

IR Introduction

- Business Overview & Business Model -

Q2 FY2022

May 13, 2022

GMO PAYMENT GATEWAY

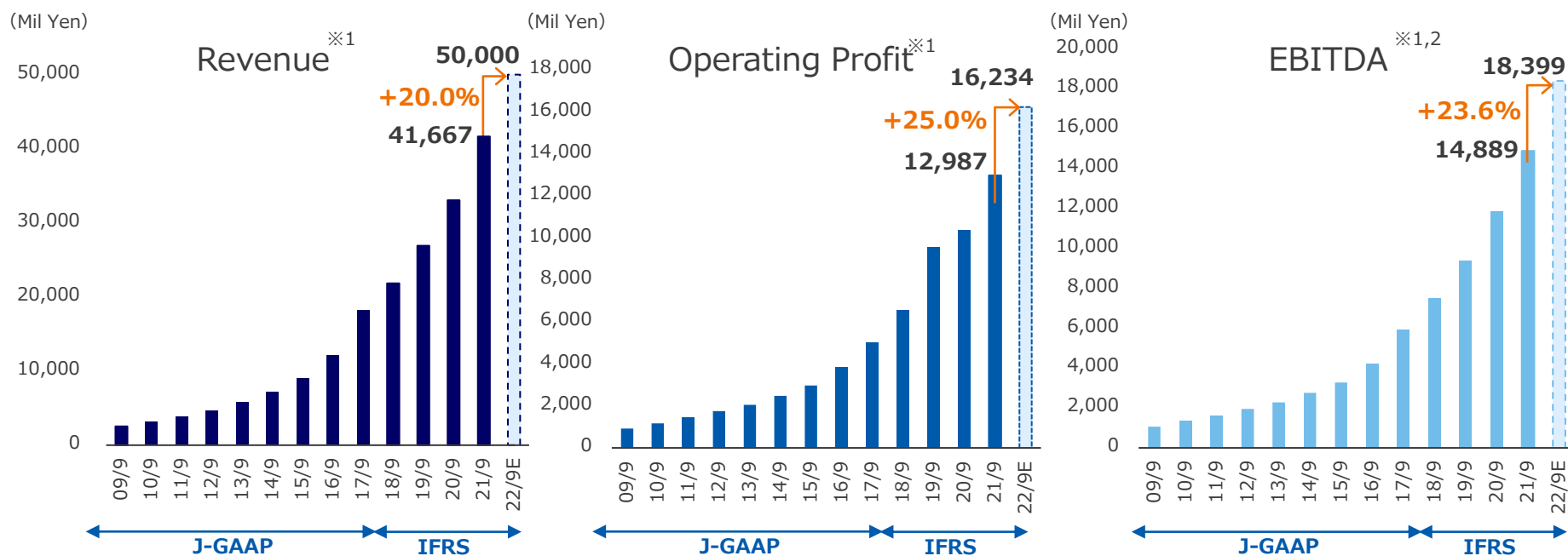
1 Business Overview p.3

2 Focus Areas p.16

3 Reference Materials p.33

1.1 Our Track Record of Growth

The results of management policy focused on sustainable growth



Operating stores ^{※3,4}	Annual TRX volume ^{※3}	Annual TRX value ^{※3}
134,096	4.15 billion	¥9.5 trillion

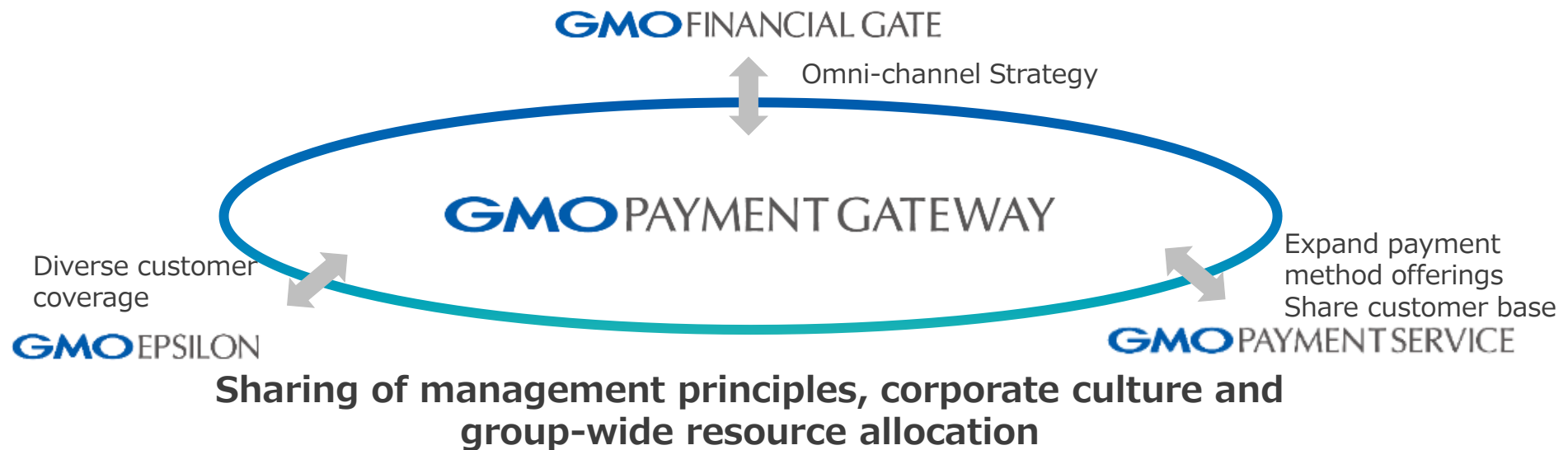
(※1) Macro Kiosk has been deconsolidated in FY ending September 2020, the revenue figures above present the continuing operations only and exclude the discontinued operations.
 (※2) EBITDA under J-GAAP is calculated as the sum total of operating profit, depreciation and amortization; and EBITDA under IFRS is calculated as the sum total of operating profit and depreciation.

(※3) Operating stores present the figures for GMO-PG and GMO-EP; transaction volume and value present figures for GMO-PG, GMO-EP, GMO-PS, GMO-FG; of this, online payment present figures for GMO-PG, GMO-EP and GMO-PS.
 The number of operating stores is at the end of March 2022. Annual transaction volume and transaction value are the figures from April 2021 to March 2022.
 Annual transaction volume and transaction value include the figures of GMO Financial Gate Inc.

(※4) The standards for calculation the number of operating stores has been revised from Q2 FY2022. Figures exclude a specific case and the operating store related to a major delivery service operator. If included, the number of operating stores is 397,670 stores as of end of March 2022 (up 59.9% YoY).

1.2 Consolidated management

Realize Group-wide stable growth through sound business operation that agilely responds to the business environments at the major Group companies.

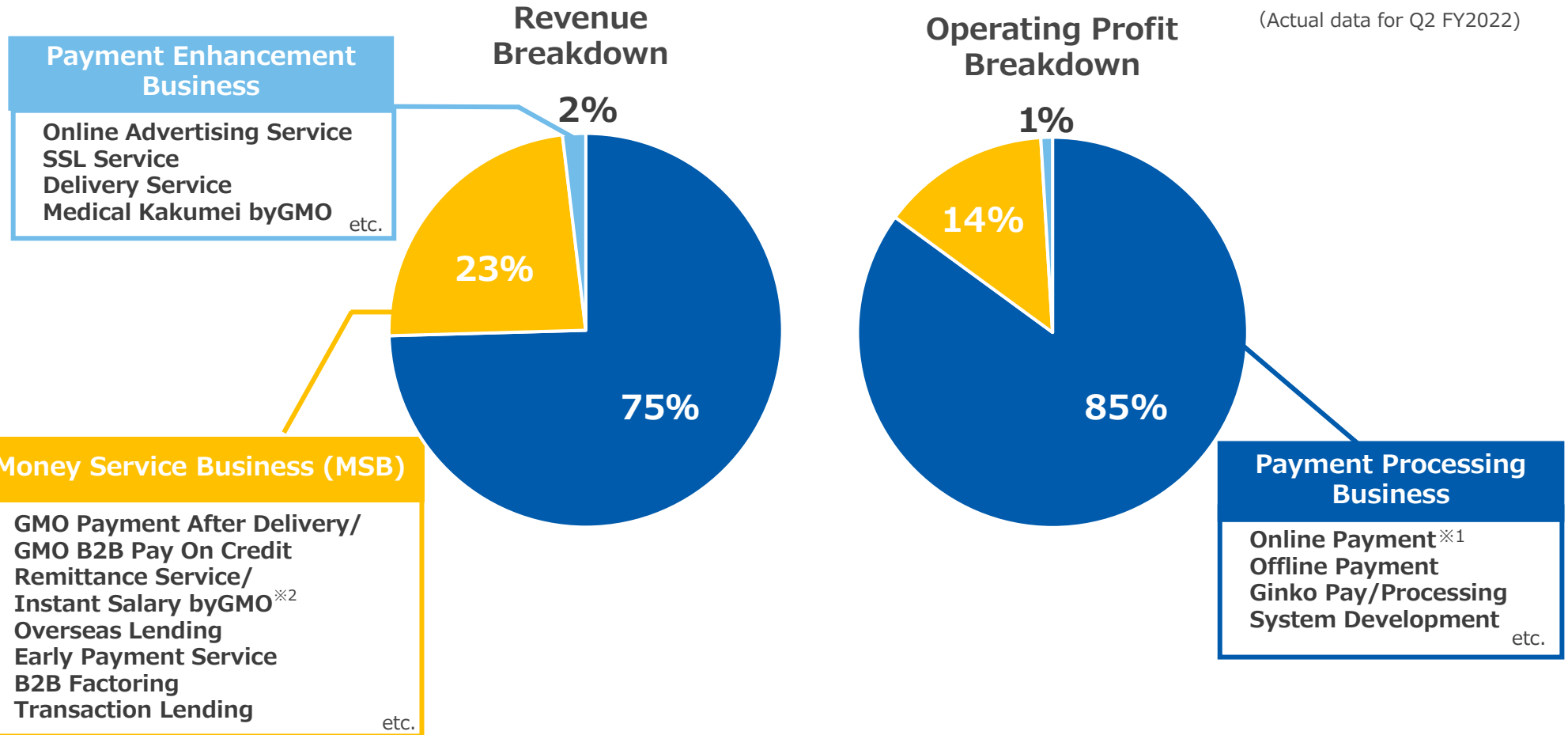


	GMO-PG	GMO-EP	GMO-FG	GMO-PS
Major business	Online payment processing business	Online payment processing business	Offline payment processing business	BNPL business
Customer	Municipalities, large to mid-sized corporates (non-merchandise, and merchandise)	Small operators (mainly merchandise)	Offline stores, Unattended machines	Merchandise/Non-merchandise operators, consumers

1.3 Three Business Segments

Sustain an over 25% OP growth from the expansion of mainstay payment processing business and its peripheral businesses

(Actual data for Q2 FY2022)

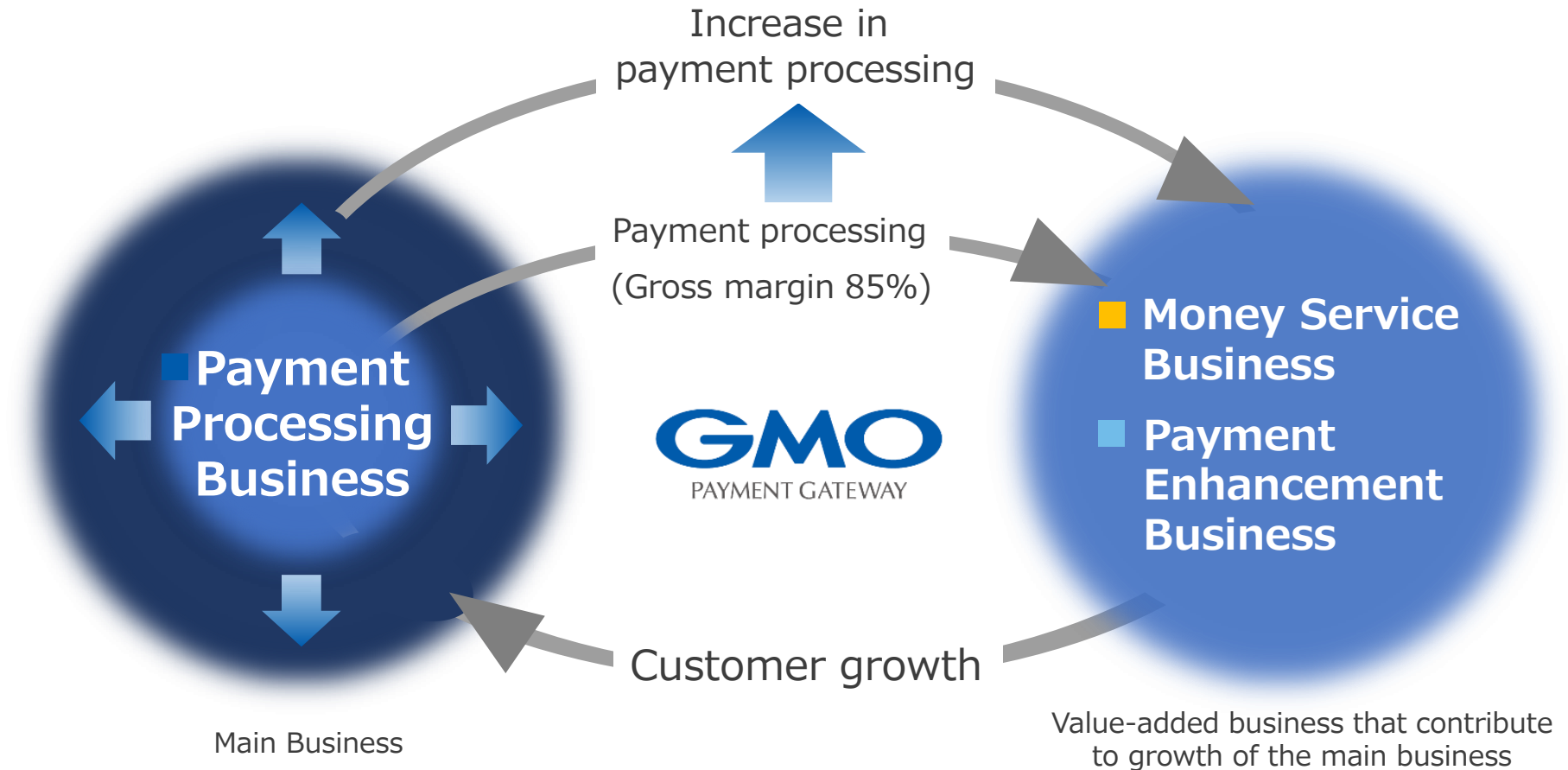


※1 Online payment includes pay-as-you-go and recurring payment and Z.com Payment (overseas payment service).

※2 Instant Salary byGMO commenced service on on July 7, 2021.

