

Financial Results Briefing for FY2021

Key Message

[Steady progress in strategy to expand market share, starting with sales and activation of payment terminals]

November 12, 2021

GMO Financial Gate, Inc.
(Ticker:4051, TSE-M)

6th IR Presentation

GMO FINANCIAL GATE

<https://www.gmo-fg.com/>

Cautionary Note Regarding Presentation Materials

The content of these presentation materials is based on generally recognized economic and social conditions, as well as assumptions judged to reasonable by GMO Financial Gate as of November 12, 2021

Note that presentation material content is subject to change without prior notice in response to changes in the business environment or other unforeseen circumstances

Meeting agenda

1. Summary of financial Results for FY2021
2. FY2022 projection
3. Growth Strategy and Progress
4. Financial Highlights
5. Appendix

1. Summary of Financial Results for FY2021

1.1 FY2021 Summary

Achieved the full-year earnings target despite multiple declaration of state of emergency.

- **FY2021 full-year** **P6**
 - Revenue: **¥7.09 billion (+92.0% YoY)**, OP: **¥0.59 billion (+30.1% YoY)**
 - Surpassed revised forecast (revised on Aug. 10) Revenue: **109.1%**, OP: **100.0%**
 - TRX Volume : **0.14 billion (+105.5% YoY)** GMV : **¥1.2 trillion (+86.8% YoY)**
→Making steady progress towards our target GMV of ¥5 trillion in 2025
- **Stock-model revenue** **P8**
 - Stock-model revenue steadily increased to **¥1,923 million (+32.1% YoY)**
- **No. of active terminal** **P11**
 - No. of active terminal steadily increased due to progress in sales and installation
As of Sep 2021 : 124.9K (+52.2K YoY, +71.8% YoY)

- Payment terminal sales drove the sales increase, with full-year contribution from *stera* terminal sales.
- A data sharing service originating from payment has been launched in IoT domain with high labor-saving demand.
- The number of installation in the mobility payment area also steadily increased.
- Alliance projects such as House Points* increased. (*Unique points that each retailer issues to consumers)

1.2 Summary of Financial Results

Revenue exceeded the forecast, driven by sales of payment terminals. OP was in line with the forecast. Despite prolonged SOE in Q4, the number of TRX volume & GMV doubled YoY.

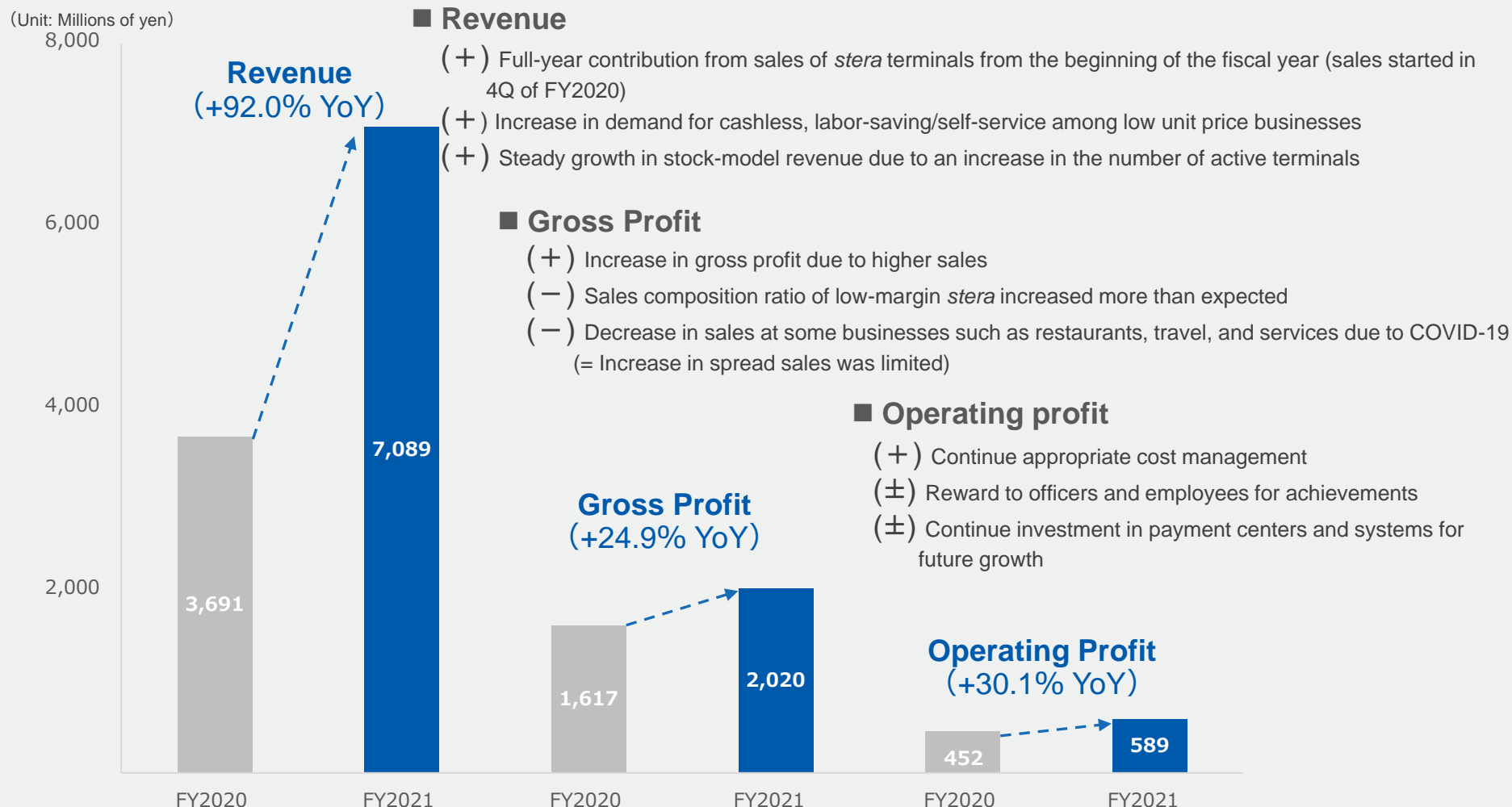
(Millions of yen)	FY2020 Actual	FY2021 Forecast (Revised on Aug. 10, 2021)	FY2021 Actual	Actual/Forecast (%) (Revised on Aug. 10, 2021)	YoY
Revenue	3,691	6,500	7,089	109.1%	+ 92.0%
Gross profit	1,617	1,894	2,020	106.6%	+ 24.9%
Operating profit	452	589	589	100.0%	+ 30.1%
Profit attributable to owners of parent	291	368	411	* 111.4%	+41.0%
Dividend per share	¥40	¥47	¥51	¥+11 from FY2020 actual	

* Recorded ¥30 million as non-operating income

	Active terminal units (As of Sep 2021)	TRX Volume (Q4 only)	GMV (Q4 only)
KPI (YoY)	124,857 (1.7x)	Approx. 49.1 million (2.2x)	Approx. ¥381 billion (2.1x)

1.3 Major Topics Regarding Financial Results

Payment terminal sales drove sales growth. Although the contribution to profit is low at present, it contributed to the expansion of the revenue base. OP is in line with the forecast due to steady profit accumulation and cost management.



1.4 Revenue by Business Model

Initial sales increased significantly due to strong sales of payment terminals to account for more than 70% of total sales.

Stock-model revenue increased mainly in fee revenue due to increased transaction volume.

(Millions of yen)	FY2020 Actual	FY2021 Actual	Composition Ratio	YoY
Initial	2,235	5,166	72.9%	+131.1%
Stock-Model	1,456	1,923	27.1%	+32.1%
Stock	488	624	8.8%	+27.8%
Fee	305	533	7.5%	+75.0%
Spread	662	764	10.8%	+15.5%
Total	3,691	7,089	100.0%	+92.0%

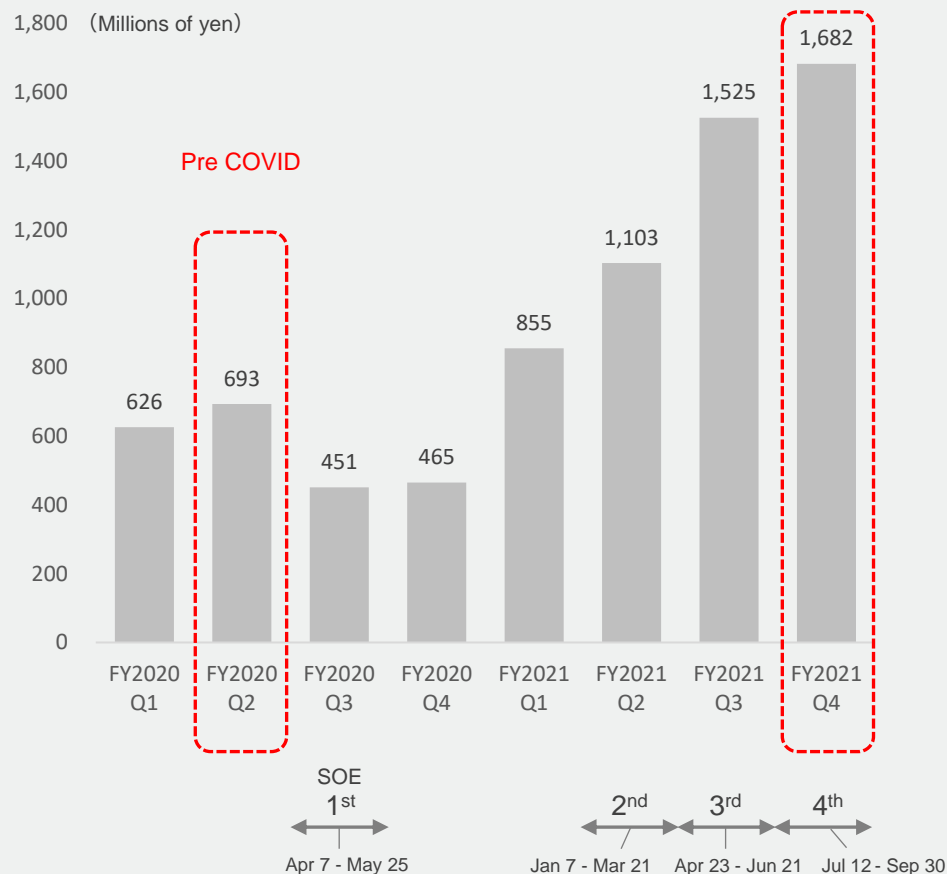
COVID-19
※SOE (1st)

COVID-19
※SOE (2nd to 4th)

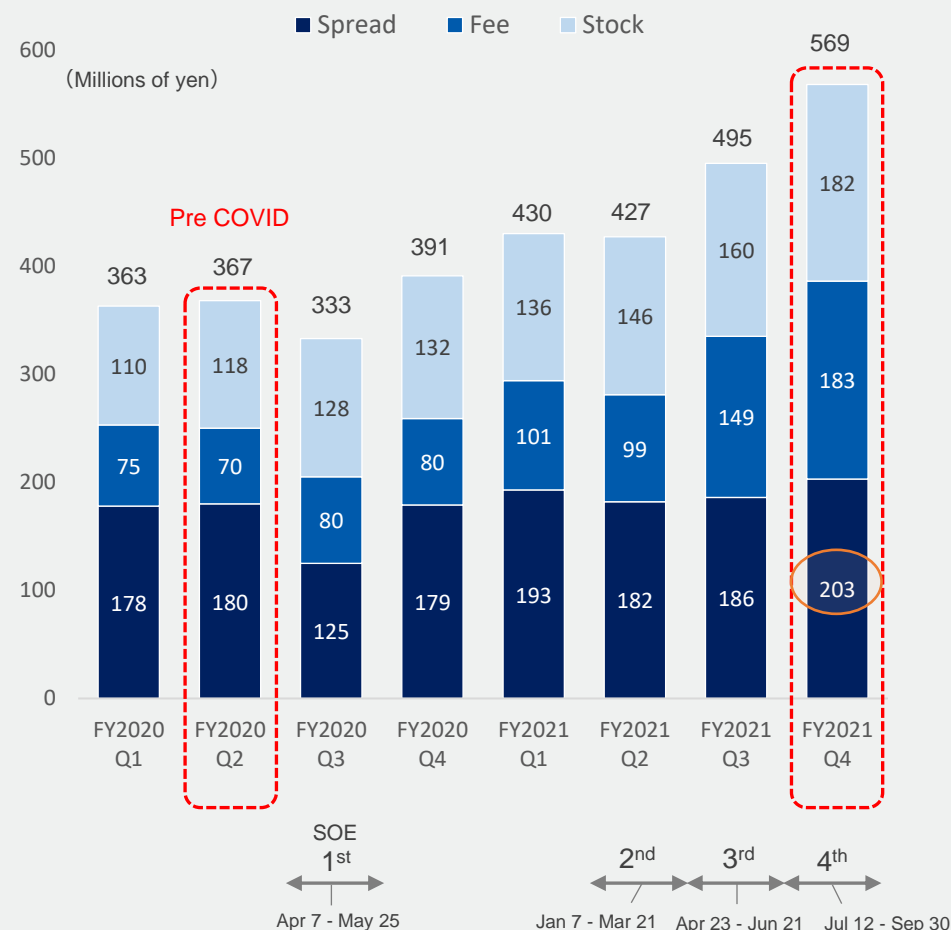
1.5 Revenue by Business Model (Quarterly)

In Q4, both initial and stock-model revenue reached a record high. Despite the impact of COVID-19, spread revenue is recovering through acquisition of new member merchants.

Initial Revenue

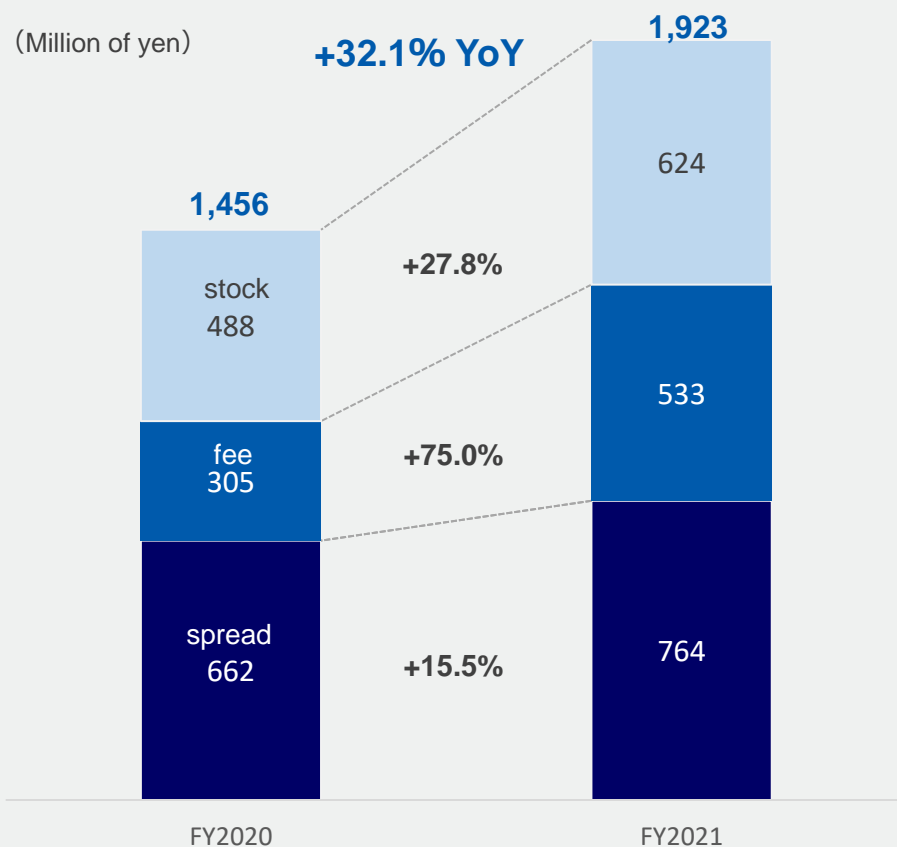


Stock-Model Revenue



1.6 Growth in Stock-Model Revenue

Stock-model revenue increased over 30% YoY, mainly driven by fee revenue. Spread revenue increased stably thanks to New Normal initiatives.



