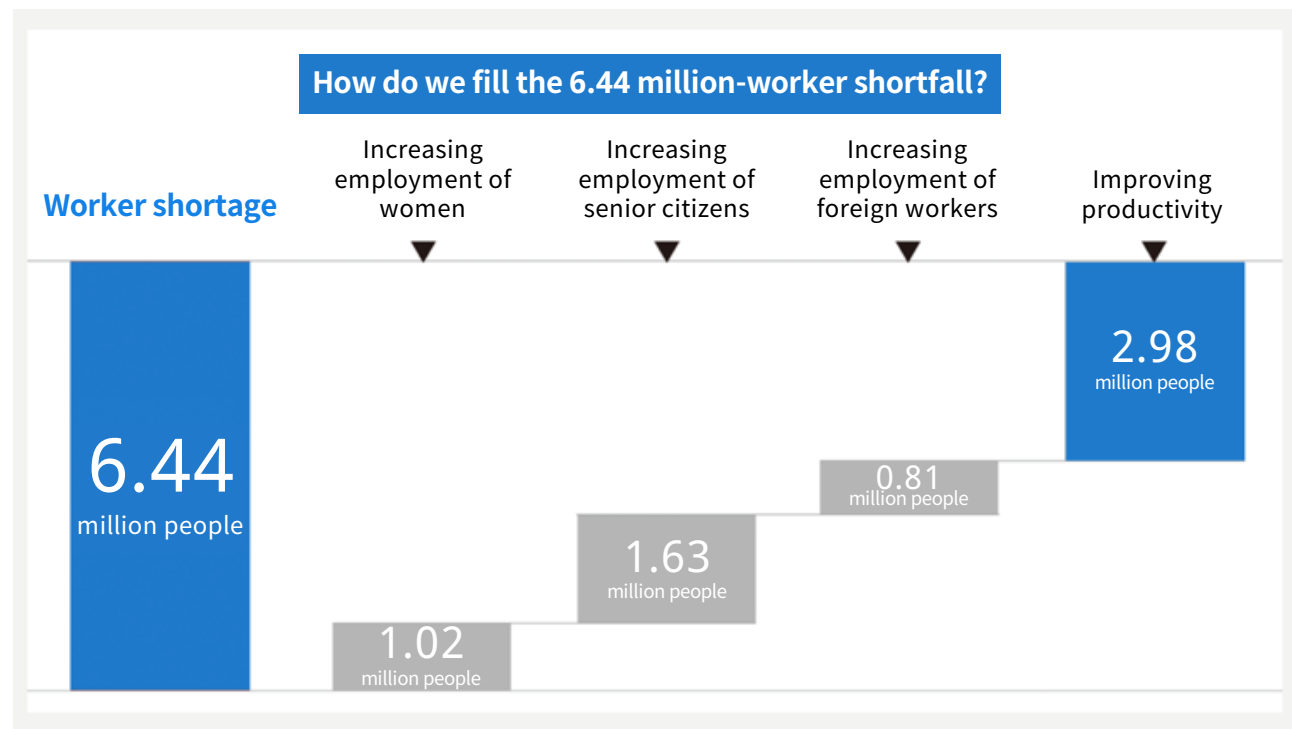
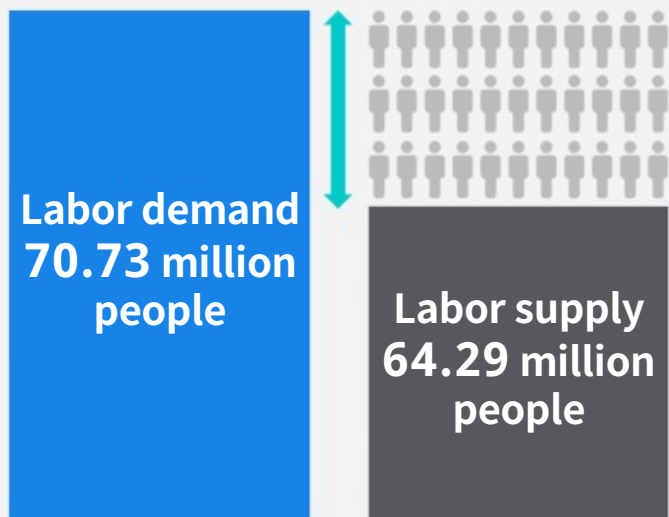
- We provide services to the streaming culture sector that is expected to experience expanded demand in the creator economy
- We lower the hurdles to expressive activities through streaming, create opportunities for expansion into new businesses, and help creator output



GMO SOKURESU AI

- The Japanese working population is expected to face a shortage of 6.44 million people by 2030
- With these labor shortages, improving productivity by utilizing AI is an urgent challenge

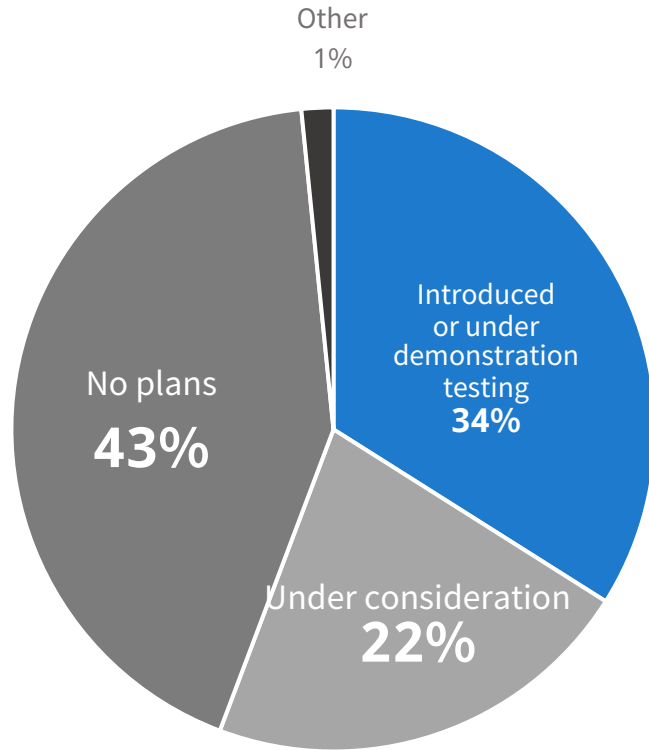
The Japanese working population will face a shortage of **6.44 million people** by 2030



