

FY2024 Q2

Financial Report

GMO GlobalSign Holdings K.K.

Ticker code (Prime: 3788)

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01.
FY2024 Q2
Financial Results Summary

FY2024 Q2 Financial Highlight

- ✓ Year-on-Year Sales and Profits Growth Achieved
- ✓ Progressing Consistently to Our Annual Target

電子印鑑なら
GMOサイン

GMO Sign

- Net sales **1.38** times
- Number of contracts **1.50** times
- Number of items sent **1.56** times

GMOトラスト・ログイン

GMO TrustLogin

- Net sales **1.45** times
- Number of contracts **1.29** times
- Number of paid IDs **1.36** times

- Compared to the previous year, consolidated sales increased by 12.3% and consolidated operating profit increased by 21.7% and sales in the Digital Certificate and eSignature Segment increased by 15.6%.

FY2024 Q2 Financial Summary: Cumulative Results Comparison

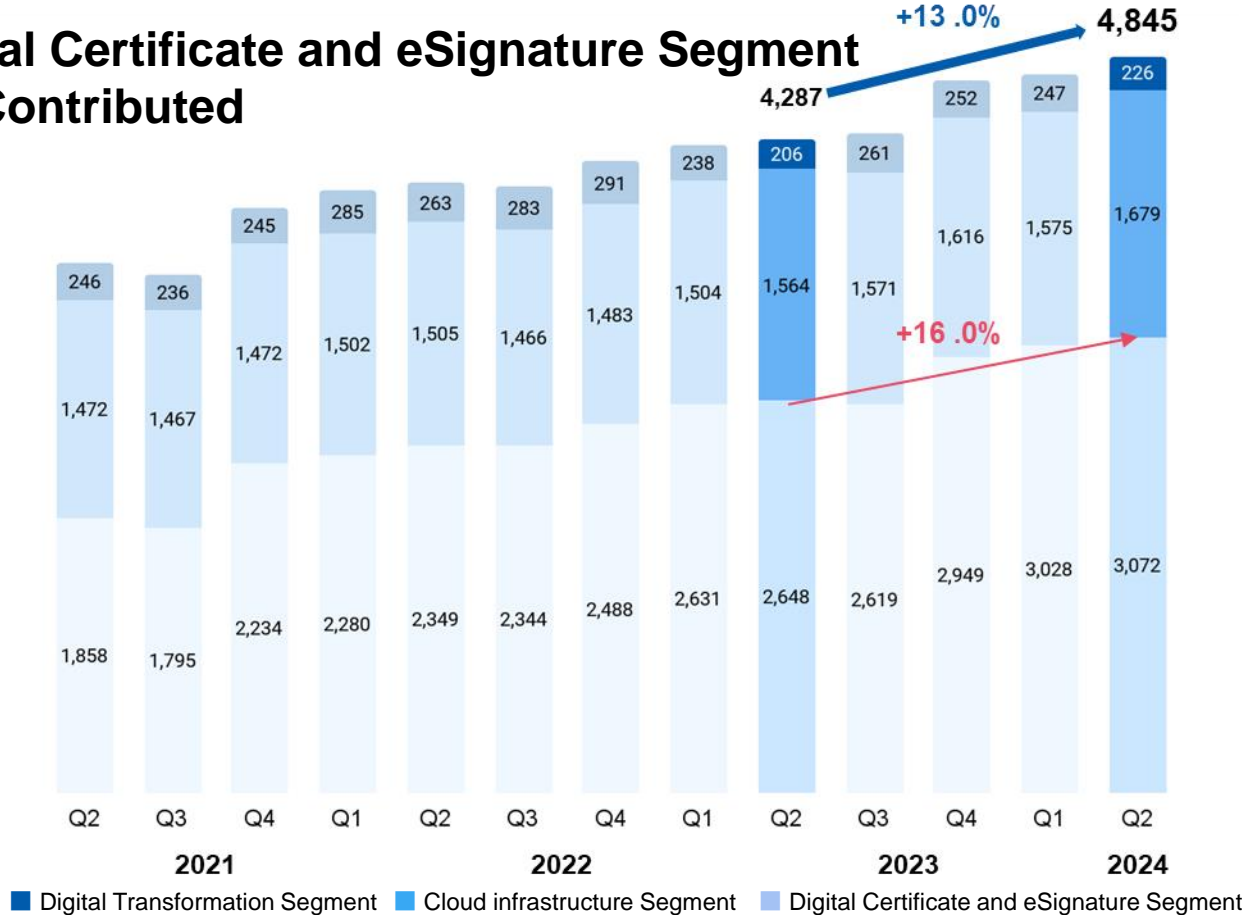
✓ CloudCREW by GMO, GMO Sign, and GMO TrustLogin Businesses Pull Sales and Profits

(One million yen)	FY2023 Q2	FY2024 Q2	Year-over-year basis	Full-year forecast for	Achievement rate
Sales	8,519	9,566	+ 12.3%	19,250	49.7%
Operating Profit	611	744	+ 21.7%	1,450	51.3%
Ordinary Profit	679	810	+19.2%	1,387	58.5%
Net profit Attributable to Owners of the Parent	410	507	+ 23.5%	840	60.4%
EBITDA	872	1,122	+ 28.6%	-	-