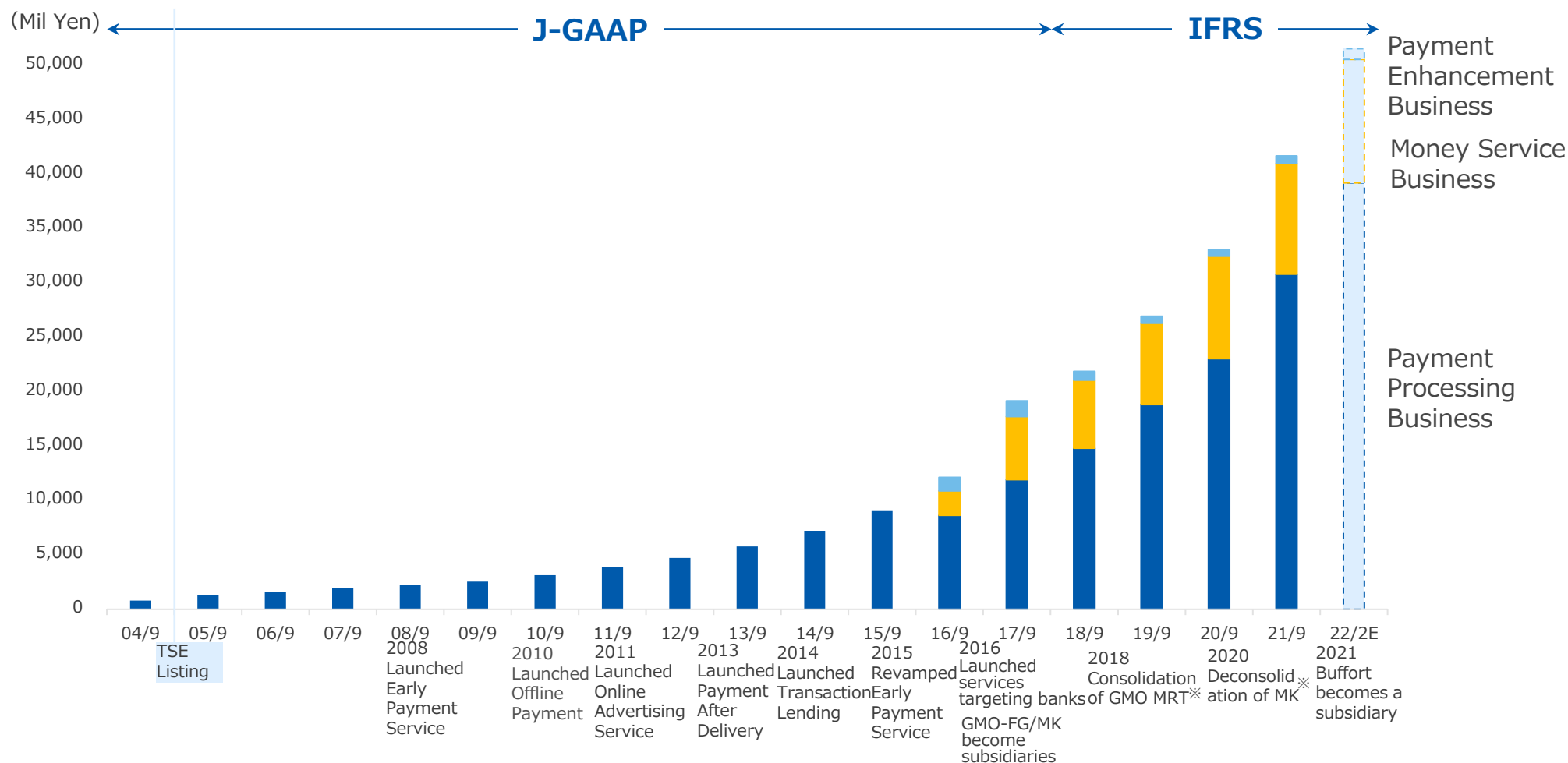
1.4 Our Business Eco-system

An expanding eco-system of our value-added services complementing our main business to achieve mutual growth



1.5 Revenue Trend by Segment

3 segments of Payment Processing Business, Money Service Business and, Payment Enhancement Business



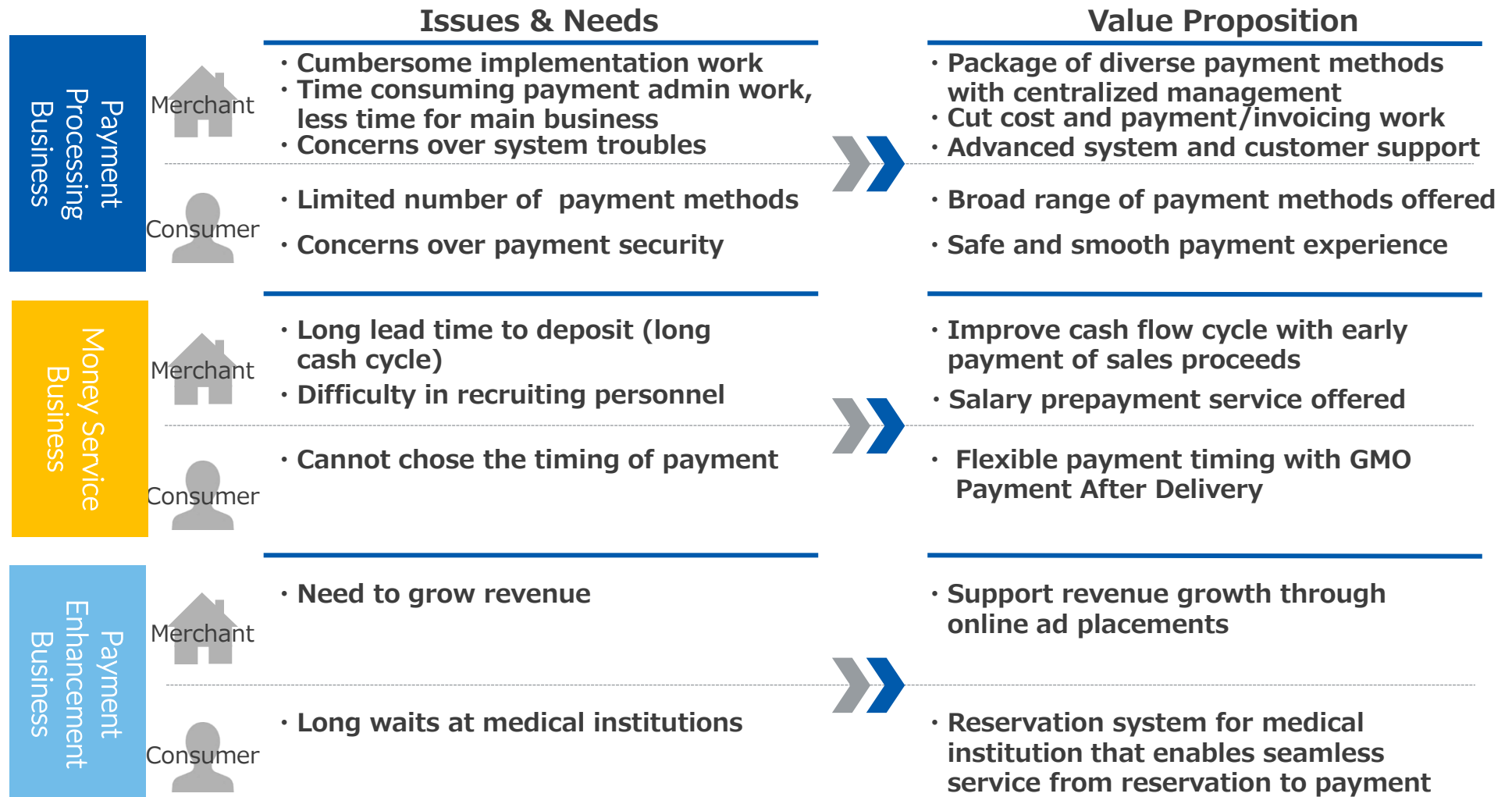
※There was only one segment of Payment Processing Business until September 2015; segment information disclosure began from FY ending September 2016.

GMO-FG stands for GMO Financial Gate. GMO-MRT stands for GMO Medical Reservations Technology, MK stands for MACROKIOSK.

※ Due to the deconsolidation of MACROKIOSK from FY2020, its business has been reclassified as a discontinued operations and is excluded from the revenue figures shown above.

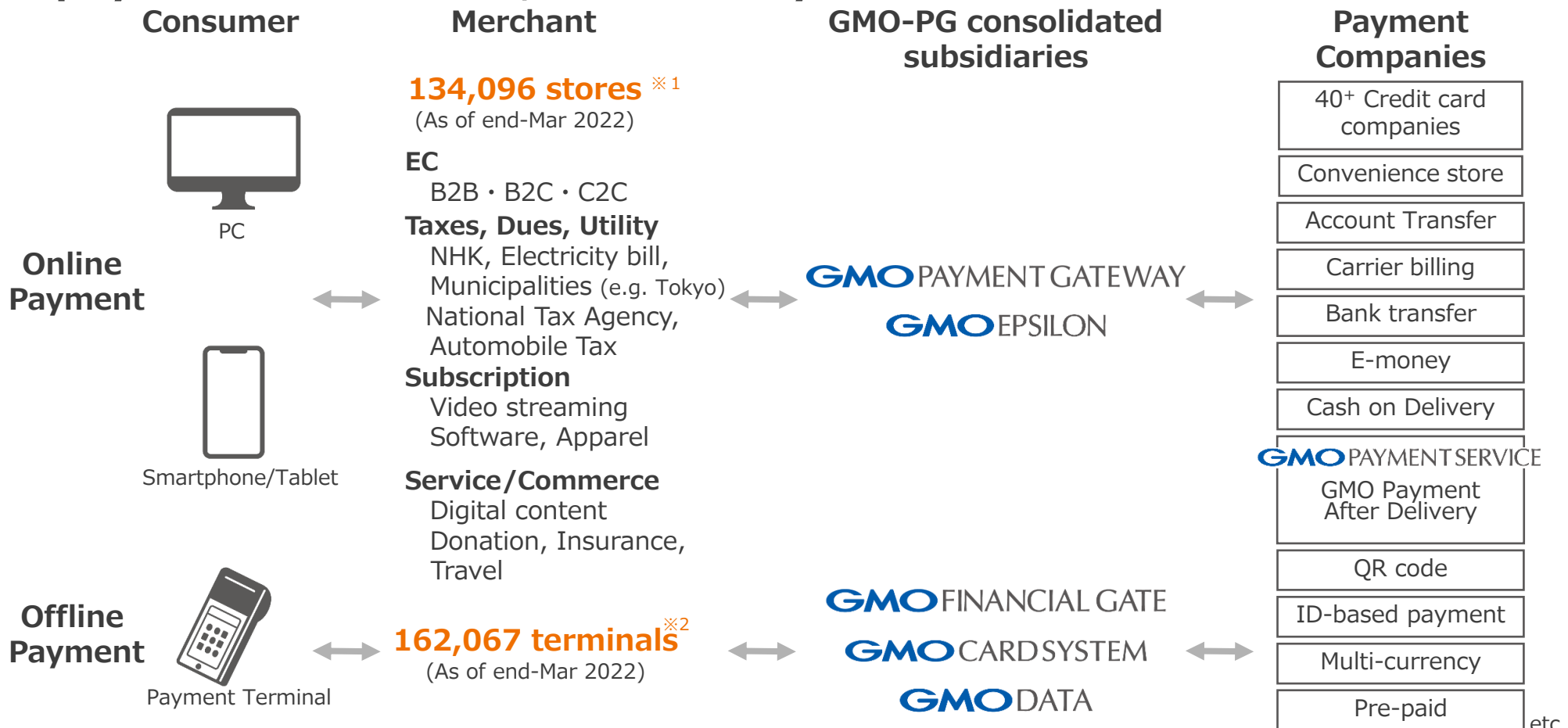
1.6 Our value proposition

Businesses and services to comprehensively caters to customer's needs



1.7 Positioning of GMO-PG group

Connecting merchants and payment companies through 'contracts,' 'payment information,' and 'money flow'.



※1 The standards for calculation the number of operating stores has been revised from Q2 FY2022. Figures exclude a specific case and the operating store related to a major delivery service operator. If included, the number of operating stores is 397,670 stores as of end of March 2022 (up 59.9% YoY).

※2 Operating payment terminals: Starting from FY2021 the figure presents the combined number of payment terminals sold through sales partner and embedded-type payment terminals. (up 68.6% YoY)

1.8 Payment Processing Business: Revenue model of credit card payment processing

Revenue model determined by merchant size and type

- Four revenue types (i.e. business models)

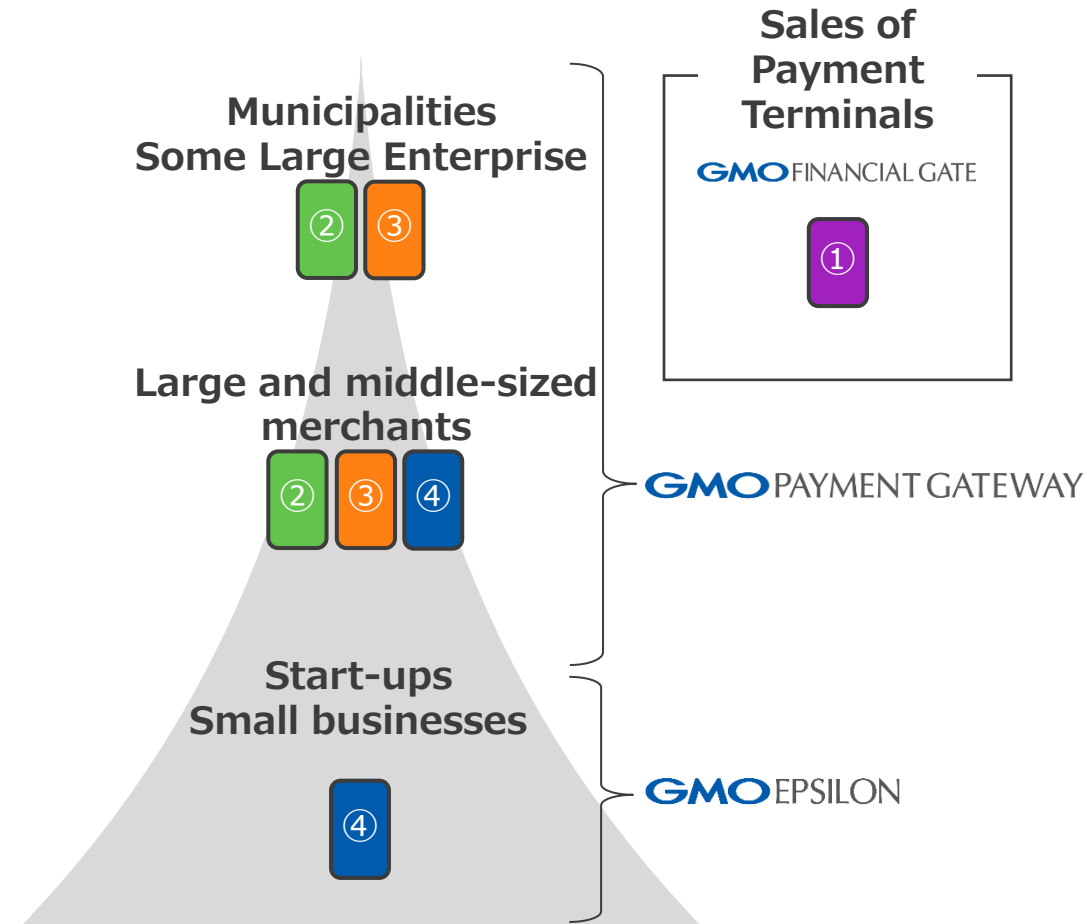
① Initial (Initial revenue)
Payment Terminal Sales
 Coefficient: Number of terminals (units)
 Revenue: $\frac{\text{Terminal sales (units)}}{\text{Number of terminals (units)}} \times \text{Yen}$; paid at start of service

② Stock (Fixed revenue)
Fixed Monthly Revenue
 Coefficient: Number of operating stores
 Revenue: $\text{Operating stores} \times \text{Yen}$

