Q&A for Q3

UZABASE

Q. You state that the main reason for missing the net sales forecast for this fiscal year is the NewsPicks segment. Is the SaaS segment solid?

While we expect a slight downturn in net sales and ARR growth rates for SPEEDA and FORCAS in Q4, the SaaS business overall is solid. In particular, AD/NP and INITIAL are outperforming expectations.

Q. Will you keep your 30% sales growth target?

We are currently discussing internally regarding corrections to our long-term management plan, if any. However, in light of this year's failure (including outlook) to increase the growth rate of NewsPicks, we believe it will be difficult to achieve a consolidated sales growth rate of 30%.

Q. Will you maintain your policy to gradually raise the OPM from the next fiscal year onward?

Yes, we will maintain our policy regarding the OPM.

Q. You are aiming for stable growth in the NewsPicks segment from the next fiscal year, with a particular focus on profitability. What is the target growth rate and will you actually manage to improve profitability?

Based on the NewsPicks business results for this year (including outlook), our first priority is its profitability improvement rather than growth. After we have a profitable structure in place, we will revisit our growth targets.

Q&A for Q3

UZABASE

Q. What accounts for the QoQ decline in net sales for NewsPicks' Advertising business? Weren't you expecting a tailwind from a large-scale event?

Please see P12 for detailed explanations. Net sales from the large-scale event held in October, "CHANGE TO HOPE 2022," will be recorded in Q4 and are therefore not included in Q3 results.

Q. The current economic environment has partially impacted advertising sales in the NewsPicks segment. Has the SaaS segment been affected as well?

We have yet to observe any impact on churn rate or customer acquisition in the SaaS segment.

Q. How susceptible are your business results to the weak yen?

Since the ratio of operations outside of Japan in our consolidated results (revenues and expenses) is about 5%, and the ratio of procurement costs from suppliers abroad and overseas server costs to total costs is very small, the weak yen has a negligible impact on our results.

Q&A for Tender Offer by Carlyle

UZABASE

Q. Why is Uzabase getting delisted? What can't be achieved if the listing is maintained?

Together with Carlyle, which supports our long-term strategy of a synergistic fusion of SaaS and NewsPicks and circulating human knowledge, we will implement medium-to-long-term reforms to boost the growth potential and profitability of our business in Japan without being affected by short-term fluctuations in our performance. Furthermore, by utilizing the Carlyle Group's global management expertise and network, we will define our global expansion strategy and execute it steadily over the long term. We believe this is the best option for Uzabase to realize its Purpose: "Awaken a world of play in business, with our insights."

Q. Do you have plans of re-listing?

No decisions have been made so far, but we will consider the possibility of re-listing in the future.

Q. Why did you choose Carlyle? Were there any other funds that you considered?

We also considered other funds but eventually selected Carlyle for the following reasons.
In addition to the terms of the tender offer, we saw Carlyle as the best partner thanks to their global management expertise, network, and investment philosophy essential to executing our long-term strategy of a synergistic fusion of SaaS and NewsPicks and circulating human knowledge, as well as achieving our Purpose.

1. For other details on the tender offer by THE SHAPER Co., please refer to the "Announcement of Opinion Supporting the Tender Offer by THE SHAPER Co. and Recommendation of Tender."
2. THE SHAPER Co. is a wholly owned subsidiary of the Carlyle Group set up for the purpose of this tender offer.