Quarterly Sales Trends

✓ The Digital Certificate and eSignature Segment Growth Contributed

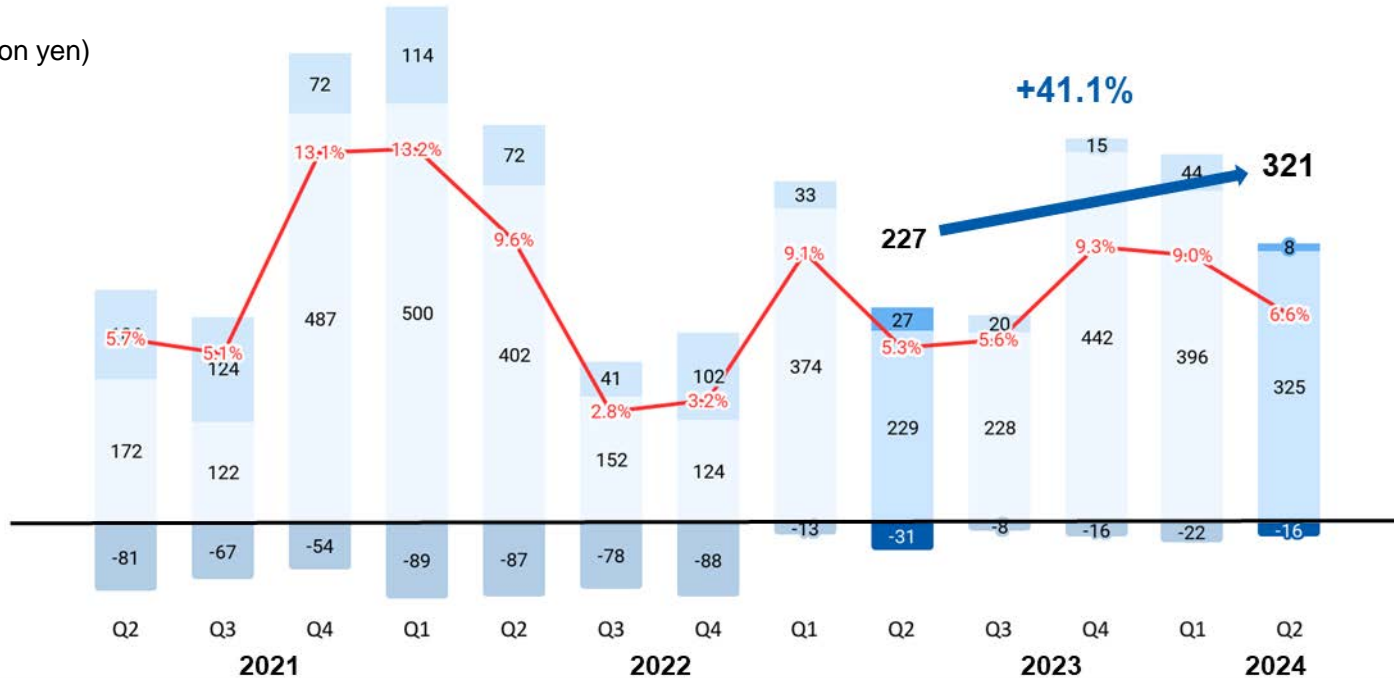
(One million yen)



Quarterly Operating Profit Trends

- ✓ Profit Grew Despite the Increased Depreciation in the Digital Certificate and eSignature Segment

(One million yen)



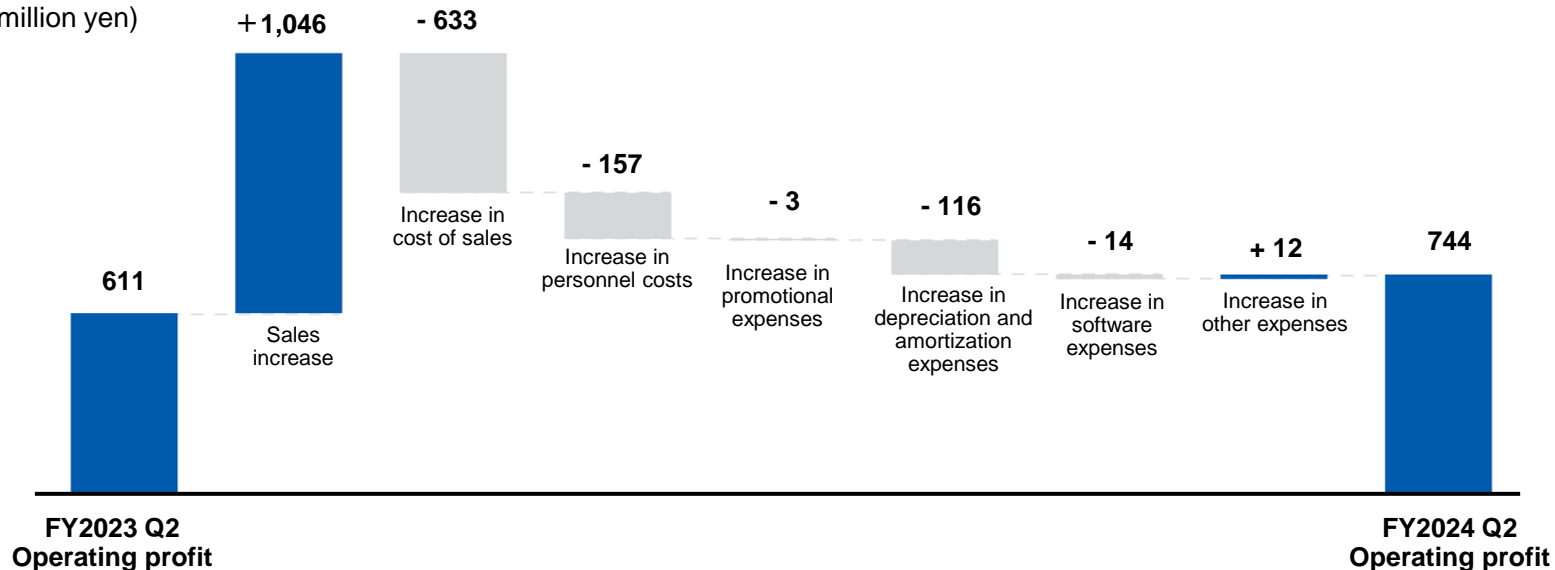
■ Digital Transformation Segment
 ■ Cloud infrastructure Segment
 ■ Digital Certificate and eSignature Segment
 ■ Operating profit margin

Analysis of Operating Profit

Cost of Sales Increased Due to the Below Impacts.

