



Summary of Consolidated Financial Statements for the First Quarter of FY2025 (Based on IFRS)

February 12, 2025

Name of listed company: GMO Financial Gate, Inc. Exchange: Tokyo Stock Exchange Growth
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 Scheduled date of commencement for dividend payment: —
 Supplemental materials prepared for financial results: Yes
 Information meeting arranged related to financial results: Yes (for institutional investors and analysts)

(Amounts rounded down to the nearest one million yen)

1. Consolidated Financial Statements for the First Quarter of FY2025 (From October 1, 2024 to December 31, 2024)

(1) Consolidated Financial Statements (Cumulative) (Percentages represent year-on-year % change)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%
Q1 of FY2025	4,584	1.9	827	69.1	829	70.5	598	81.4	602	90.1	598	81.4
Q1 of FY2024	4,496	—	489	—	486	—	329	—	317	—	329	—

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Q1 of FY2025	72.71		72.55	
Q1 of FY2024	38.27		38.03	

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of total equity attributable to owners of parent to total assets
	Mil.Yen	Mil.Yen	Mil.Yen	%
Q1 of FY2025	11,417	5,476	5,218	45.7
FY2024	14,206	5,890	5,627	39.6

2. Dividends

	Annual Dividend				
	End of Q1	End of Q2	End of Q3	End of Q4	Total
	Yen	Yen	Yen	Yen	Yen
FY 2024	—	0.00	—	62.00	62.00
FY 2025	—				
FY 2025 (forecast)		0.00	—	80.00	80.00

(Note) Revision to the most recently released dividend forecast: No

3. Consolidated Financial Forecast for the Fiscal Year Ending September 2025 (October 1, 2024 to September 30, 2025)

(Percentages represent quarter-on-quarter / year-on-year % change)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Basic earnings per share
	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Mil.Yen	%	Yen
Q2 of FY2025 (Cumulative)	9,677	—	1,090	—	1,081	—	674	—	677	—	81.84
FY2025 (Full year)	22,200	18.7	2,020	31.9	2,002	32.3	1,316	22.4	1,316	29.9	159.28

(Note) Revision to the most recently released financial forecast: No

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purpose. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Notes:

(1) Significant changes in the scope of consolidation during the period : No

Number of new subsidiaries - (Name) Number of excluded subsidiaries: - (Name)

(2) Changes in the accounting policy / changes in the accounting estimation

[1] Changes in accounting policy required by IFRS : No

[2] Changes in accounting policy other than [1] : No

[3] Changes in accounting estimation : No

(3) Number of shares issued (common stock)

[1] Number of shares issued at the end of the term
(including treasury stock)

Q1 FY2025	8,339,480	FY2024	8,339,480
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[2] Number of treasury stock at the end of the term

Q1 FY2025	86,542	FY2024	19,210
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[3] Average number of shares during the term

Q1 FY2025	8,290,535	Q1 FY2024	8,286,152
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(Note) The number of treasury stock at the end of the term includes the Company's shares held by Board Benefit Trust (BBT and J-ESOP) (FY2024: 18,800 shares, Q1 of FY2025: 18,800 shares).

* Review of the accompanying quarterly consolidated financial statements by certified public accountants or an audit firm : Yes (voluntary)

* Explanation of the appropriate use of forecasts and other special notes

The forward-looking statements, including business results forecast, contained in this document are based on information available to the Company at the time of preparation and on certain assumptions deemed reasonable by the Company. Forward-looking statements are not intended as a promise of actual results by the Company. Actual results may differ materially due to a variety of factors. For more details regarding assumptions related to financial forecast and precautions concerning the use of financial forecast, see 1. Overview of Operating Results, etc., (3) Overview of consolidated financial forecast and other forward-looking information on page 4 of Attached Materials.]

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the three months ended December 31, 2024

Forward-looking statements in this document reflect GMO Financial Gate Group (GMO-FG) judgements as of the end of the cumulative consolidated first quarter of the fiscal year ending September 2025.

Financial results for the cumulative consolidated first quarter of the fiscal year ending September 2025 (October 1, 2024 to December 31, 2024) are as follows.

(Unit: Thousand Yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024	YoY Change (%)
Revenue	4,496,898	4,584,394	1.9
Operating profit	489,774	827,998	69.1
Ordinary profit	486,464	829,554	70.5
Profit attributable to owners of parent	317,104	602,830	90.1

a. Revenue

Revenue reached ¥4,584,394 thousand (+1.9% YoY).