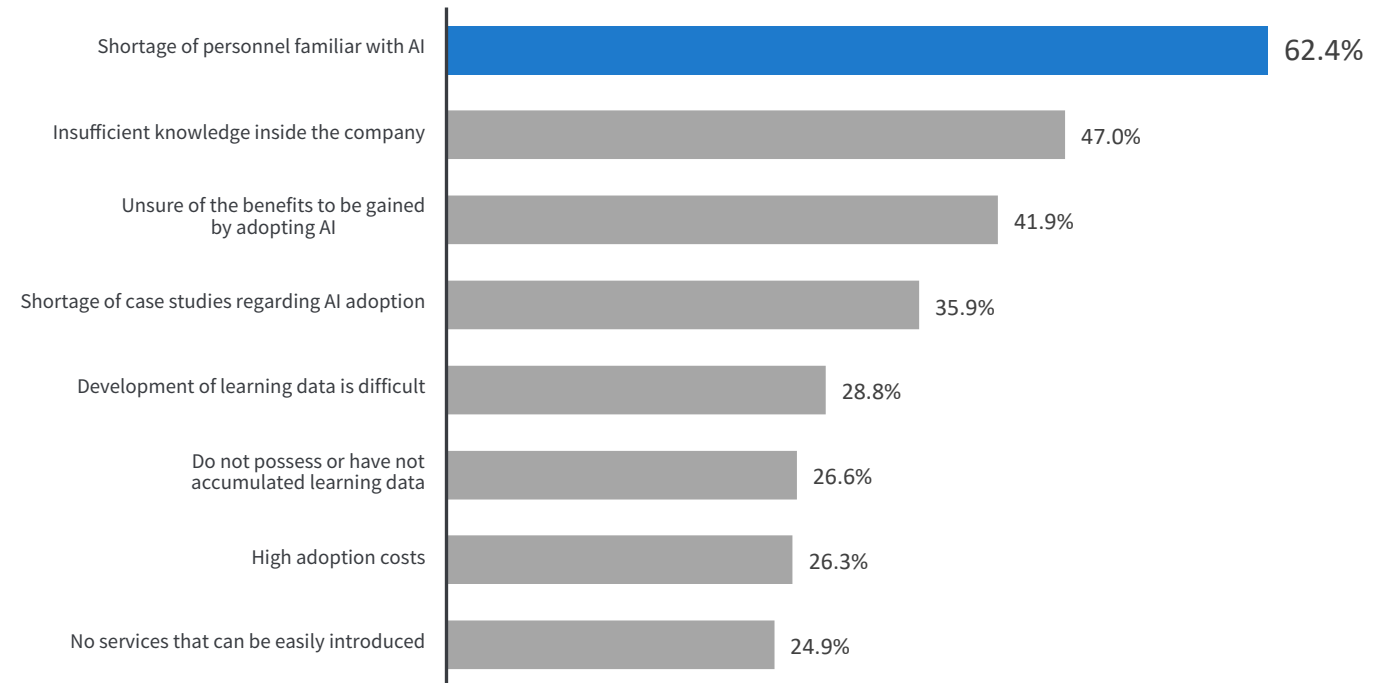
* Source: Persol Research and Consulting Co., Ltd. and Chuo University, Rodo Shijo no Mirai Suikei 2030 (estimation of future labor market 2030)

- Companies that have introduced AI or implemented demonstration testing of AI are still at a low level - just 34%
- There is a shortage of human resources with basic knowledge of AI and the ability to conduct data analysis that can be leveraged in business

State of AI adoption in companies (2023)

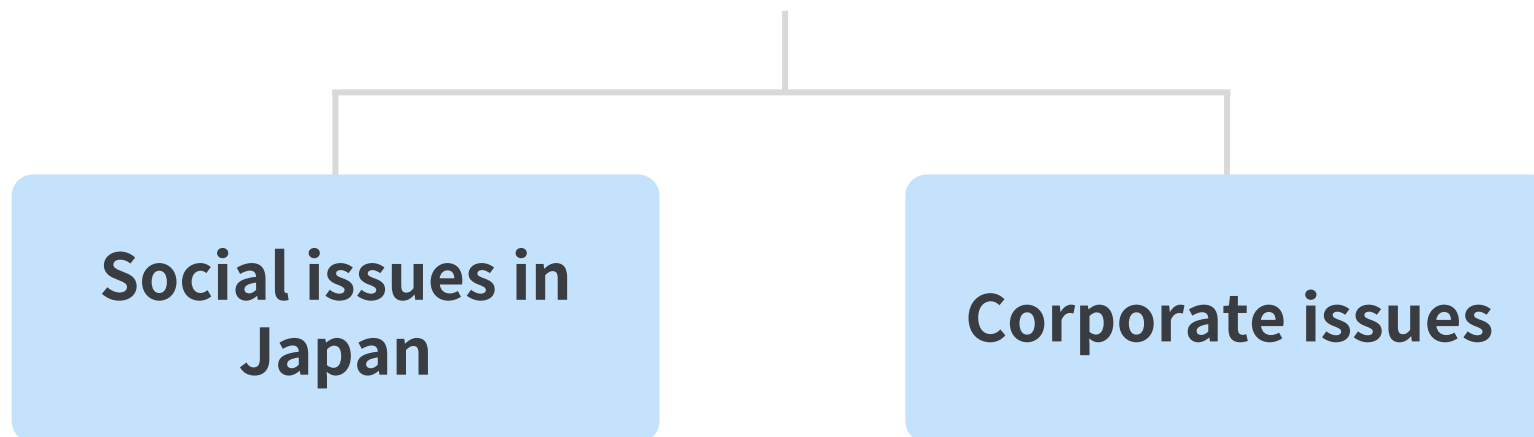


Issues with the introduction of AI



* Source: Created in-house based on "DX Trends 2024" from the Information-technology Promotion Agency, Japan