New Normal Initiatives

Stock

- Promote web data sharing services (launch data sharing services in the IoT domain)
- Increase the number of contracts for points/QR code payments

Fee

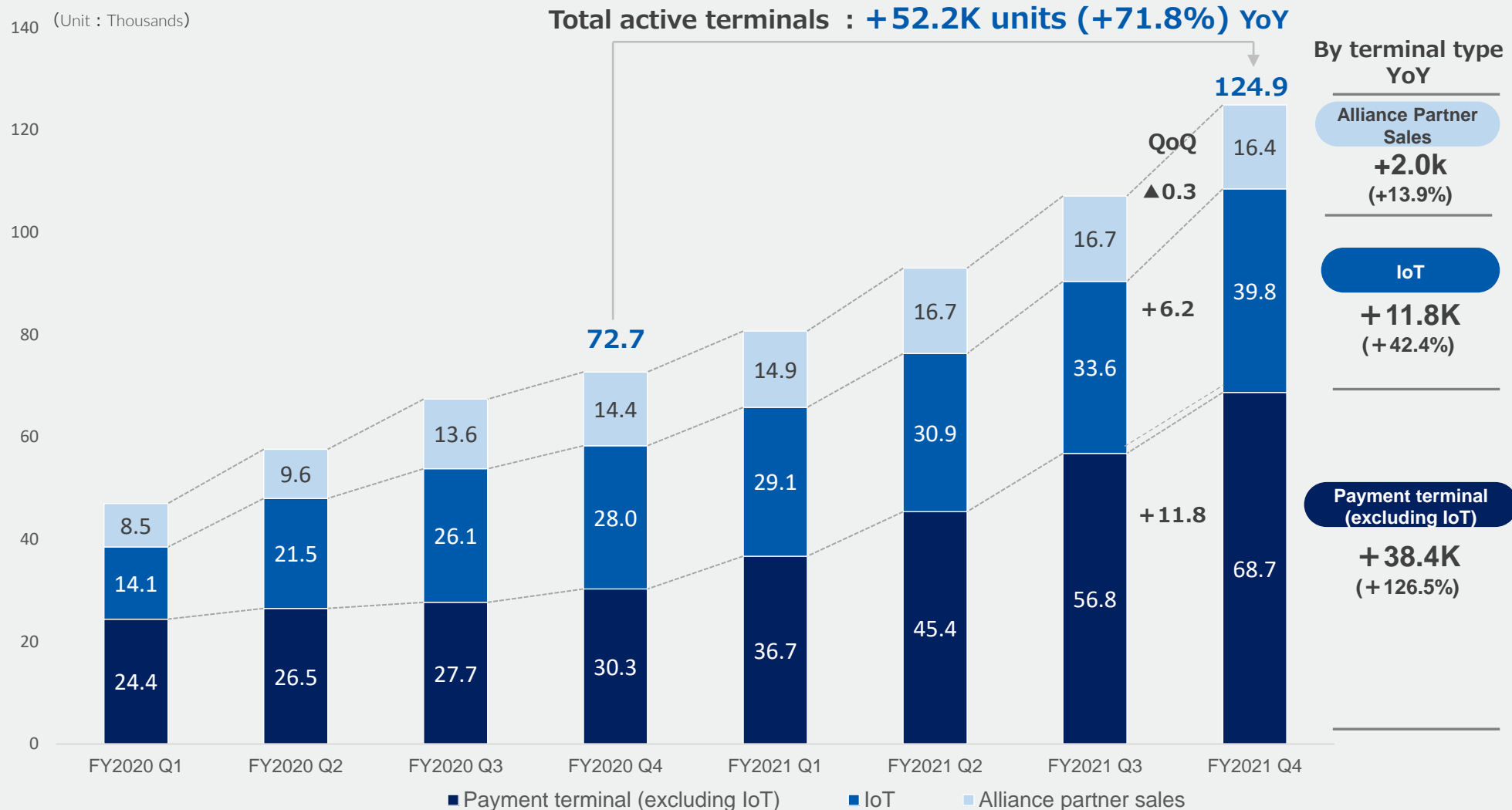
- Continue to promote the operation of payment terminals
- Acquire merchants with large transaction volumes (low unit price)

Spread

- Acquire merchants in the IoT domain (payment machines, ticket machines, self-checkout registers, etc.)
- Acquire merchants in clinics/medical industry

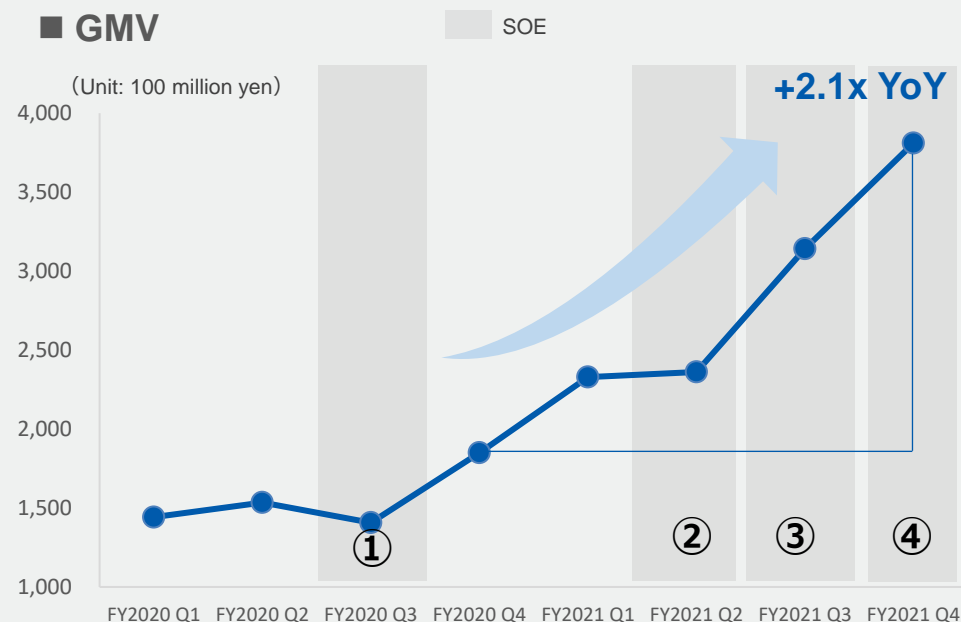
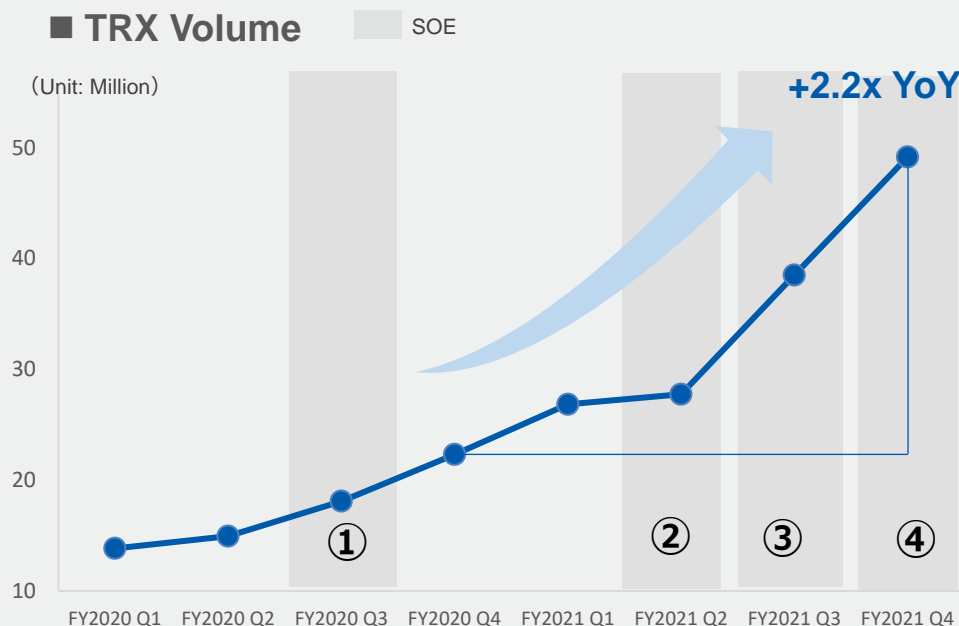
1.7 Consolidated KPIs (No. of Active Terminals)

Payment terminals (excl. IoT) drove the increase, with IoT also growing on the back of the trend toward self-service. Alliance partner sales, which are managed by other companies, decreased QoQ due to partial cancellations.



1.8 Consolidated KPIs (Quarterly TRX volume/GMV)

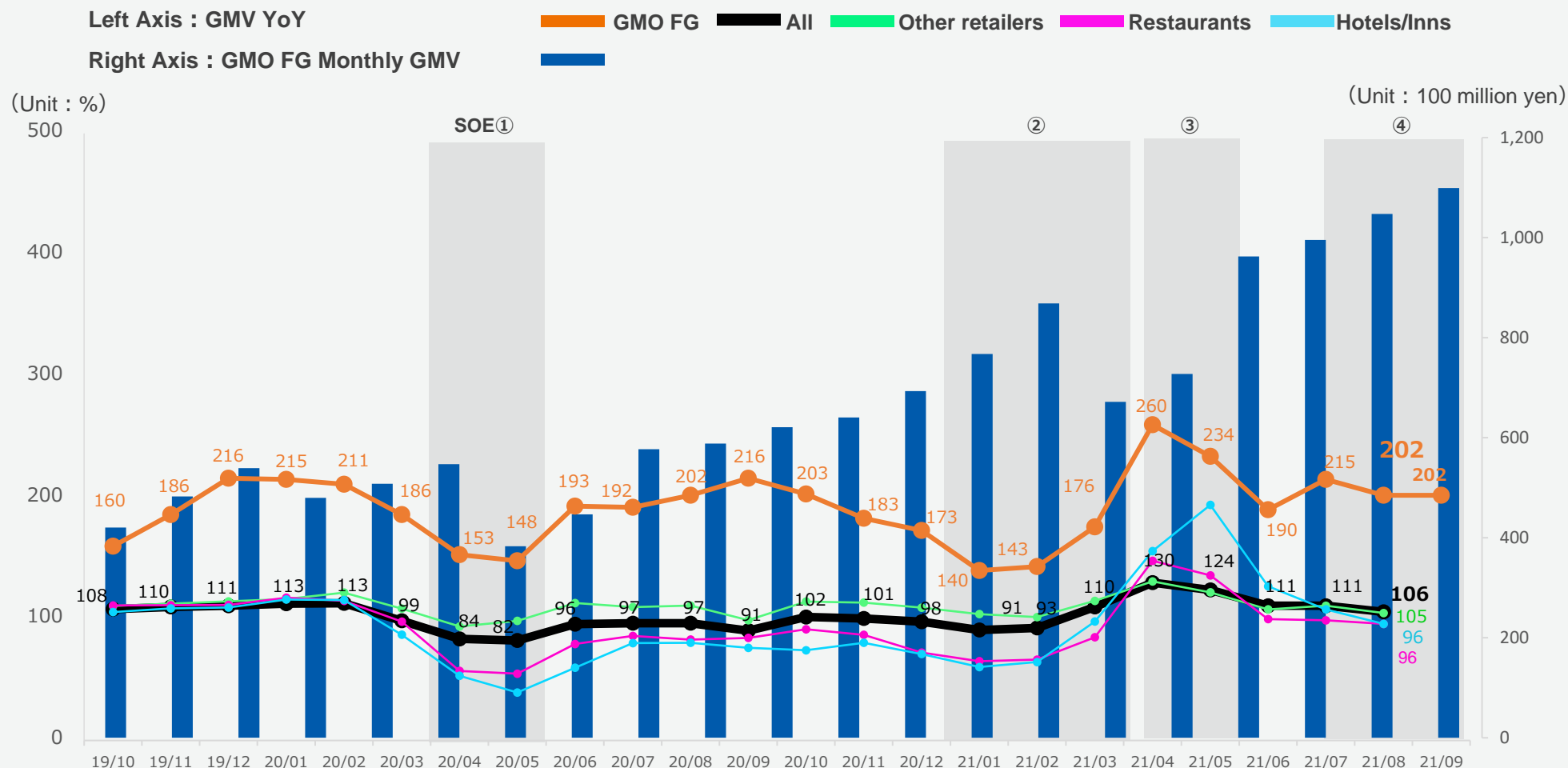
Even under the movement restrictions due to the declaration of a state of emergency, TRX volume and GMV largely exceeded the target (+50% YoY) due to acquisition of merchants with a balanced customer base and an increase in the number of active payment terminals.



※Increasing number of merchants are adopting cashless payment as a safer payment means amid COVID-19. Despite the repeated issuance of the emergency declaration, TRX volume and GMV grew steadily due to the acquisition of merchants with a balanced customer base.

1.9 Comparison with Market Growth

In the most recent month (August), the total credit card payment amount in the entire market was 106% of the previous year's level and GMO FG's GMV largely exceeded it at 202%, with contribution mainly from acquisition of new merchants.

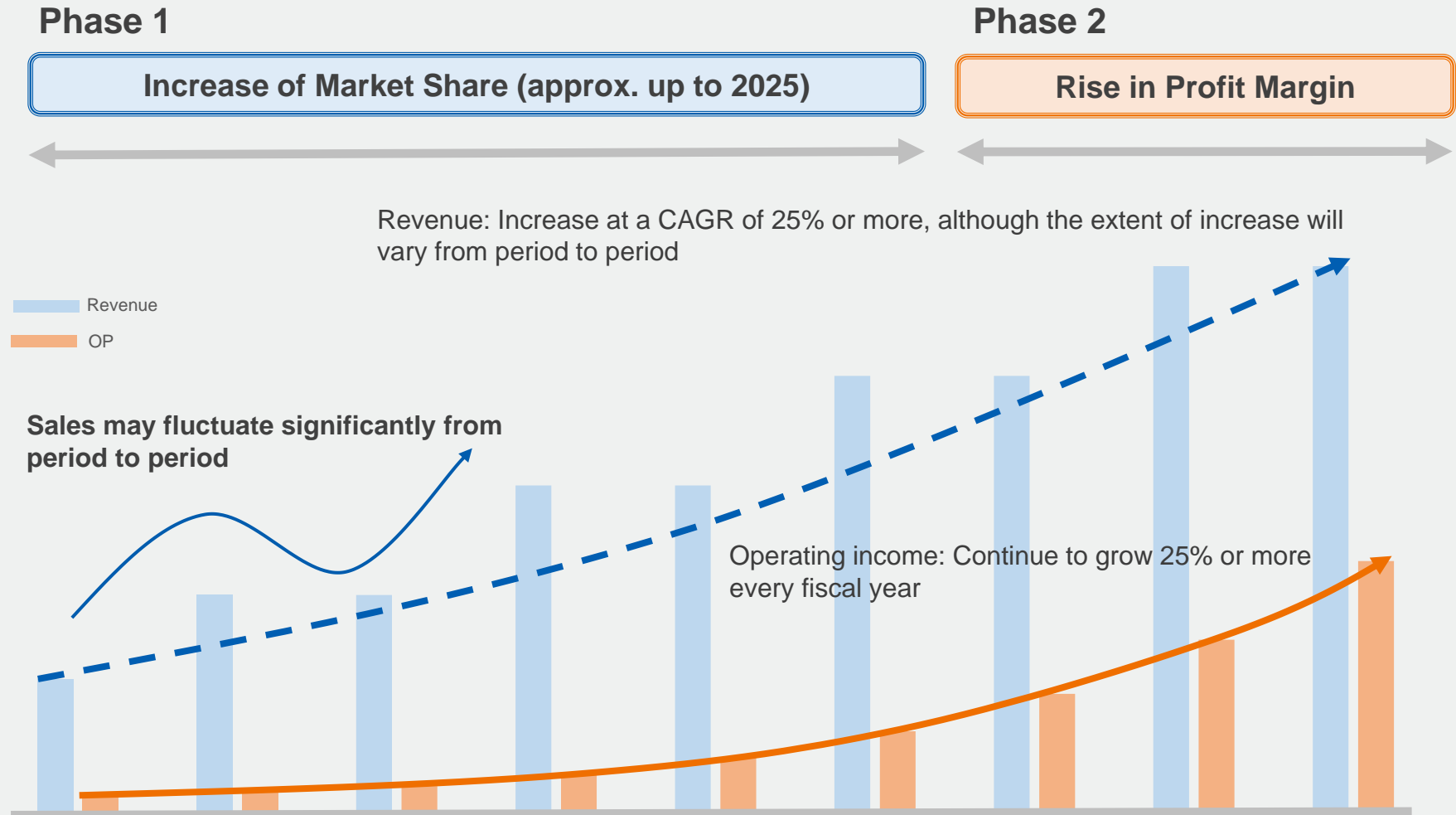


Source : Ministry of Economy, Trade and Industry

2. FY2022 Projection

2.1 Image of rise in Rev & OP

Phase1: Focus on sales/activation of payment terminals and revenue will be fluctuated.
Phase2: Expansion of Stock-Model revenue.



2.2 FY2022 Earnings Forecasts

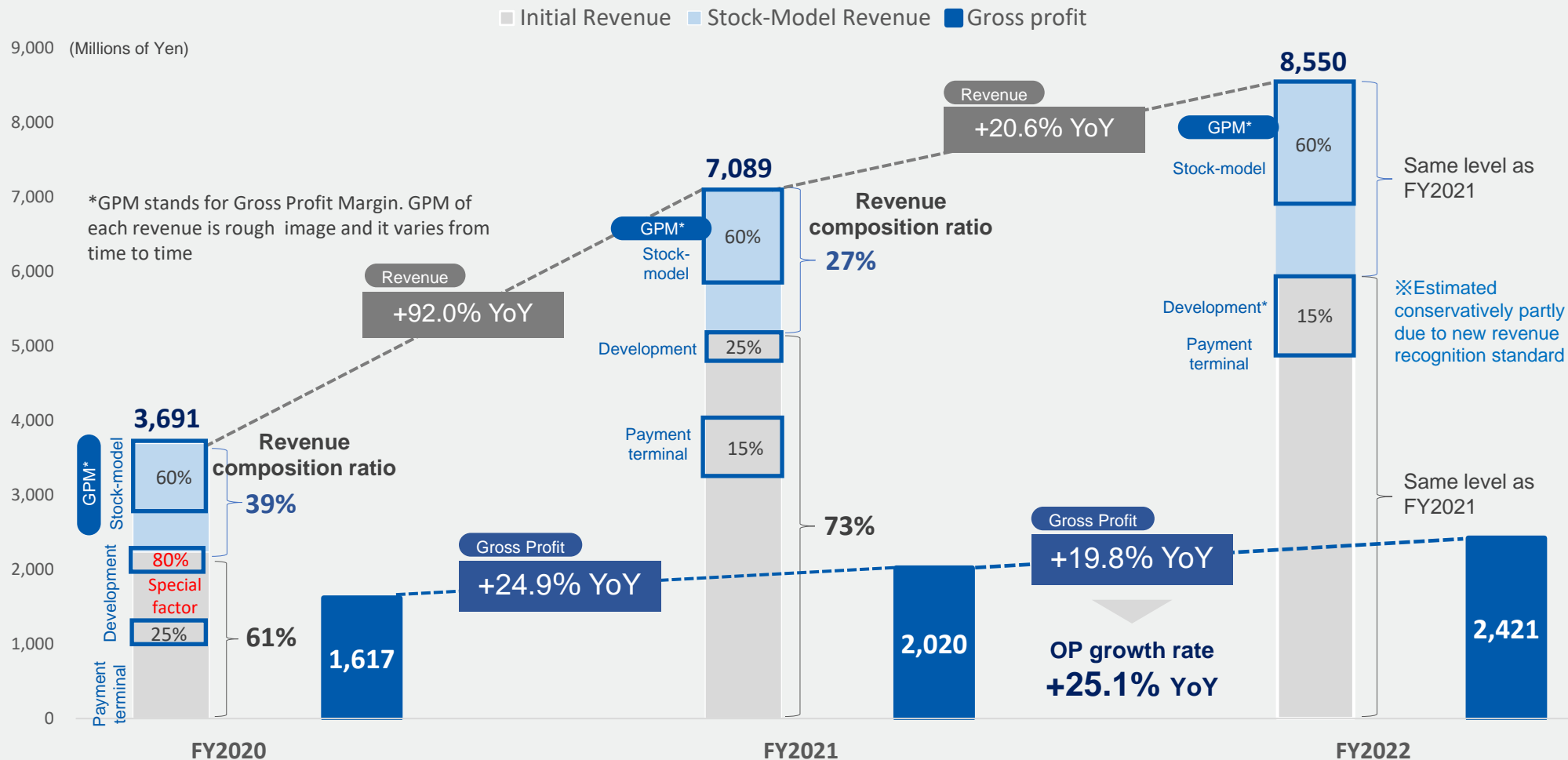
Plan to increase revenue by more than 20% YoY through increases in sales of payment terminals and stock-model revenue, and maintain mid- to long-term sustainable growth in OP with the managerial target of +25% YoY.

