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(Delayed)GMO Payment Gateway and Raccoon Form Business Partnership to Launch “Paid Early Payment” to Improve SME Financing

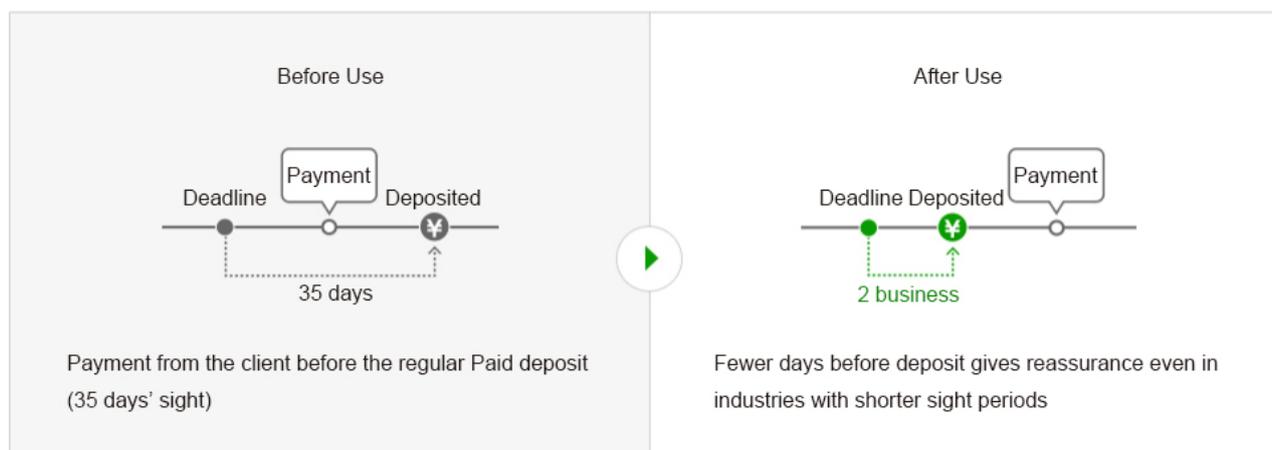
Raccoon Co., Ltd. (Raccoon), which provides the B2B payment service “Paid,” announced that it has formed a business partnership with comprehensive payment-related and finance-related services provider GMO Payment Gateway, Inc. (headquarters: Shibuya-ku, Tokyo; President & Chief Executive Officer: Issei Ainoura; hereafter, GMO-PG) to launch “Paid Early Payment,” an optional early financing service on September 1, 2018. Ahead of this service launch, it is accepting applications for Paid Early Payment starting today.

Inquiries regarding Paid Early Payment:

<https://paid.jp/v/contents/pre/early.jsp> (Japanese only)

▪ **Details of Business Partnership**

Raccoon offers Paid, a fintech service handling every invoicing operation that occurs in payments of business-to-business and even 100% proxy payment in the event of non-payment. GMO-PG offers comprehensive payment-related and finance-related services. The two companies have formed a business partnership to offer Paid Early Payment, an optional early financing service. If companies using Paid (hereafter, user companies) apply for Paid Early Payment, they will be able to access accounts receivable earlier than the regular Paid period (35 days’ sight).



▪ **Background and Outlook**

Because payment after delivery of the product or service (selling on credit) is standard in B2B transactions, making the period from order to payment lengthy, there are cases when SMEs and venture companies compete aggressively to struggle to finance their businesses. Even if their management is sound, it can be difficult to obtain

sufficient funding from financial institutions, which becomes a factor in hindering business growth by preventing them from taking on large projects. Furthermore, since each industry's deposit-and-withdrawal cycle differs based on its business practices, the client's payment sight period may be shorter than that of the product/service provider. Because of this, Raccoon wanted to offer flexible deposit sight periods that are compatible with the business practices of user companies.