- We will solve the challenge of boosting productivity to address the decline in the working population with AI
- We will provide expertise in the introduction and operation of AI to handle inquiries to companies, and help them solve their corporate issues

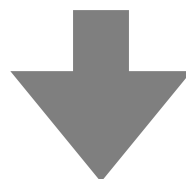


Using inquiry-based AI to solve issues

- Productivity has improved with the utilization of AI, and on August 1, we made organizational changes and transferred partners from the Customer Service Department to respective business divisions.

As a result of employing AI, productivity in the Customer Service Department was improved*

This enabled the transfer of staff to operating divisions, and the optimization of human resources through changes to job roles



* Productivity improvement as of Q1
Number of Color Me Shop inquiries answered by humans:
47.1% reduction
Number of staff in the department:
Reduced by 17% compared with Q1 of the previous year

The Customer Service Department was dissolved on August 1, with staff transferred to other divisions

- To solve the issues of the declining worker population and lack of human resources familiar with AI in corporate roles, we launched GMO SOKURESU AI for the domestic DX market
- We provide new services tailored to streaming culture in the market that underpins the creator economy

* Source: "2024 Digital Transformation Market Future Outlook" from Fuji Chimera Research Institute
Mitsubishi UFJ Research and Consulting "Domestic Creator Economy Research Results (2023)"
Company estimated based on Grand View Research "Japan Live Streaming Market Size & Outlook"
(calculated based on a rate of USD1 = JPY150)

Domestic DX market forecast (2030 forecast)

8.3 trillion yen (Average annual growth rate: 10.4%)

Domestic DX market forecast (2030 outlook)

4.1 trillion yen

GMO SOKURESU AI

Domestic livestreaming market forecast (2030 forecast)

2.5 trillion yen (Average annual growth rate: 24.7%)

Domestic live streaming market (2032)

534.5 billion yen

New services that cater to streaming culture

<div style="background-color: #ADD8E6; border-radius: 15px; padding: 20px; width: 100px; margin: 0 auto;"> <h2 style="margin: 0;">Hosting</h2> </div>	<ul style="list-style-type: none"> • Server • Domain 	Environmental changes	<p>Increasing maturity of existing markets</p>
		Future policies	<p style="text-align: center;">↓</p> <p style="color: #4A86E8;">Developing new server demand and expanding into markets with growth potential</p>

<div style="background-color: #ADD8E6; border-radius: 15px; padding: 20px; width: 100px; margin: 0 auto;"> <h2 style="margin: 0;">E-commerce-related services</h2> </div>	<ul style="list-style-type: none"> • E-commerce site building • Handmade products • Future policies 	Environmental changes	<p>Slump in the overall e-commerce market and challenges faced by small businesses</p>
		Future policies	<p style="text-align: center;">↓</p> <p style="color: #4A86E8;">Shift of users to high unit price plans and development of new areas</p>

<div style="background-color: #FFD700; border-radius: 15px; padding: 20px; width: 100px; margin: 0 auto;"> <h2 style="margin: 0;">New Area</h2> </div>	<ul style="list-style-type: none"> • Solving social issues • Business tailored to changes in expressive activities 	Environmental changes	<p>Productivity improvements and changers in expressive activities and means of expression</p>
		Future policies	<p style="text-align: center;">↓</p> <ul style="list-style-type: none"> • <b style="color: #4A86E8;">New business leveraging our expertise in customer service as a strength • <b style="color: #4A86E8;">Provision of services that lower the hurdles to expressive activities in streaming

GMOペパボ

GMO Pepabo, Inc.
Stock code: 3633



Questions and answers

How to use Zoom

- 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 (Q2)

(Million yen)	FY2023 Q2 (six months)	FY2023 Q2 (six months)	YoY
Net sales	5,523	5,365	97.1%
Cost of sales	2,477	2,549	102.9%
Gross profit	3,045	2,815	92.4%
Selling, general and administrative expenses	3,871	2,319	59.9%
Of SG&A expenses, promotion cost*	590	457	77.4%
Operating profit	△825	496	—
(Operating profit margin)	—	9.3%	—
Ordinary profit	△746	493	—
Profit before income taxes	△746	493	—
Profit attributable to owners of parent	△892	325	—

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

Consolidated Balance Sheet

(Million yen)	FY2023	FY2024 Q2	Change
Current assets	8,568	8,669	+ 101
Cash and deposits*	4,360	4,524	+ 163
Accounts receivable	2,185	2,065	△ 119
Accounts receivable - other	1,620	1,491	△ 128
Non-current assets	2,306	2,194	△ 111
Total assets	10,874	10,864	△ 10
Current liabilities	7,913	7,782	△ 131
Accounts payable – other	1,860	1,671	△ 189
Advances received	4,292	4,412	+ 119
Non-current liabilities	1,150	980	△ 169
Net assets	1,811	2,101	+ 290
Liabilities and net assets	10,874	10,864	△ 10