(Millions of yen)	FY2021 Actual	FY2022 (Forecast)	YoY
Revenue	7,089	8,550	+20.6%
Gross profit	2,020	2,421	+19.8%
Operating profit	589	737	+25.1%
Profit attributable to owners of parent	411 [*]	461	+12.1%
EPS	¥101.98	¥112.33	—
Dividend per share	¥51	¥57	—

* Recorded ¥30 million as non-operating income

2.3 Verification of Increase in Gross Profit

In FY2021, gross profit growth was low compared to sales increase (as expected) due to special factors in FY2020 and a change in the composition ratio of payment terminal sales. FY2022 forecast aims to achieve OP target with the same sales composition as FY2021.



3. Growth strategy and Progress

3.1 Progress of Action Plans for OP Growth

Strategy to increase market share, starting with sales of payment terminals, is making steady progress towards the target. Various measures are making steady progress, and several mid- to long-term growth strategies are under consideration.

		FY2021 *Actual	FY2022 *Forecast	FY2024	FY2025	around FY2035
Target	OP	¥0.59 billion	¥0.74 billion	Over ¥1 billion	¥1.5 billion	¥10 billion
	GMV	¥1.2 trillion	¥1.8 trillion	¥5 trillion	¥30 trillion	

■ Growth strategies and progress (~2025)

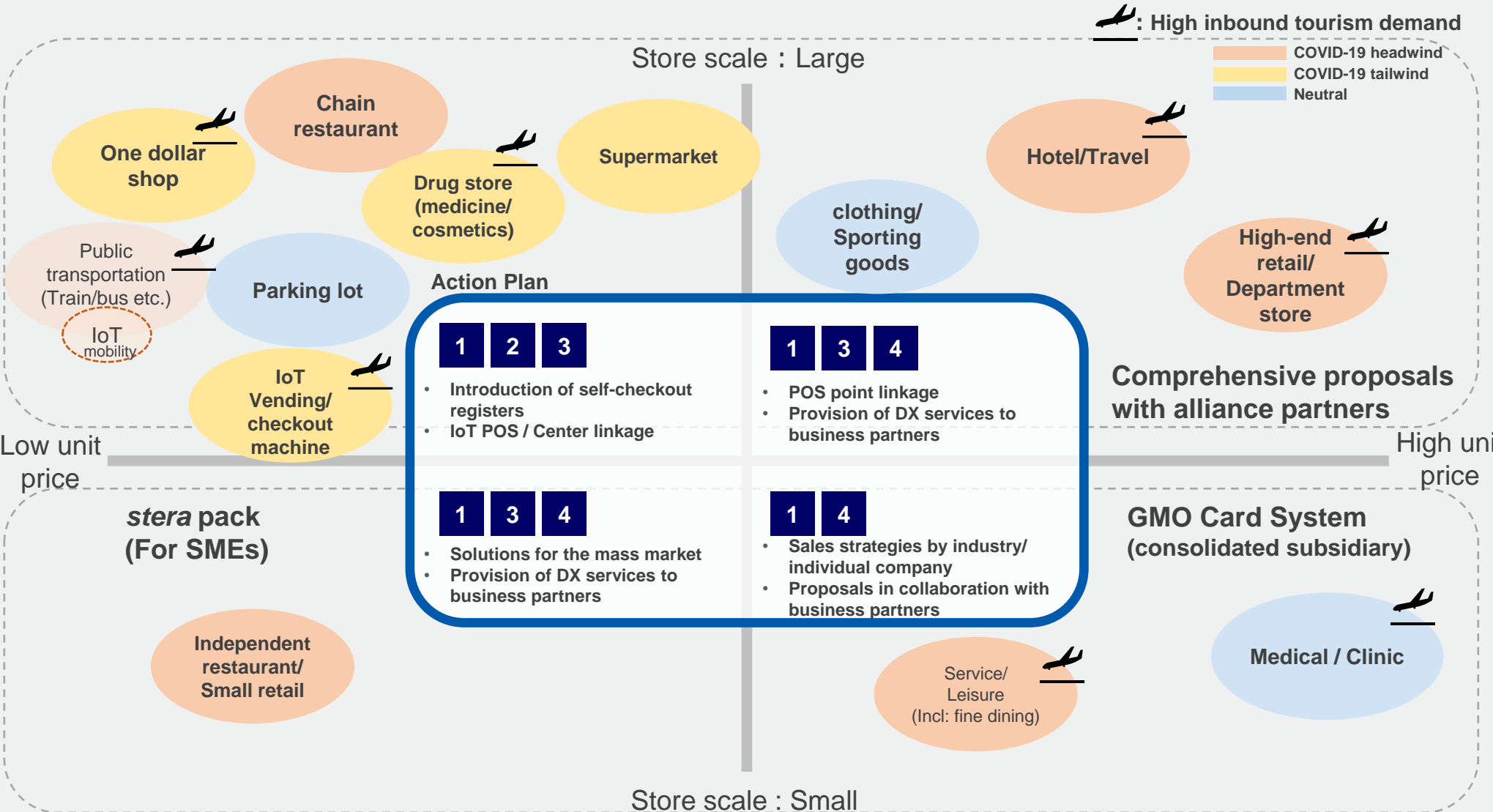
- 1 Acquire multi-industry/high-growth companies by launching next-generation multi-payment terminals
 - Continued to focus on sales of payment terminals. Steady increase in the number of active terminals
 - Promoting acquisition of member merchants in a wide range of industries and business categories
 - Considering handling new terminals to meet expanding and diversifying customer needs
- 2 Expand IoT payments by supporting contactless (tap) and unattended payments
 - Expanding and diversifying center connection projects, such as mobility payments
 - Increasing the provision of cashless services to merchandise vending machines with the advance of unmanned and labor-saving operation
 - Contributing to the growth of IoT settlement on the back of high demand for self-checkout registers (hotels, one dollar shops, etc.)
- 3 Acquire large customers through expansion of alliances with QR, points, etc.
 - Signed contracts for new alliance projects for house points of railroad systems, etc.
 - QR code settlement in the IoT domain to be launched in December 2021 as scheduled
- 4 Increase added value by strengthening settlement center functions
 - Launch an improved version of the transaction inquiry web service in November
 - Plan to upgrade back-office functions (billing and settlement operations, etc.) from December
 - Provision of DX services to business partners is on schedule (some services have already started in June)

■ Mid- to long-term growth strategy (2025~)

- ① Maintain a growth curve of 25% or more by diversifying alliance strategies (payment methods, additional functions, customer acquisition routes)
- ② Expand stock-model revenue by providing FinTech/money services
- ③ Expand profit points through the use of IoT data
 - Ongoing preparation for continued growth

3.2 Growth Strategies for 2025

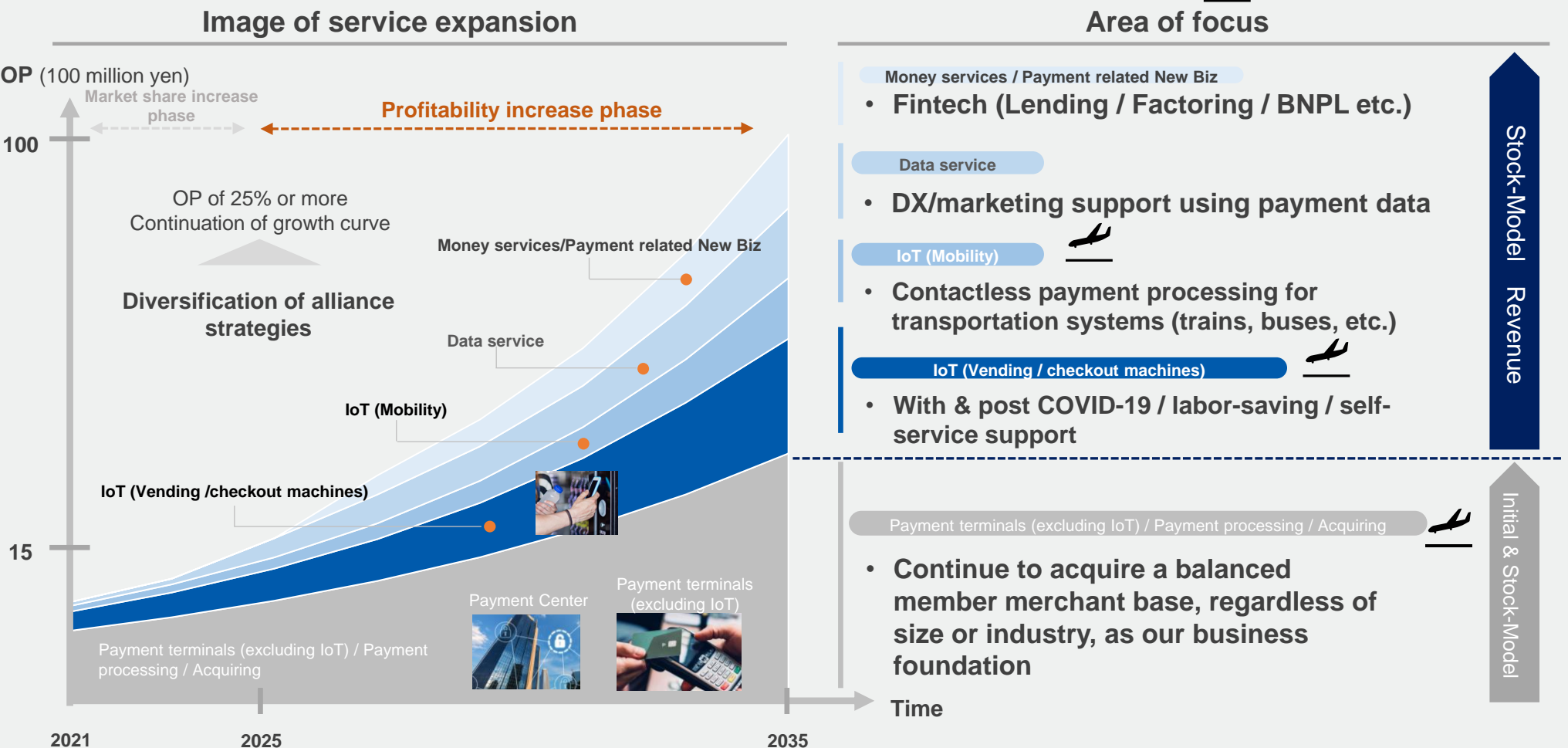
Preparing steadily for the recovery in domestic consumption and inbound demand in the post-COVID-19 economy. Acquire a well-balanced member merchant base across industries.



3.3 Growth Strategies for 2025 and Beyond

For 2025 and beyond, we aim to grow stock-model revenue in the payment-related field. Aim at a continuous 25% growth in OP through business diversification.

✈️: High inbound tourism demand



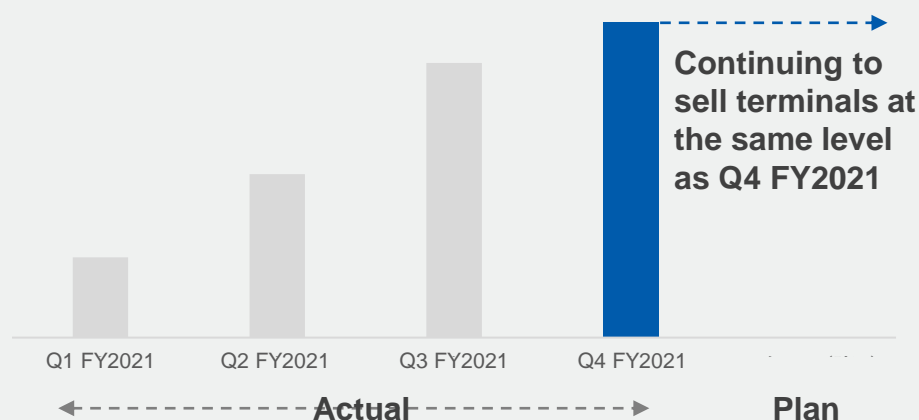
3.4 Global Payment Network Progress

In FY 2010/9, we expect the sales level of the previous 4Q to continue. The sales pace is expected to be at a cruising speed, with a steady increase in the number of forecasts in a wide variety of industries.

■ No. of active terminals * Payment terminals (excluding IoT)

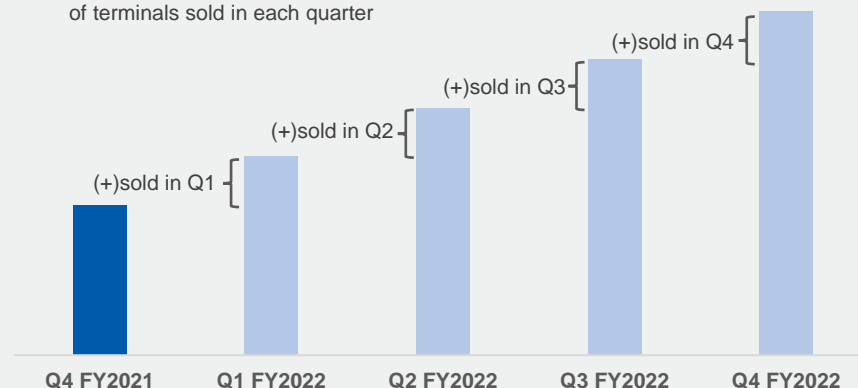
(Unit: Thousands)	FY2020 End of Q3	FY2020 End of Q4	FY2021 End of Q1	FY2021 End of Q2	FY2021 End of Q3	FY2021 End of Q4	QoQ (%)	YoY (%)
Payment Terminals (excluding IoT)	27.7	30.3	36.7	45.4	56.8	68.7	+11.8 (+20.8%)	+38.4 (+2.3x)
		+2.6	+6.4	+8.7	+11.4	+11.8		

■ Sales Forecast Image



■ Future trends and images of the number of active terminals

* Tendency for net increase in the number of active terminals is around 80% of the total number of terminals sold in each quarter



3.5 IoT/Unattended Market Growth

The number of terminals is expected to be equal to or greater than the market for payment terminals in real stores. Unattended market (= general term for vending/service machine market) is expected to expand further due to changes in the external environment such as a decrease in the working population.

