Translation

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November 8, 2024

Name of listed company: kubell Co., Ltd. Listing exchange: Tokyo Stock Exchange

Securities code: 4448 URL:https://www.kubell.com/en/ir/

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Notice Regarding Revision of Consolidated Financial Forecast For the Year Ending December 31, 2024

Based on recent performance trends and future prospects, we have revised our full-year forecasts for the fiscal year ending December 31, 2024, which were announced on August 14, 2024, as follows.

1. Revision of the forecast of consolidated financial results for the year ending December 31, 2024 (From January 1, 2024 to December 31, 2024)

	Revenue	EBITDA	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	million yen	million yen	million yen	million yen	million yen	Yen
Previous forecast (A)	8,365 ～8,495	574 ～600	1 ～27	(17) ～8	(97) ～(67)	(2.39) ～(1.65)
Revised forecast (B)	8,430	761	35	32	-58	(1.42)
Difference (B – A)	(64) ～65	161 ～187	8 ～34	24 ～49	8 ～38	0.23 ～0.97
Difference (%)	—	+26.9 ～+32.7	+30.3 ～+3,417.5	—	—	—
(Reference) Results for the previous fiscal year ended December 31, 2023	6,485	(83)	(677)	(686)	(620)	(15.45)

2. Reasons for revision

Our medium-term management plan states our aim to establish our position as the number one BPaaS company for small and medium-sized enterprises (SMEs) by the fiscal year ending December 31, 2026, and in the long term, to become a “business super app” platform that serves as the starting point for all business activities, backed by a dominant share in the SME market. From the fiscal year ending December 31, 2024 to the fiscal year ending December 31, 2026, we will accelerate the overall growth of the Group toward our goal of becoming the top BPaaS company for SMEs, while also working to build a profitable framework.

Our medium-term targets include a CAGR for revenue of 30% or more from the fiscal year ended December 31, 2024 to the fiscal year ending December 31, 2026, as well as revenue of 15.0 billion yen and an EBITDA margin of 10–15% for the fiscal year ending December 31, 2026.

Based on the above policy, we will continue to focus on achieving high growth rates and improving profitability. For the fiscal year ending December 31, 2024, we will proceed with the development of our business chat tool, "Chatwork" and the establishment of a system that generates investment and profits for the BPaaS MINAGINE and Chatwork Assistant. The details of our performance forecast outlook are as follows.

For the fiscal year ending December 2024, we expect a significant growth of 30% year-on-year in revenue, driven by an increase in ARPU due to the price revision of Chatwork and the expansion of revenue from peripheral services, including subsidiaries. EBITDA and operating profit are both expected to exceed the upper limit of the previously disclosed forecast range, due to streamline personnel and ad costs.

Unit : million yen	FY 2023 actual	FY2024 forecast	YoY
Revenue	6,485	8,430	+30.0%
Gross profit	4,150	5,821	+40.2%
Gross margin	64.0%	69.0%	+5.0pt
EBITDA	(83)	761	–
Operating profit	(677)	35	–
Ordinary profit	(686)	32	–
Profit attributable to owners of parent	(620)	(58)	–

Note: The above forecasts are based on information available at the time of the announcement and actual results may differ from the forecasts due to various factors in the future.