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

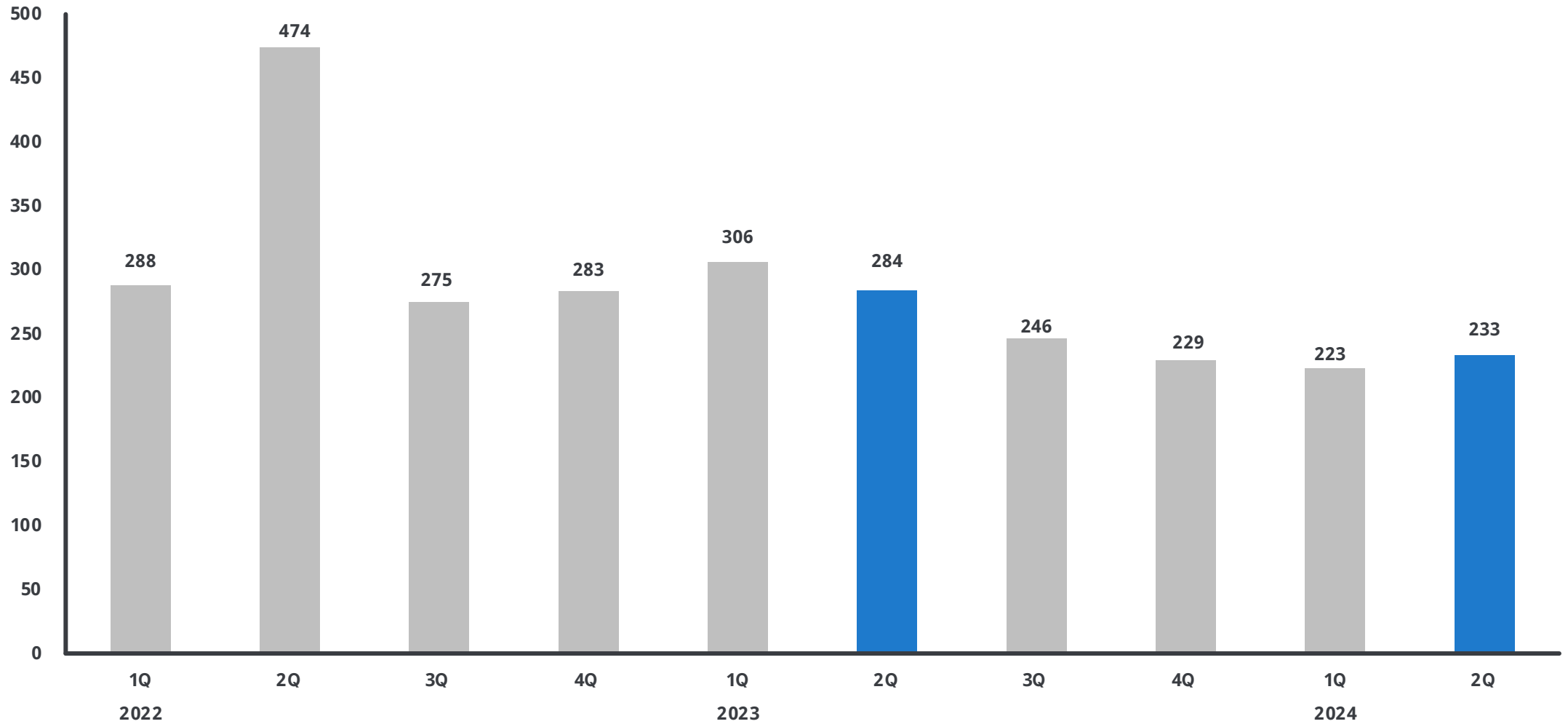
Statement of Cash Flows

(Million yen)	FY2023 Q2	FY2024 Q2
Operating cash flow	734	564
Investing cash flow	△134	△221
Financing cash flow	△28	△179
Increase (decrease) in cash and cash equivalents	571	163
Balance of cash and cash equivalents	4,181	4,524

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

Analysis of Change in Operating Profit (in Detail)

(Million yen)



Company Profile

Company Information

Company Name GMO Pepabo, Inc.

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.

Stock exchange Tokyo Stock Exchange (Standard Market) (stock code:3633)

Share capital 262.22 million yen

Number of employees (consolidated) 412 (347 full-time employees, 71 temporary employees)

(As of June 30, 2024)



“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.

Mission

Increase the output of humanity

We harness the power of the Internet and technology to lower the barriers to information sharing, amplifying all kinds of outputs globally.

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.



History

- 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.
- October 2023 ● Assigned to the Section of the Tokyo Standard Market.
- March 2024 ● Starts "GMO SOKURESU AI" which provides an inquiry response support service with AI



Pepabo offers a wide range of web services and smartphone applications to support creative expression.

These services are categorized as follows

Hosting Business	 LOLIPOP!	 heteml	 MuuMuu Domain	
E-commerce Support Business	 COLOR ME	 SUZURI		
Handmade Products Business	 minne			
Financial Support Business	 FREENANCE			

One of Japan's largest rental server services



Ready to use, ready to go the distance. You can achieve whatever you set out to do.

This service offers low-cost, high-performance servers for those who want to pursue their passions, whether it's building websites or creating email addresses. We support individuals who use technology on the Internet to engage in creative expression.

Rate plans	99 yen~ / month
Main Users	Individuals and small and medium-sized corporations
Number of contracts	0.40 million

※ As of June 30, 2024

※Rate plans : Economy 99 yen~, Light 264 yen~, Standard 495 yen~, High Speed 550 yen~, Enterprise 2,200 yen~



Domain name acquisition agency



The gateway to every form of self-expression on the Internet.

This service enables you to acquire and manage your desired domain name from a selection of over 400 types. We support the business and creative endeavors of those looking to build their own unique websites and online stores.



Rate plans*	85 yen~ / year
Main Users	Individuals and small and medium-sized corporations
Number of contracts	1.08 million

※ As of June 30, 2024

※Service maintenance and adjustment fees are charged separately in addition to the usage fees

Creation of online shops



Supporting businesses of all sizes and enhancing the diversity of e-commerce.