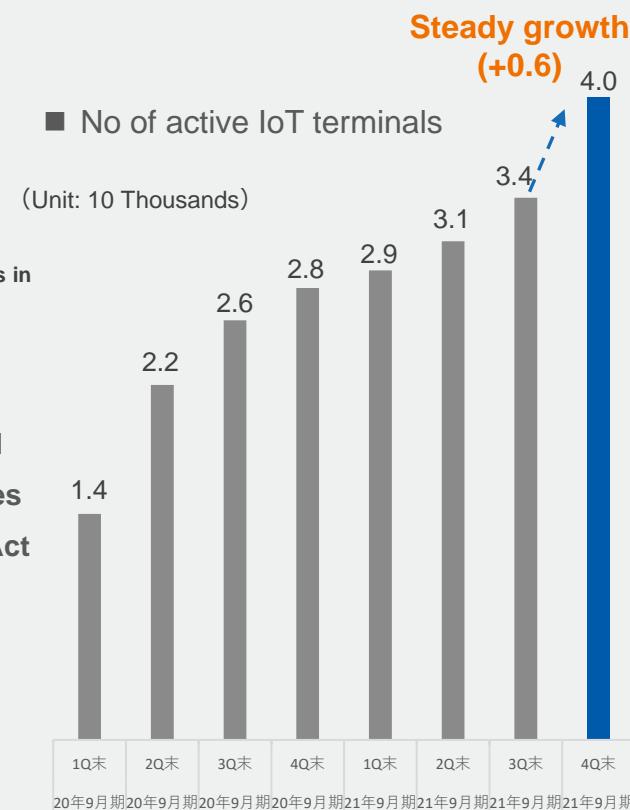
Unattended Market

4.5 million



■ Push factors associated with changes in the external environment

- Declining workforce
- Labor-saving support
- Obtaining inbound demand
- Retailers moving into offices
- Revision of the Pro-Sales Act
- **COVID-19**



Offline Market

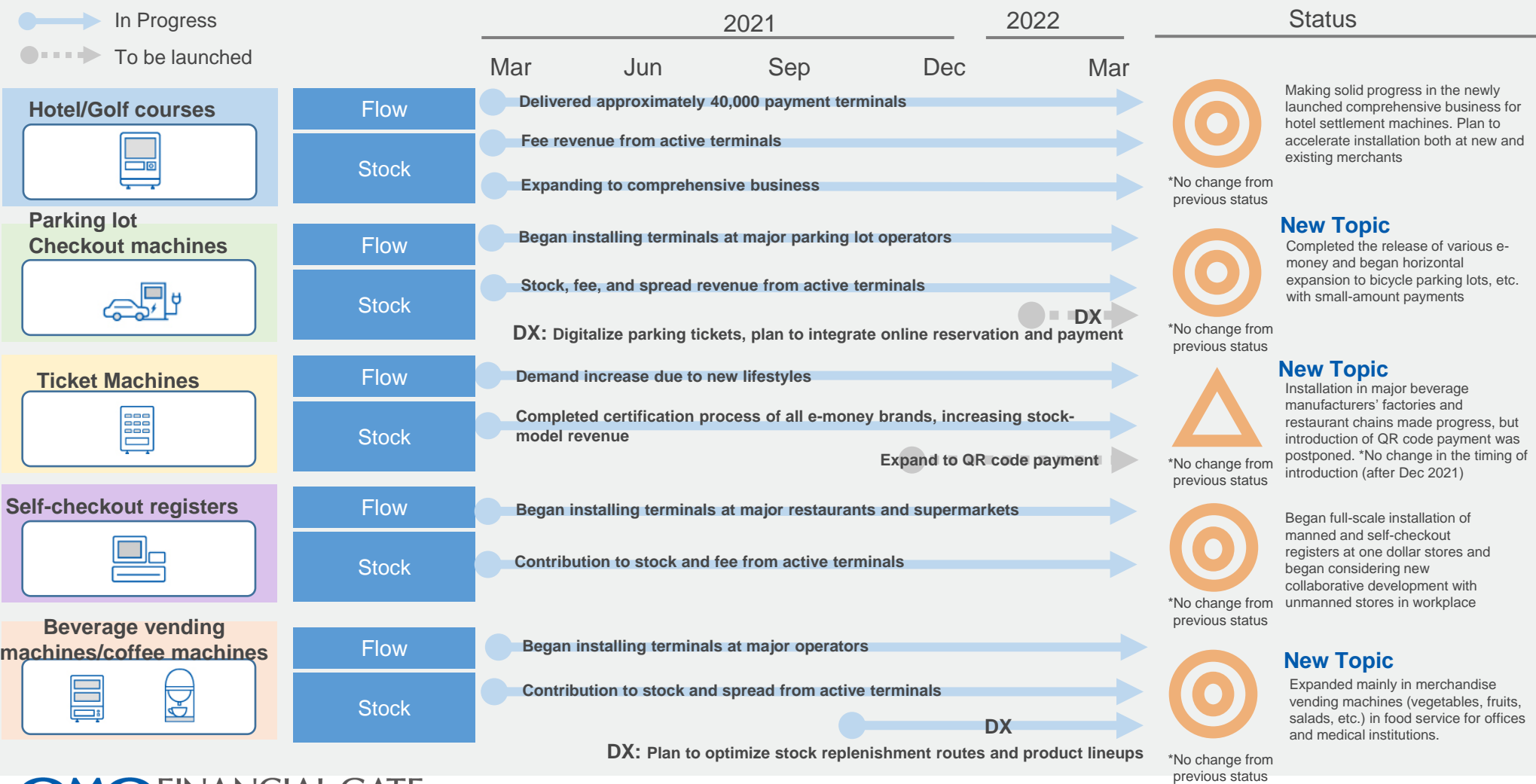
4 million



Source: The Japan Vending System Manufacturers Association, Japan Ministry of Health Labor and Welfare, Yano Research Institute Ltd.

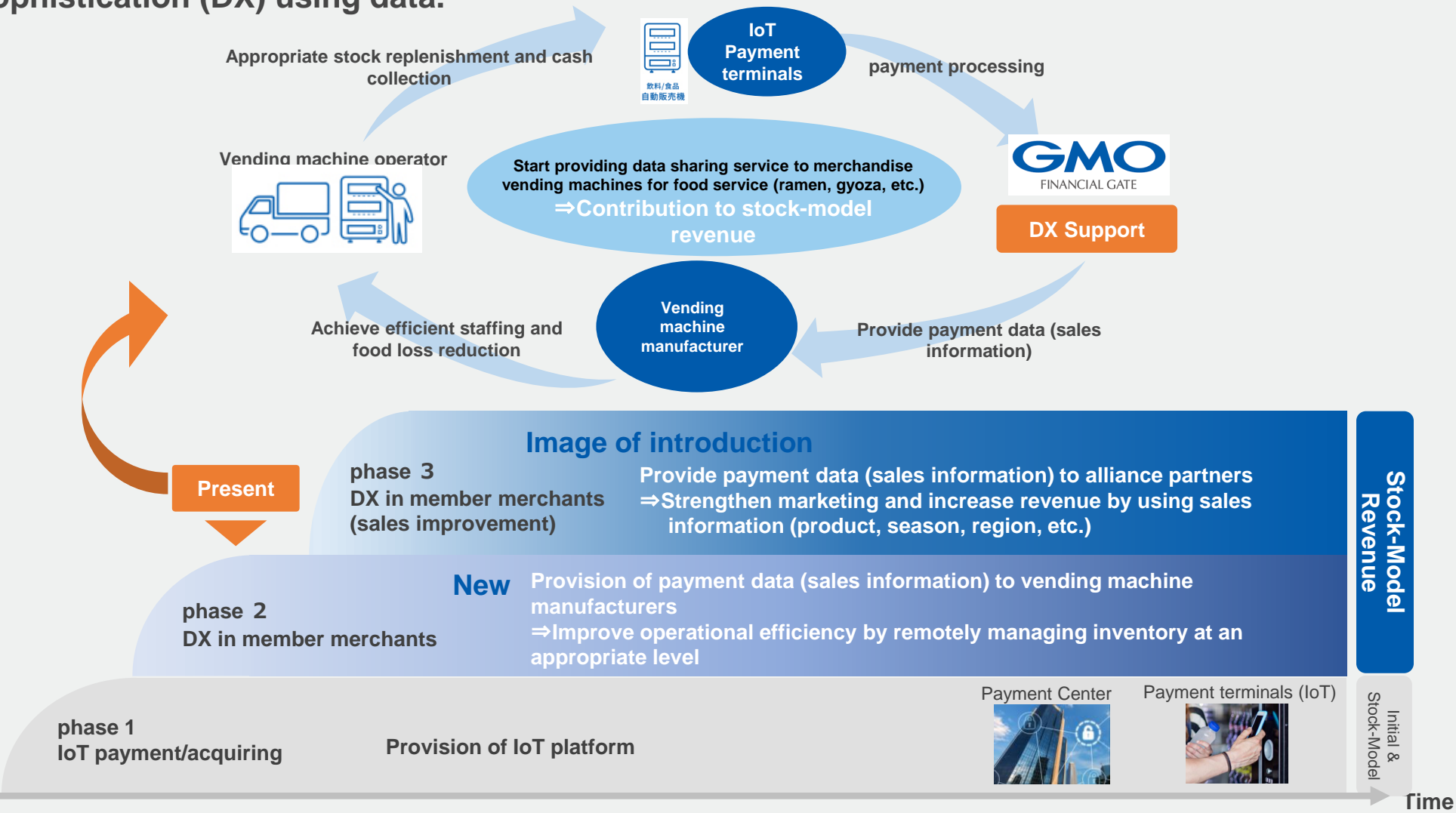
3.6 Progress of IoT Payment Business

Parking lot checkout machines now accept various types of e-money, and we began horizontal expansion into the small-amount payment area. The beverage vending machine business continue to acquire new member merchants, contributing to initial and stock-model revenue.



3.7 Data Services in the IoT Domain

Started providing payment data service for merchandise vending machines, contributing to stock-model revenue. Supporting merchants' operational efficiency improvement and sophistication (DX) using data.



4. Financial Highlights

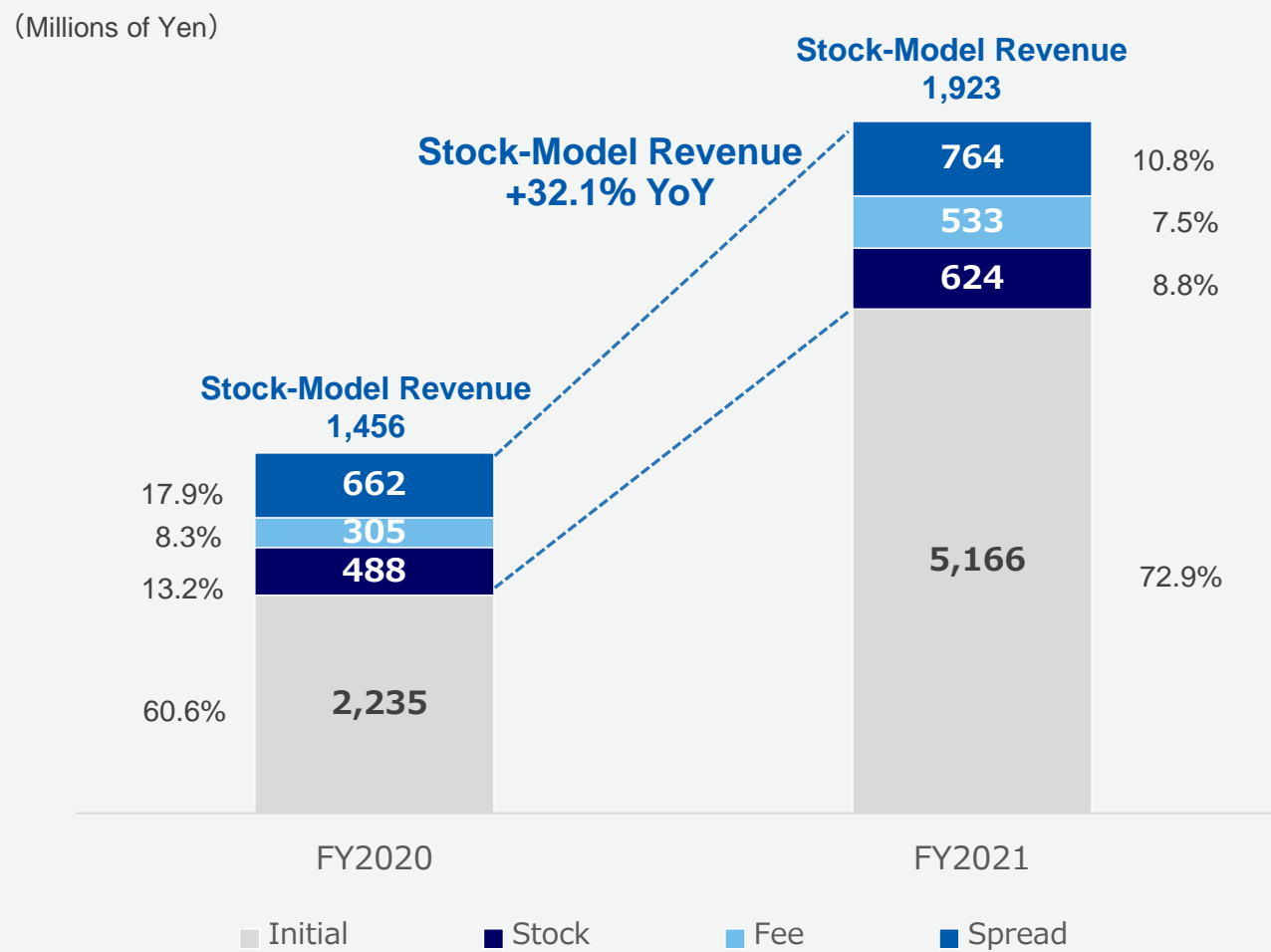
4.1 Profit & Loss

Sales of handsets, especially stera, increased significantly. Cost of sales rose, but SG&A expenses were managed steadily in line with the increase in gross profit, and operating income was in line with the forecast.

(Thousands of Yen)	FY2020 Actual	FY2021 Actual	% Change
Revenue	3,691,567	7,087,506	92.0%
COGS	2,073,634	5,068,985	144.4%
Gross profit	1,617,933	2,020,521	24.9%
SG&A	1,165,057	1,431,185	22.8%
Operating profit	452,875	589,336	30.1%
Ordinary profit	428,752	619,341	44.5%
Profit attributable to owners of parent	291,858	411,378	41.0%
dividends	40円	51円	-

4.2 Revenue by Business Model (YoY)

Stock-type sales grew by 32% YoY. Fee drove revenue growth. Spreads also increased through with Corona measures. Initial sales grew significantly due to terminal sales.



4.2 Revenue by business model (Quarterly)

In Q4, we recorded highest number in both initial and stock-model revenue.
Spread revenue recovered to pre-COVID level by acquiring new merchants.

				SOE① 4/7~5/25		② 1/7~3/21	③ 4/23~6/21	④ 7/12~9/30
(Millions of Yen)	FY2020 Q 1	FY2020 Q2	FY2020 Q3	FY2020 Q4	FY202 1 Q1	FY2021 Q2	FY2021 Q3	FY2021 Q4
Initial	626	693	451	465	855	1,103	1,525	1,682
Stock-Model Revenue		Recorded advances terminal sales		Launched stera				
	363	367	333	391	430	427	495	569
	Stock	110	118	128	132	136	146	160
	Fee	75	70	80	80	101	99	149
Spread	178	180	125	179	193	182	186	203
			SOE					Recovery to pre- COVID level
Revenue	990	1,061	784	856	1,286	1,531	2,020	2,252

4.3 Balance sheet

In consideration of the semiconductor market, we secured a safe level of payment terminal inventory. Continuing net worth ratio and cash and cash equivalents ratio remain high due to stable cash flow generation.

Q4 FY2021 (Thousands of Yen)

Cash & Cash equivalents (48%) 3,433,620	Current liabilities 2,719,682
commodities 1,614,846	Non-current liabilities 40,026
Other current assets 741,112	Total equity (61%) 4,376,410
Non-current assets 1,346,541	

Aseset

Debt

■ Highlighted Points

- Deposits (current liabilities): ¥1.13 billion. Maintain a safe level of 3.43 billion yen in cash and deposits.
- In view of the semiconductor market, the inventory of payment terminals.
- (commodities) is secured at a safe level.

4.4 Consolidated KPIs (No. of Active Terminals)





Growth driven by payment terminals (excluding IoT), with IoT also growing on the back of the trend toward self-service. Sales to our business partners, which are mainly sold by other companies, decreased due to the cancellation of some terminals.

(Unit: Thousand)	FY2020 Q3	FY2020 Q4	FY2021 Q1	FY2021 Q2	FY2021 Q3	FY2021 Q4	QoQ (%)	YoY (%)
Payment terminal (excluding IoT)	27.7	30.3	36.7	45.4	56.8	68.7	+11.8 (+20.8%)	+38.4 (+126.5%)
IoT	26.1	28.0	29.1	30.9	33.6	39.8	+6.2 (+18.5%)	+11.8 (+42.4%)
Alliance partner sales	13.6	14.4	14.9	16.7	16.7	16.4	▲0.3 (▲2.0%)	+2.0 (+13.9%)
Total	67.3	72.7	80.7	93.1	107.2	124.9	+17.7 (+16.5%)	+52.2 (+71.8%)

5. Appendix

GMO-FG Business Domain

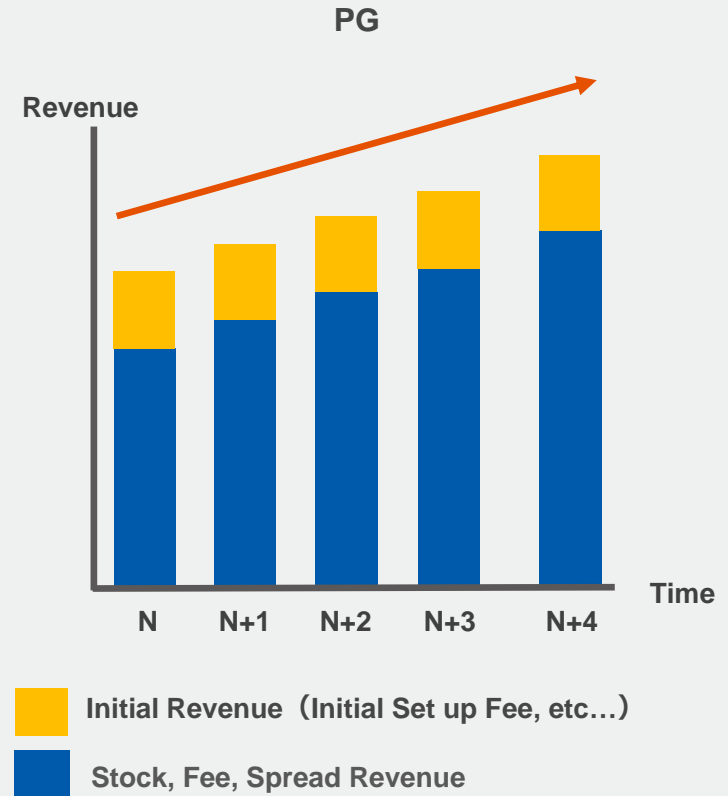
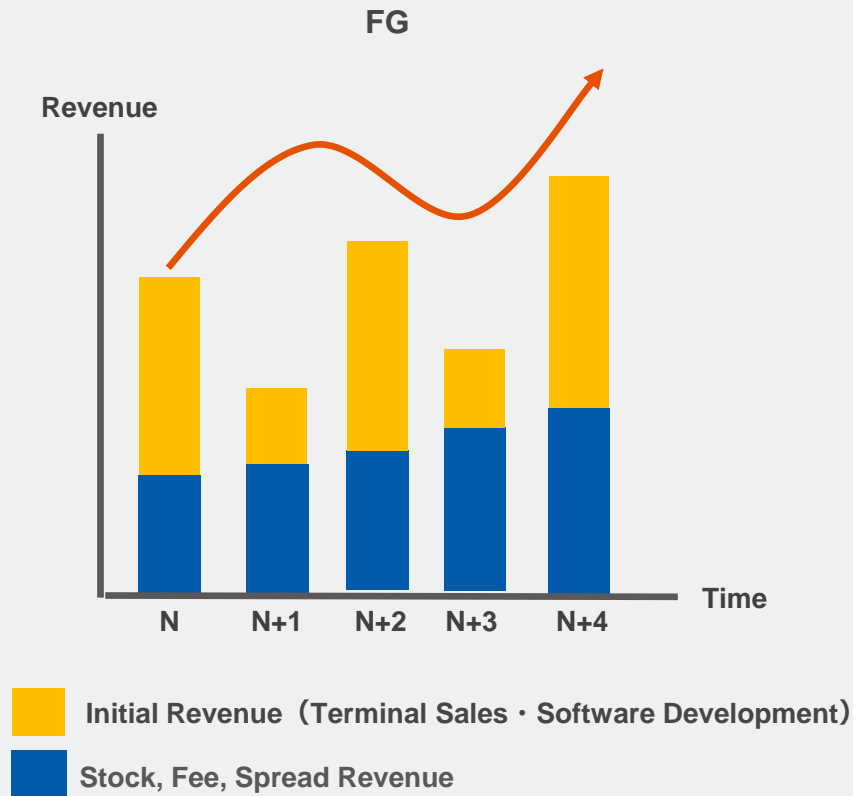
GMO-FG is focusing on offline payment.