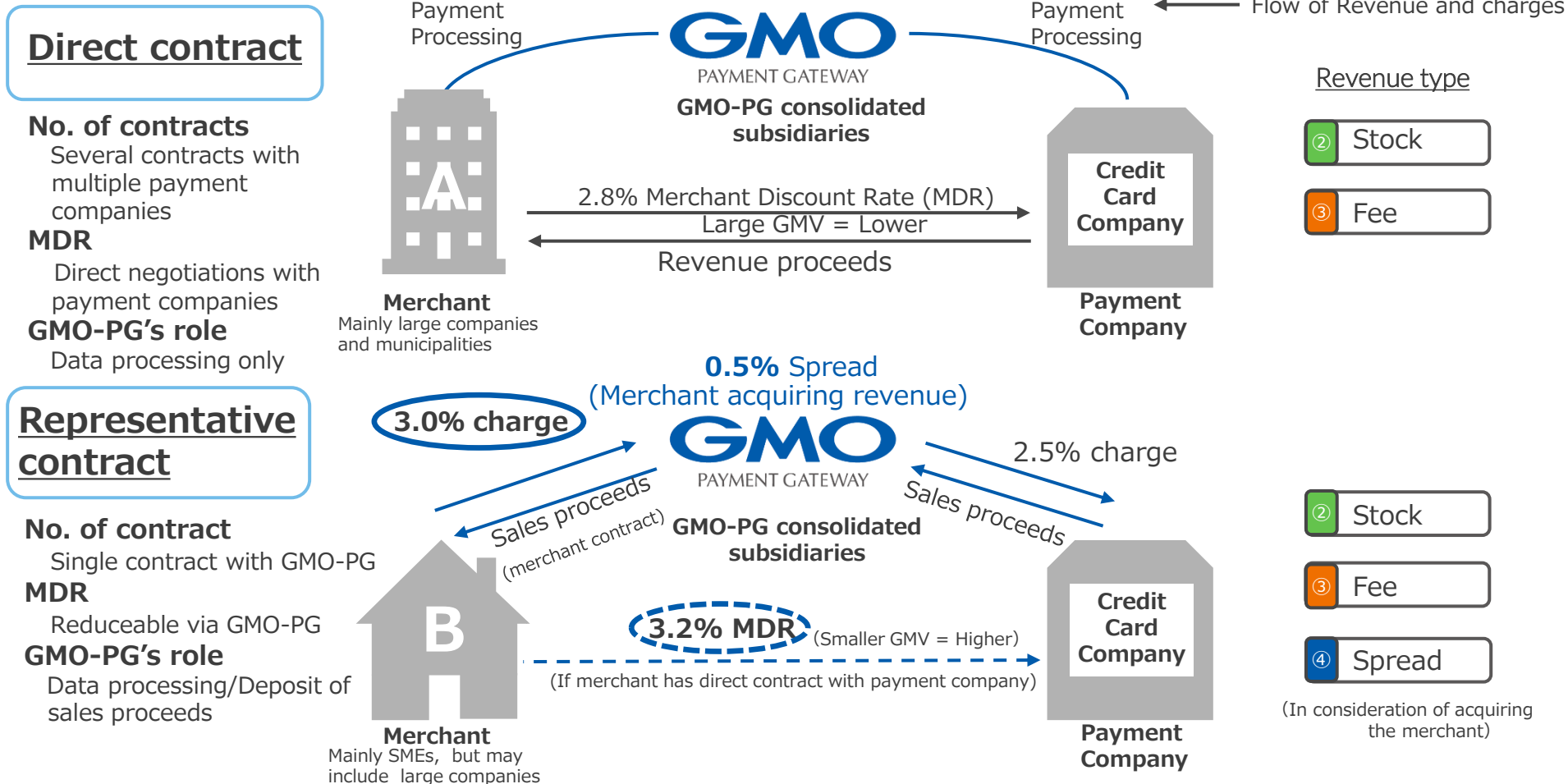
③ Fee (Transaction processing revenue)
Fee based on transaction volume
 Coefficient: Number of payments processed
 Revenue: $\frac{\text{Number of payments processed}}{\text{Number of payments processed}} \times \text{Yen}$

④ Spread (Merchant's revenue)
Spread on the transaction value
 Coefficient: Value of transaction
 Revenue: $\text{Value of transaction} \times \text{\%}$

- Revenue type determined by merchant type/size



1.9 Payment Processing: Two types of merchant contracts

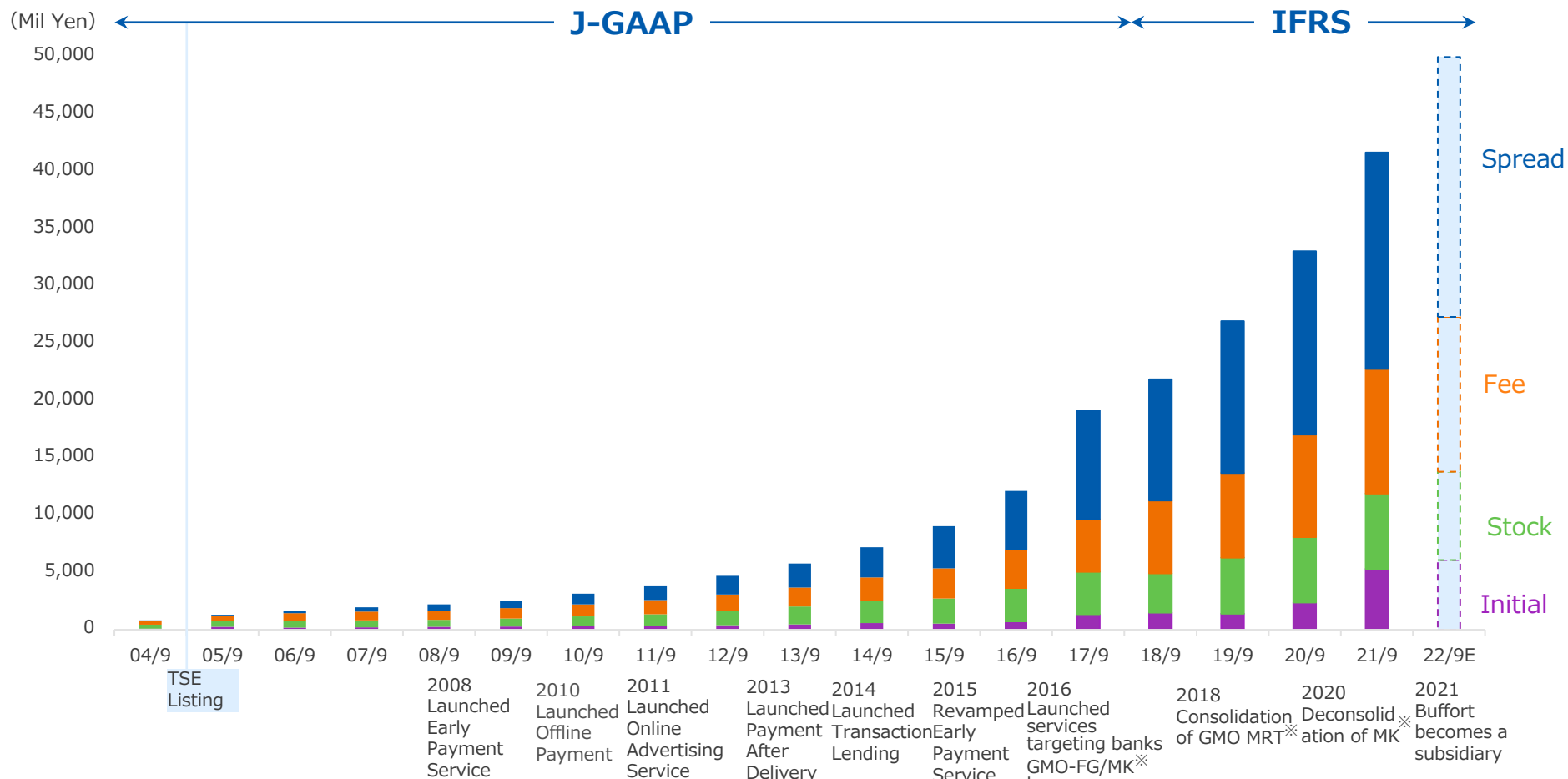


※ Figures included are for illustration and reference purposes only.

※ This illustration represents the contracts for credit card. GMO Epsilon revenues are only derived from spreads (See page 10).

1.10 Revenue Breakdown by Business Model

Aiming for a balanced revenue growth by pursuing various initiatives



* GMO-FG stands for GMO Financial Gate. GMO-MRT stands for GMO Medical Reservations Technology, MK stands for MACROKIOSK.

* Due to adoption of IFRS accounting standards, the online marketing service (stock) and finance lease (spread) revenue recognition standard is changed from gross basis to net basis from fiscal year ending September 2018.

Due to the deconsolidation of MACROKIOSK from FY2020, its business has been reclassified as a discontinued operations and is excluded from the revenue figures shown above.

1.11 Summary Table of Segments, Business Model and Services

Reporting in 3 Segments and 4 business models

■ Business Model

Initial (Initial revenue)	Online Payment※
	Offline Payment
	SSL Service
Stock (Fixed revenue)	Online Payment
	Offline Payment
	Ginko Pay/Processing
	System Development
	Online advertising service
	Medical Kakumei byGMO
Fee (Transaction processing revenue)	Online Payment
	Offline Payment
	GMO Payment After Delivery
	GMO B2B Pay On Credit
	Remittance Service
	Instant Salary byGMO
	Delivery service
Medical Kakumei byGMO	
Spread (Merchant acquiring service revenue)	Online Payment
	Offline Payment
	GMO Payment After Delivery
	GMO B2B Pay On Credit
	Overseas Lending
	Early Payment Service
	B2B Factoring
Transaction Lending	

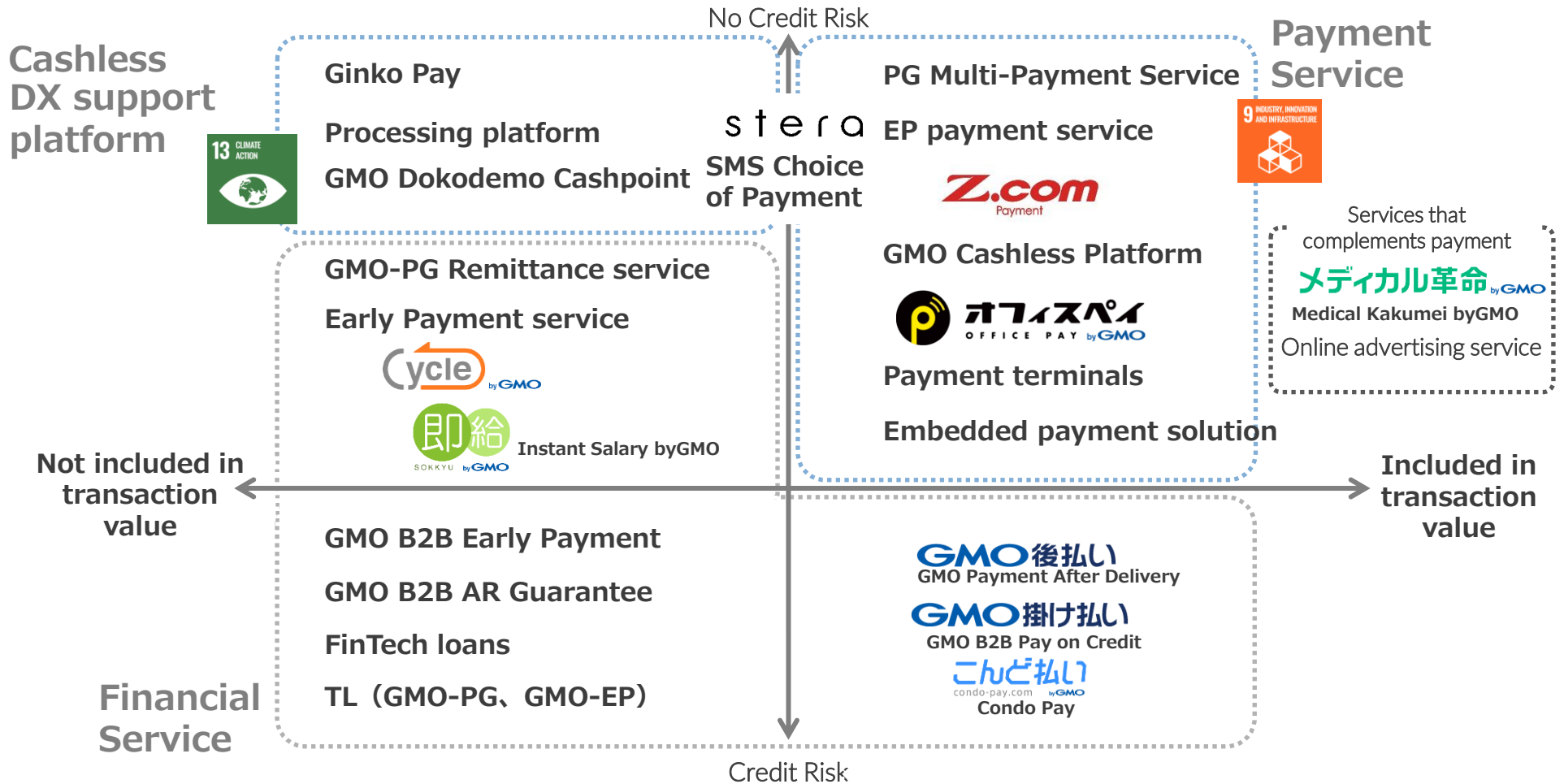
■ Segment

Payment Processing Business	Online Payment※
	Offline Payment
	Ginko Pay/Processing
	System Development
Money Service Business (MSB)	GMO Payment After Delivery
	GMO B2B Pay On Credit
	Remittance Service
	Instant Salary byGMO
	Overseas Lending
Payment Enhancement Business	Early Payment Service
	B2B Factoring
	Transaction Lending
	Online advertising service
Payment Enhancement Business	SSL service
	Delivery service
	Medical Kakumei byGMO

※ Online Payment includes pay-as-you-go payment, recurring payment, Z.com Payment (overseas payment service).

1.12 Product map

GMO-PG's definition of payment: what enables the digitalization of money flow



※ TL stands for Transaction Lending

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2.1 Expansion of TAM and Profit Targets

Expand scope of business in the enormous market to achieve 2025 OP target of ¥25 bn

■ TAM by market segment, GMV, OP target and Priority Initiatives

Market Segment	Broader EC P.17-20		FinTech P.21-24		BaaS・※2 Cashless P.25-26		Offline P.27-28		Global P.29	
	2020	2025	2020	2025	2020	2025	2020	2025	2020	2025
TAM (¥ trn)	20 (BtoC EC)	45	1 (BNPL)	3	2	2~	87	118 (Offline cashless market)	50	50~ (Overseas lending)
	352 (BtoB EC)	408~	2.5 (Early Payment, Transaction Lending)	8						
GMV (¥ trn)	5	13	200 (Salary bank transfer)	200~	—	—	1	5	—	—
OP (¥ bn)	75	180 ~220	18	30~	5	10~	5	20~	— ^{※3}	30~
Priority Initiatives	DX Platform GMP ^{※4} B2B payment service		FinTech B2B payment service Instant Salary byGMO		DX Platform		Offline Payment (IoT) FinTech		Global FinTech	

※1 Figures for TAM, GMV, OP (operating profit) are GMO-PG's estimates and targets. Figures are estimates and are rounded up to the nearest whole number.

There is some overlap in the OP figures for FinTech and Global. Offline OP includes companies other than GMO Financial Gate consolidated subsidiaries.

TAM: Total Addressable Market, BaaS: Bank as a Service, GMV: transaction value.