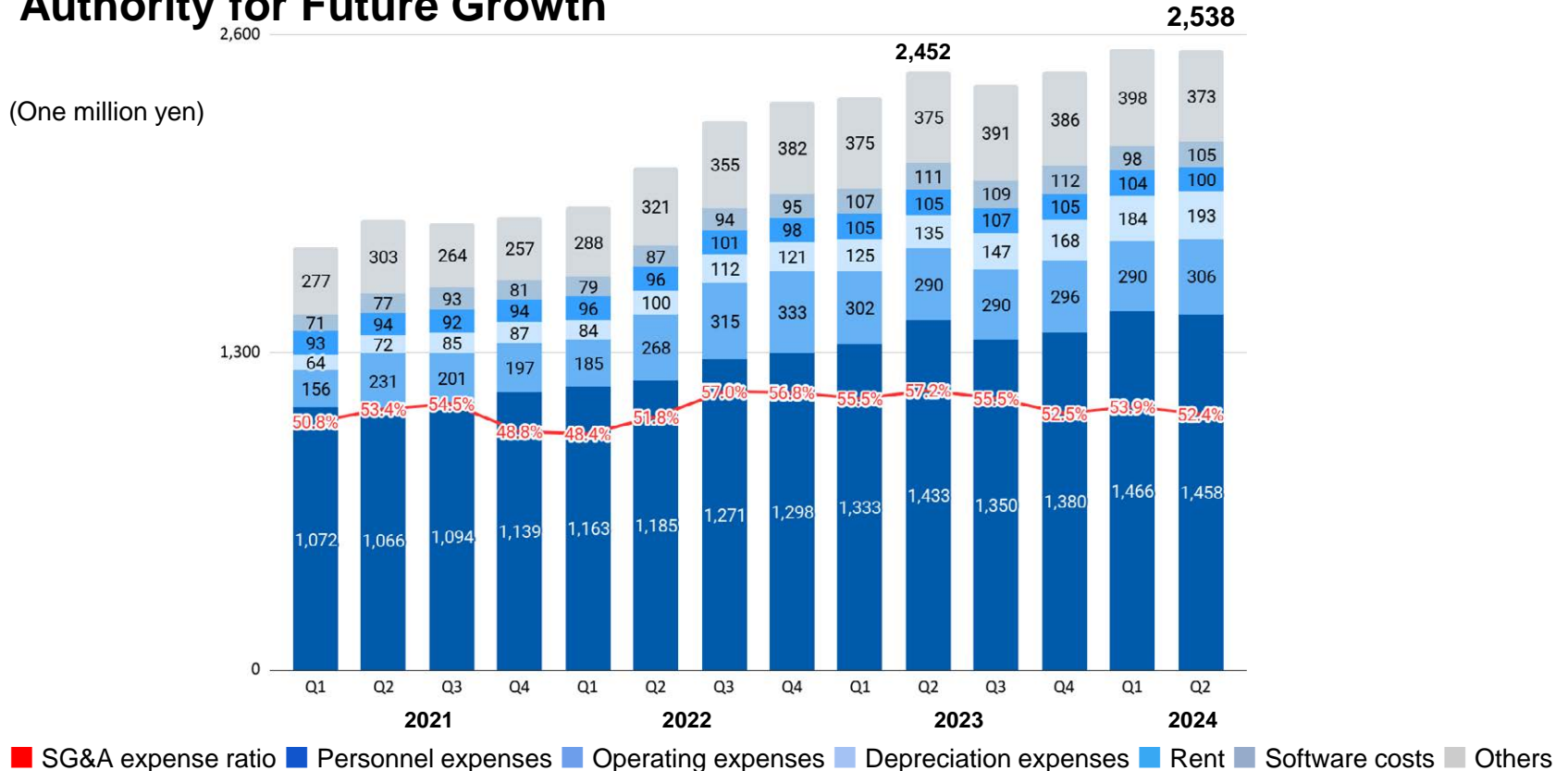
- ✓ **The New Platform for the Digital Certificate Authority Development**
- ✓ **Increased Software Fees by the Foreign Exchange Impact at the Cloud Infrastructure Segment**

(One million yen)



Quarterly Trends in SG&A

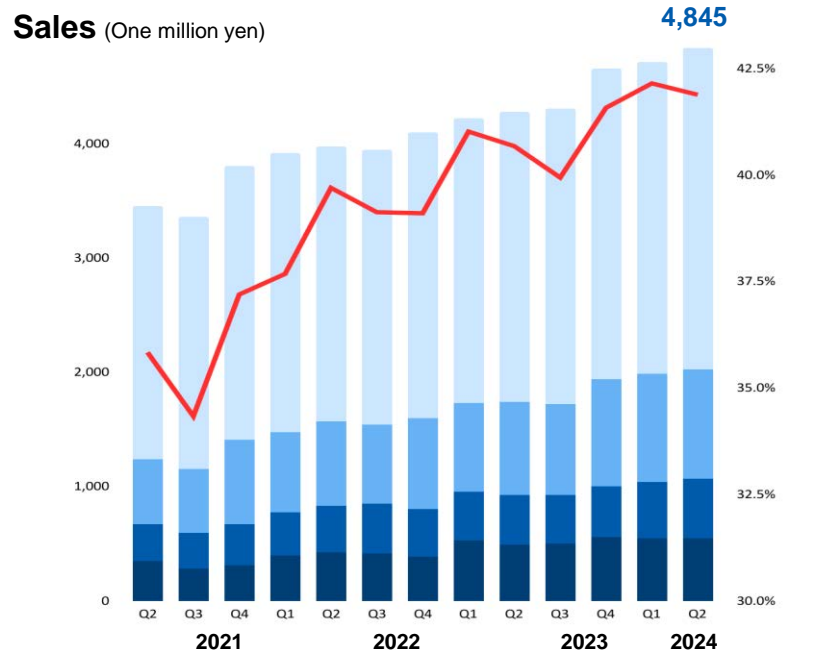
- ✓ **Constantly Executing Development Investments in the Digital Certificate Authority for Future Growth**