Whether you're just starting out or already running a growing business, this service enables you to build an e-commerce site that can scale with your needs, regardless of your product or business size. We offer a wide range of features and dedicated support to help you succeed in your business endeavors.



Rate plans*	FREE / Regular / Large / Premium
Main users	Individuals and small and medium-sized corporations
Number of contracts	50,000

※ As of June 30, 2024
 ※Rate plans : FREE 0 yen~, Regular 4,950 yen~, Large 9,595 yen~, Premium 39,600 yen~

Creation and sale of original goods

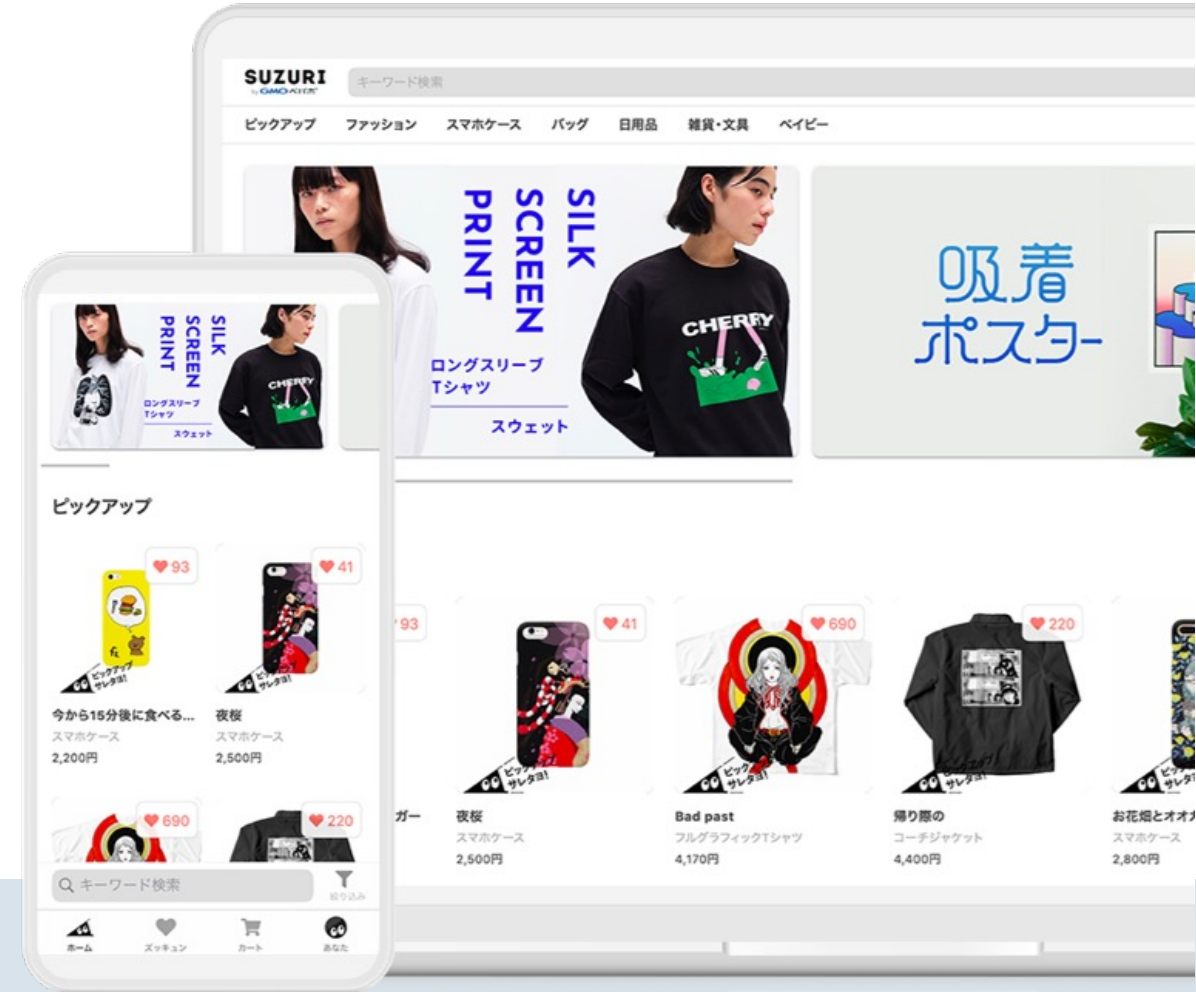
SUZURI

Creating is easy for everyone, Reaching as many people as possible with what you've made.

This service enables users to easily create and sell high-quality original items like T-shirts, phone cases, and mugs using their own illustrations and photos. We help creators expand the possibilities of their creative work.

Annual gross merchandise value	2.4 billion yen (2023 result)
Number of creators	0.83 million
Number of members	1.84 million