Therefore, Raccoon and GMO-PG formed a business partnership to launch Paid Early Payment. Using both of our expertise, we have built a unique scheme that allows user companies to access accounts receivable two business days after the deadlines that they have set in accordance with their chosen number of deadlines. They can freely choose the number of deadlines (once, twice, three times, six times per month or daily) based on their financing needs. However, Paid Early Payment is a for-charge optional service of Paid and companies must pass a screening before they can begin to use it.

Deadlines per month	Deadline	Payment
1	10th, 20th or last day of the month	2 business days later
2	15th and last day of the month	
3	10th, 20th and last day of the month	
6	5th, 10th, 15th, 20th, 25th and the last day of the month	
Daily	Every day	

By offering economic support to companies engaging in B2B transactions through this service, Raccoon and GMO-PG will improve SME and venture company financing and create a reassuring transaction environment even for companies in industries with short payment sight periods.

Going forward, Paid will continue to realize a society in which all companies can focus on business growth.

▪ **Reference**

GMO Payment Gateway, Inc. <https://www.gmo-pg.com/en/>

Business: Comprehensive payment-related and finance-related services

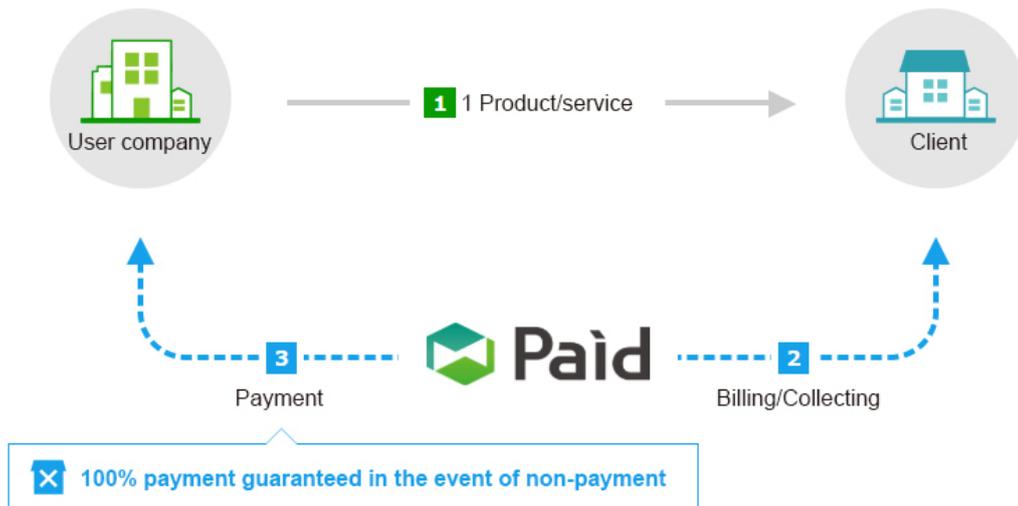
Headquarters: 1-14-6 Dogenzaka, Shibuya-ku, Tokyo

Consolidated capital: 4,712,000,000 yen

Representative: Issei Ainoura, President

Paid <http://paid.jp> (Japanese only)

In B2B transactions, there is a large need for selling on credit (payment after), an indispensable settlement method in expanding sales. However, considering the time and money involved in billing work such as managing credit, issuing invoices and collecting fees and the risk of non-collection, it is not easy to introduce selling on credit. Paid handles every invoicing operation that occurs in payments of B2B transactions from invoicing to payment collection and even 100% proxy payment in the event of non-payment.



Introducing Paid eliminates billing work and the risk of non-collection for vendors, facilitating safe, speedy transactions on credit. Buyers can pay at the end of the month, helping to improve their cashflow. It has been praised for “removing the time and effort spent on billing, allowing us to focus on our real work” and “allowing us to be more assertive in transacting with new clients because there is no risk of non-collection,” and over 2,900 companies have introduced it so far. Raccoon is a member of the Fintech Association of Japan.

Contact information about service

Paid support desk
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