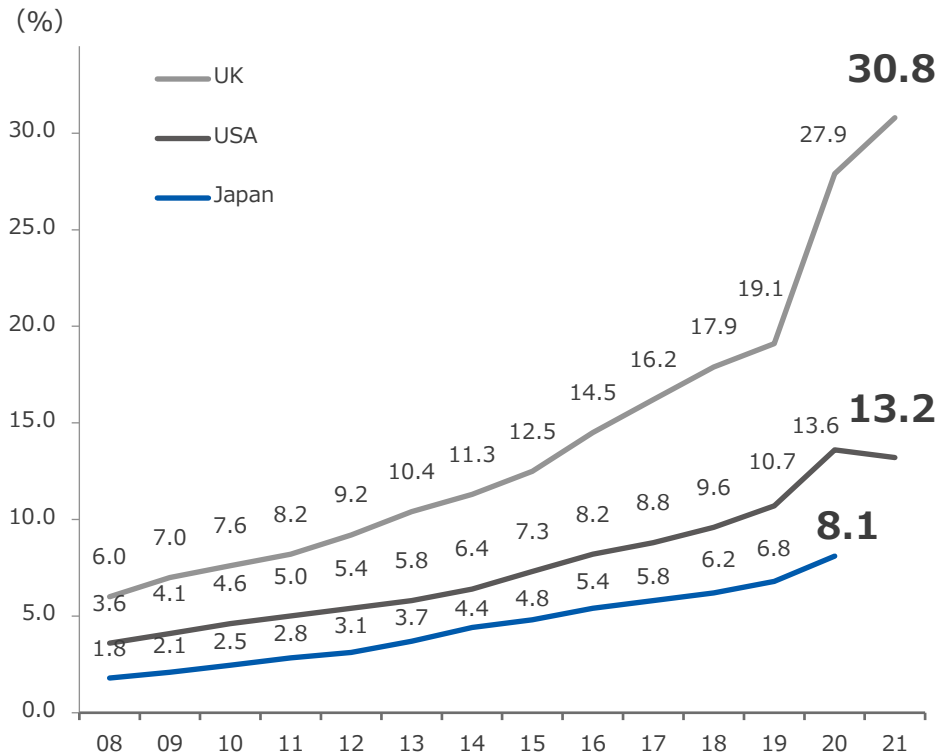
※2 BaaS/Cashless includes embedded finance.

※3 The OP figure for Global is included in FinTech for FY2020. ※4 Global Major Players (GMP): large corporates that provide IT-utilizing services globally.

2.2.1 Narrowly-defined EC: B2C EC Market

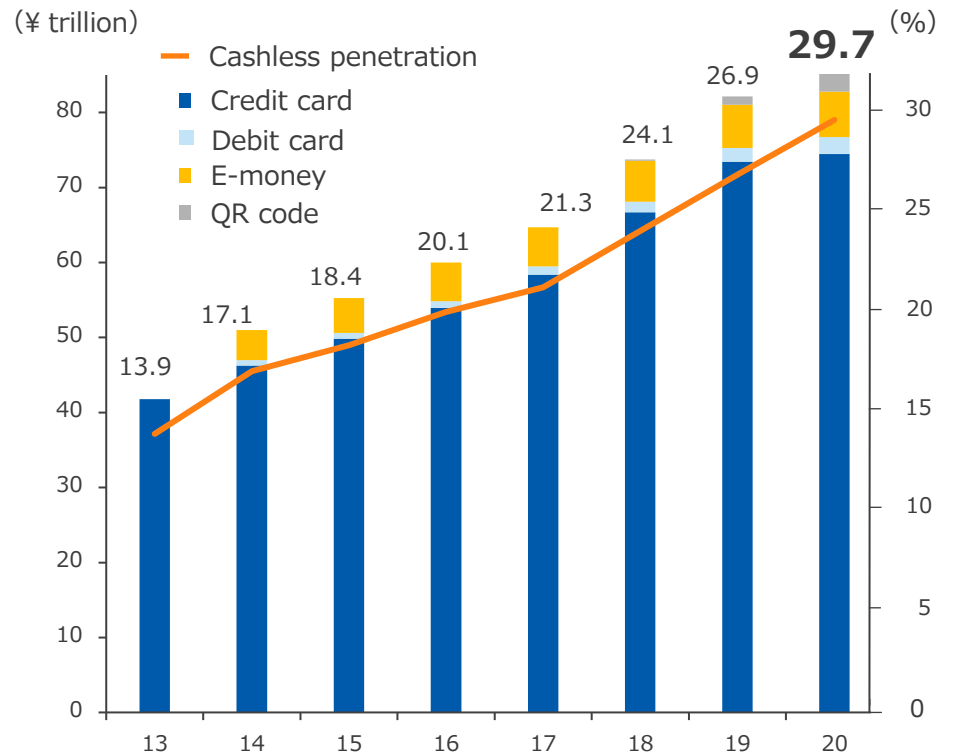
Low cashless and EC penetration compared to US/European countries

■ EC Penetration Rates in Developed Markets



※METI “FY2020 Global Survey Project Concerning Integrated Domestic and External Economic Growth Strategy Building (E-Commerce market survey)”
 U.S. Bureau of the Census “The 4th Quarter 2021 Retail E-Commerce Sales Report”;
 Office for National Statistics “Retail Sales Index internet sales, April 2022”

■ Cashless penetration in Japan (ratio to private final consumption)

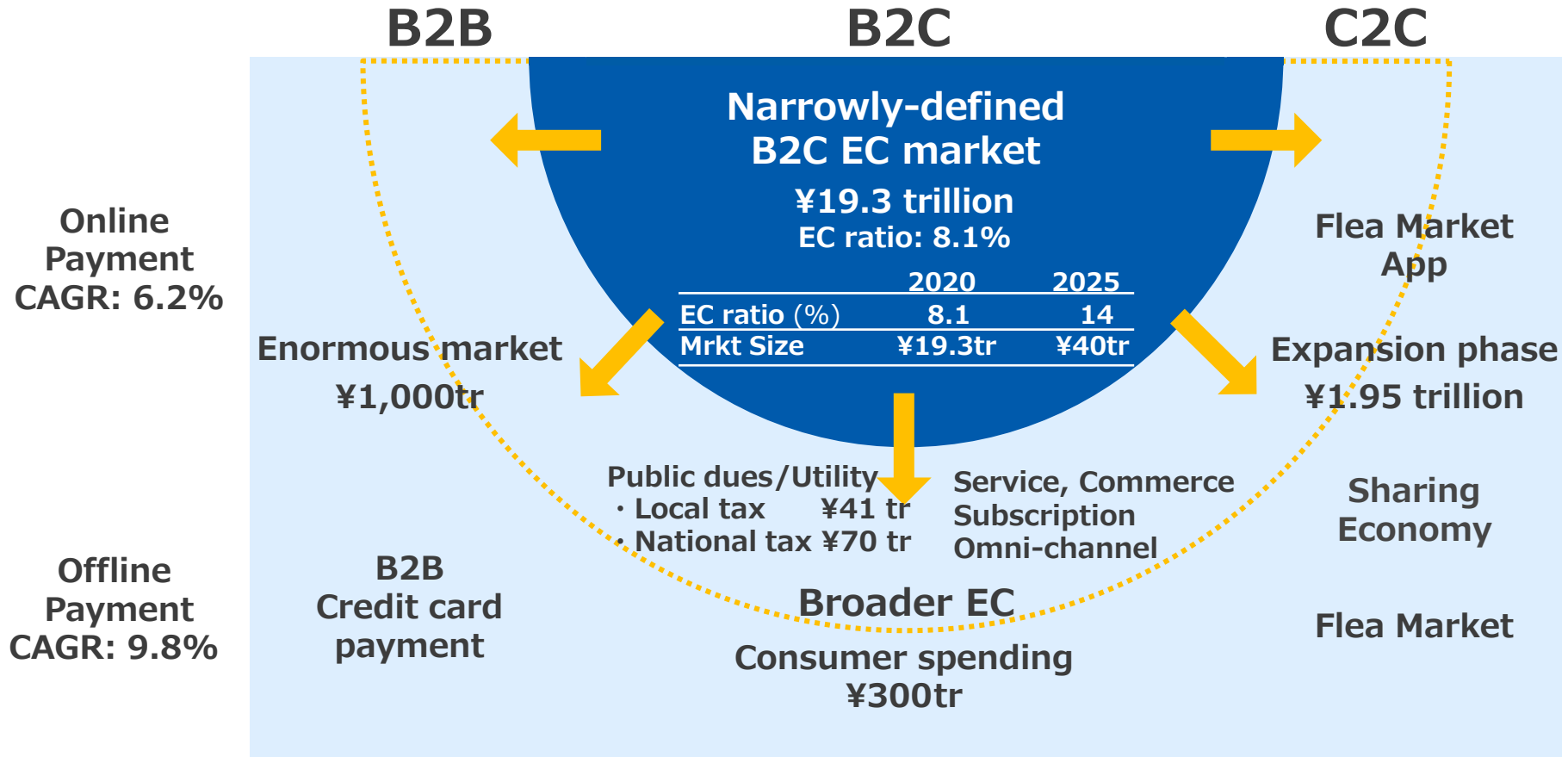


※ Cashless Penetration = Sum of credit card usage amount, debit card usage amount, e-money usage amount, QR-code usage amount divided by private final consumption expenditure

※ Cabinet Office “System of National Accounts”
 Japan Consumer Credit Association’s Credit Card Statistics
 Bank Of Japan’s Payment and Settlement Statistics
 Payments Japan Association’s Code Payment Statistics

2.2.2 Broader EC: Expanding Scope of Cashless Business

Japan's migration towards cashless payment is contributing to GMO-PG group's growth acceleration



※References : METI's "FY2020 Global Survey Project Concerning Integrated Domestic and External Economic Growth Strategy Building (E-Commerce market survey)". Figures for 2025 are our estimates.

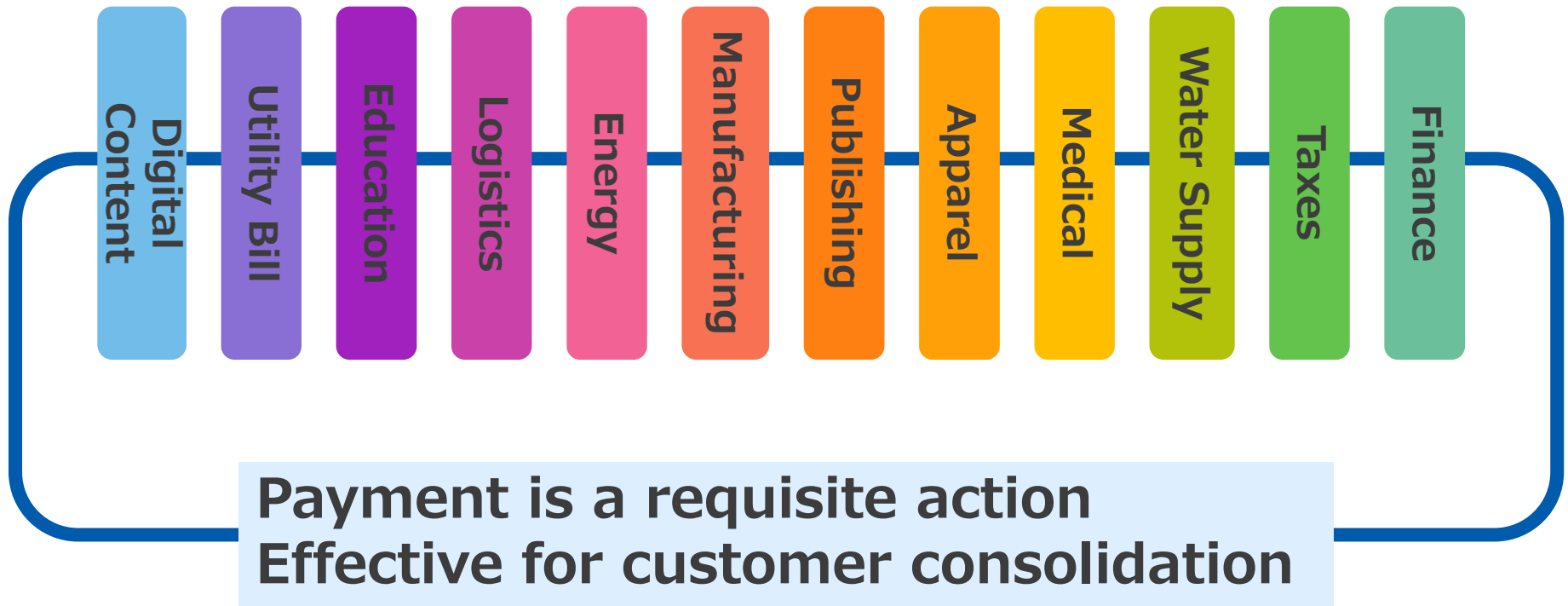
※MIAC "Breakdown of national tax and local tax revenue (FY2022 Budget and Local Government Finance Plan)"

※THE WORLD BANK "Household final consumption expenditure (current USD)"

※Payments Japan Association's "Cashless Roadmap 2019"; Yano Research Institute's "Online Payment/Settlement Service Providers 2018."

2.2.3 Characteristic of Payment Business: Cross-Industry

Payment is a required action for any purchase and is a highly sticky application



2.2.4 Broader EC: Public Dues and Utility Bills

Introducing card payments for public dues and taxes since the amendment of the Local Autonomy Law in 2006

Local governments Local Taxes (automobile tax, light vehicle tax, fixed assets tax, etc.)

Water bill, gas bill, hometown tax

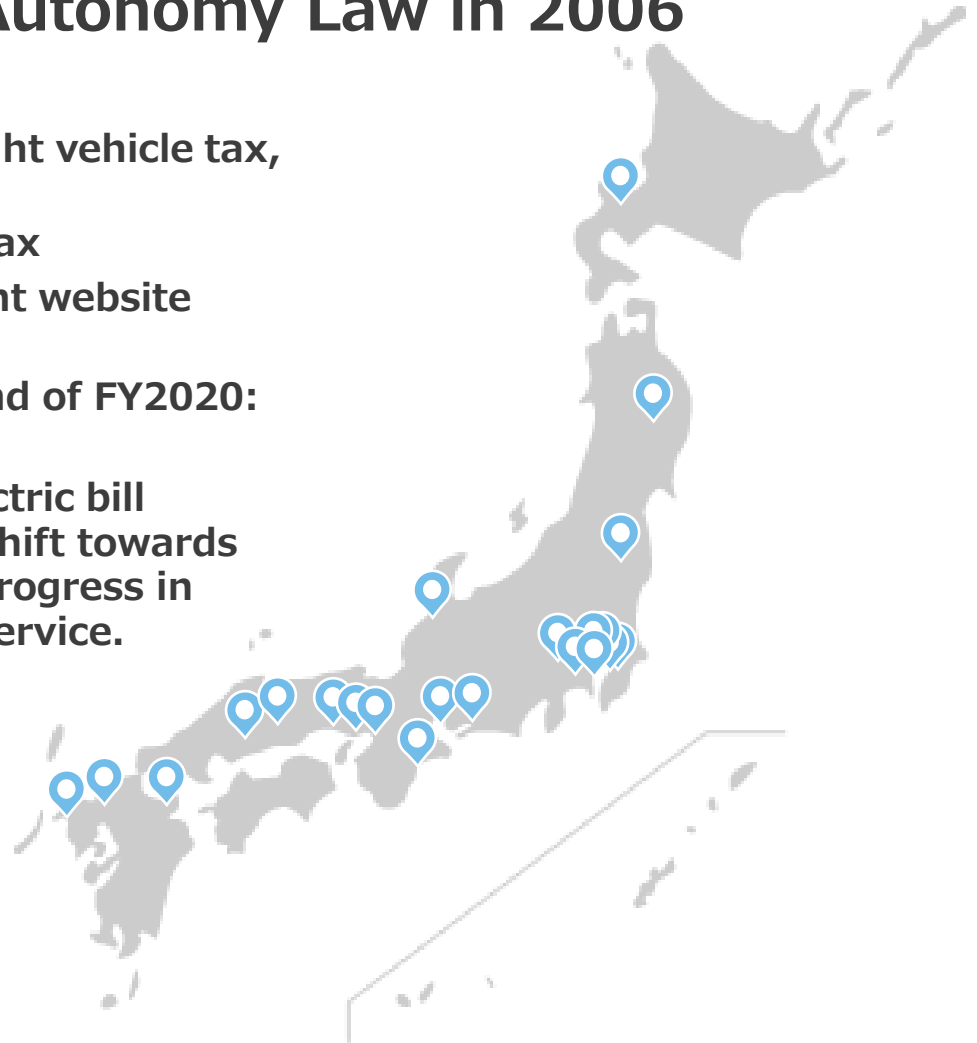
National tax credit card payment website

NHK Broadcasting subscription fee

Credit card usage rate at the end of FY2020:
17.5% (Up +0.6% YoY)

TEPCO Energy Partner Supporting digitalization of electric bill payment to realize significant shift towards paperless operations. Making progress in cross-industry deployment of service.