Company name	GMO FINANCIAL GATE		GMO PAYMENT GATEWAY	
Business Domain	GMO Financial Gate (Payment at Brick & Mortar + IoT)		GMO Payment Gateway (EC)	
Payment method	<p>Payment by passing card/QR code over the reader</p> <div></div>		<p>Payment by entering credit card information in PC / mobile phone</p> <div></div>	
Medium	Payment terminal		EC (terminal is unnecessary)	

- Physical hardware network
- Proprietary programming code specifications
- Regulation

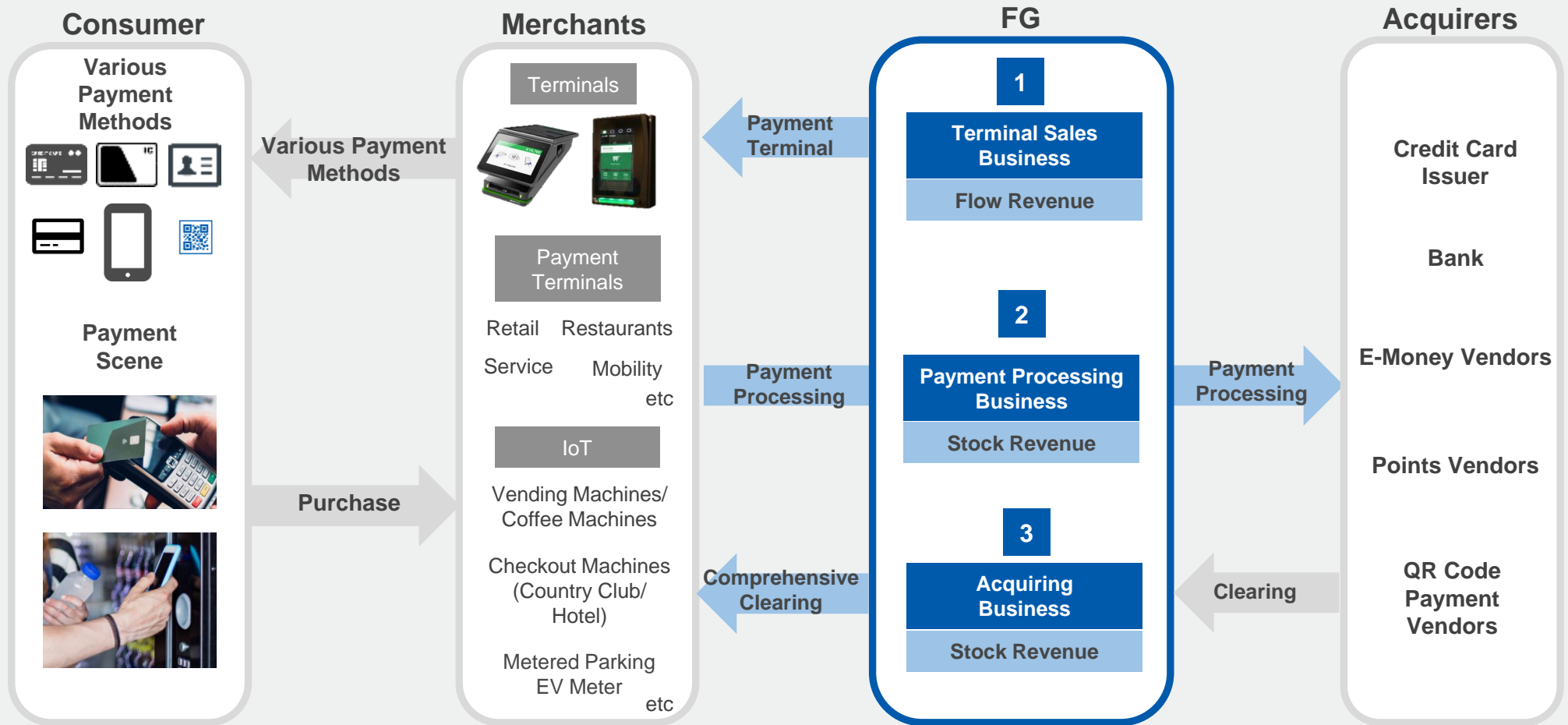
Rev Models: Financial Gate vs. Payment Gateway

Initial revenue in offline payment is tend to be fluctuate because of its seasonality of terminal delivery.



Three Biz Models Over a Single, One-Stop Platform

One-stop platform covering all settlement processes between merchants and acquirers.



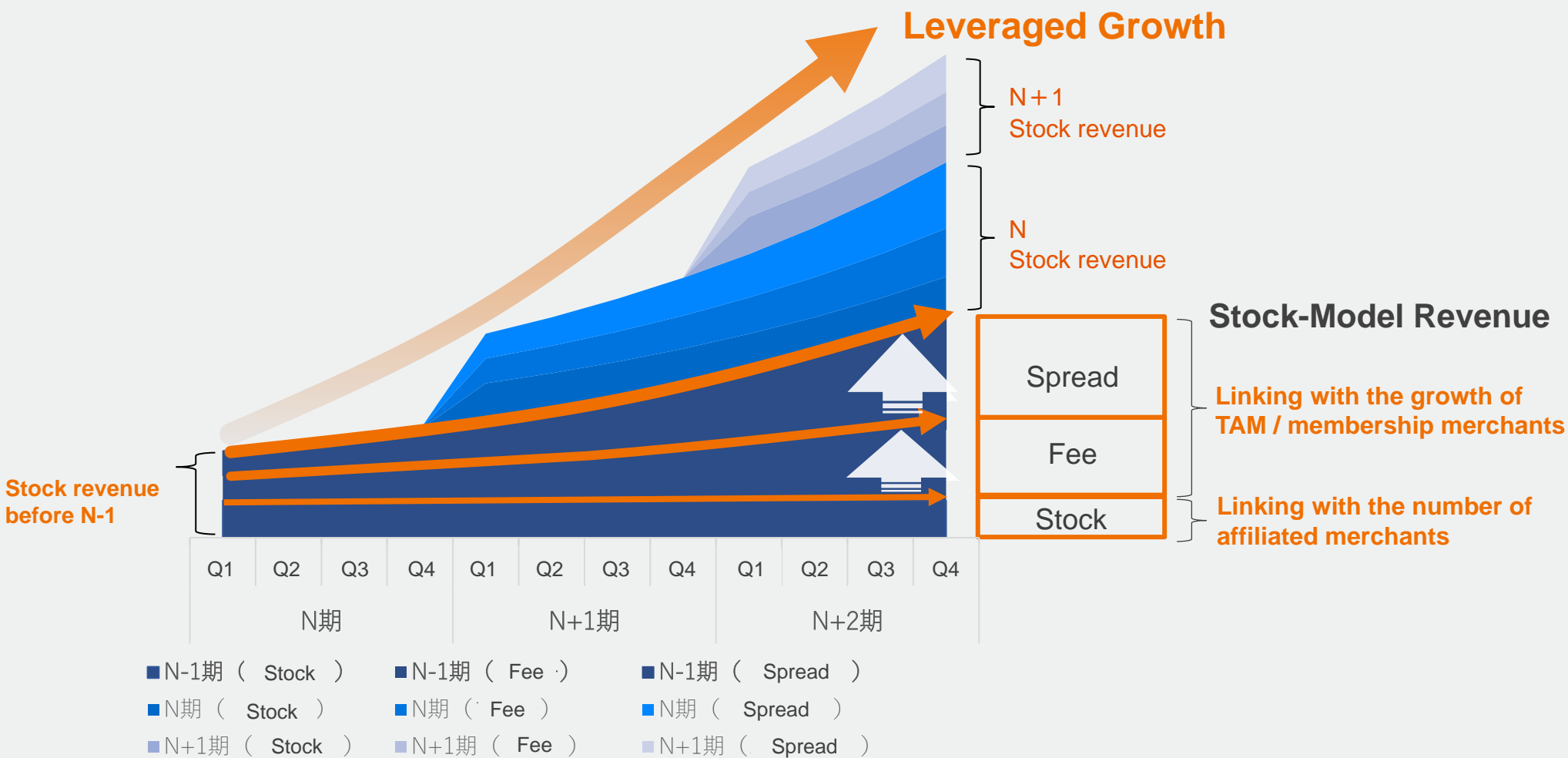
Stock Revenue Expansion Originating From Terminal Sales

Stock revenue grows with flow model revenue which is mainly coming from the sales of payment terminals.

Rev Model	3 Business	4 Types of Revenue	% (FY2021)
Flow Model Rev	① Terminal Sales Business	Initial	72.9%
 Stock Model Rev	② Payment Processing Business	Stock	8.8%
		Fee	7.5%
	③ Acquiring Business	Spread	10.8%

Leveraged Growth Model

Fee and spread revenue are expanding with the market /growth in membership merchants.



Details on each revenue ①

Initial	Content	Rev Model
Payment terminal sales	This is a sales revenue of payment terminals from merchants or credit card companies. All of first, we purchase hardware from manufactures. And confirm certain measures of payment methods that each merchant needs to accept. Then make these methods to connect to our processing center (Occasionally, we put some customization to these terminals)	<ul style="list-style-type: none"> • Terminal Selling Price × Units Sold <ul style="list-style-type: none"> ✓ There're around 10 types of terminals ✓ Price range is from about ¥20K up to ¥100K
Software development	It is a type of development that meets customers needs such as widening acceptable payment measures and adding point-payment functionality	<ul style="list-style-type: none"> • No. of Deals × Ordered Price <ul style="list-style-type: none"> ✓ Since software development is tailor made type revenue, deal size and margin vary from time to time
Stock	Content	Rev Model
Data sharing	It is a service that provides merchants with their daily sales data that go through our processing center. We charge it as monthly fixed fee	<ul style="list-style-type: none"> • No. of contracts × Service Price <ul style="list-style-type: none"> ✓ Service price is around ¥500 to ¥1K per terminal per month
Points & QR	It is a service to add point/QR payment app to the terminals merchants have. We charge it as monthly fixed fee	
Rental (Mobile terminal)	It is a service to rent mobile type terminals that enable merchants to use them in wireless setting. We charge it as monthly fixed fee	
Mobile SIM	It is a SIM card fee to use mobile type terminals. We charge it as monthly fixed fee	
Processing (Monthly fixed fee model)	It is a processing fee based on monthly fixed rate <small>*Basically, it is defined as "Fee" revenue when it comes to the case we charge as Pay As You Go billing, not fixed rate</small>	<ul style="list-style-type: none"> • No. of contracts × Monthly Fixed Fee <ul style="list-style-type: none"> ✓ Monthly fixed fee will vary depending on the size of contract etc..

Generally, the economics of services above vary depend on merchants. And there are services that some merchants do not apply

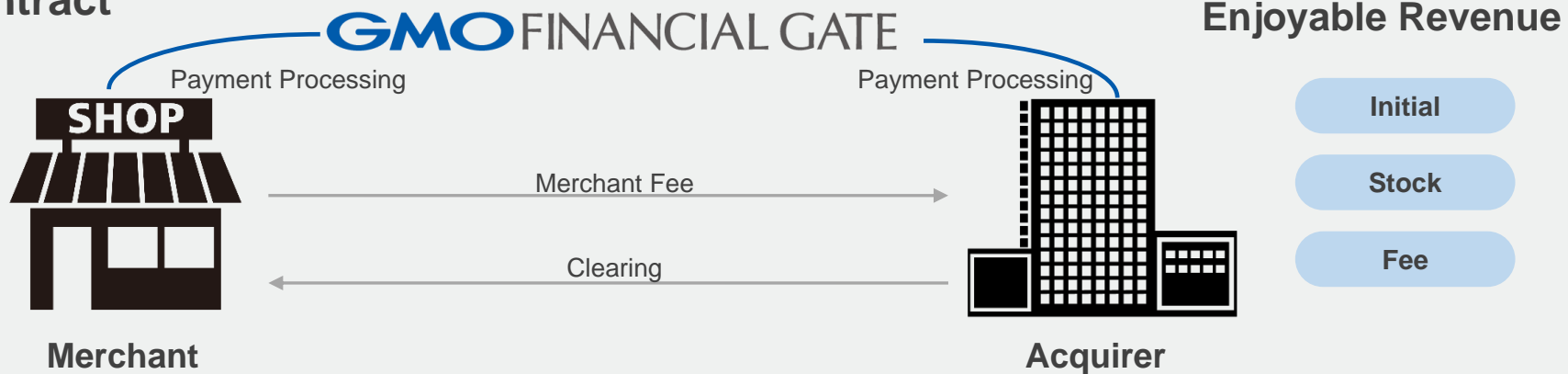
Details on each revenue ②

Fee	Content	Rev Model
Processing	It is a fee we charge toward monthly transaction volume based on the rate per transaction	<ul style="list-style-type: none"> • TRX Volume × Processing Fee <ul style="list-style-type: none"> ✓ Processing fee is about ¥2 to ¥3 per transaction
Sales of roll paper	This is a sales of roll paper that is used with payment terminals at stores	<ul style="list-style-type: none"> • No. of Order × Price of Roll Paper <ul style="list-style-type: none"> ✓ The price range of roll paper is about ¥130 to ¥200.
Spread	content	Rev Model
Acquiring (Settlement agent)	<p>We charge spread fee (α) towards clearing amount to merchants</p> <p>We received indicator rate (N) from acquirers, then we acquire merchants instead of acquirers with the new rate ($N + \alpha =$ merchant fee)</p>	<p>GMV of Agent Contract</p> <p>×</p> <p>Spread fee we charge (about 0.3~0.4%)</p>

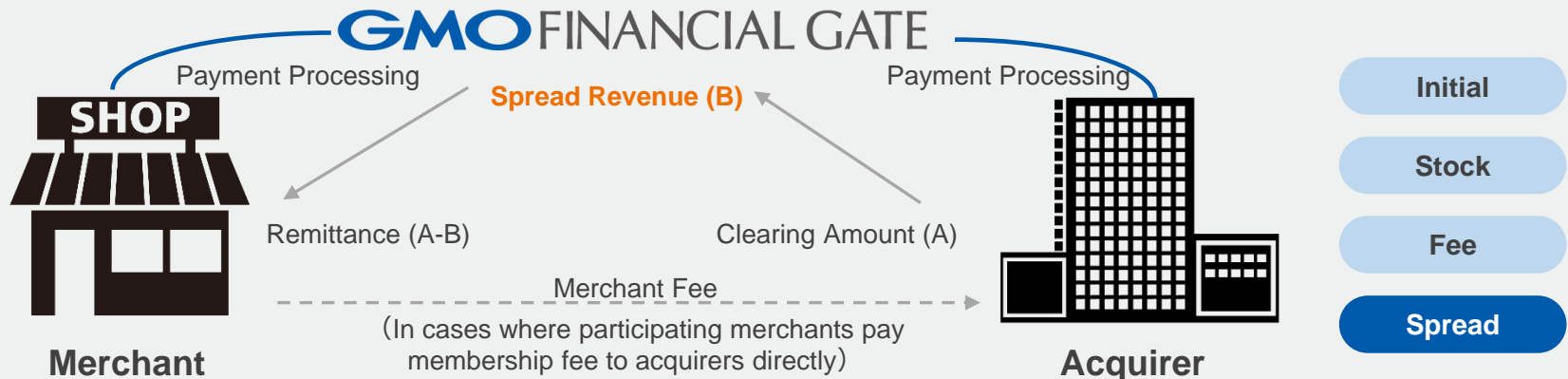
Relationship Between Spread Revenue and GMV

We do not necessarily generate spread revenue for every transaction. This is due to the fact that credit card companies have historically acquired major participating merchants on their own. Therefore, we calculate spread revenue as $\text{GMV} \times \text{Take Rate} \times \text{Contribution Ratio}$.

