Translation

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August 6, 2024

To Whom it May Concern:

Company name: BASE, Inc.
Representative: Representative Director and CEO Yuta Tsuruoka
(Code number: 4477, Tokyo Stock Exchange Growth Market)
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Notice of Revision of Forecast of Consolidated Financial Results for Fiscal Year Ending December 31, 2024

BASE, Inc. ("the Company") hereby announces that its forecast of consolidated financial results for the fiscal year ending December 31, 2024, which was previously announced on May 9, 2024, has been revised as described below at a meeting of its Board of Directors held on August 6, 2024.

1. Forecast of consolidated financial results for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

	Net sales	EBITDA	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previously announced forecast (A)	14,700	—	0	3	7	0.06
Revised forecast (B)	15,500	227	200	201	198	1.76
Amount of change (B-A)	+800	—	+200	+198	+191	+1.70

Rate of change (%)	+5.4%	―	―	+6,600%	+2,728.6%	+2,833.3%
(Reference) Previous term (Fiscal year ending December 31, 2023)	11,680	(422)	(425)	(409)	(606)	(5.31)

(Note) EBITDA is calculated by adding depreciation and goodwill amortization to operating income.

2. Reason for the Revision

Since in the BASE business, the number of new shops opened remains at the level before the COVID-19 infection expansion and the number of monthly active merchants is slightly lower than expected, we expect GMV (order amount) of 151,000 million yen (previous forecast: 154,000 million yen). And in the PAY.JP business, based on stronger-than-expected growth in the first half, we expect GMV (payment amount) to be 202,000 million yen (previous forecast: 187,000 million yen).

In the BASE business, we are working to improve take rate by raising the price of Monthly-Fee Plan (Growth Plan) and providing paid extended functions, etc. In the PAY.JP business, we are continuing to improve the gross profit margin by optimizing the fee plans which was implemented in June 2024 and improving the cost ratio. Furthermore, the number of merchants using the "YELL BANK", which is included in the other business, and the amount of money are growing strongly due to the functional improvements, etc. As a result, net sales in the PAY.JP business and the other business grew more than expectations in the first half of the year.

In addition to the above, on August 6, 2024, the Board of Directors resolved to make want.jp Inc. a consolidated subsidiary to strengthen the cross-border EC function of the BASE business. The financial results of want.jp will be recorded as a separate segment from the existing businesses. The impact on consolidated results for the fiscal year ending December 31, 2024, is expected to be net sales 403 million yen, gross profit 165 million yen, and operating profit 34 million yen.

SG&A expenses are revised upward, mainly due to increased promotional expenses in "BASE" and "Pay ID", and the acquisition.

As a result, the company has revised its forecast of consolidated financial results for the fiscal year ending December 31, 2024, as above.

For details regarding the earnings forecast, please also refer to "Q2 of Fiscal Year Ending December 31, 2024, Materials for Financial Results Presentation" released today.

(Note) The forecast of financial results described above has been determined based on the information available to the Company as of the date of publication of this document. In addition, as the figures have not been audited by an auditing firm, the actual results may differ from those listed above due to various factors.

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