Expansion expected to continue:
Maintenance fee, cram school tuition fee
parking fee, school meal charge, etc.



※Japan Broadcasting Corporation "Business Report for FY2020"

2.3.1 FinTech: Money Service Business (MSB)

Financial services that only a payment processing company can offer

	<u>Services</u>	<u>Related assets</u>	<u>Business Model</u>
✓	GMO Payment After Delivery GMO B2B Pay On Credit	Pay the sales proceed ahead of the deposit from the consumer	Accrued revenues ③ Fee ④ Spread
✓	Remittance service Instant Salary byGMO ※	Efficient and secure refund and remittance processing	Advances paid ③ Fee
✓	Overseas Lending/ Transaction Lending	Lending of growth funds	Accounts receivable-trade (short term loans) ④ Spread
✓	Early Payment service	Improves cash flows by bringing forward the payment date	Advances paid ④ Spread
✓	B2B Factoring	Early cash conversion of accounts receivable	Accrued revenues ④ Spread

※ Instant Salary byGMO is offered in two types of deposit-type and reimbursement-type. Advances paid is recorded only for the reimbursement-type

2.3.2 FinTech: Japan's BNPL market

Expand business by capturing the Japan's unique BNPL needs

BNPL needs in Japan



- Receiving goods before payment
- Cash payment
- Manage and control spending
- Limit face time with delivery person

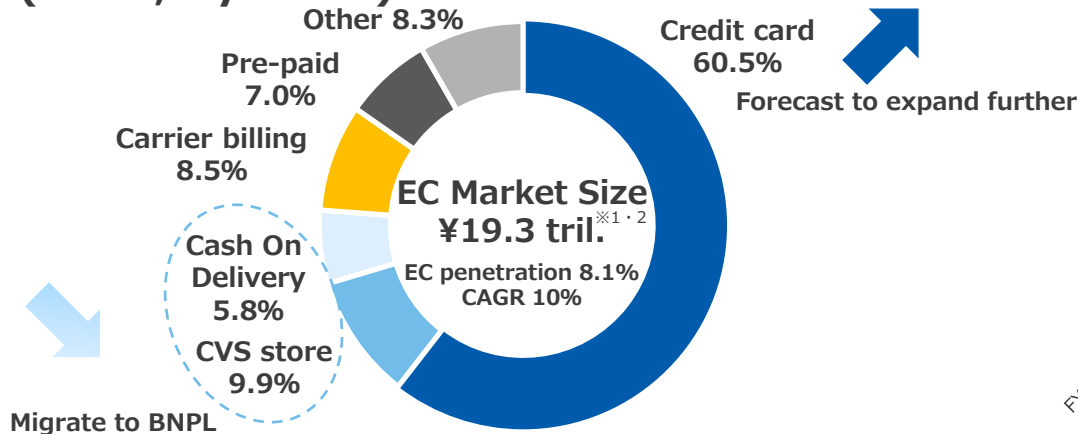


- Widen customer reach
- Means of sales promotion
- Reduce & manage return risk

Outlook of Japan's BNPL market

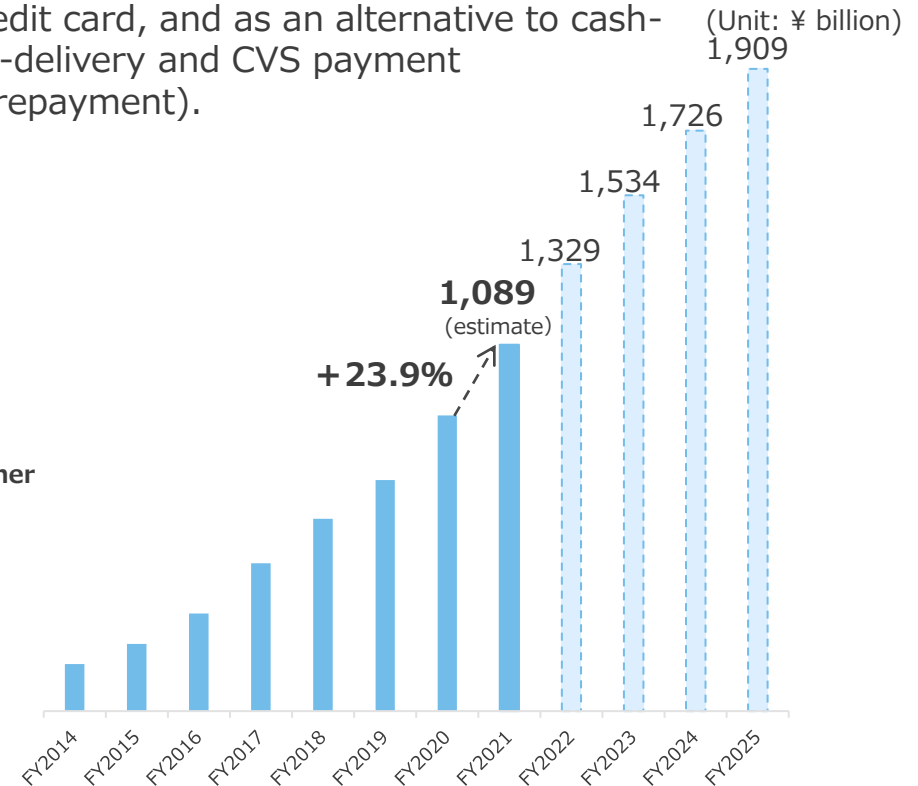
A growing payment method driven by the expansion of EC, use in conjunction with credit card, and as an alternative to cash-on-delivery and CVS payment (prepayment).

EC market breakdown by payment method (2020; by value)



Migrate to BNPL

※1 METI "FY2020 Global Survey Project Concerning Integrated Domestic and External Economic Growth Strategy Building (E-Commerce market survey)"



※2 Yano Research Institute Ltd. "Online Payment/Settlement Service Providers 2022" and "Domestic Cashless Payment Market 2019"

The figure for FY2021 is an estimate, the figures for FY2022~FY2024 are forecasts.

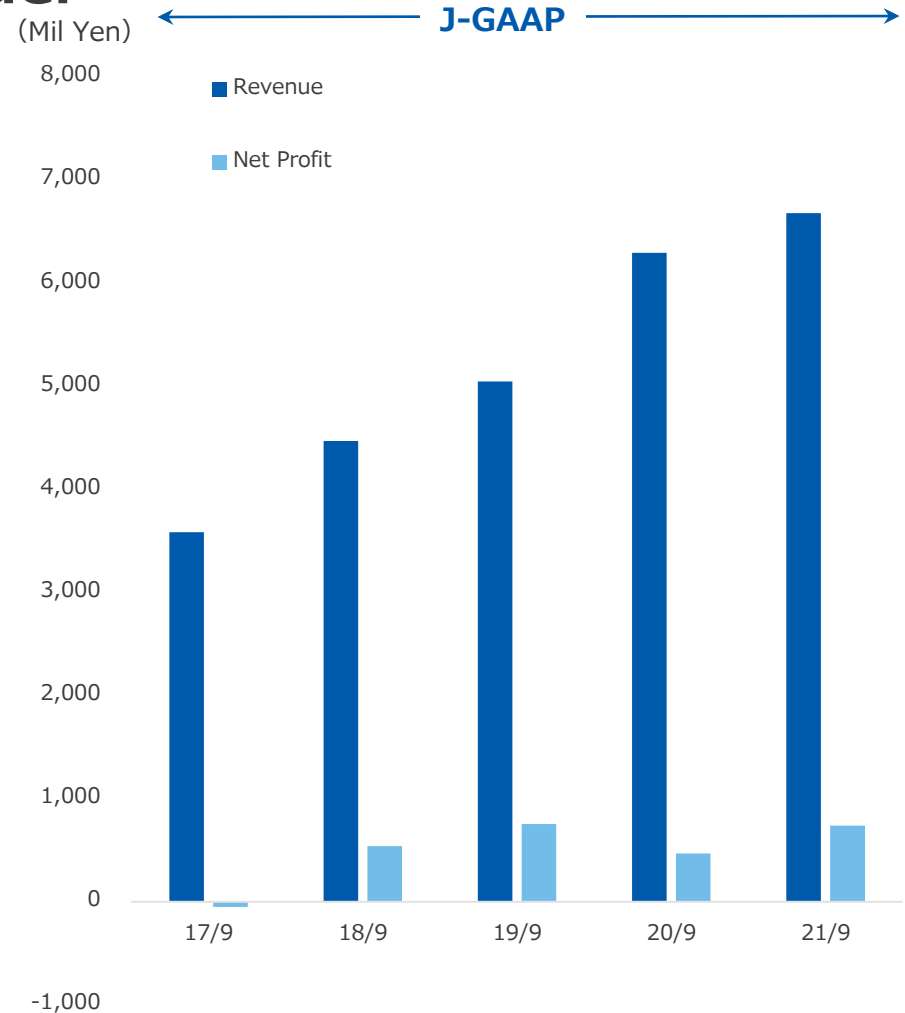
2.3.3 FinTech: BNPL business of GMO-PS

Established top-tier market share and earnings base as a comprehensive payment provider

Key features of our BNPL business

- Apply machine learning that utilizes the large amount of credit data
- Lower default rate by accumulating credit data and collection know-how
- Provide all payment methods needed in the EC market as a comprehensive payment provider
- Rollout business-use BNPL by collaborating with B2B operators

- Stable profit generation and expansion of transaction value
- Leverage group synergy and build top tier business foundation

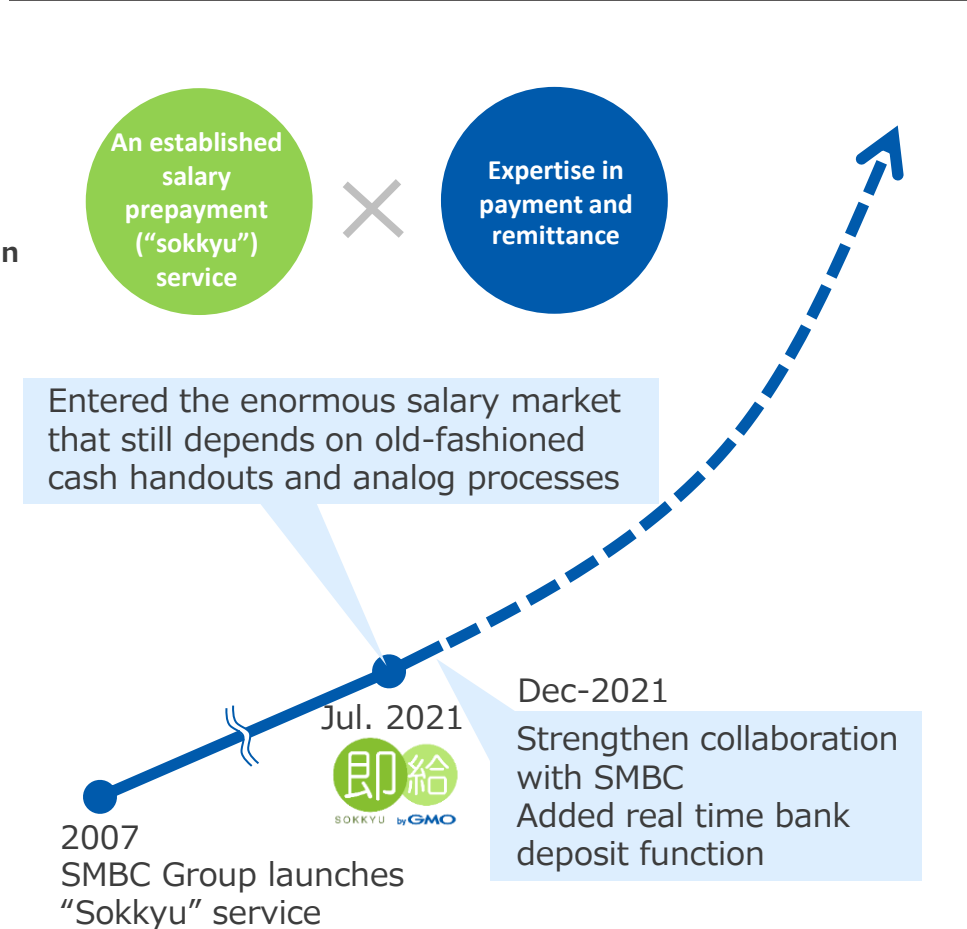


2.3.4 FinTech: Instant Salary byGMO

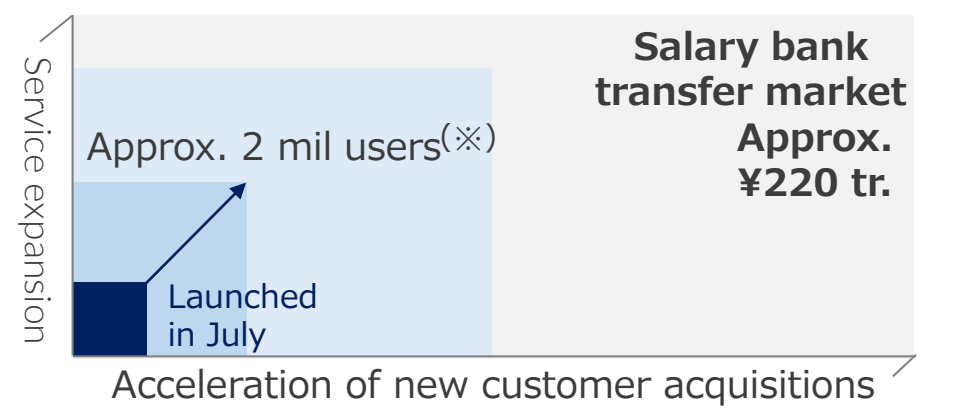
To be the de facto digital and seamless service provider in the ¥220 trillion salary market



Growth Trend (image)



Target Market



(*) Major sectors: Logistics & transport, delivery, relocation services
Employment type: temporary staff, part-time, etc.

※ SMFG: Sumitomo Mitsui Financial Group, Inc. SMBC Group: Sumitomo Mitsui Banking Corporation group (including Sakura Information System Co. Ltd.)

2.4.1 BaaS & Cashless

(Embedded Finance)

Increase Ginko Pay adopters, interlink each service to create an infrastructure-like service

■ Ginko Pay

Smartphone-based payment app marketed to financial institutions that allows for immediate debit from user's bank account



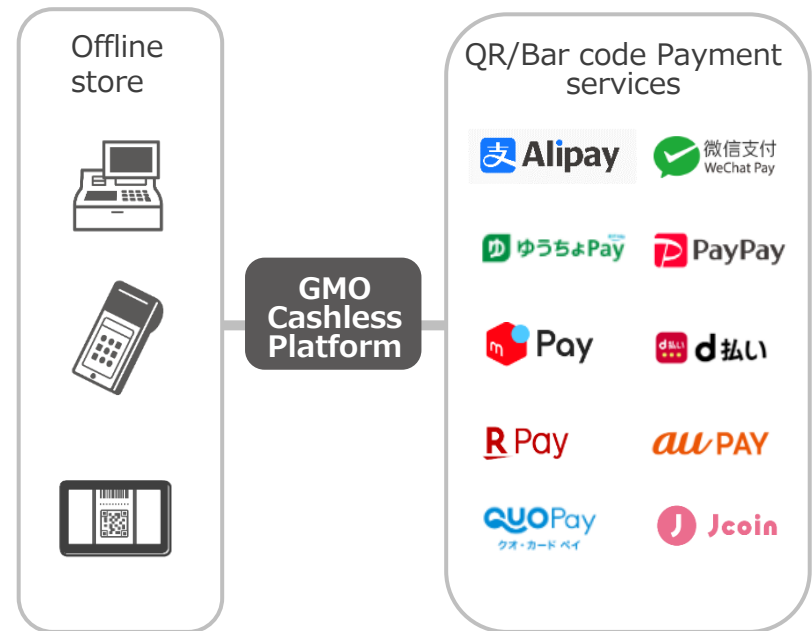
■ GMO-PG processing platform

One-stop support of various payment solutions for the issuing/acquiring businesses at business operators, credit card companies and banks.