■ Direct Contract



■ Agent Contract (*Clearing amount for Agent Contract \div GMV = Contribution Ratio)



Strategy to Maximize TRX Value

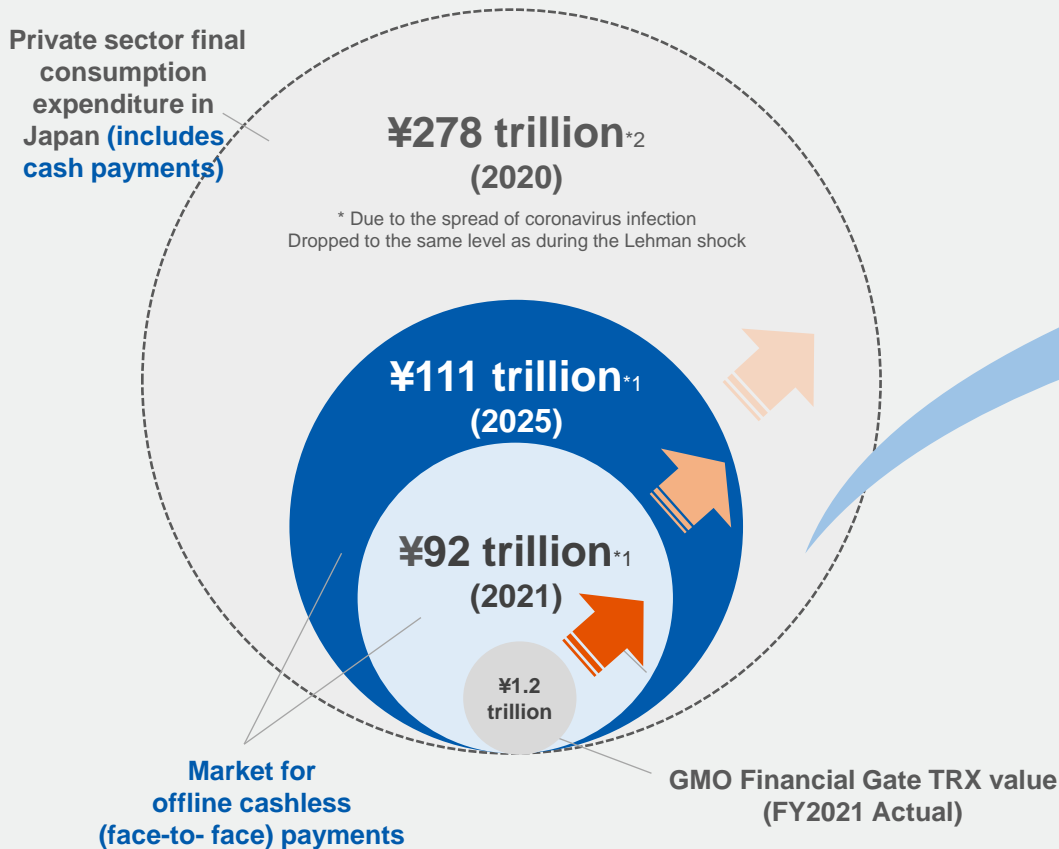
We created a new payment processing route with alliance partners. This route increases GMV, as the route reduces costs to participating merchants and acquirers.



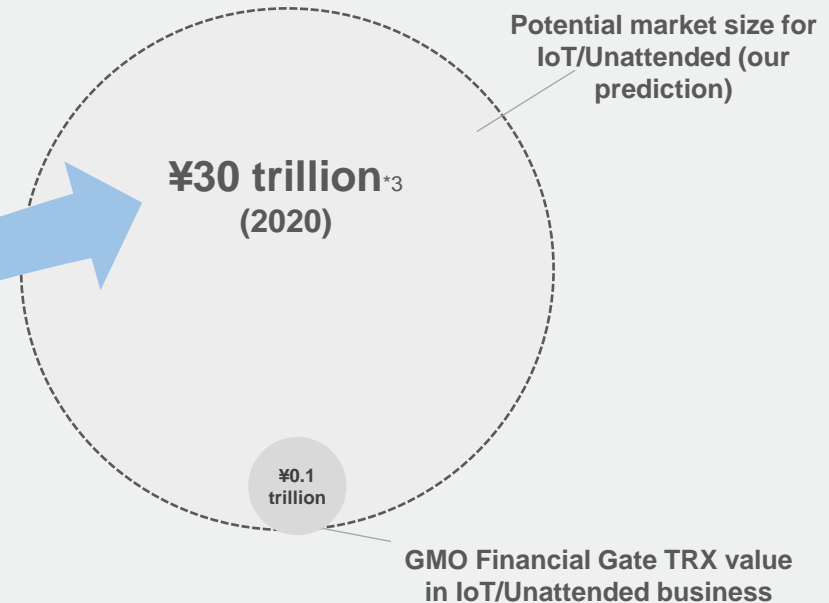
TAM (Total Addressable Market)

Value of cashless (face-to-face) payment is expanding rapidly, as the value of IoT / Unattended.

■ Offline TRX value in Japan



■ Potential market value of IoT/Unattended



- To achieve ¥1.5 billion in operating profit for FY2024 :
Expand IoT/Unattended business driven by contactless payment (touch payment) and unattended registers

(*1) Source: Cashless Roadmap 2019, PAYMENTS JAPAN; Current Status and Future Forecasts for Online Payment Service Providers, 2018, Yano Research Institute Ltd.

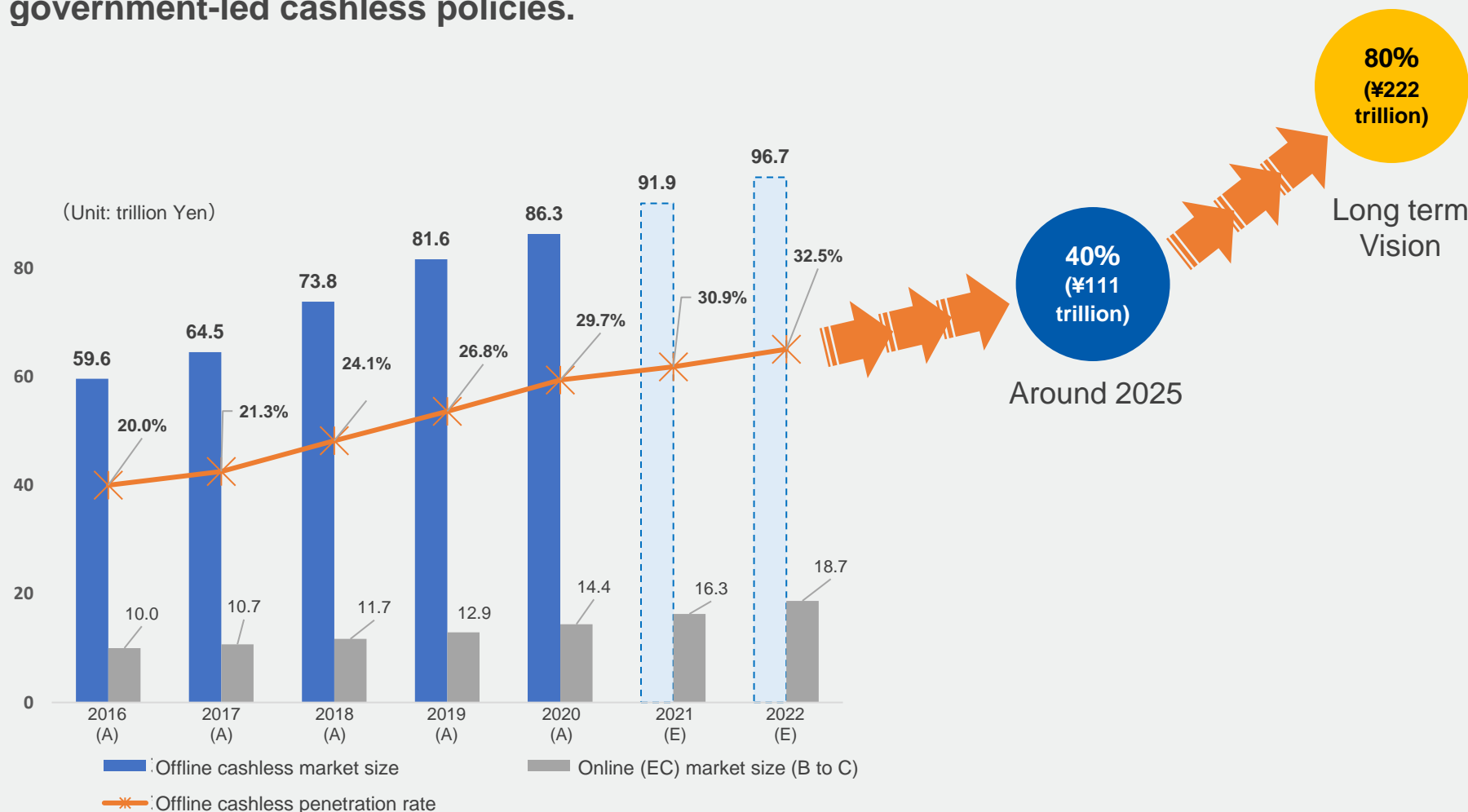
(*2) Source: Cabinet Office, Government of Japan

(*3) GMO Financial Gate internal forecast based on statistical data published by the Cabinet Office, Government of Japan, the Japan Vending System Manufacturers Association, and the Japan Parking Business Association

(*4) Source: Japan Ministry of Economy, Trade and Industry

Market Growth of Offline Cashless (face-to-face payments)

The market for offline cashless payments is currently ¥92 trillion, six times larger than the online market. Cashless penetration is expected to rise to as much as 80%, driven by government-led cashless policies.



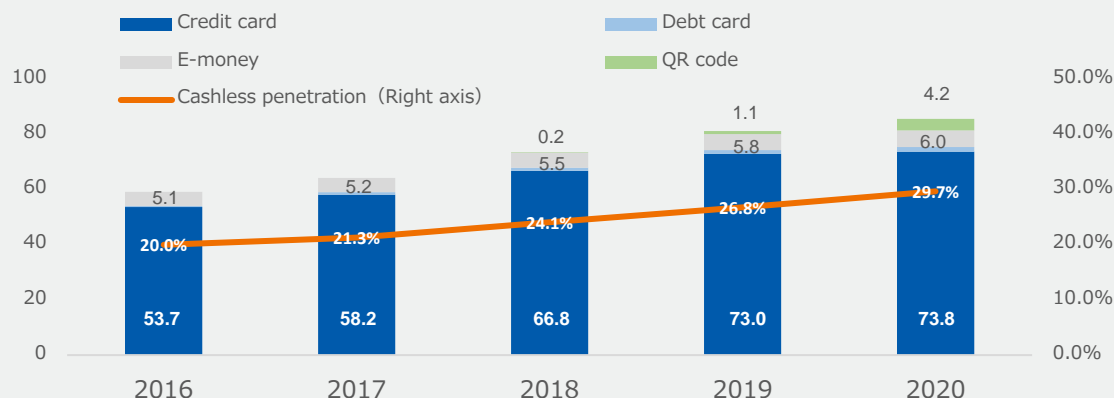
Source: *Cashless Roadmap 2019*, PAYMENTS JAPAN; Yano Research Institute Ltd.

Composition of Cashless Payment Methods

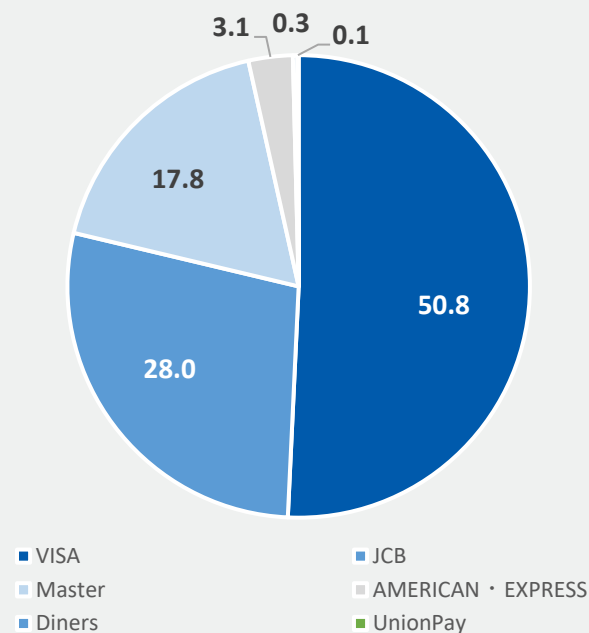
While cashless payments have become more diversified, credit card use is still high E-commerce composition ratio declined, QR code increased.

■ TRX value of cashless payment

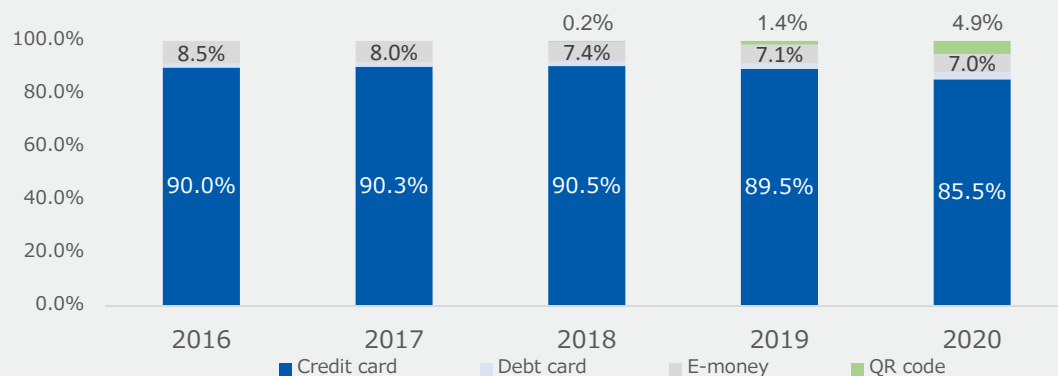
(Unit : trillion yen)



■ Credit card brand share in Japan (2020)



■ Composition of cashless payment methods

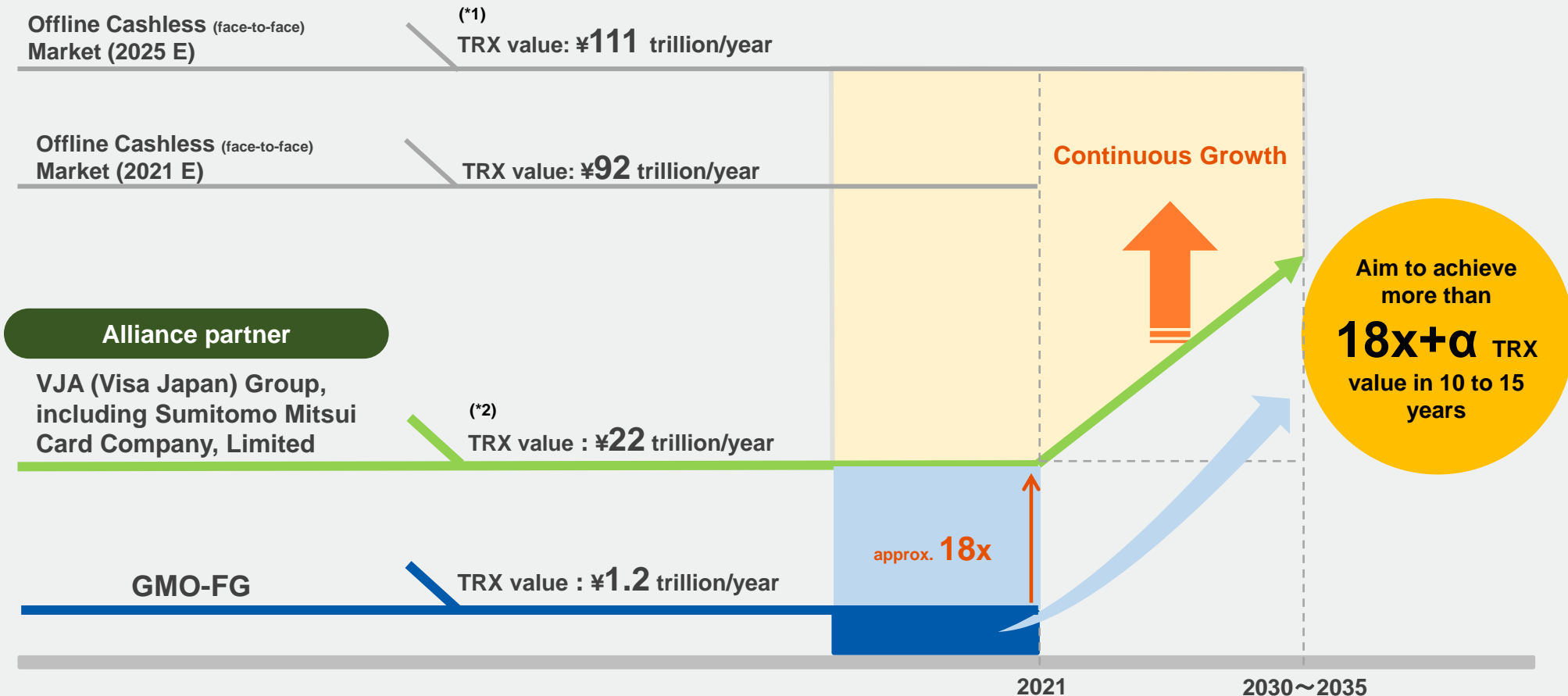


*Source: Ipsos Financial Service

*Source: Ministry of Economy, Trade and industry

Strategy to Maximize TRX Value

Maximize GMV through a new processing network and by pursuing B-to-B alliances.