※ As of June 30, 2024



One of Japan's largest handmade products markets

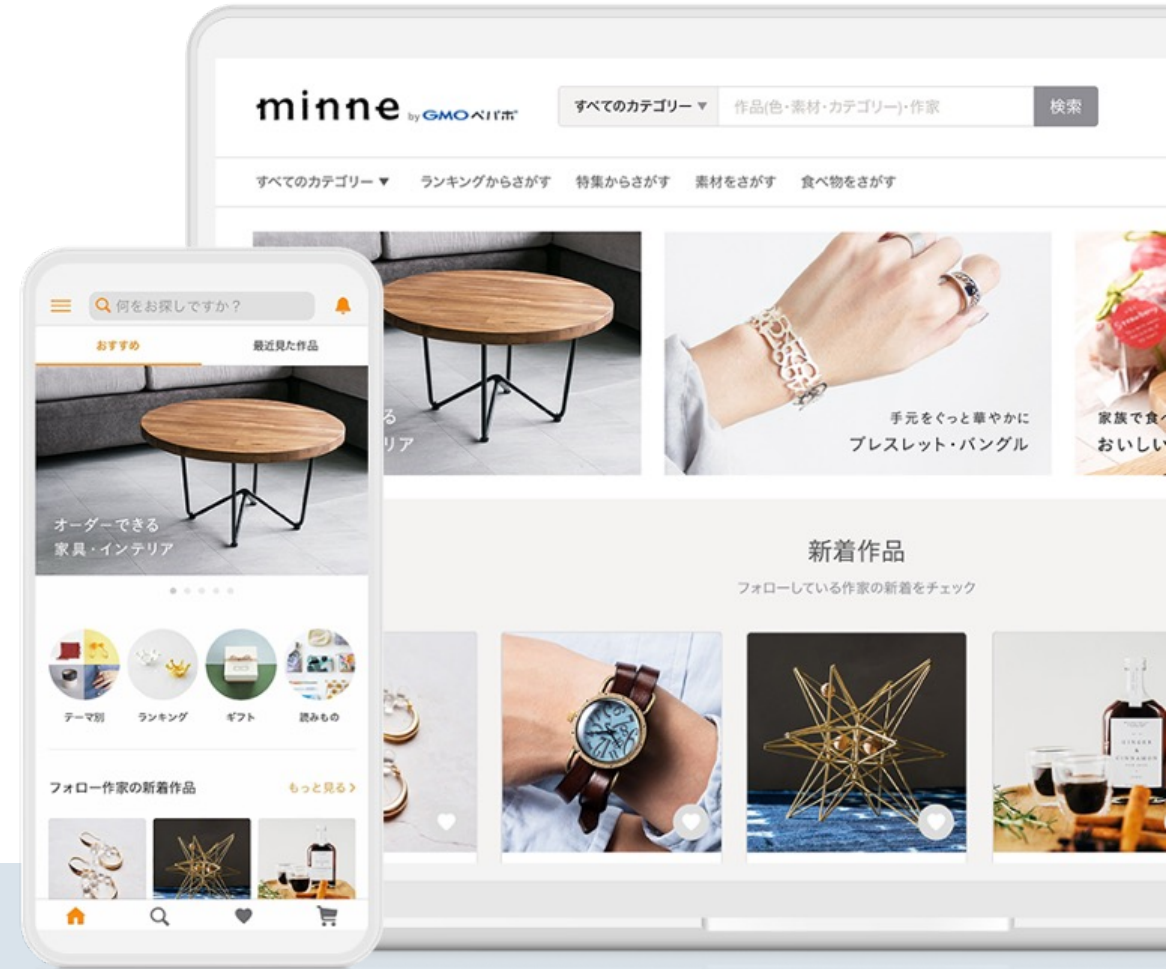
minne

Expanding the possibilities of making and creating a world where everyone can express their creativity.

It's a handmade marketplace that connects 'people who want to buy' with 'people who want to sell' their handmade creations. As a comprehensive platform for craftsmanship, we support artists and brands in expanding the possibilities of their craft.

Annual gross merchandise value	12.9 billion yen (2023 result)
Number of creators and brands	0.91 million
Number of works	17.49 million
Number of app downloads	15.04 million

※ As of June 30, 2024



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



Providing immediate payment (factoring) and indemnity insurance to support the activities of sole proprietors.

Creating a future where freelancers can thrive. We support the activities of freelancers and sole proprietors with financial and insurance solutions, empowering individuals with expertise to work confidently, energetically, and freely, allowing them to focus on what they do best.

Minimum amount of invoice purchase

10,000 yen~

Commission rate

3%-10% of invoice face value

Main services

Immediate payment / GMO Freelance factoring / insurance, etc.

Amount of purchases of invoices

8.4billion yen (FY2023)

※ As of June 30, 2024



Identification of three material sustainability issues: addressing social challenges and enhancing corporate value 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