Start providing acquiring support function to JFR Card

■ GMO Cashless Platform

Cashless solution for offline stores which offers a package of payments methods including QR/Bar code. Planning to launch new cashless payment method.



2.4.2 BaaS and Cashless

Deploy BaaS business by leveraging our strengths

Market Environment

- Growing cashless and DX demand
- Provide financial service embedded into main service of business operators

Strengths

- One-stop offering of payment know-how, money flow management, development capability, and value
- Provide functionalities and applications to FIs and business operators for their cashless business and DX implementation

Strategy

- Promote white label sales of proprietary products

Potential Market

- 30% of the IT investments by Japanese financial institutions of ¥2.4 tr is for new development (as of 2021)

		Value Proposition	
		Conventional financial service	Peripheral financial service
Customers	Financial Institution	Strengthen and optimize core business with the power of IT Processing Platform	Expand support for peripheral financial services Ginko Pay
	Business Operators	Transaction Lending Factoring	VISA Business Card Salary prepayment

2.5.1 IoT: Offline Payment Market

Expand business scale through cashless migration and alliance strategy

■ Offline payment

GMO Financial Gate offers payment terminals for payments made at offline stores.

■ Growth factors of the offline market

- Cashless demand from changing externalities such as the “new normal” lifestyles

Mobile terminal



Embedded-type EMV terminal※

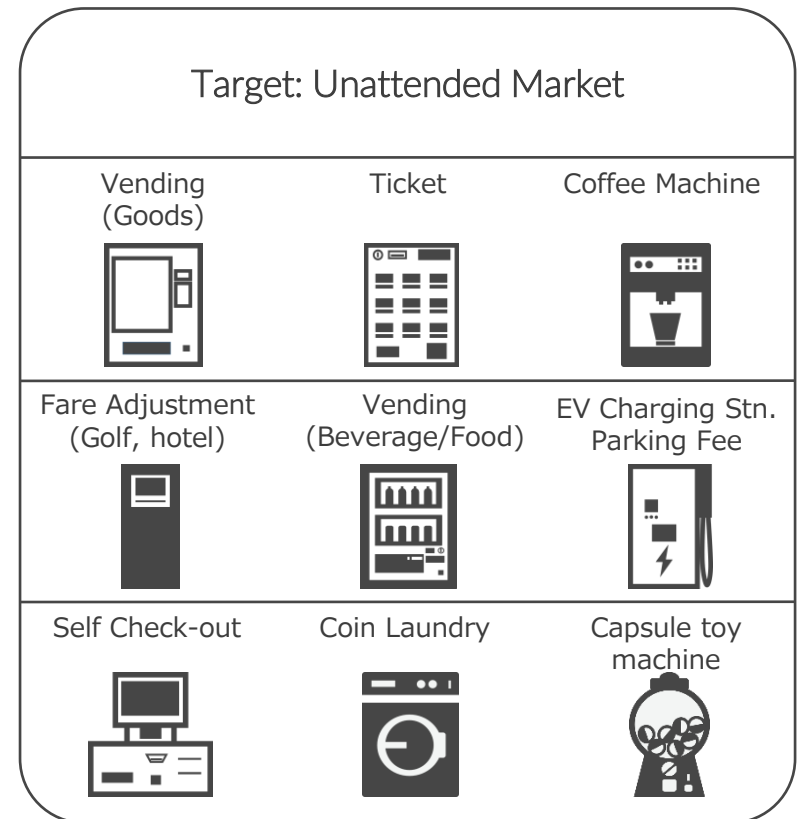


■ stera


Rollout of a new payment platform to provide a one-stop service that handles variety of payment methods.



※EMV: Uniform standard for IC-chip embedded credit cards formulated by Visa and MasterCard.



2.5.2 GMO Financial Gate, Inc.: Overview

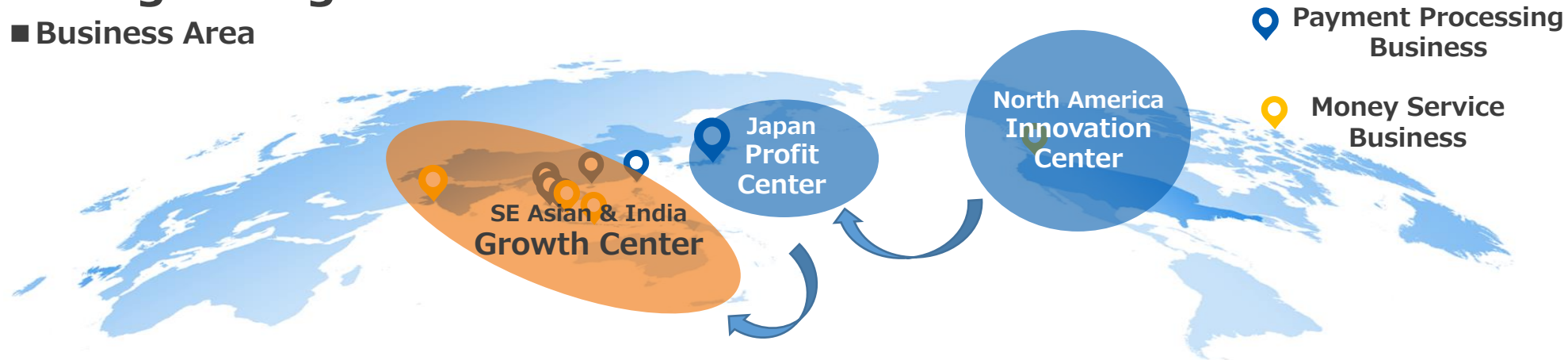
■ Name	GMO Financial Gate, Inc. (TSE Growth, security code 4051)	
■ Date of Establishment	September 1999	
■ Location	Humax Shibuya Building 7F, 1-14-6 Dogenzaka, Shibuya-ku, Tokyo	
■ Capital Stock	¥1,618 million yen (As of May 13, 2022)	
■ Major Shareholders	GMO Payment Gateway, Inc. and others	
■ Management	President and CEO Kentaro Sugiyama Chairman Akira Takano Managing Director Akio Aoyama (GM of Sales Department) Director Masamitsu Ikezawa (GM of Administration Department and Corporate Planning) Director Tomonaga Fukuda (GM of System Department) Director Tatsuya Koide (Managing Executive Officer of GMO Payment Gateway Inc.) External Director Nao Shimamura External Director Rie Asayama External Auditor Takayoshi Nagasawa External Auditor Satoru Ozawa Auditor Takashi Iinuma (CPA; Representative of Iinuma General Accounting Firm)	
■ Auditor	Ernst & Young ShinNihon LLC	
■ Consolidated Subsidiaries	GMO Card System, Inc. (Equity stake: 100%) GMO Data, Inc. (51.0% stake; Sumitomo Mitsui Card Company, Ltd. 49.0%)	 
■ Business Description	Provides cashless payment infrastructure for credit card, debit card, e-money, etc.	

(As of May 13, 2022)

2.6 Global: Overseas Strategy

Leverage synergy of N. American investments and focus on the growing SE Asian and Indian Markets

■ Business Area



■ Strategy

Payment Processing Business

Collaborate with investee to provide local payment services

Money Service Business

Invest/Lend to key FinTech companies in NAM and Asia

- Acquire, introduce and transfer the latest expertise and know-how
- Strengthen relations with borrowers and investees

Payment Processing Business

Money Service Business

■ Investments^{※1}

Country	Major investees	Major borrowers
	^{※2}	

※1 Investment and borrowers of GMO Payment Gateway and GMO Global Payment Fund

※2 Expected to transfer shares in June 2022.

2.7.1 Sustainability

Integrated Report outlines the various initiatives to realize sustainability

28th Integrated Report

URL : https://www.gmo-pg.com/en/corp/newsroom/pdf/211220_gmo_pg_ir_integrated_report_en.pdf

Foundations to Support Sustainable Growth

Sustainability Management

Driving Social Progress and Advancement by Supporting DX and Decarbonization
Promoting Social Inclusion through Credit and Digital Technology

Based on the GMO-PG group's management principle to "nurture both material and spiritual prosperity through our contributions to the progress and development of society," the Company engages in SDG initiatives by driving social inclusions in payment and financial technology, as well as providing services centered on payment that support DX, paperless, cashless, and online migration. In addition, the Company will contribute to social inclusion where anybody can participate in and embrace diversity.

Focus Areas for the Realization of Sustainability
The Company focuses on the following areas stated below for the realization of a sustainable society, taking into consideration businesses and the opinions of stakeholders. Going forward, the Company will identify the relevant materiality issues that should be prioritized from a medium-to-long term perspective in order to advance its sustainability management.

Focus Areas	Related ESG	Contribution to SDGs	Initiatives
Digital inclusion**	E Environment S Social	8, 9, 10, 11, 13, 17	<ul style="list-style-type: none"> Realize a convenient and comfortable society by promoting cashless migration and EC penetration Support merchants with various forms of digital sales such as EC website and delivery through payment services Open innovation with numerous business partners
Financial inclusion**	E Environment S Social	1, 5, 8, 9, 10, 11, 13, 17	<ul style="list-style-type: none"> Provide impact finance to FinTech companies (microfinance) that promote financial inclusion Instant Salary byGMO service enables receiving salary at the preferred timing Access to e-commerce (EC) for non-credit card holders by offering B2Bx (Buy Now Pay Later) Lending service provides loans to operators for working capital needs
Contribution to the environment	E Environment	7, 13, 15	<ul style="list-style-type: none"> Support merchant decarbonization by supporting DX initiatives such as paperless operation Convenience payment processing using de facto renewable energy
Contribution to human capital	S Social	5, 8, 10	<ul style="list-style-type: none"> Utilize diverse human resources (promotion of diversity) Based on the belief that "people determine the company," support personal growth through proprietary human resource development programs and share in the corporate vision Based on the idea that "Cooperation is a place to foster personal growth," provide a workplace to fully unlock the potential and capability of the workforce (workstyle reform)
Practice of sound management	G Governance	17	<ul style="list-style-type: none"> Develop systems for an effective corporate governance Strengthen information security as the highest priority issue Strengthen compliance

**Materiality includes a variety of other corporate value benefits of digital technology, where we use AI and cloud and the ability to access to digital technology enhanced. **Materiality includes a variety of other corporate value benefits of financial service, where we use AI and cloud and the ability to access to financial service is enhanced.

30 / GMO Payment Gateway, Inc. Annual Report 2023 Fiscal Year 2023 (3.1.2024.3.30)

Specific initiatives (excerpt)

Realize convenient and comfortable society by promoting EC and cashless adoption

Promote impact finance to financial inclusion FinTech companies (microfinance)

Support merchant's decarbonization through DX support and paperless operations

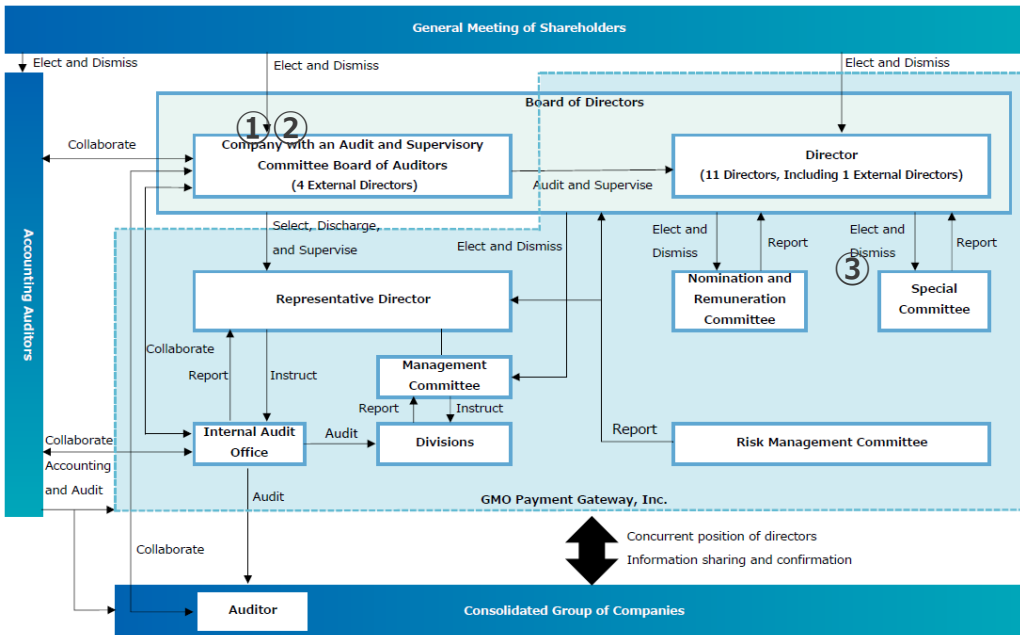
Start payment processing using de facto renewable energy

Selected as Best Company in the Great Place To Work survey for seven consecutive years

2.7.2 Strengthening Governance Structure

Realize medium- to long-term improvement in enterprise value through strengthening of supervisory function of the Board

Corporate Governance Organizational Structure

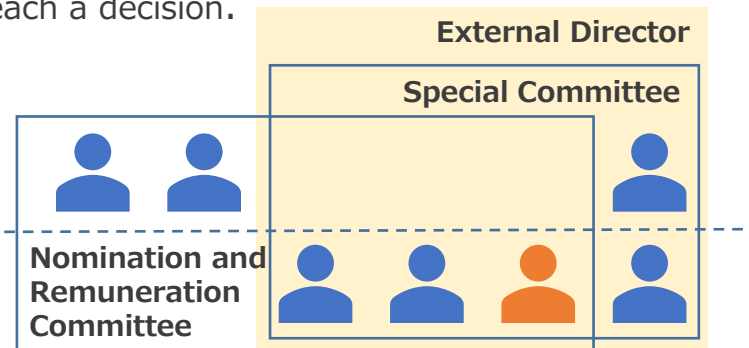


- ① Transition to company with Audit and Supervisory Committee
- ② Proportion of External Director rises to a third
- ③ Established a Special Committee
 - Comprised of five External Directors
 - Strengthen protection of interests of non-controlling shareholders
 - Transactions and actions that entail a conflict of interest between the controlling shareholder and non-controlling shareholders are evaluated and deliberated at the Special Committee and reported to the Board which is vested to reach a decision.