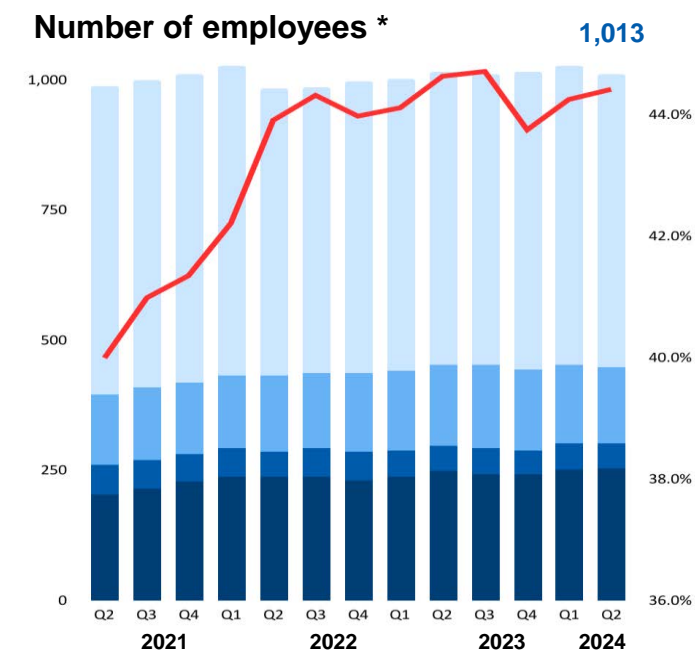
Consolidated Sales by Location and Total Employee Count

- ✓ Strong Sales Performance both Domestically and Internationally
- ✓ Domestic Businesses Growth reduced the Overseas Ratio to 41.9%

FY2024 Q2 overseas ratio 41.9% (2,030 million)



FY2024 Q2 overseas ratio 44.4% (450 people)

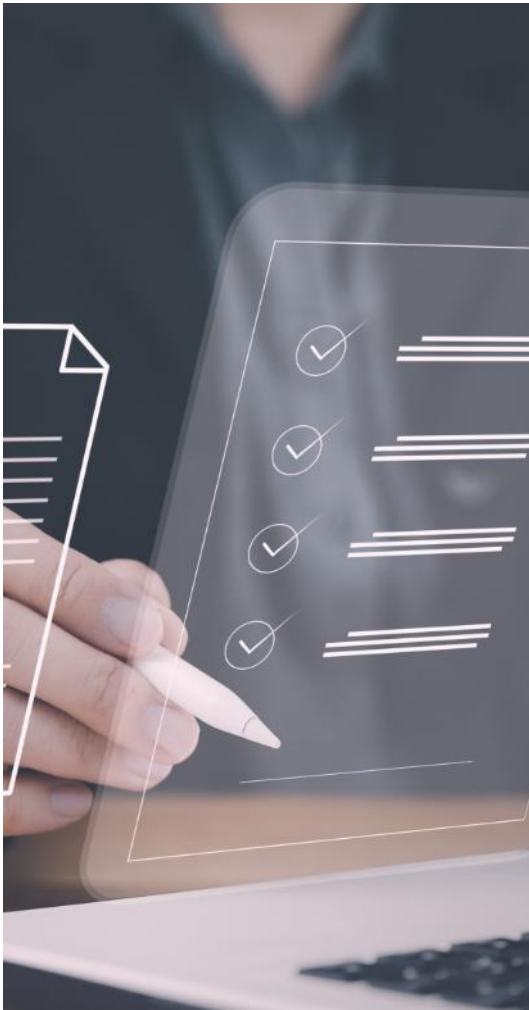


Japan Europe North America Asia and others Overseas ratio

* Number of employees for our company and 15 subsidiaries (including non-consolidated subsidiaries)



02.Business Overview



Secure your communications and transactions with electronic authentication.

Digital Certificate and eSignature Segment

A suite of services leveraging the technology and know-how of electronic certification authorities.



Operating an electronic certification authority in-house, which serves as an identity verification entity on the internet.

- **No.1 SSL share in Japan , No.3 in the world**



An electronic contract service that provides all necessary signatures.

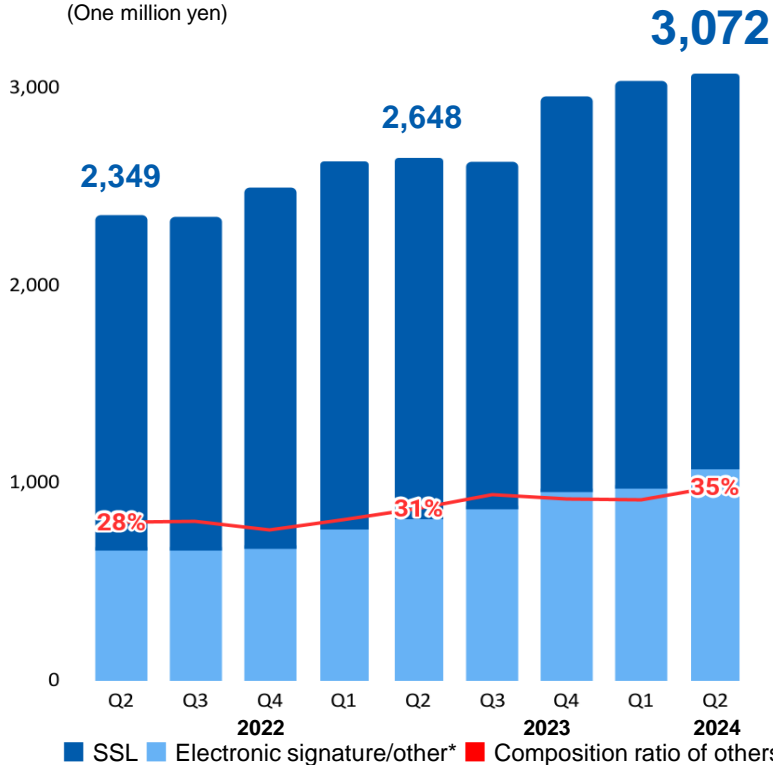
- **No.1 in Japan** Number of adopting companies
- **No.1 in Japan** Number of contract transmissions



Single sign-on service

- **No.1 in Japan** Number of adopting companies
- **No.1 in Japan** Number of partnered applications

Quarterly Sales Trends by Product



■ SSL

- Year-over-year increase of **+9.3%**
- Sales of SSL server certificates have been strong in Europe, the United States, and India.