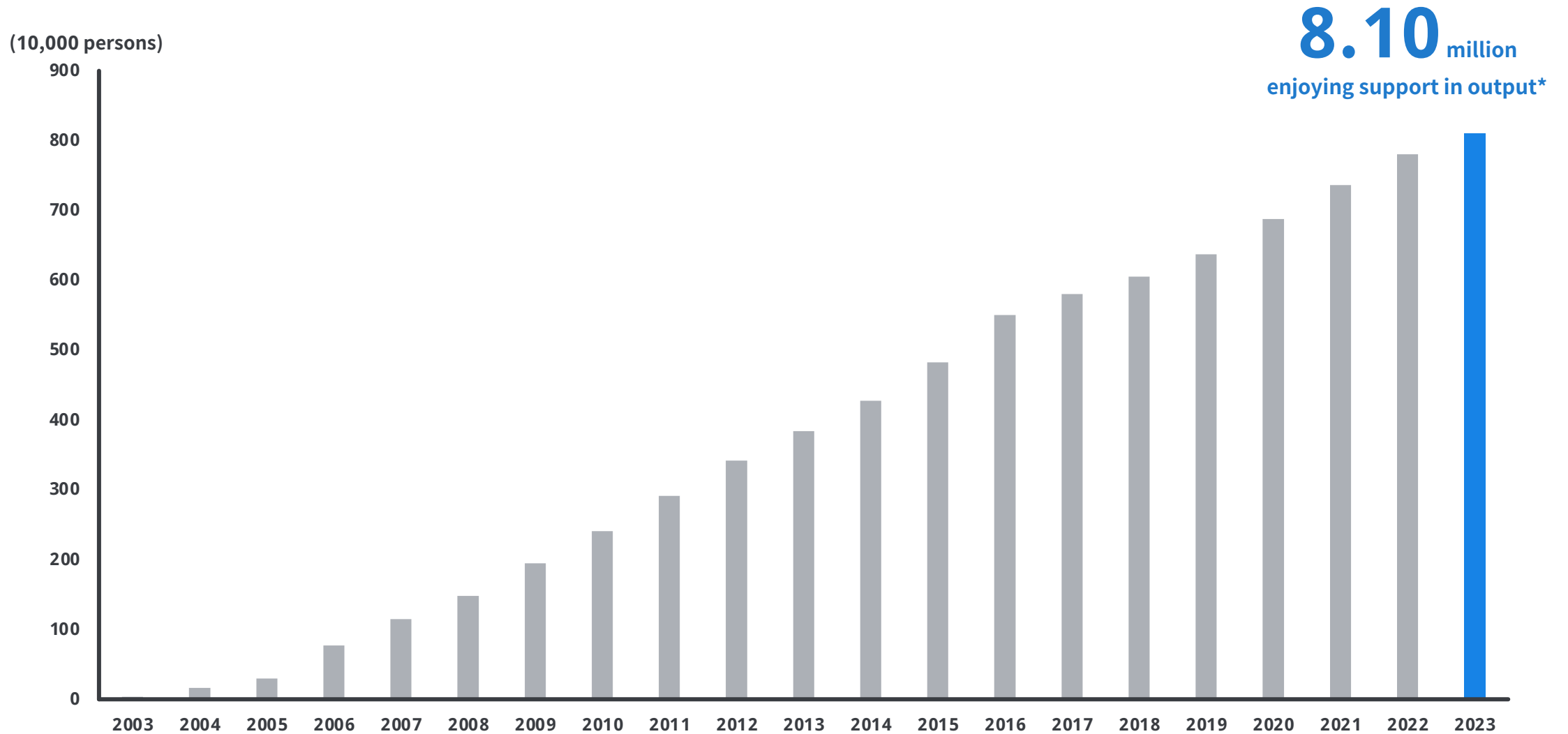


Please find our sustainability activities and concrete efforts on the websites below.

Sustainability at GMO Pepabo <https://pepabo.com/sustainability/>

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

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



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

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 2023

minne



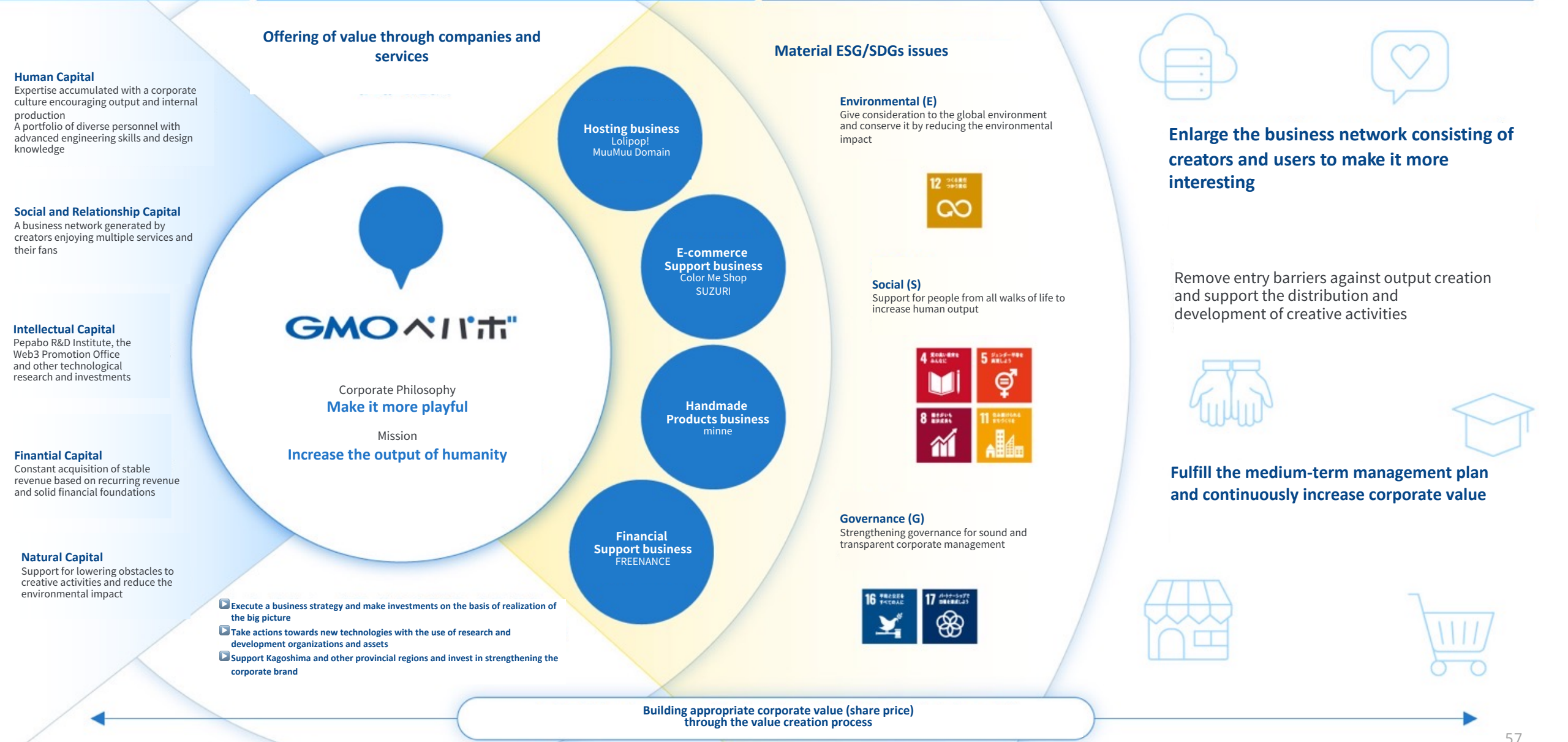
- **Special features on environmental works**

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

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
- Social Support business**
Color Me Shop
SUZURI

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



- 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

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

Dividends

	2021	2022	2023	2024 (Forecast)
Annual dividends per share (yen)	68.00	50.00	0.00	40.00
Payout ratio (%)	50.3	51.9	—	50.0

Shareholder benefits

*Continuous shareholding conditions will be applied to shareholder benefits from the end of June 2024 onward (see corporate website for details)

*Preferential benefits will be offered to shareholders who have continuously held at least one unit of shares for six months or more under the same shareholder number.