Director



Directors that are members of the Audit and Supervisory Committee



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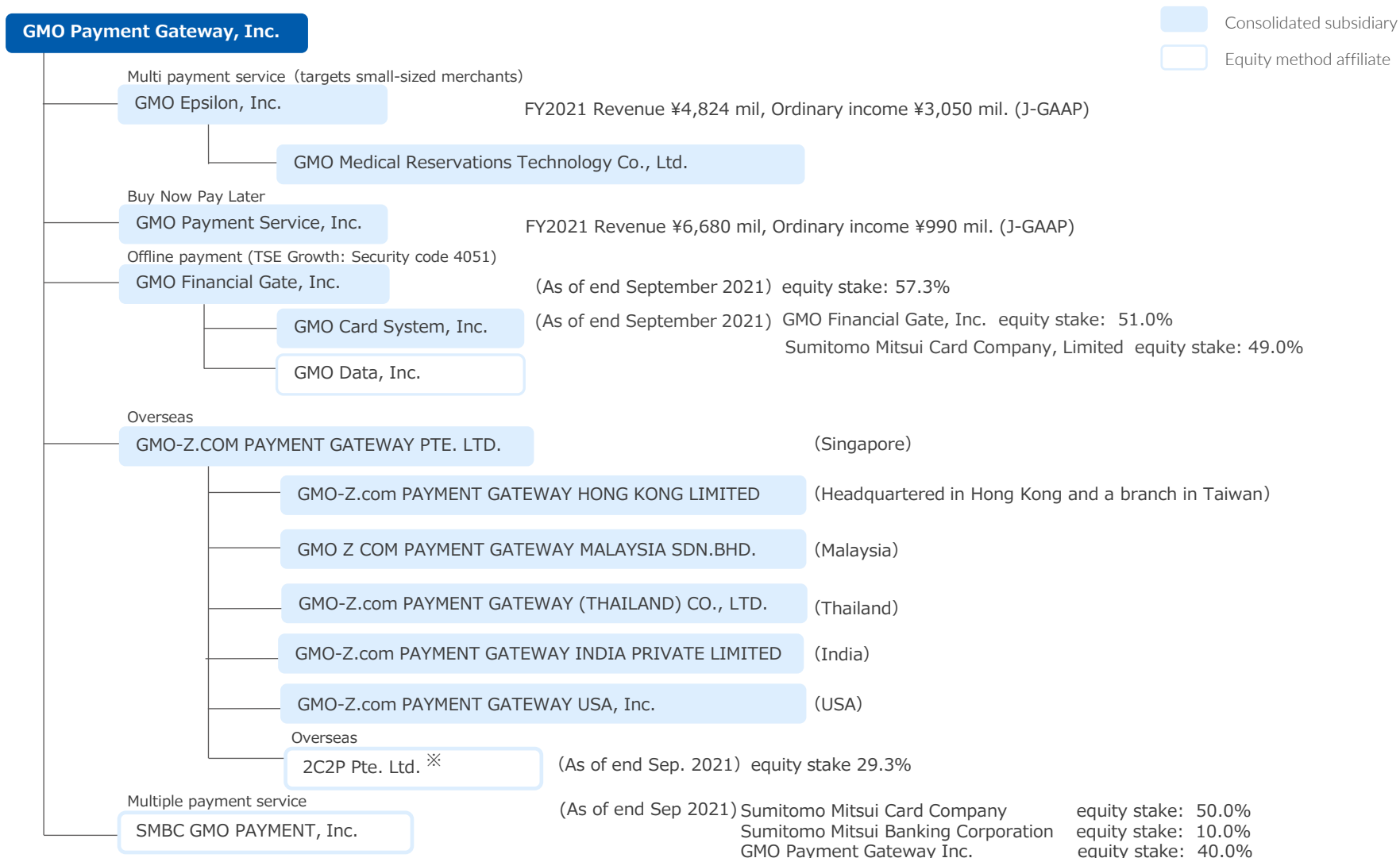
3 Reference Materials p.33

3.1 Company Outline (as of April 4, 2022)

- Name
GMO Payment Gateway, Inc. (3769; Tokyo Stock Exchange Prime)
- Date of establishment March 1995
- Location
FUKURAS office (Head office)
SHIBUYA FUKURAS 15F, 1-2-3 Dogenzaka, Shibuya-ku,
Tokyo, 150-0043 Japan
Humax Office
Humax Shibuya Building 7F, 1-14-6, Dogenzaka, Shibuya-ku,
Tokyo Japan
- Capital stock 13,323 million yen
- Major shareholders
GMO Internet, Inc., Sumitomo Mitsui Banking Corporation,
Mr. Issei Ainoura ,etc
- Auditor
Ernst & Young ShinNihon LLC
- Major consolidated subsidiaries
GMO Epsilon, Inc., GMO Payment Service, Inc.,
GMO Financial Gate, Inc.,
GMO-Z.com Payment Gateway Pte. Ltd. (Singapore), etc.
- Major Equity affiliates
SMBC GMO Payment, Inc., GMO Data, Inc., 2C2P Pte. Ltd., etc.
- Management team
Chairman & Director
President & Chief Executive Officer
Director, Executive Vice President
Director, Executive Vice President
Director
Director
Director
Director
Director
Director
External Director
External Director, Audit & Supervisory Committee
External Director, Audit & Supervisory Committee
External Director, Audit & Supervisory Committee
External Director, Audit & Supervisory Committee
Senior Managing Executive Officer
Senior Managing Executive Officer
Senior Managing Director
Senior Managing Director
Managing Executive Officer
Managing Executive Officer
Managing Executive Officer
Managing Executive Officer
Managing Executive Officer
Executive officer
Executive officer
Executive officer
Executive officer
Executive officer
Executive officer
Executive officer
Executive officer
Executive officer
Executive Officer
Executive Officer
Masatoshi Kumagai
Issei Ainoura
Ryu Muramatsu
Satoru Isozaki
Masashi Yasuda
Hirofumi Yamashita
Yuki Kawasaki
Teruhiro Arai
Noriko Inagaki
Takashi Shimabara
Akio Sato
Kazutaka Yoshida
Kazuhiko Okamoto
Yumi Hokazono
Fumio Kai
Shinichi Sugiyama
Tatsuya Koide
Yuichi Hisada
Takashi Mitani
Tomoyuki Murakami
Masaru Yoshioka
Takeshi Yoshii
Katsunari Mukai
Kazunari Taguchi
Kiyonobu Inayama
Shingo Ito
Yoshinori Inokuchi
Hirofumi Tozawa
Yasunori Hatada
Mariko Takeda
Junpei Kendo
Katsuyoshi Sota
Takeshi Yoshida
Yusuke Nakayama

※ Estimated to transfer shares in June 2022.

3.2 Major subsidiaries and equity-method affiliates (IFRS standards)



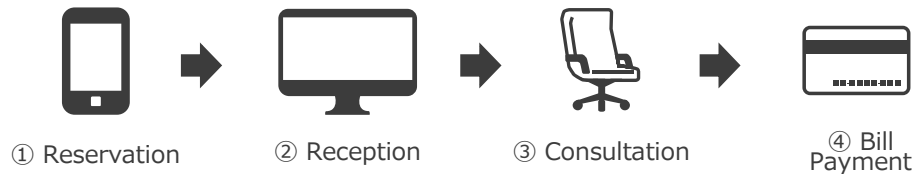
※ Estimated to transfer shares in June 2022.

3.3 GMO Medical Reservations Technology メディカル革命 byGMO

Provides reservation management system to improve operations at hospitals and clinics

■ Medical Kakumei byGMO

Seamless services that not only includes reservation function, but also reception, e-medical record link and cashless payment function.*



■ Omatome Shinsatsuken byGMO

Bundle multiple medical cards of several hospitals and clinics onto a single app
Contributes to improving reception work efficiency and cancellation rates

Other services also available

- Medical Kakumei byGMO for veterinary hospitals
- Dentry byGMO

*1 The following services of reception machines for repeat visits, e-medical record links and payment functions are available as option services.

*2 The revenue figure is based on J-GAAP.

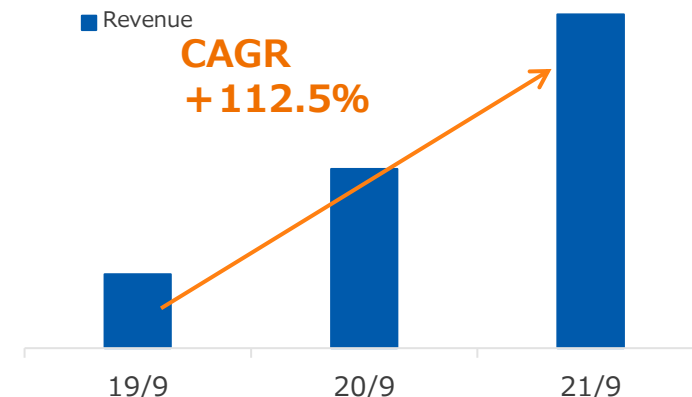
■ Corporate Overview

Corporate name GMO Medical Reservations Technology Co. Ltd.

Establishment April 11, 2016

Parent company GMO Epsilon, Inc. (Equity stake: 100.0%)

Address Tokyo HQ: Humax Shibuya Building 7F, 1-14-6 Dogenzaka, Shibuya-ku, Tokyo
Hamamatsu Branch: Chanson Building 6F, 125 Daikumachi, Naka-ku, Hamamatsu-shi, Shizuoka

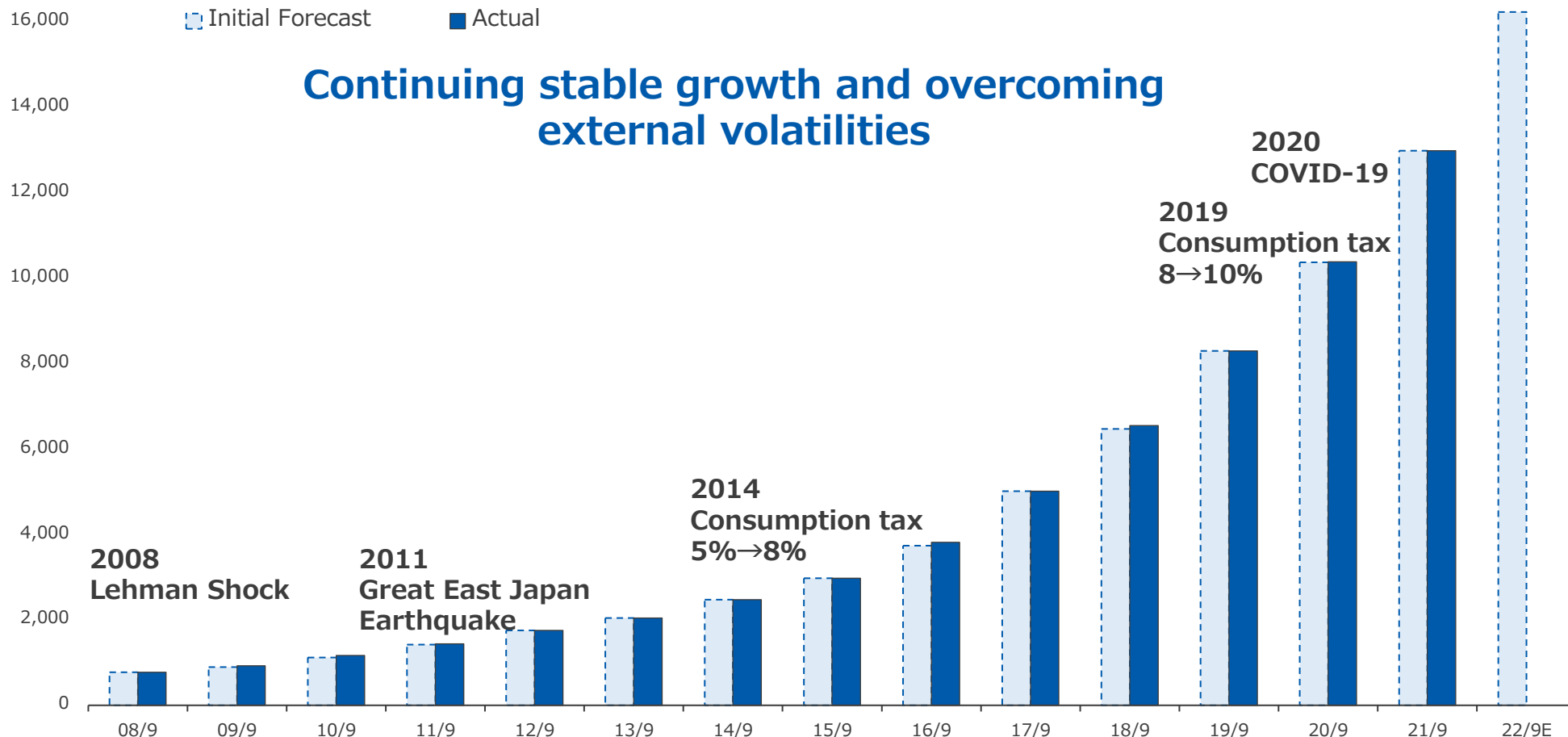


3.4 Continuous achievement of OP target

Earnings targets achieved through the earnings structure with high visibility and a disciplined business operation

Operation Profit[※]

(Mil Yen)



※1 Initial forecast for FY2018 is based on revised forecast to reflect the voluntary adoption of IFRS.

※2 Figures before FY2019 present operating profit before the deconsolidation of MACROKIOSK and include both continuing and discontinued businesses.

3.5 Key Characteristics of Payment Business: Entry Barriers

Japan's unique business environment, built up advantage over 20 years since our founding

Legal regulation
(Amended ISA, etc.)

- Responding to tightening regulations through repeated amendments
- Merchant management, security enforcement

Payment company Network

- Unique payment practices (huge range of payment methods) requires transactions with multiple payment companies (page 9)

Business scale

- Scale is key given low ASP
- Merchant acquisition requires development capability, sales capability and track record