■ Electronic signature/other

- GMO Sign’s sales increased by **38.4%** compared to the same period last year. The implementation of web advertising strategies has led to strong acquisition of new paying customers.
- GMO TrustLogin’s sales increased by **44.9%** compared to the same period last year. The agency initiatives have progressed well, contributing to the revenue growth.

*Sales of client certificates, electronic signature services, electronic contract services, ID access management services, etc.

Promoting Entry into Growth Markets Worldwide.

- Commenced operations in the Mexican market.
We are selling GlobalSign products to companies in Mexico through our partner companies.
- Sales in India are expanding.
With the growth of the market, sales of SSL server certificates have been steadily increasing.

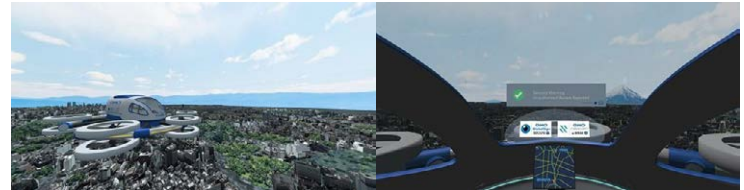


Promoting Investments in the IoT Sector for Further Growth.

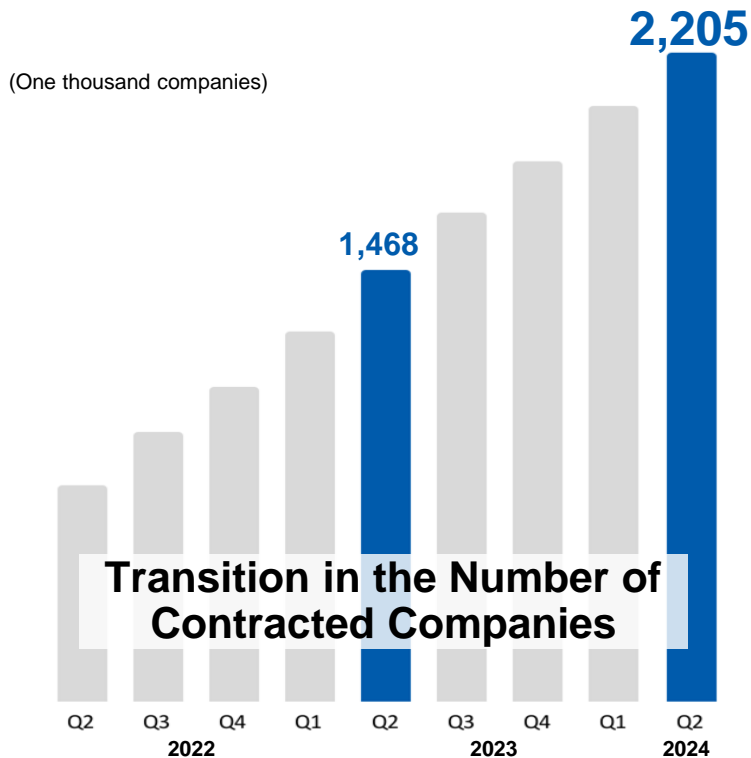
- Collaborated with wolfSSL to release IoT security solutions.



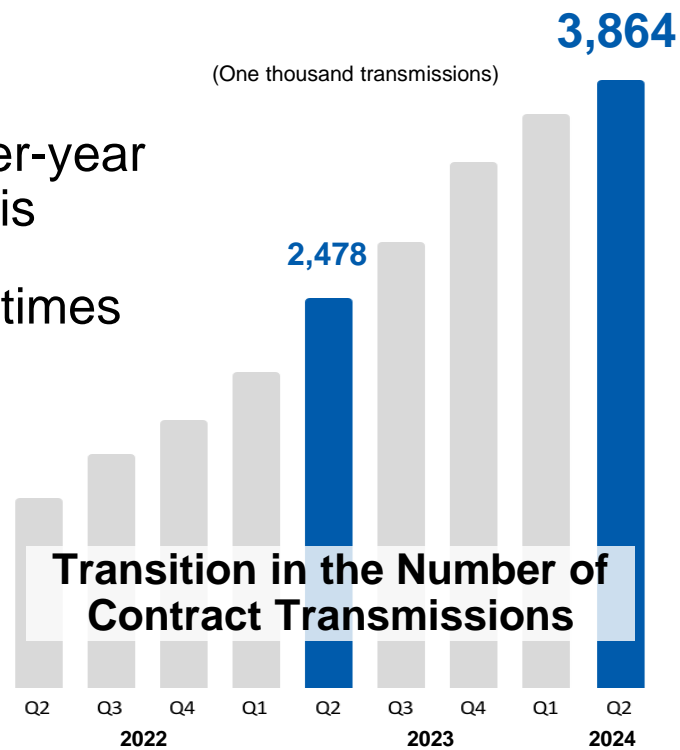
- Exhibited at "Japan Drone 2024," welcoming approximately 4,000 visitors over three days.



