November 12, 2024

Company Name	PLAID, Inc.
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Code No.	4165, TSE Growth
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Notice regarding the recording of extraordinary losses (Impairment loss on goodwill, etc.) and income tax deferred (Profit)

PLAID, Inc. (the "Company") hereby announces that the Company has recognized impairment loss of goodwill and income tax deferred (Profit) in its consolidated financial results and loss on valuation of stocks of subsidiaries and affiliates, provision for allowance for doubtful accounts, provision for loss on guarantees and provision for loss on business of subsidiaries and affiliates in its non-consolidated financial results for the fiscal year ending September 30, 2024, as follows:

1. Impairment loss on goodwill (consolidated)

As a result of a review of future plans, the Company's consolidated subsidiary Emotion Tech Inc. recorded an impairment loss of 142 million yen for goodwill as it is no longer expected to generate the initially anticipated earnings.

Emotion Tech Inc. is a strategic group company in the area of experience management that utilizes the voices of customers and employees in its business activities. As explained in the presentation materials for the 3rd quarter of the fiscal year ending September 30, 2024, we will continue to aim for sustainable growth in the future through management restructuring.

2. Income tax deferred (Profit) (consolidated)

As a result of reviewing the recoverability of deferred tax assets, the Company recorded 391 million yen as the income taxes deferred (profit).

3. Loss on valuation of stocks of subsidiaries and affiliates (non-consolidated)

As a result of the above, the Company recorded 372 million yen as loss on valuation of stocks of subsidiaries and affiliates in its non-consolidated financial results. Since the loss on valuation of stocks of subsidiaries and affiliates in the non-consolidated financial results is eliminated in the consolidated financial results, there is no impact on the consolidated financial results.

4. Provision for allowance for doubtful accounts (non-consolidated)

Considering the financial situation of consolidated subsidiary Codatum Inc., a provision of 59 million yen for allowance for doubtful accounts for loans to Codatum Inc. was recorded as an extraordinary loss.
Since the provision of allowance for doubtful accounts in non-consolidated financial results is eliminated in consolidated financial results, there is no impact on consolidated financial results.

5. Provision for loss on guarantees (non-consolidated)

Considering the financial situation of consolidated subsidiary RightTouch Inc., a provision of 100 million yen

for loss on guarantees was recorded as an extraordinary loss.
Since the provision of allowance for doubtful accounts in non-consolidated financial results is eliminated in consolidated financial results, there is no impact on consolidated financial results.

6. Provision for loss on business of subsidiaries and affiliates (non-consolidated)

Considering the financial situation of consolidated subsidiary RightTouch Inc., a provision of 40 million yen for loss on business of subsidiaries and affiliates was recorded as an extraordinary loss.
Since the provision of allowance for doubtful accounts in non-consolidated financial results is eliminated in consolidated financial results, there is no impact on consolidated financial results.