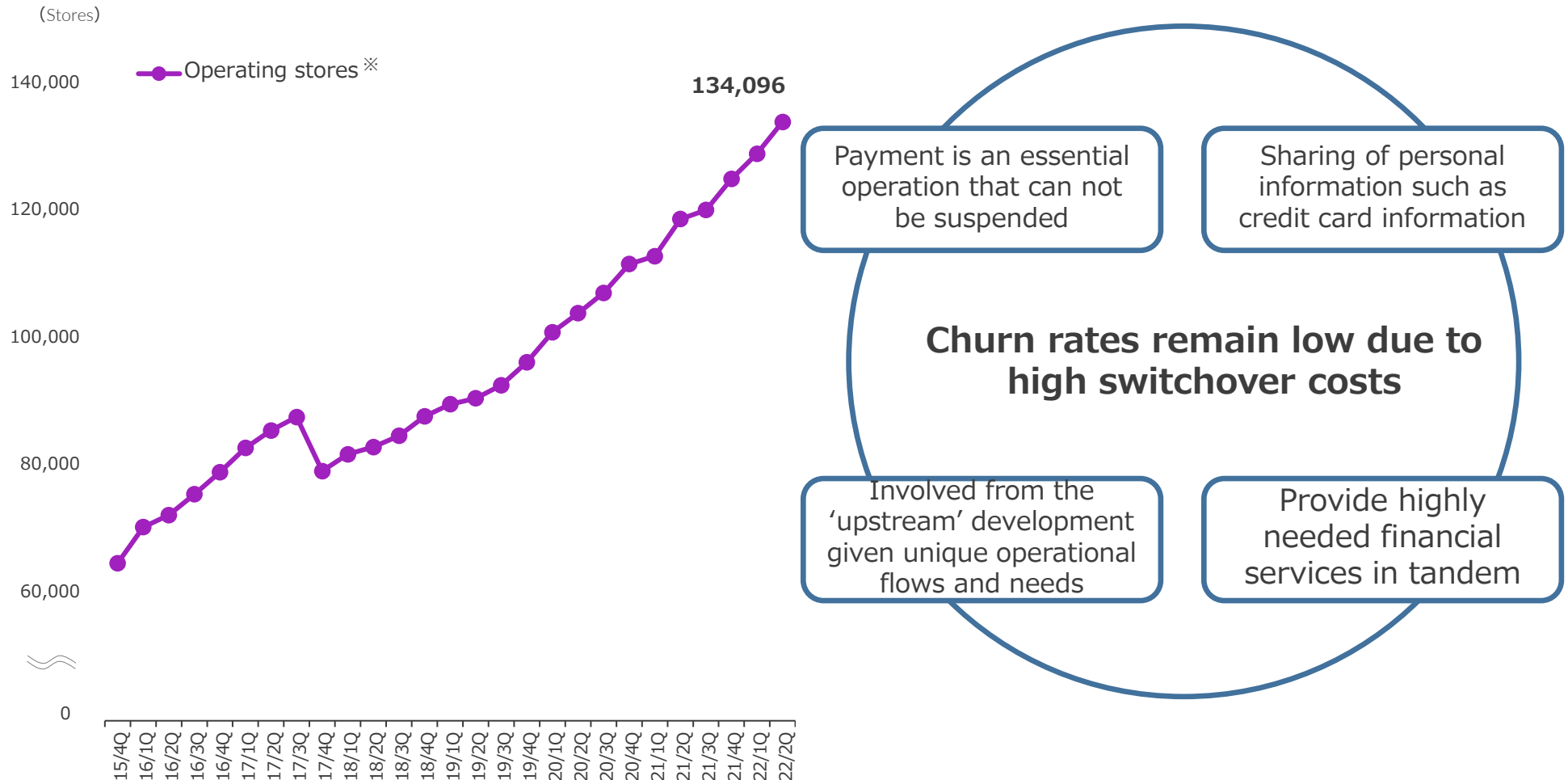
Cross-industry entrants

Start-ups

Overseas payment companies

3.6 A cumulatively expanding customer base

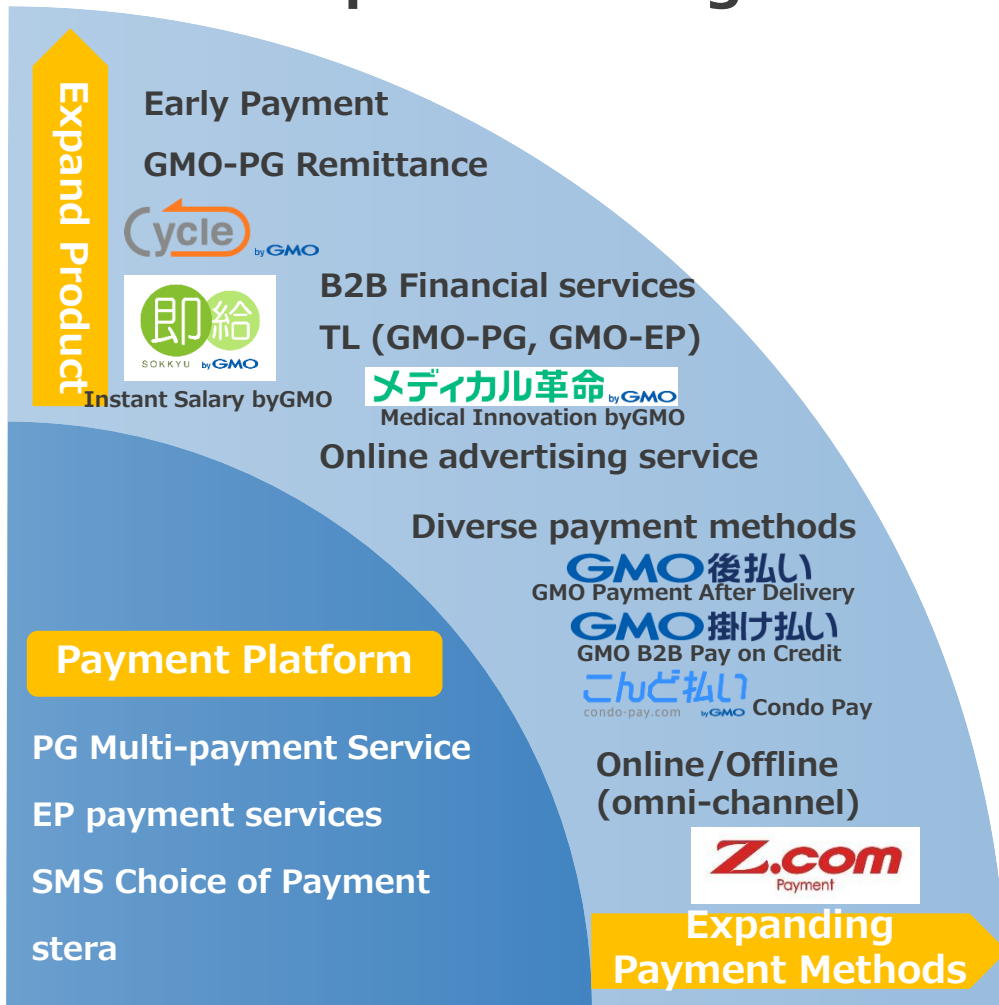
Stably expand the customer base through highly sticky services



※ The standards for calculating operating stores have been revised from 2Q FY2022. Operating stores exclude an operating stores related to a specific case. Figures from Q1 FY2017 above exclude the operating stores for a major delivery company; if included, the number of operating stores would be 397,670 stores (up 59.9% YoY) for the same period.

3.7 Expand line-up and expand revenue per customer

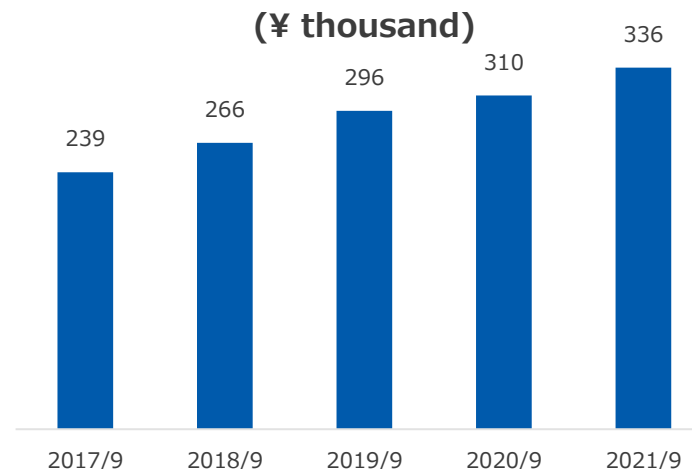
Diverse value proposition to existing customers
 Promote up-sell through resolving customers' issues



Our Strengths/Value Proposition

- Highly scalable payment platform
- Incorporates various payment methods
- Win-win model of providing value added services that contribute to revenue/TRX
- Multiparty platform for consumer, merchants, and payment companies

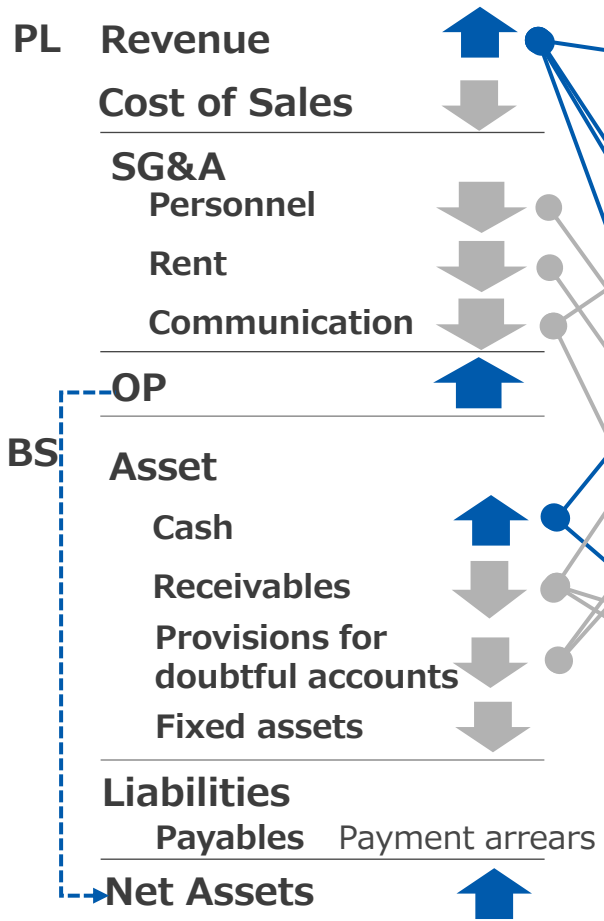
Revenue per merchant



3.8 Our Position in the socio-economic New Normal

DX support services that improves client's PL & BS

Customer needs & PL/BS changes



Use cases

EC shop, Utility bills

- Multiple payment methods
- Paperless (lower postal cost)
- CF improvement service
- Improve collection rate
- Prevent suspicious transactions

Restaurants

- Delivery sales
- Cashless implementation
- Increase recruits (lower personnel cost)
- Store closures (lower rent expense)
- CF improvement service

Event, Ticket Sales

- Merchandise sale
- Refund demand (lower postage cost)

Our DX support services

PG Multi-Payment service

TEPCO EP's

SMS Payment Choice

Cycle byGMO

GMO B2B Early Payment

Invoice Smartphone Payment

Fraud prevention service

(Sift)

Online sales support

GMO Cashless Platform

Instant Salary byGMO

Electronic Invoice Early Payment

GMO B2B AR Guarantee

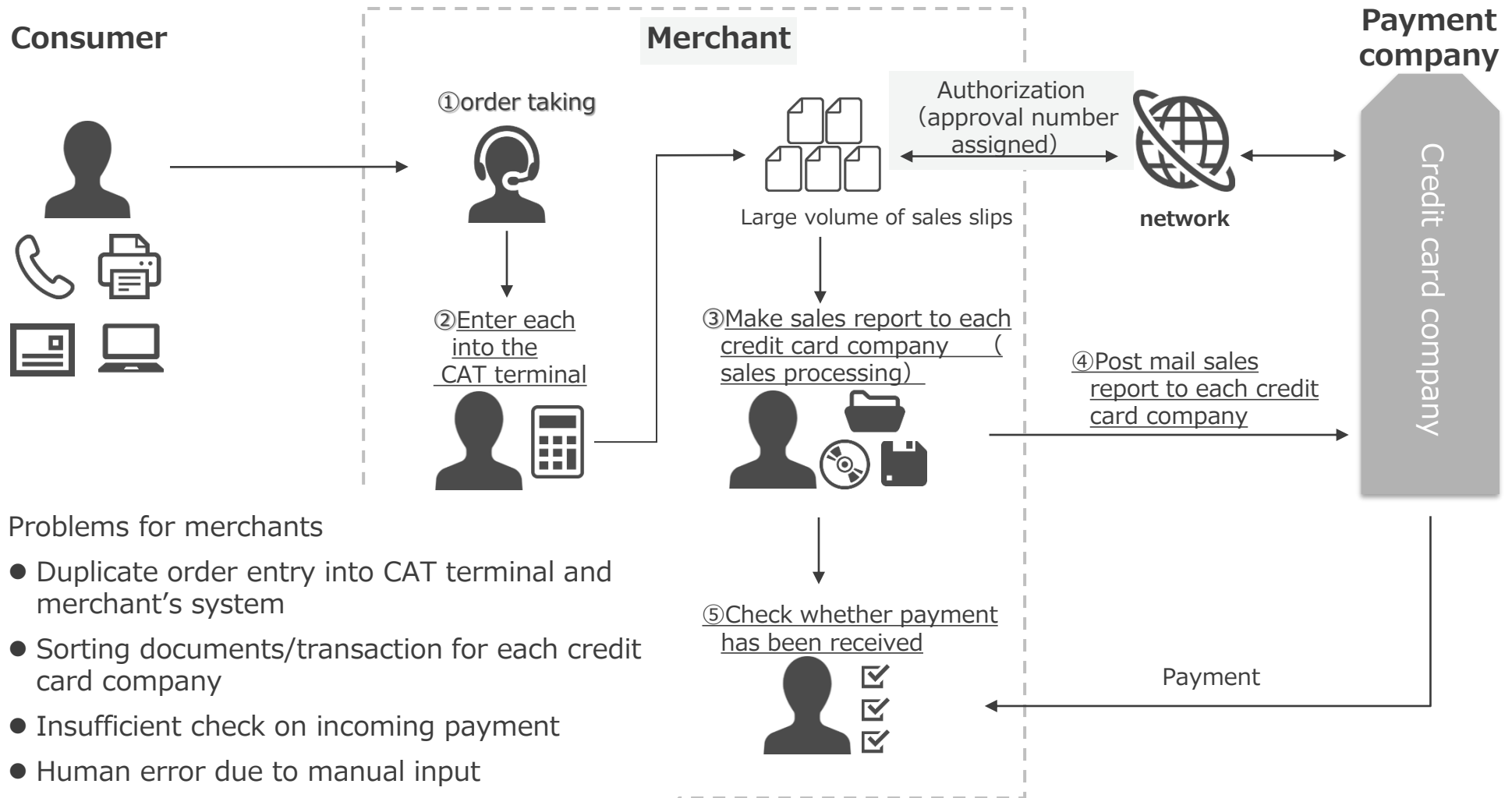
Online sales support

Remittance service

(for refunds)

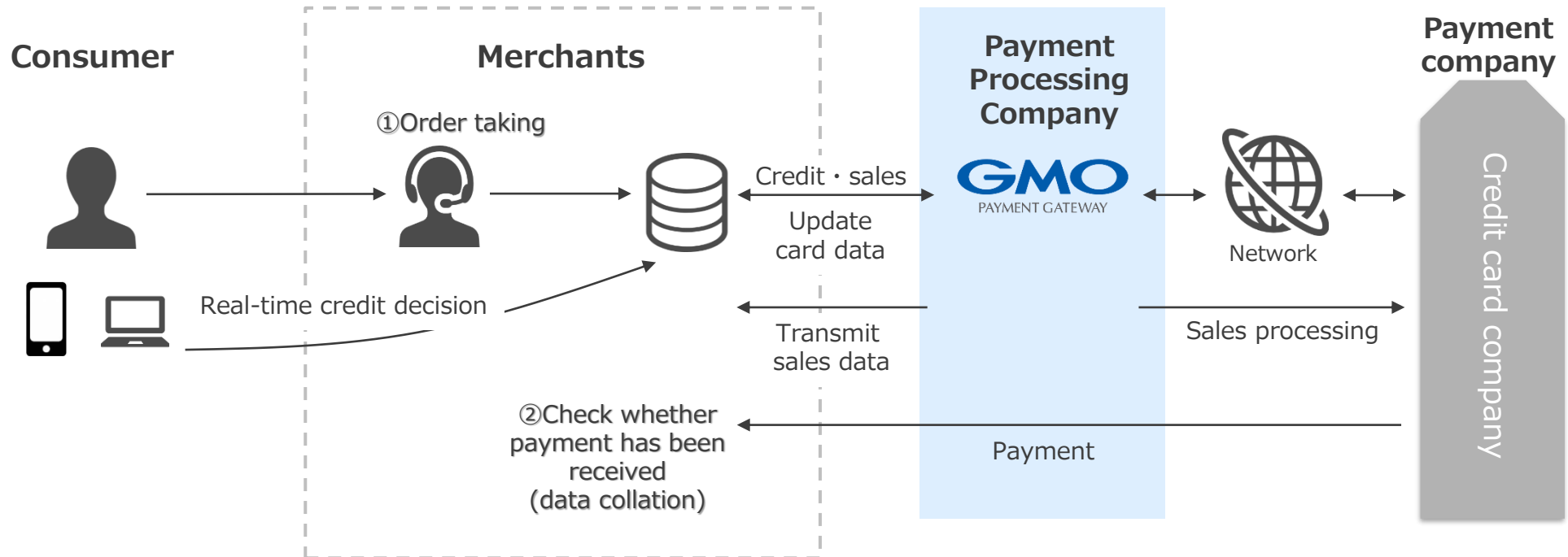
3.9.1 Business outline of payment processing company (1)

Problems with online credit card payment in the early days of E-Commerce



3.9.2 Business outline of payment processing company (2)

Payment processing service realizes operational efficiency in credit card payment operations



In the early days of Ecommerce, credit card payment was processed offline between the merchant and the credit card company, resulting in work burden on both sides.

The establishment of payment processing companies eliminated this burden for both parties.