KPI Trends of GMO Sign



Year-over-year basis
1.5 times

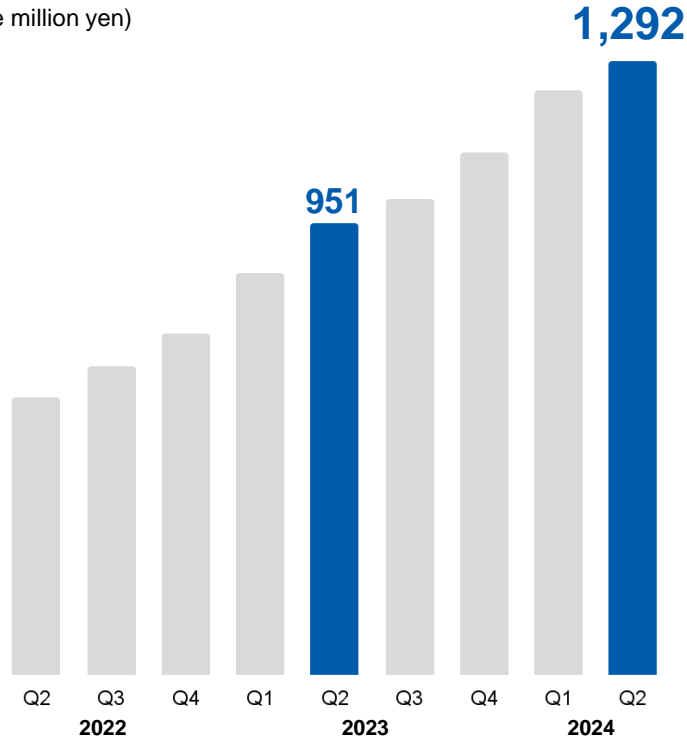


*1 Number of businesses (companies or individuals) using the electronic seal stamp GMO Sign (including OEM products). If multiple users within one operator use the service, it is counted as one. By the end of November 2023, the number of companies will exceed 3.5 million.

*2 Number of contracted companies with "GMO Sign electronic seal" accounts. One account per business (company or individual). If you use multiple accounts, duplicates will be eliminated.

Transition of ARR (Annual Recurring Revenue)

(One million yen)



Due to the number of new paid contracts exceeding targets, ARR has steadily increased.

Year-over-year basis

+ **35.9** %

*ARR (Annual Recurring Revenue): Refers to sales revenue recorded from continuous transactions over a period of one year. Annual recurring revenue. MRR (Monthly Recurring Revenue): Calculated by multiplying monthly recurring revenue by 12.

Contracted Companies (partial list)

 **MIZUHO** みずほ銀行

 **大和証券**
Daikoku Securities

 **MUFG** 三菱UFJ銀行

よろこびがつなく世界へ
 **KIRIN**

BMW GROUP
 

LINEヤフー

 **kikkoman**

 **Menicon**

 **東急リハビリ**

 **ORIX** オリックス生命

 **MIZUO**

 **TIPNESS** フィットネスクラブ
ティップネス

 **H₂O**
RETAILING

 **ヤマト運輸**

Francfranc

 **UNITED ARROWS LTD.**

「心算る」を
解き放つ **HIS**

 **PASONA**

 **毎日コムネット**

 **OPEN HOUSE**

 **NEDO**

 **三井住友信託銀行グループ**
三井住友トラスト不動産

DAISO
ダイソー

 **CURRY HOUSE**
CoCo 壱番屋

 **MISAWA** ミサワホーム

KEIO 京王電鉄

 **CAINZ**

 **YAMADA HOMES**

 **YKK AP**

Strengthening the Introduction of "GMO Sign Electronic Official Seal" to Local Governments through Collaboration.

- “GMO Sign Electronic Official Seal,“
the only online electronic official seal service in the industry.



Orchestrating a brighter world

NEC

 富士電機
Innovating Energy Technology

 グローバルサイン・HD
 GlobalSign

The Only Provider in the Industry that has Obtained All Security Certifications Valued by Local Governments.

Security certification name	GMO-Sign
SOC2 Type1 Audit report on security assessment at a specific point in time.	○
SOC2 Type2 Audit report on security assessments over a specific period.	○
ISMAP Security assessment system for government information systems.	○
Obtained responses regarding the gray zone elimination system in the revised Construction Business Act regulations of 2020.	○
LGWAN Compatible with dedicated closed networks for government use.	○

Aiming for No. 1 in the Number of Implementations to Local Governments through Enhanced Security and Collaboration.

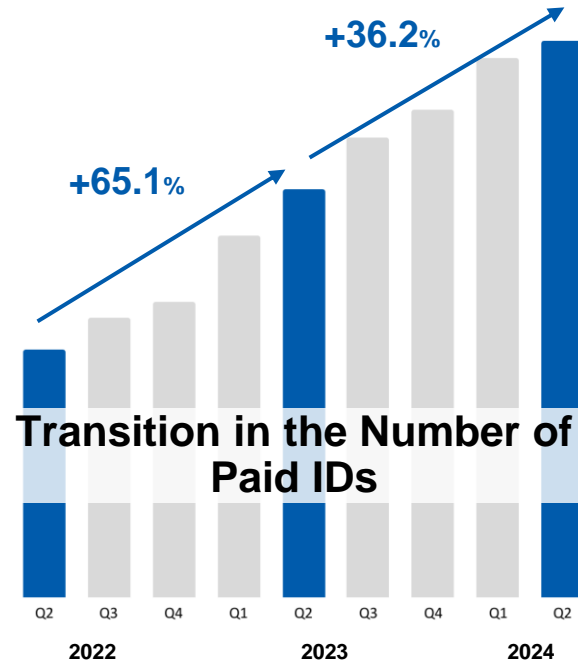
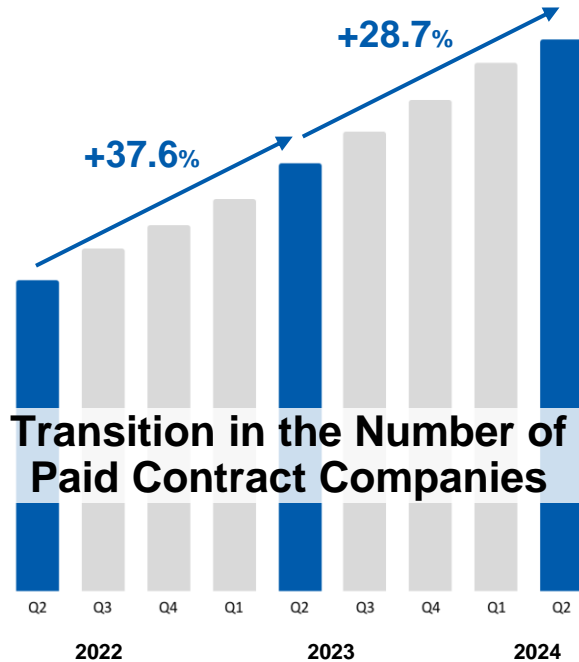