During the three months ended December 31, 2024, the number of payments processed and Gross Merchandise Value (GMV) showed strong growth with the expansion of the use of our offline cashless payment platform due to the accumulation of small and medium-sized projects as well as an increase in spending associated with the year-end sales campaign and an increased use of cashless payments by merchants in industries and business categories frequently used in daily life.

Sales of payment terminals, which account for most of initial sales, decreased YoY due to impact from a large project recorded a year ago despite the increase of the installation of the “stera terminal standard” and the new model “stera terminal unit.”

In recurring-model revenue, while the operation of payment terminals for some large-scale merchants was delayed, contrary to expectations, to the three months ending March 31, 2025. Stock and fee revenues showed steady growth by capturing the surge in payment activity during the year-end sales campaign. Spread revenue achieved sales growth as planned although the growth was moderate compared to other recurring-model revenues due to the review of the portfolio of merchants conducted from the perspective of risk reduction since the three months ended June 30, 2024.

Revenue by business model for the three months ended December 31, 2024 is as follows. Recurring-model revenue consists of stock, fee and spread revenues, and figures in parenthesis represent a breakdown of recurring-model revenue.

(Unit: Thousand Yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024	YoY Change (%)
Initial	2,915,353	2,566,631	△12.0
Recurring-model	1,581,544	2,017,762	27.6
Stock	(387,466)	(476,494)	(23.0)
Fee	(853,147)	(1,163,448)	(36.4)
Spread	(340,930)	(377,819)	(10.8)
Total	4,496,898	4,584,394	1.9

b. Operating profit

Operating profit reached ¥827,998 thousand (up 69.1% YoY).

The high growth in operating profit can be attributed to (1) a rise in composition of high-margin device revenue in sales of payment terminals which account for most of initial sales, (2) an increase in profitable development sales in line with the progress on the scheduled large projects, (3) an increase in high-margin recurring-model revenue due to an increase in the number of payments processed and GMV, and (4) the deferral of future investment including bonuses, compared to the three months ended December 31, 2023. Operating profit is making progress toward meeting the semi-annual and annual targets.

c. Profit attributable to owners of parent

Profit attributable to owners of parent reached ¥829,554 thousand (up 70.5% YoY).

(2) Overview of financial position as of December 31, 2024

[1] Overview of assets, liabilities and net assets

(Assets)

As of December 31, 2024, current assets decreased ¥2,608,814 thousand from September 30, 2024 to ¥9,022,917 thousand. This was mainly due to decreases in cash and cash equivalents of ¥1,407,154 thousand and in trade accounts receivable of ¥979,711 thousand. Non-current assets decreased ¥180,858 thousand from September 30, 2024 to ¥2,394,092 thousand mainly due to a decrease in deferred tax assets of ¥247,262 thousand despite an increase in goodwill and intangible assets of ¥45,123 thousand.

As a result, total assets decreased ¥2,789,673 thousand from September 30, 2024 to ¥11,417,010 thousand.

(Liabilities)

As of December 31, 2024, current liabilities decreased ¥2,371,870 thousand from September 30, 2024 to ¥3,861,932 thousand. This was mainly due to decreases in account payable of ¥1,178,861 thousand and in other current liabilities of ¥739,775 thousand. Non-current liabilities decreased ¥3,529 thousand from September 30, 2024 to ¥2,078,710 thousand mainly due to a decrease in other financial liabilities of ¥3,546 thousand.

As a result, total liabilities decreased ¥2,375,400 thousand from September 30, 2024 to ¥5,940,643 thousand.

(Net assets)

As of December 31, 2024, total net assets decreased ¥414,272 thousand from September 30, 2024 to ¥5,476,367 thousand. This was mainly because treasury stock decreased ¥499,523 thousand due to acquisition of treasury stock and retained earnings decreased ¥515,856 thousand due to distribution of dividend from surplus despite an increase in retained earnings of ¥598,213 thousand due to recording of profit attributable to owners of parent.

[2] Overview of cash flows

As of December 31, 2024, cash and cash equivalents ("cash") decreased ¥1,407,154 thousand from September 30, 2024 to ¥3,653,303 thousand.

A summary of cash flows from each activity for the three months ended December 31, 2024 is as follows.

(Cash flows from operating activities)

Net cash used in operating activities was ¥149,426 thousand (net cash provided of ¥78,360 thousand for the three months ended December 31, 2023) mainly because cash decreased due to a decrease in account payable of ¥1,126,938 thousand while cash increased due to a decrease in trade accounts receivable of ¥979,711 thousand.

(Cash flows from investing activities)

Net cash used in investing activities was ¥225,901 thousand (net cash used of ¥305,459 thousand for the three months ended December 31, 2023) mainly because cash decreased due to purchase of intangible assets of ¥210,145 thousand.

