



March 28, 2024

Company Name GMO Payment Gateway, Inc.
Representative Issei Ainoura
 President & Chief Executive Officer
 (Code:3769 TSE Prime Market)
Contact Ryu Muramatsu
 Executive Vice President
 (TEL +81-3-3464-0182)

Notice Regarding Succession of Rights and Obligations Due to Company Split
(Simplified Absorption-type Company Split)

GMO Payment Gateway, Inc. (GMO-PG) announces that it has decided at the Board of Directors meeting held today to take over the rights and obligations related to the acquiring business (the business) operated by GMO Aozora Net Bank, Ltd. (GMO Aozora Net Bank) (hereinafter referred to as “the company split”). The succession will take place through a company split, with July 1, 2024 as the effective date (planned).

Note that some items and details have been omitted from this disclosure since the company split entails an increase or decrease in total assets of GMO-PG to be less than 10% of net assets of the last day of the preceding fiscal year, and where the increase or decrease in the revenues of GMO-PG to be less than 3% of the preceding fiscal year.

The company split is subject to acquisition of the necessary permits and approvals from the relevant authorities, as well as necessary conclusion of contracts for operation of the business.

1. Purpose of the company split

GMO-PG is positioned within the E-Commerce (EC) market and engages in the Payment Processing Business for credit cards and other payments, Money Service Business and the Payment Enhancement Business. In addition to the online comprehensive payment service, GMO-PG also leverages the track record and know-how of the payment services to EC operators to provide various packaged payment solutions to financial institutions and financial service providers that intend to undertake issuing and acquiring businesses. GMO-PG has decided to succeed the business of GMO Aozora Net Bank, an equity method affiliate of GMO Internet Group, Inc. and the hitherto collaborative partner in the payment processing business with GMO-PG, through the company split given the purpose of optimizing the businesses within the GMO Internet Group.

2. Summary of the company split

(1) Schedule of the company split

Board of Directors resolution date	March 28, 2024
Contract date	March 28, 2024

Effective date	July 1, 2024 (planned)
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*Note: This company split is regarded as a simplified company split, both under Article 796, Paragraph 2 of the Companies Act at GMO-PG, and under Article 784, Paragraph 2 of the Companies Act at GMO Aozora Net Bank. Accordingly, no approval by the General Meeting of Shareholders is required at either company.

(2) Method of company split

This is an absorption-type company split with GMO Aozora Net Bank as the split company and GMO-PG as the successor company.

(3) Content of allocation related to the company split

No stock or cash, etc. will be allocated.

(4) Handling of stock acquisition rights and bonds with stock acquisition rights associated with the company split

Not applicable.

(5) Increase or decrease in capital due to company split

There will be no increase or decrease in our capital as a result of the company split.

(6) Rights and obligations to take over by the successor company

GMO-PG will succeed the rights and obligations of the business, as specified in the company split agreement.

(7) Expected fulfillment of obligations

We have determined that there are no issues with GMO-PG's ability to fulfill obligations as a result of the company split.

3. Basis of the content of allocation, etc. related to the company split

Regarding the content of allocation for the company split, an agreement has been reached as a result of sincere discussions between the two companies based on a comprehensive consideration of the details of the rights and obligations to be succeeded, financial performance of the business and future outlook, and other factors. In addition, GMO-PG does not expect a significant increase or decrease in profits in the earnings forecast on which the calculation was based.