Implementation has been confirmed for **122** local governments.

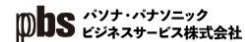
 Adopting local governments (partial list).

KPI Trends of GMO TrustLogin

Due to the high effectiveness of agency initiatives, sales increased by 45% compared to the same period last year.



Contracted Companies (partial list)

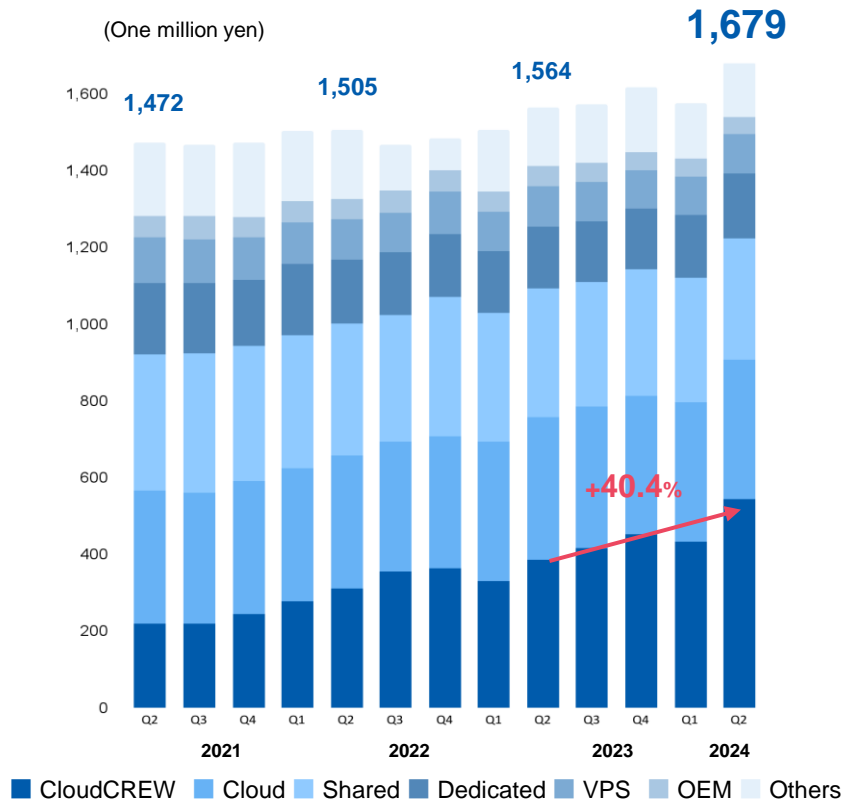




Providing a secure cloud infrastructure.

Cloud Infrastructure Segment

Quarterly Sales Transition by Product



As the cloud market continues to grow, sales of CloudCREW by GMO have been progressing steadily.



FY2024 Q2

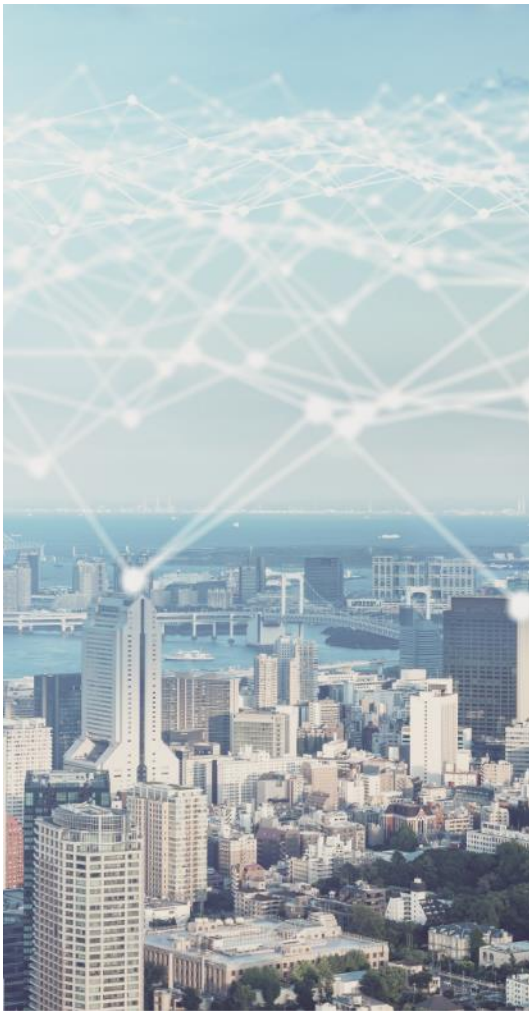
Net Sales:

542 million yen

Year-on-year comparison:

+ 40.4 %

Cumulative sales for the FY24 : 970 million yen
(a year-on-year increase of 36.0%)