(Cash flows from financing activities)

Net cash used in financing activities was ¥1,031,827 thousand (net cash provided of ¥108,392 thousand for the three months ended December 31, 2023) mainly because cash decreased due to payment of dividends of ¥513,460 thousand and acquisition of treasury stock of ¥500,521 thousand.

(3) Overview of consolidated financial forecast and other forward-looking information

There is no change in the consolidated financial forecast for the fiscal year ending September 30, 2025 from those previously released on November 12, 2024 at this point. In the offline cashless payment market in which the Group operates, the number of merchants adopting the cashless payment is on the rise due to government-led promotion and diversifying payment methods as well as an increase in the number of travelers visiting Japan. Under such environment, the Group aims to continue medium and long-term growth in revenue and operating profit by focusing on sales of payment terminals meeting the needs of merchants, enhancement of payment processing centers, and acquisitions of new merchants and alliance partners. The consolidated financial forecast for the fiscal year ending September 30, 2025 at this point is revenue of ¥22,200 million (up 18.7% YoY), operating profit of ¥2,020 million (up 31.9% YoY), profit before income taxes of ¥2,002 million (up 32.3% YoY), profit of ¥1,316 million (up 22.4% YoY) and profit attributable to owners of parent of ¥1,316 million (up 29.9% YoY).

2. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed quarterly consolidated balance sheet

		(Unit: Thousand yen)	
	Note	FY2024 (September 30, 2024)	Q1 of FY2025 (December 31, 2024)
Assets			
Current assets			
Cash and cash equivalents		5,060,458	3,653,303
Trade accounts receivable		3,166,426	2,186,715
Merchandise		3,170,105	2,914,853
Other financial assets		13,056	13,978
Other current assets		221,685	254,067
Total current assets		11,631,732	9,022,917
Non-current assets			
Property, plant and equipment		214,250	210,648
Intangible fixed assets		1,623,274	1,668,397
Other financial assets		223,730	240,497
Deferred tax assets		501,746	254,484
Other non-current assets		11,948	20,064
Total non-current assets		2,574,950	2,394,092
Total Assets		14,206,683	11,417,010

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(Unit: Thousand yen)		
	Note	
	FY2024 (September 30, 2024)	Q1 of FY2025 (December 31, 2024)
Liabilities and Equity		
Liabilities		
Current liabilities		
Account payable	3,672,285	2,493,423
Other financial liabilities	68,056	75,100
Income taxes payable	521,671	394
Provisions	263,027	324,027
Other current liabilities	1,708,761	968,986
Total current liabilities	6,233,803	3,861,932
Non-current liabilities		
Long term borrowings	2,000,000	2,000,000
Other financial liabilities	62,396	58,850
Provisions	10,647	10,664
Other non-current liabilities	9,196	9,196
Total non-current liabilities	2,082,240	2,078,710
Total liabilities	8,316,043	5,940,643
Equity		
Capital stock	1,638,680	1,638,680
Capital surplus	1,810,751	1,813,645
Retained earnings	2,302,216	2,389,190
Treasury stock	△123,703	△623,227
Total equity attributable to owners of parent	5,627,943	5,218,289
Non-controlling interests	262,695	258,078
Total equity	5,890,639	5,476,367
Total liabilities and equity	14,206,683	11,417,010

(2) Condensed quarterly consolidated statements of income and comprehensive income

Condensed quarterly consolidated statement of income

For the three months ended December 31, 2023 and 2024

(Unit: Thousand yen)

	Note	Three months ended December 31, 2023	Three months ended December 31, 2024
Revenue		4,496,898	4,584,394
Cost of goods sold		△3,225,866	△2,994,230
Gross profit		1,271,031	1,590,163
Selling, general and administrative expense		△781,267	△784,480
Other income		11	22,514
Other expenses		—	△198
Operating profit		489,774	827,998
Financial income		3	6,106
Financial expenses		△3,313	△4,550
Profit before taxes		486,464	829,554
Corporate income taxes		△156,774	△231,340
Profit		329,690	598,213
Profit attributable to			
Owners of parent		317,104	602,830
Non-controlling interests		12,585	△4,617
Profit		329,690	598,213
Earnings per share (Yen)			
Basic earnings per share		38.27	72.71
Diluted earnings per share		38.03	72.55

Condensed quarterly consolidated statement of comprehensive income

For the three months ended December 31, 2023 and 2024

(Unit: Thousand yen)