4. Overview of the companies involved in the company split

	Successor company (as of September 30, 2023)	Split company (as of September 30, 2023)																				
(1) Name	GMO Payment Gateway, Inc.	GMO Aozora Net Bank, Ltd.																				
(2) Location	SHIBUYA FUKURAS 1-2-3 Dogenzaka, Shibuya-ku, Tokyo	SHIBUYA FUKURAS 1-2-3 Dogenzaka, Shibuya-ku, Tokyo																				
(3) Title and names of representative	President & Chief Executive Officer Issei Ainoura	Chairman, Representative Director Takehito Kaneko President, Representative Director Takeshi Yamane																				
(4) Business details	Comprehensive payment-related services and financial services	Internet Banking service																				
(5) Capital	13,323 Mil Yen	21,629 Mil Yen																				
(6) Date of establishment	March 8, 1995	February 28, 1994																				
(7) Number of issued shares	76,557,545 shares	849,728 shares																				
(8) Fiscal year-end	September 30	March 31																				
(9) Major shareholders and shareholding ratio	<table border="0"> <tr> <td>GMO Internet Group, Inc.</td> <td>40.72%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust account)</td> <td>9.45%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust account)</td> <td>8.23%</td> </tr> <tr> <td>Sumitomo Mitsui Banking Corporation</td> <td>3.26%</td> </tr> <tr> <td>STATE STREET BANK WEST CLIENT - TREATY 505234</td> <td>1.26%</td> </tr> <tr> <td>SSBTC CLIENT OMNIBUS ACCOUNT</td> <td>1.25%</td> </tr> <tr> <td>STATE STREET BANK AND TRUST COMPANY 505001</td> <td>1.14%</td> </tr> </table>	GMO Internet Group, Inc.	40.72%	The Master Trust Bank of Japan, Ltd. (Trust account)	9.45%	Custody Bank of Japan, Ltd. (Trust account)	8.23%	Sumitomo Mitsui Banking Corporation	3.26%	STATE STREET BANK WEST CLIENT - TREATY 505234	1.26%	SSBTC CLIENT OMNIBUS ACCOUNT	1.25%	STATE STREET BANK AND TRUST COMPANY 505001	1.14%	<table border="0"> <tr> <td>Aozora Bank, Ltd.</td> <td>50.00%</td> </tr> <tr> <td>GMO Internet Group, Inc.</td> <td>25.00%</td> </tr> <tr> <td>GMO Financial Holdings, Inc.</td> <td>25.00%</td> </tr> </table>	Aozora Bank, Ltd.	50.00%	GMO Internet Group, Inc.	25.00%	GMO Financial Holdings, Inc.	25.00%
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	GOVERNMENT OF NORWAY	1.06%	
	Issei Ainoura	1.04%	
	THE BANK OF NEW YORK 134088	1.00%	
(10) Financial conditions and operating results for the most recent fiscal year			
Successor company		Split company	
Fiscal Year	Fiscal Year Ended September 30, 2023 (Consolidated) (IFRS)	Fiscal Year	Fiscal Year Ended March 31, 2023 (Non-consolidated) (Japanese GAAP)
Revenue	63,119 Mil Yen	Ordinary income	4,724 Mil Yen
Operating profit(△=loss)	20,312 Mil Yen	Ordinary profit (△=loss)	△4,098 Mil Yen
Profit attributable to owners of parent (△=loss)	13,475 Mil Yen	Net income (△=loss)	△4,103 Mil Yen
Total equity	94,804 Mil Yen	Total net assets	15,476 Mil Yen
Total assets	292,346 Mil Yen	Total assets	444,080 Mil Yen
Basic earnings per share (△ =loss)	177.68 Yen	Net income per share (△=loss)	△6,122.49 Yen
Total equity attributable to owners of parent per share	1,216.66 Yen	Net assets per share	18,213.56 Yen

5. Overview of the business division to be succeeded

(1) Business content of the division to be succeeded

Acquiring business

(2) Business results of the division to be succeeded

Revenue: 73 million yen

(3) Items and amount of assets and liabilities to be succeeded

There are no assets or debts to be succeeded.

6. Status after the company split

As a result of this company split, there will be no change in the name, location, title and name of the representative, business content, capital, or fiscal year-end of GMO-PG or GMO Aozora Net Bank.

7. Future outlook

The impact of the company split on GMO-PG's business results will be minimal

(Reference) Consolidated financial forecast for the current fiscal year (announced on November 13, 2023) and consolidated results for the previous fiscal year

	Revenue	Operating profit	Profit before income taxes	Profit	Profit attributable to owners of parent	Basic earnings per share
Consolidated financial forecast for current year (FY2024)	Mil Yen 73,286	Mil Yen 25,000	Mil Yen 23,904	Mil Yen 15,961	Mil Yen 15,523	Yen 204.68
Consolidated financial results for previous year (FY2023)	63,119	20,312	20,636	13,822	13,475	177.68