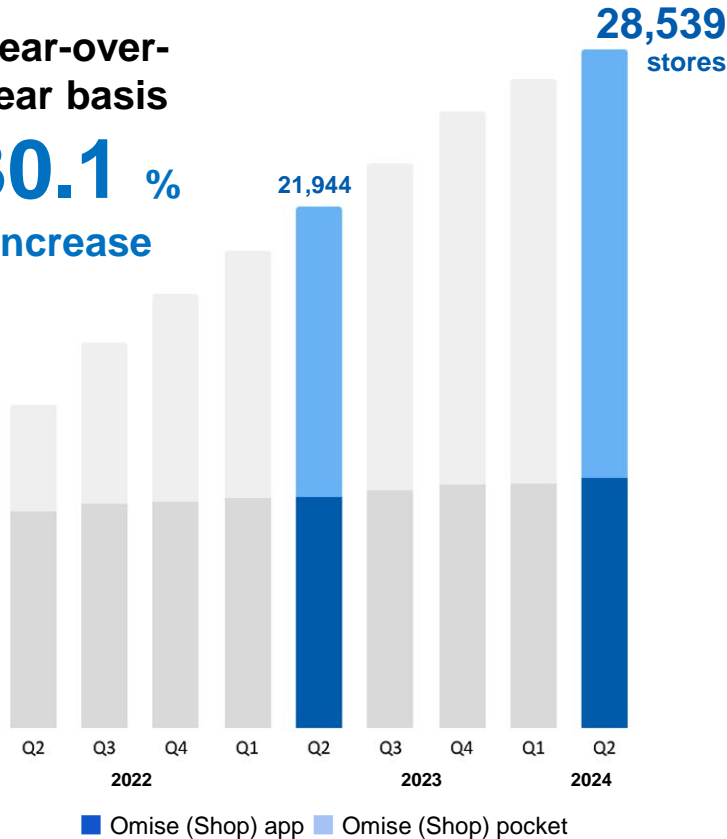


Supporting the resolution of corporate challenges.

Digital Transformation Segment

Transition in the Number of Adoptions

Year-over-year basis
30.1 %
increase



モバイル商品券
プラットフォーム
by GMO

The digitization of local governments is advancing, leading to an expansion in implementations.

Local governments that have implemented (partial excerpt)



Takatsuki City,
Osaka Prefecture



Yoro Town,
Gifu Prefecture



Kobe Town,
Gifu Prefecture



Hiroshima City,
Hiroshima Prefecture



Koriyama City,
Fukushima Prefecture



Sumoto City,
Hyogo Prefecture



Sapporo City,
Hokkaido Prefecture



Ikeda Town,
Gifu Prefecture



Nagasaki City,
Nagasaki Prefecture



Yamaguchi City,
Yamaguchi Prefecture



Yamaguchi City,
Yamaguchi Prefecture



Yamaguchi City,
Yamaguchi Prefecture

Digitizing Meter Inspection Tasks through AI-based Image Recognition.

A business improvement service for meter reading and inspection that utilizes **AI** for meter readings, ensuring the prevention of reading errors and enabling paperless operations.



ハカル エーアイ

 **hakarai.ai**
by **GMO**

大規模設備
投資が不要

データ入力が
ペーパーレスに

Web台帳へ
もれなく記録

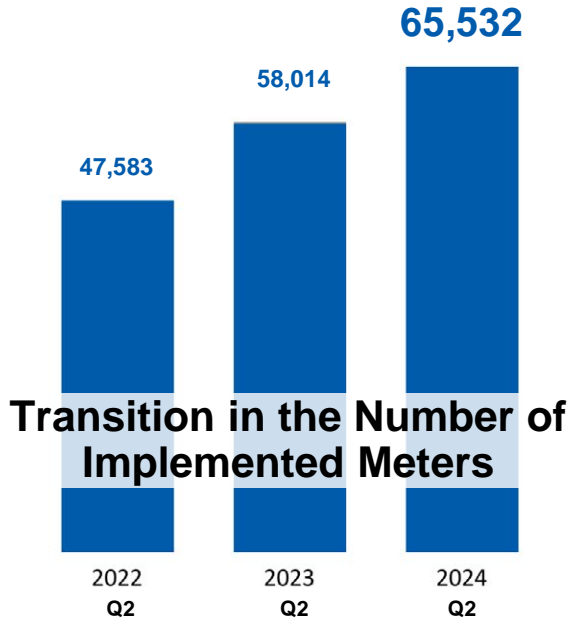
点検状況を
遠隔で
モニタリング

特許にメーター画像が入るよう
にしてください。

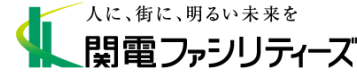
The advertisement features a hand holding a smartphone that displays a digital representation of a pressure gauge. In the background, a physical pressure gauge is visible, illustrating the AI-based image recognition process. The text highlights the benefits of the service, such as reducing investment in large-scale equipment, eliminating paper-based data entry, and enabling remote monitoring of inspection status.

Introduction Record

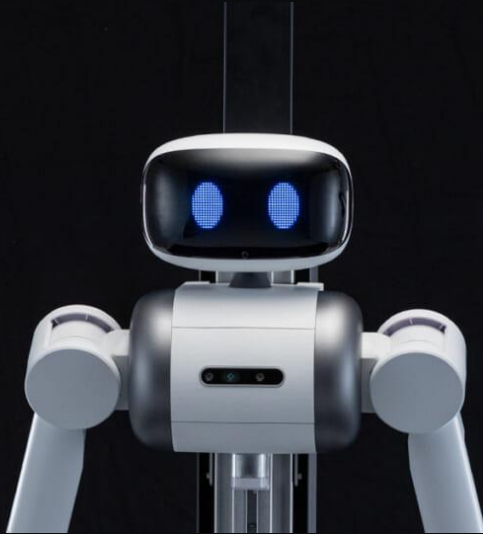
The adoption is expanding, primarily among major domestic manufacturing companies and building management firms, through the use of AI technology that does not require large-scale investment.



Contracted companies (partial list)



Contributing through AI-based Image Analysis in Collaboration with Robots and Drones.



ugo



JAPAN INFRA WAYMARK



We Change Experience with IT