	Note	Three months ended December 31, 2023	Three months ended December 31, 2024
Profit		329,690	598,213
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Fair value of financial assets measured through other comprehensive income		—	—
Total items that will not be reclassified to profit or loss		—	—
Other comprehensive income after income taxes		—	—
Comprehensive income		329,690	598,213
Comprehensive income attributable to			
Owners of parent		317,104	602,830
Non-controlling interests		12,585	△4,617
Total		329,690	598,213

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(3) Condensed quarterly consolidated statement of changes in equity

For the three months ended December 31, 2023

(Unit: Thousand yen)

	Note	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at beginning of period		1,629,932	1,763,213	1,669,989	△123,529	4,939,605	200,925	5,140,530
Profit		—	—	317,104	—	317,104	12,585	329,690
Total comprehensive income		—	—	317,104	—	317,104	12,585	329,690
Dividends		—	—	△381,162	—	△381,162	—	△381,162
Stock-based compensation transactions		—	4,616	—	—	4,616	—	4,616
Total transactions with owners		—	4,616	△381,162	—	△376,546	—	△376,546
As of December 31, 2023		1,629,932	1,767,830	1,605,931	△123,529	4,880,163	213,511	5,093,674

For the three months ended December 31, 2024

(Unit: Thousand yen)

	Note	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at beginning of period		1,638,680	1,810,751	2,302,216	△123,703	5,627,943	262,695	5,890,639
Profit		—	—	602,830	—	602,830	△4,617	598,213
Total comprehensive income		—	—	602,830	—	602,830	△4,617	598,213
Acquisition of treasury stock		—	△998	—	△499,523	△500,521	—	△500,521
Dividends		—	—	△515,856	—	△515,856	—	△515,856
Stock-based compensation transactions		—	3,892	—	—	3,892	—	3,892
Total transactions with owners		—	2,894	△515,856	△499,523	△1,012,485	—	△1,012,485
As of December 31, 2024		1,638,680	1,813,645	2,389,190	△623,227	5,218,289	258,078	5,476,367

(4) Condensed quarterly consolidated statement of cash flows

(Unit: Thousand yen)

	Note	Three months ended December 31, 2023	Three months ended December 31, 2024
Cash flows from operating activities			
Profit before income taxes		486,464	829,554
Depreciation		122,067	139,699
Stock-based compensation expenses		4,616	3,892
Change in provisions (△:decrease)		—	61,000
Financial income/costs (△:income)		3,310	△1,555
Change in inventory (△:increase)		△681,031	255,251
Change in trade accounts receivable (△:increase)		△407,857	979,711
Change in account payable (△:decrease)		898,825	△1,126,938
Change in other assets (△:increase)		△54,315	△40,496
Changes in other liabilities (△:decrease)		△114,424	△739,775
Other		△344	△1,355
Cash flows from operating activities		257,312	358,987
Interest and dividends received		3	468
Interest paid		△3,297	△3,526
Income taxes paid		△175,657	△505,355
Cash flows from operating activities		78,360	△149,426
Cash flows from investing activities			
Purchase of property, plant and equipment		△1,847	△4,626
Purchase of intangible fixed assets		△203,618	△210,145
Acquisition of investment securities		△99,994	—
Payment of office lease deposits		—	△11,128
Cash flows from investing activities		△305,459	△225,901
Cash flows from financing activities			
Proceeds from long term borrowing		500,000	—
Repayment of lease liabilities		△16,425	△17,081
Acquisition of treasury stock		—	△500,521
Payment of dividends		△375,182	△513,460
Other		0	△764
Cash flows from financing activities		108,392	△1,031,827
Change in cash and cash equivalents (△:decrease)		△118,706	△1,407,154
Cash and cash equivalents at the beginning of period		4,003,682	5,060,458
Cash and cash equivalents at the end of period		3,884,975	3,653,303

(5) Notes regarding condensed quarterly consolidated financial statements

The Group's condensed quarterly consolidated financial statements (condensed quarterly consolidated statement of financial position, condensed quarterly consolidated statements of income, comprehensive income, changes in equity and cash flows, and notes) are prepared in accordance with Article 5, Paragraph 2 of Standard for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (applying the omissions prescribed in Article 5, Paragraph 5 of the Standard) and omit certain disclosure items and notes required by IAS 34 *Interim Financial Reporting*.

(Notes regarding the going concern assumptions)

Not applicable

(Notes regarding significant changes in shareholders' equity)

Not applicable

(Segment information)

The Group's segment consists of a single segment, face-to-face payment services only, and therefore segment information is omitted.

(Significant subsequent events)

Not applicable