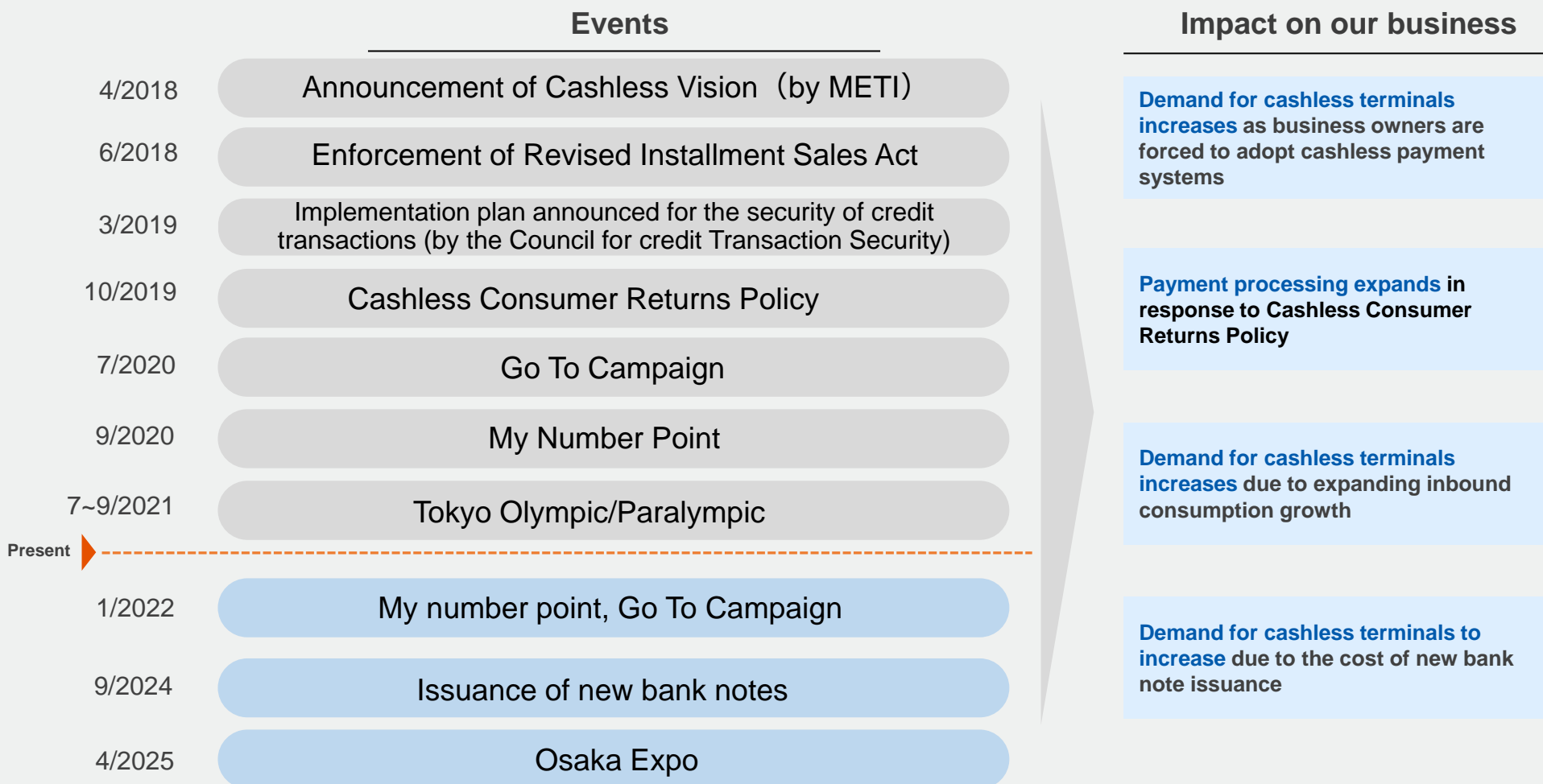


(*1) Source: Cashless Roadmap 2019, PAYMENTS JAPAN; Current Status and Future Forecasts for Online Payment Service Providers, 2018, Yano Research Institute Ltd.

(*2) Source: VJA

Government Promotion of Cashless Payments

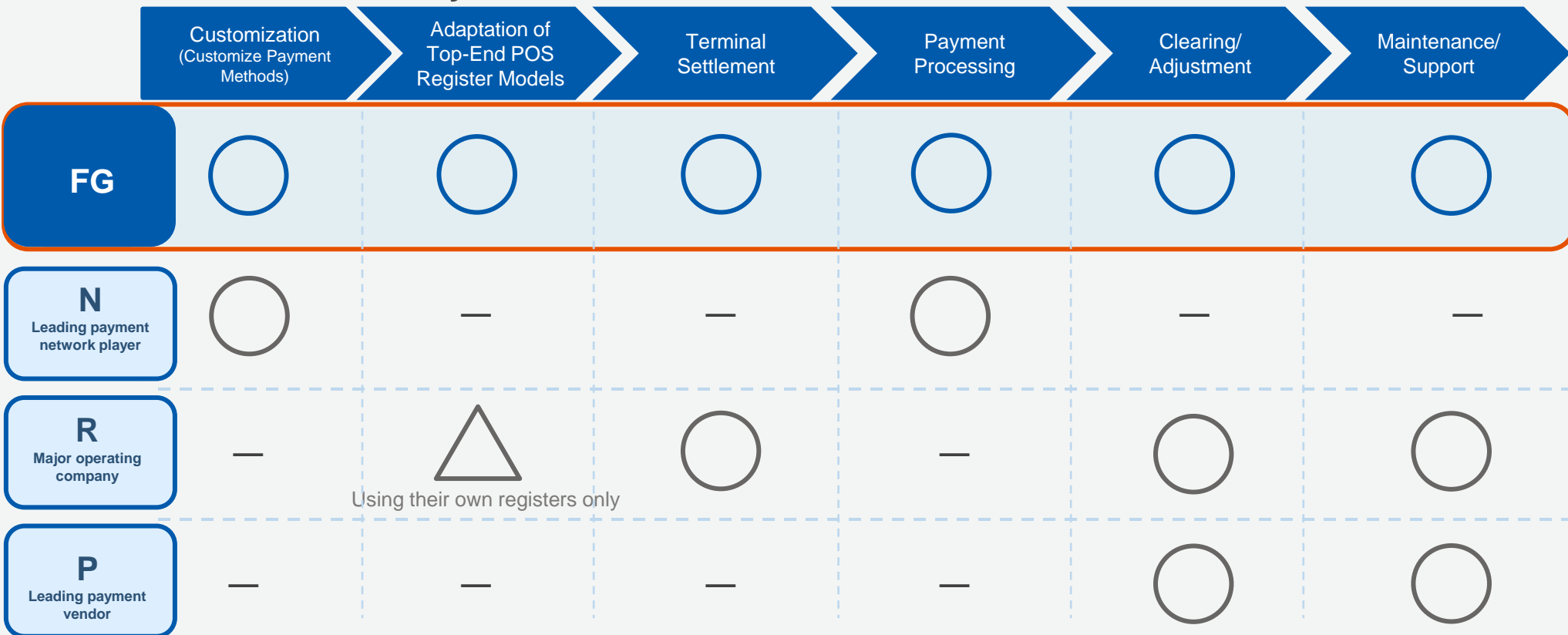
METI* announced its Cashless Vision policy to encourage cashless payments. We expect the Japanese cashless market to expand rapidly in response.



Unique Positioning

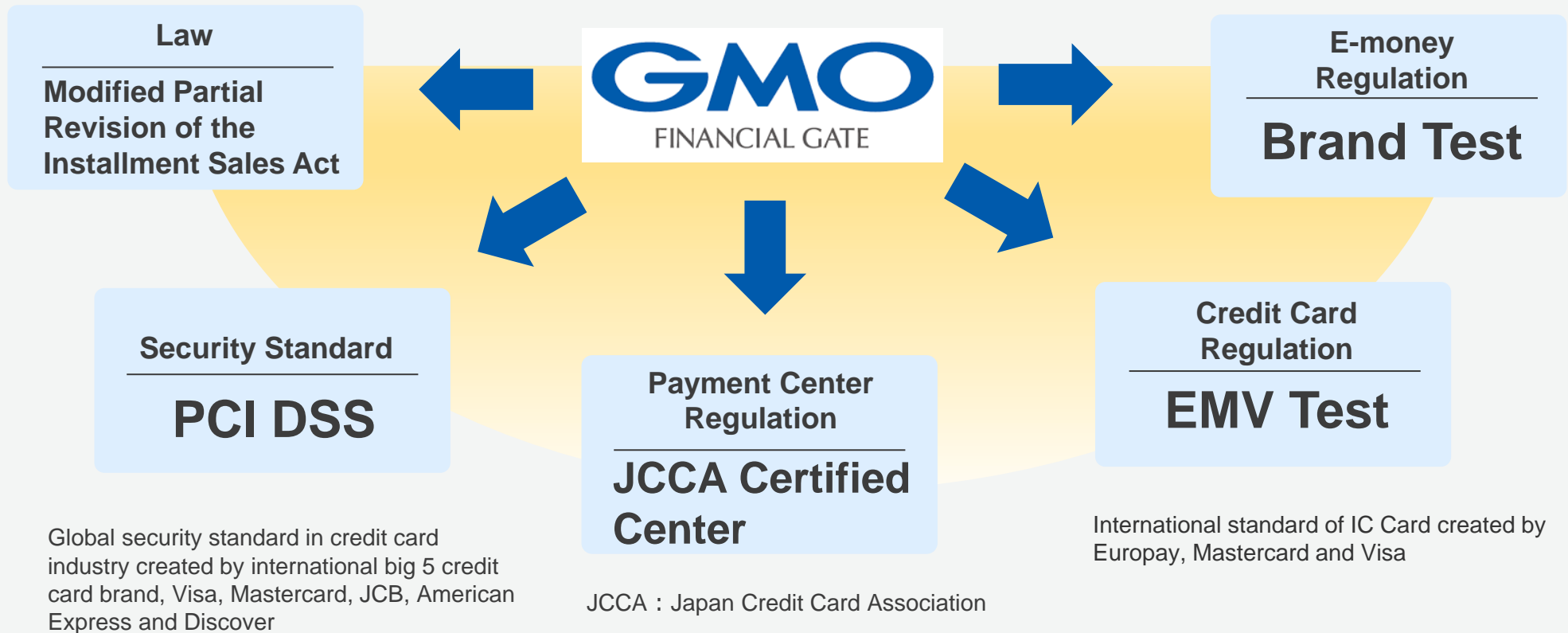
End-to-end solutions via one-stop platform allows us to create alliances with many players in the market.

■ Solutions in Offline Payment Market



Barriers to Entry (Regulations to be Followed)

Many kinds of regulations exist in the face-to-face payment market depending on the payment method, and the number of regulations are increasing. As payment methods become more diversified, the barriers to entry become more challenging.



Monetization by Payment Method

We operate different business models according to payment method as a cashless platformer. Growth in each payment method contributes to our growth as well.

		Flow model revenue		Stock model revenue		
		① Initial	② Stock	③ Fee	④ Spread	
Credit • China Union Pay • J-debit	➡	○	○	○	○	
E-money	➡	○	○	—	○	
QR code	➡	○	○	—	○	
Point	➡	○	○	—	—	
House point • House E-money	➡	○	○	—	—	
Duty exemption	➡	○	○	—	—	

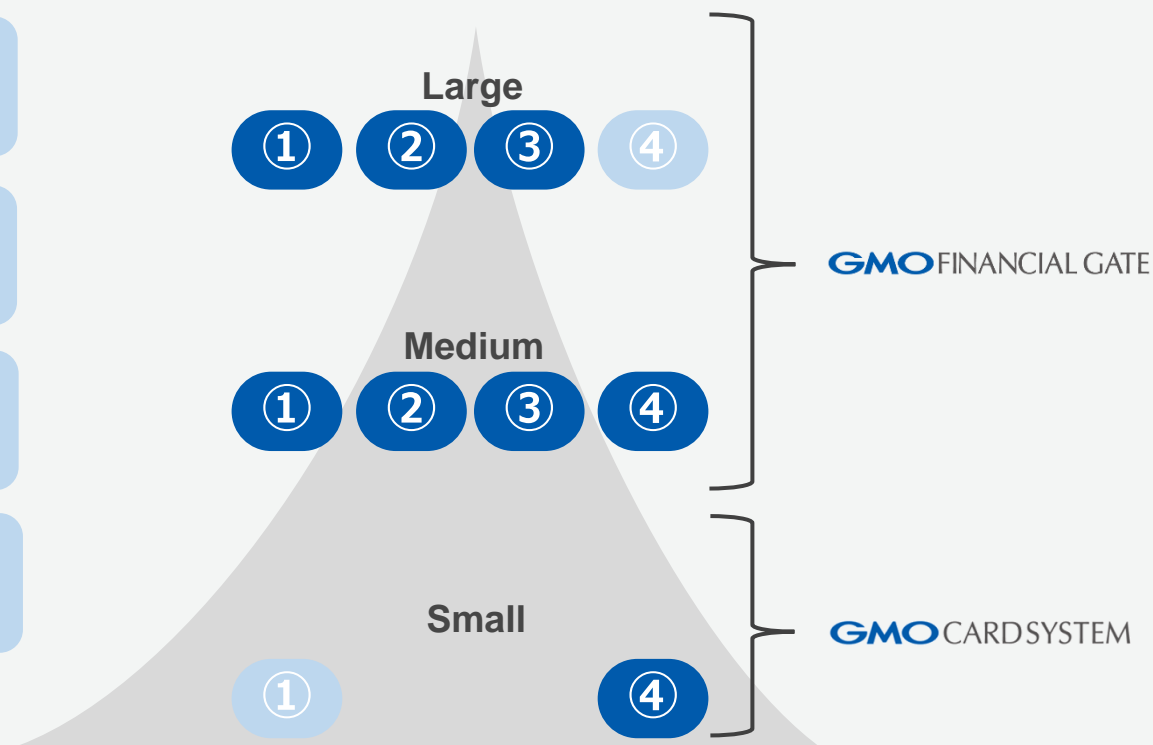
Revenue Model by Merchant Size

We mainly acquire medium- to large-sized merchants through alliances with major financial institutions. We mainly acquire small merchants (=long tail segment) through our subsidiaries.

■ Four types of revenue model

① Initial	Terminal sales, Software development, Initial registration fee, etc...
② Stock	Monthly recurring revenue, communication fee of terminals, etc...
③ Fee	Processing revenue related to TRX volume, Receipt paper sales, etc...
④ Spread	Commission fee based on TRX value

■ Revenue model related to the size of merchant



Medium-Term Strategy

Acquiring major participating merchants by focusing on alliances

Meeting customer needs through enhanced credit payment functions and alliances with QR / points vendors.