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

(Million yen)

		FY22				FY23				FY24	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Consolidated	Net Sales*2	2,535	2,570	2,702	2,721	2,735	2,788	2,701	2,677	2,647	2,718
		1,319	1,343	1,391	1,384	1,369	1,422	1,466	1,500	1,522	1,518
Hosting business	Lolipop	551	575	583	584	594	621	638	648	650	642
	MuuMuu Domain	544	547	581	573	553	577	598	618	644	650
	Other*3	224	221	227	227	222	224	230	234	228	226
E-commerce Support business		664	699	769	710	700	821	761	713	665	767
	Color Me Shop	442	442	467	501	511	536	494	524	504	546
	SUZURI	212	247	293	204	184	280	264	188	161	221
	Other*3	10	10	9	5	5	5	3	0	0	0
Handmade Products business	minne	460	398	373	417	413	347	370	359	359	325
Financial Support business	FREENANCE	90	129	166	207	251	196	104	103	99	106
		FY22				FY23				FY24	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Consolidated	Operating Profit*2	225	22	322	161	36	-861	243	241	234	262
		451	478	509	452	426	475	508	511	539	514
Hosting business	Lolipop	308	334	331	309	307	327	351	346	344	304
	MuuMuu Domain	71	69	97	75	45	77	89	91	109	116
	Other*3	72	75	81	68	74	71	68	74	86	94
E-commerce Support business		175	1	260	225	163	228	194	170	160	231
	Color Me Shop	176	174	206	228	202	192	151	173	188	223
	SUZURI	6	-167	61	4	-29	49	56	8	-18	17
	Other*3	-7	-6	-7	-7	-10	-13	-13	-11	-10	-9
Handmade Products business	minne	49	17	2	12	27	14	-0	22	30	20
Financial Support business	FREENANCE	-4	-11	20	-30	-93	-1,078	32	75	-6	6

※For details, please refer to "Fiscal Year 2024 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

FY24 Q1_Results_Presentation_DataSheet

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

			FY22				FY23				FY24	
			Q1 3/31	Q2 6/30	Q3 9/30	Q4 12/31	Q1 3/31	Q2 6/30	Q3 9/30	Q4 12/31	Q1 3/31	2Q 6/30
Hosting business	Lolipop	Number of contracts (Numbers)	426,074	426,651	424,528	422,596	419,605	417,710	415,394	412,781	410,474	410,474
	MuuMuu Domain	Number of contracts (Numbers)	1,166,641	1,162,930	1,155,961	1,186,748	1,139,334	1,125,732	1,114,075	1,102,604	1,085,334	1,085,334
E-commerce Support business	Color Me Shop	Number of contracts (Numbers)	48,123	49,277	50,282	50,663	50,537	50,337	50,264	50,379	50,320	50,320
	SUZURI	Number of creators (ten thousands users)	59	62	65	67	69	72	75	77	80	80
		Number of members (ten thousands users)	113	122	130	135	141	149	156	163	172	172
Handmade Products business	minne	Number of products (ten thousands items)	1,484	1,531	1,568	1,596	1,625	1,656	1,687	1,710	1,729	1,729
		Number of creators (ten thousands users)	82	83	84	85	87	88	89	90	91	91
		Number of app downloads (ten thousands DLs)	1,351	1,371	1,392	1,411	1,428	1,442	1,454	1,473	1,492	1,492

KPI by Segment/Service (Quarterly)

			FY22				FY23				FY24	
			Q1 3/31	Q2 6/30	Q3 9/30	Q4 12/31	Q1 3/31	Q2 6/30	Q3 9/30	Q4 12/31	Q1 3/31	2Q 6/30
Hosting business	Lolipop	Spending per customer(yen)	431	449	457	461	471	495	511	522	527	527
E-commerce Support business	Color Me Shop	Spending per customer(yen)*1	3,705	3,850	4,250	4,778	5,014	5,213	5,233	5,492	5,391	5,791
	SUZURI	Gross merchandise value (100 million yen)	6.0	6.8	7.9	5.9	5.2	7.5	6.4	5.1	4.3	5.5
Handmade Products business	minne	Gross merchandise value (100 million yen)	41.9	36.3	34.1	38.3	37.8	32.1	27.7	31.1	31.7	28.0
		Number of orders (ten thousands orders)	121.7	101.1	93.7	99.5	102.2	83.6	73.3	77.4	81.6	69.8
		Average price of orders(yen)	3,600	3,622	3,743	3,919	3,823	3,888	3,901	4,071	4,051	4,117
Financial Support business	FREENANCE	Amount of Purchases of Invoices (100 million yen)	12.1	18.9	26.0	29.7	31.2	25.5	14.1	14.0	13.0	12.8
		Number of invoices(Invoices)	4,086	4,805	5,407	6,012	6,006	6,204	5,146	5,076	4,733	5,255
		Average invoice purchase (Thousand yen)	296	394	482	495	519	412	275	276	275	244
		Number of users(users)	2,306	2,593	2,848	3,154	3,298	3,459	3,246	3,110	2,919	3,157

※For details, please refer to "Fiscal Year 2024 1st Quarter Data sheet" on our IR page.


- 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.


Contact information


GMO Pepabo, Inc.

Please use GMO Pepabo AI Chat

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

 Corporate site
<https://pepabo.com/>

 IR information
<https://pepabo.com/ir/>

 Pepabo's official X account
[@pepabo](https://twitter.com/pepabo)