

FOR IMMEDIATE RELEASE

Soft Space and GMO-FG Forge Capital Alliance to Transform Japan's US\$650 Billion Cashless Payment Sector

The live deployment of Japan's first MPoC-Certified SoftPOS solution, stera tap, marks the first milestone of success in Soft Space and GMO-FG's capital alliance.

Tokyo, Japan / Kuala Lumpur, Malaysia – March 25, 2024 – In a significant development poised to transform Japan's cashless payment landscape, GMO Financial Gate, Inc. ("GMO-FG"), one of Japan's largest payment processing companies, has announced a capital alliance with its long-standing partner, Soft Space, the world's leading fintech-as-a-service (FaaS) company. This investment from GMO-FG comes before Soft Space's planned Series C funding round, aimed at transitioning Japanese society to a cashless one.

This capital alliance aims to make cashless payments ubiquitous across various industries, including transportation, hospitality, and the extensive food and beverage (F&B) sector. Leveraging GMO-FG's extensive client network, Soft Space is poised to explore new opportunities in sectors traditionally reliant on cash transactions. With Japan being a prime destination for international tourists, this move towards cashless payments is anticipated to boost tourist spending by offering a more convenient transaction experience.

Joel Tay, CEO of Soft Space, stated enthusiastically, "I'm grateful for GMO-FG's trust in us and excited to take our relationship to the next level. The synergy and mutual understanding we've developed through collaboration are invaluable. Since achieving the world's first MPoC Solution Provider certification¹ on February 27th, 2024, our SoftPOS solution has become a force in enabling cashless societies around the world. Our ability to deploy rapidly from Malaysia to Japan and beyond showcases our agility and market readiness. By ensuring full certification, we're poised to support our clients, both current and future, in entering a global SoftPOS market that is potentially worth USD1.04 billion in annual sales by 2030."²

The capital alliance has already marked its first achievement with the live deployment of stera tap, Japan's first MPoC-certified SoftPOS solution, demonstrating the successful synergy between technological innovation and GMO-FG's payment network. stera is integral to Sumitomo Mitsui Card Company ("SMCC")'s strategy to lead the charge in Japan's cashless payment revolution.³

Kentaro Sugiyama, CEO of GMO-FG, reflected on the partnership's history, saying, "Since our collaboration began in 2018, Soft Space and GMO-FG have cultivated a strong relationship by integrating Soft Space's SoftPOS services with GMO-FG's payment network, with an initial focus on the transit segment. Soft Space's solutions are designed for swift market adoption, and we're proud to have launched stera tap as Japan's first MPoC-certified SoftPOS solution under the SMCC initiative.

¹ https://listings.pcisecuritystandards.org/assessors_and_solutions/mpoc_solutions?agree=true

² <https://www.kbvresearch.com/softpos-market/>

³ https://www.smfg.co.jp/english/investor/financial/small/pdf/20240227_exe_pre01e.pdf

This capital alliance is a step towards deepening our collaboration and expanding Japan's face-to-face cashless payment market."

As the volume of domestic cashless payments (valued at approximately US\$650 billion as of 2020)⁴ continue to rise in Japan, this partnership is a critical step towards realising a fully cashless society. By simplifying cashless transactions and combining the strengths of both Soft Space and GMO-FG, this collaboration is poised to spearhead a financial revolution, enhancing the daily lives of millions across Japan.

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About Soft Space

Founded in 2012, Soft Space is a leading fintech player headquartered in Kuala Lumpur, Malaysia. Serving over 90 financial institutions and partners across 30 global markets, Soft Space offers both merchants and consumers a range of solutions, such as contactless payment through mobile devices as well as comprehensive white-label e-wallet services. These technologies enable the easy adoption of digital payments while helping financial institutions better understand and address their customers' needs. Soft Space's goal is to leverage its mobile contactless payments expertise and patented technology to reshape finance, domestically and globally.

For more information, please visit: <https://www.softspace.com.my>

About GMO Financial Gate

GMO-FG has built up a track record and trust over 24 years since its establishment in July 1999 as a payment processing company focusing on credit/debit payment at face-to-face offline stores. We are committed to innovation in the industry with our economical rationality and advanced technology. In addition to CCT (i.e. Credit Center Terminals, which is the shared use terminals among multiple payment service providers), such as stand-floor model at cashier and mobile terminals, we also provide embedded payment services in self-checkout register machines for hospitals and golf course facilities, contributing to society as a change leader of offline cashless payment.

For more information, please visit: <https://gmo-fg.com/en/>

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⁴ https://www.yanoresearch.com/en/press-release/show/press_id/2975