Credit



E-money



Point



QR



J-debit



House point/House E-money



Duty exemption



Terminals we offer

Floor-Standing Model



Mobile Model



Embedded Model



POS Model

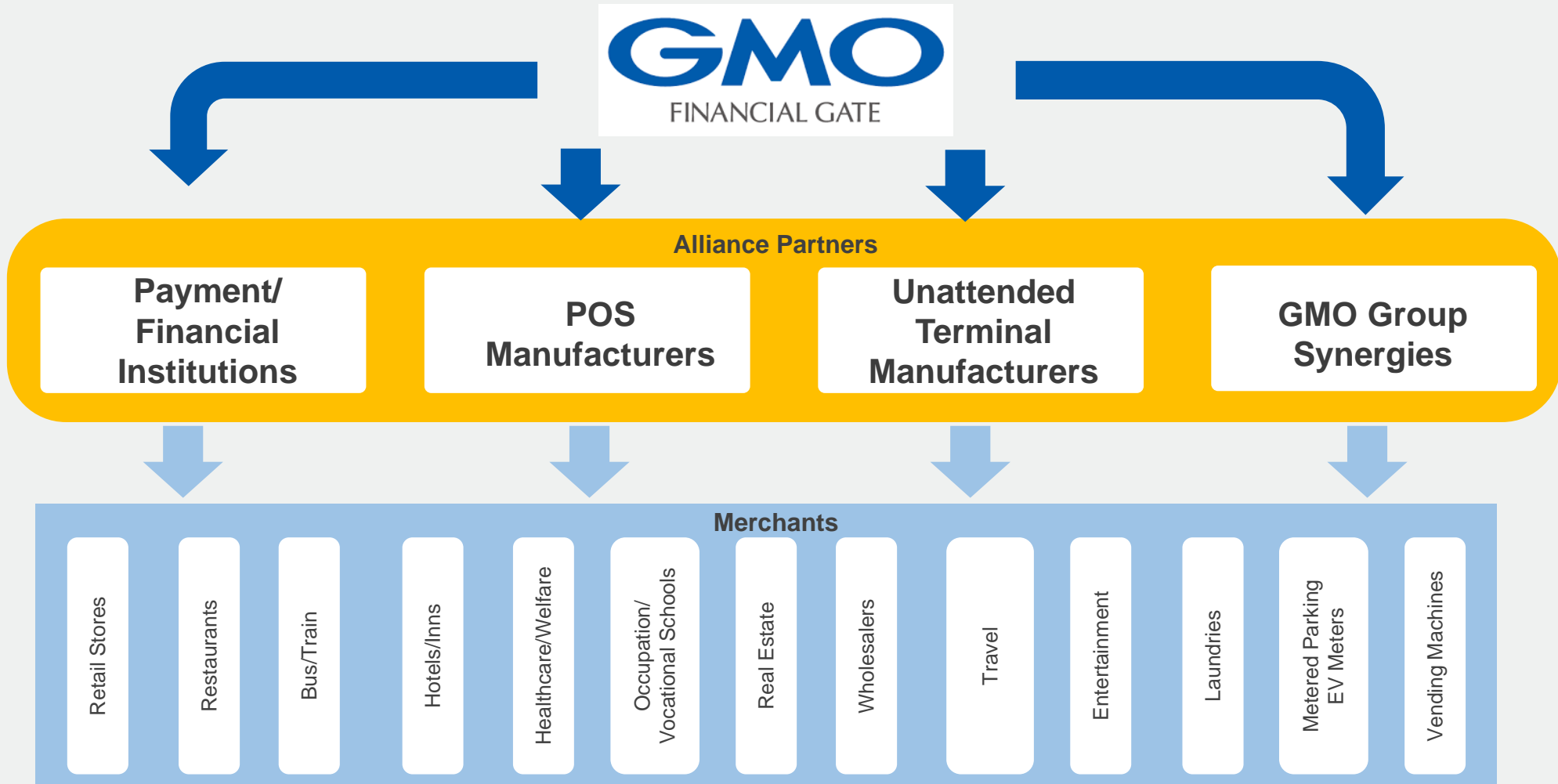


*Alliance partner terminals

Cashless Platform

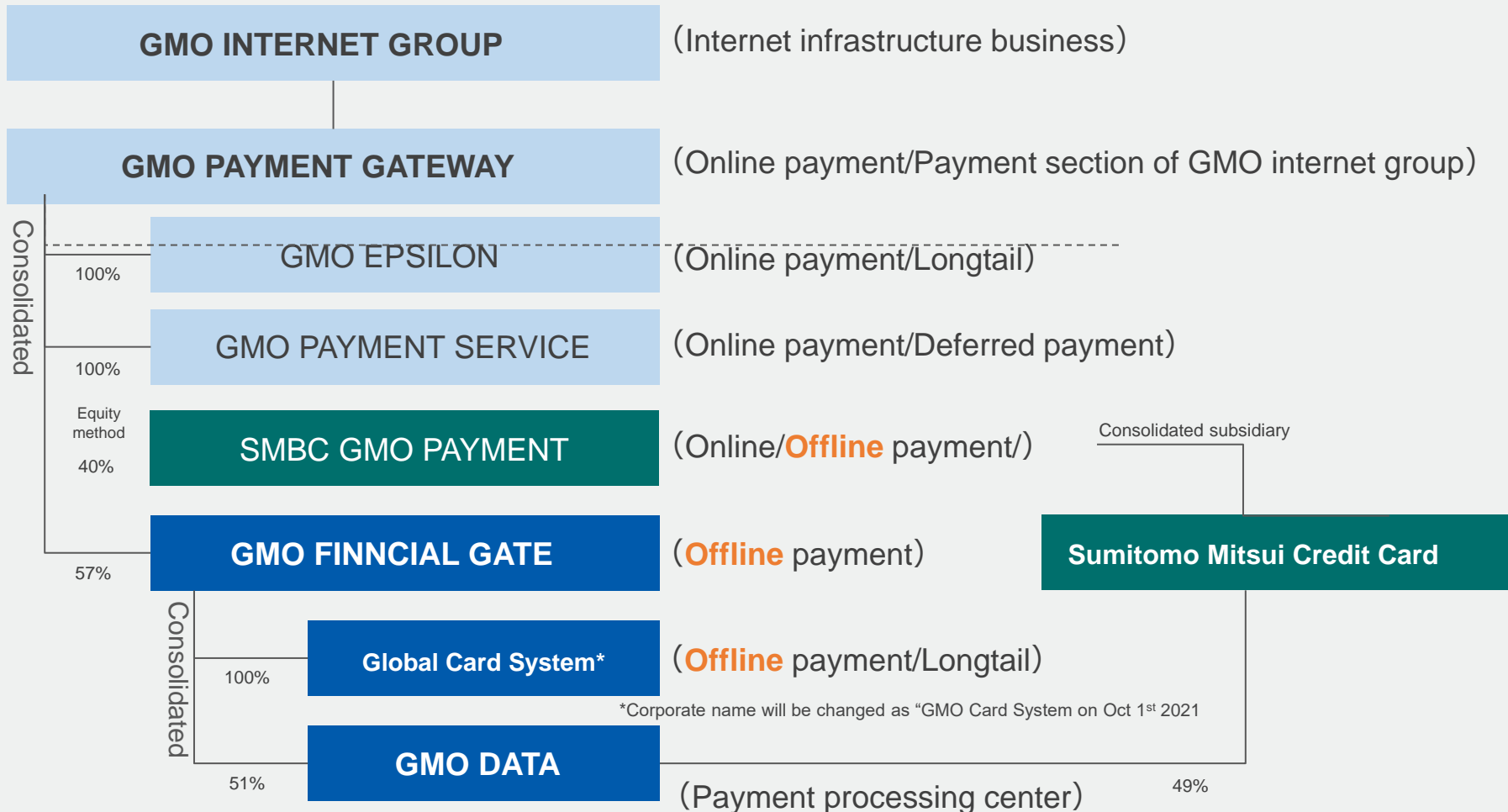
Alliance Overview

Working with alliance partners allows us to secure participating merchants consistently and steadily.



Affiliated Companies

GMO-FG serves in offline face to face payment market as a consolidated subsidiary of GMO-PG.



ESG Initiatives

Announced ESG initiatives to improve our social activities. We are planning to strengthen our initiatives and announcement.

Disclosure contents

ESG

Initiatives

Environment

Creating an eco-friendly society

Social

Human Resources, Vocational Training/
Welfare Program, Work-style Reform

Governance

Basic Principles, Board of Directors, Executive
Officer Meeting, Audit and Supervisory Board,
Director Compensation, Investor Relations

SDGs items

SUSTAINABLE
DEVELOPMENT GOALS



9 産業と技術革新の
基盤をつくろう



13 気候変動に
具体的な対策を

- Use of recycled paper as receipts
- Use of recycled paper as receipts
- Promoting paperless
- Appropriate inventory management through the use of payment data (reduction of food loss)



8 働きがいも
経済成長も

- Providing a variety of vocational training programs
- Preparing sufficient welfare programs
- Promoting work-style reform etc...

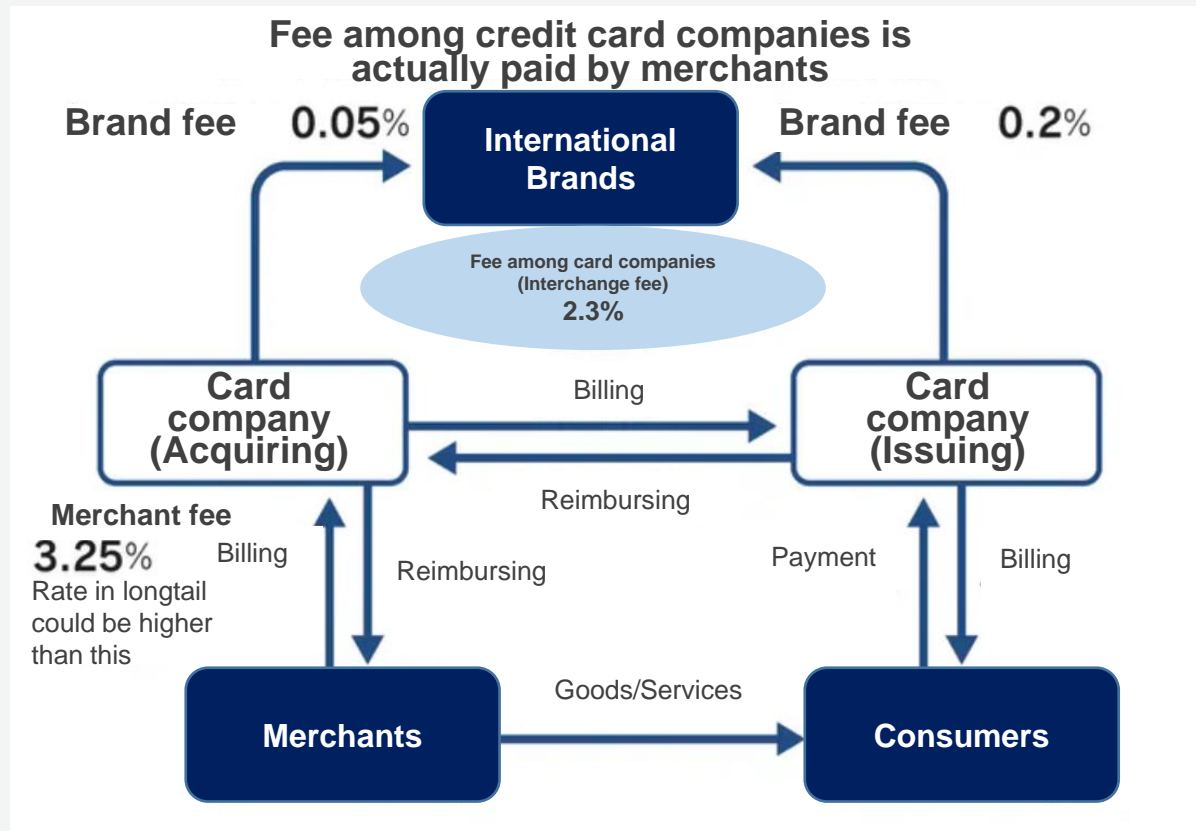
Planning to enforce
corporate governance onward

Reference URL <https://gmo-fg.com/news/8d448cfaba24ece540af1ae2a83d95c2.pdf>

New topic of credit card industry

METI requires fee among credit card companies. Though merchant fee would be lower going forward, the impact towards our business would be immaterial.

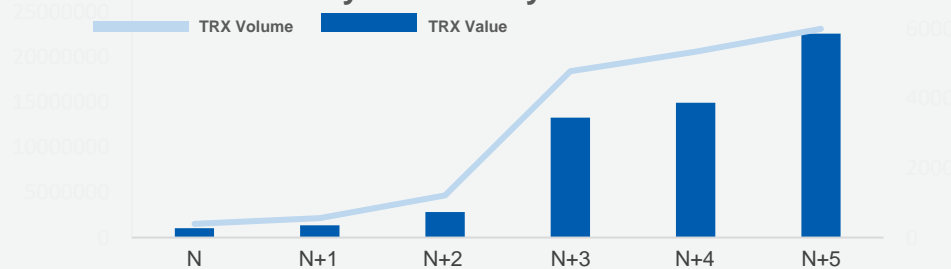
METI requires fee among credit card companies



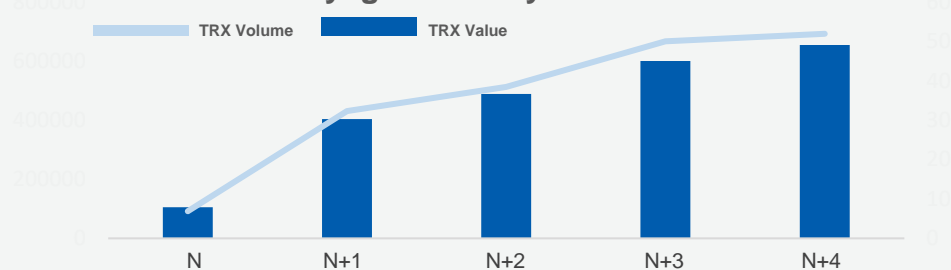
TRX-increase through cashless penetration

TRX volume & value tend to go up in a few months to six months after the merchants introduced cashless payment for the first time.

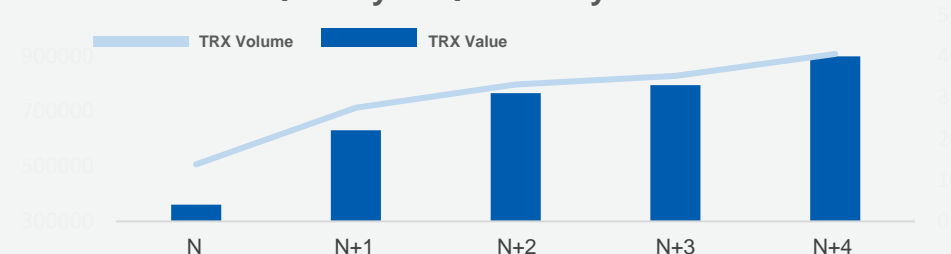
■ Merchant A (Tokyo) Monthly TRX trend



■ Merchant B (Miyagi) Monthly TRX trend



■ Merchant C (Wakayama) Monthly TRX trend



Merchant

Cash only ⇒ Introduce cashless payments

Consumer

Recognize convenience
(Successful experience
⇒ change in payment method)

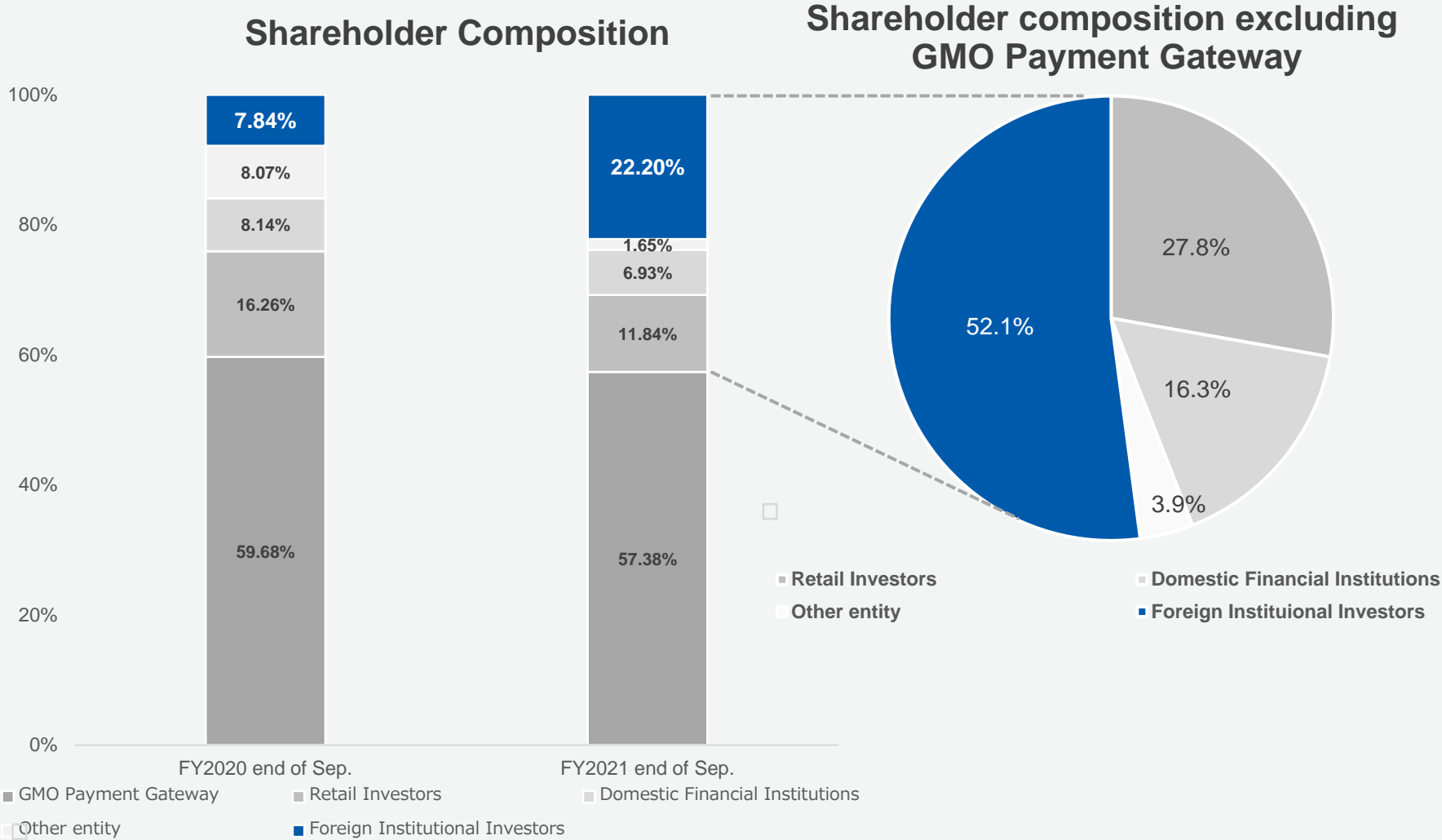
Merchant

TRX volume/value
per terminal will increase

Stock-Model revenue will increase

Share holder structure

Ratio of foreign institutional investors went up to over 20%.



Company Profile

■ Company	GMO Financial Gate, Inc. (TSE Mothers Ticker:4051)		
■ Foundation	September 1999		
■ Address	Humax Shibuya Building 7F, Shibuya Dogenzaka 1-14-6, Tokyo		
■ Stock Capital	¥1,605 Million		
■ Major Shareholder	GMO Payment Gateway, Inc.		
■ Board Member	Representative Director, President	Kentarō Sugiyama	
	Director, Chairman	Akira Takano	
	Director	Akio Aoyama (Sales Division Executive Manager)	
	Director	Masamitsu Ikezawa (Administrative Division Executive Manager)	
	Director	Tomonaga Fukunaga (System Division Executive Manager)	
	Director	Masaru Yoshioka (GMO Payment Gateway, Inc. Executive Officer)	
	External Director	Nao Shimamura	
	External Auditor	Takayoshi Nagasawa	
	External Auditor	Satoru Ozawa	
	Auditor	Takashi Iinuma (CPA)	
■ Auditing Firm	Deloitte Touche Tohmatsu LLC		GMO CARD SYSTEM
■ Subsidiary	GMO CARD SYSTEM, Inc. shareholding ratio:100% Scheduled to change trade name to GMO Card System Co., Ltd. on October 1, 2021		

GMO DATA, Inc. shareholding ratio: 51.0% (Mitsui Card Company, Limited:49.0%) **GMO DATA**

■ Business Cashless payment infrastructure service (credit card, debit card, e-money etc.)



Floor-Standing Model



Mobile Model



Embedded Model



POS Model

(As of November 12, 2021)

T h a n k Y o u

GMO FINANCIAL GATE

GMO Financial Gate, Inc

(Tokyo Stock Exchange Mothers 4051)

IR website <https://www.gmo-fg.com/ir/>

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