

Q3 of Fiscal Year Ending December 31, 2024
Materials for Financial Results Presentation

BASE, Inc.
(Tokyo Stock Exchange Growth: 4477)
November 6, 2024

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1. Company Overview

Mission

Payment to the people,
Power to the people.

BASE provides a platform in which individuals can transmit their thoughts, sensitivities and talents to any and all that are in need of them. Our hope is that our service gives way to new projects, ideas and activities, as well as fair compensation for our valued merchants.

Means of payment should be available to everyone in the world and beyond. As a company, we aim to provide each and every individual with the opportunity to freely transform their potential into value.

Creating an economy for People through the Power of Payment.

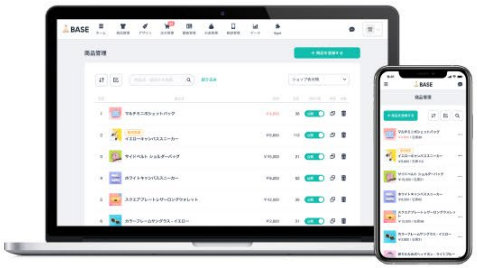


Service Outline

BASE Group's services aimed at empowering **individuals and small teams**, **startups**, as well as **purchasers**

BASE

For Individuals and Small Team Shops



Payment Support / Online Shop Creation Support

Online shop creation service enabling anyone to easily create storefront-type online shops at no cost

PAY.JP

For Startup Merchants

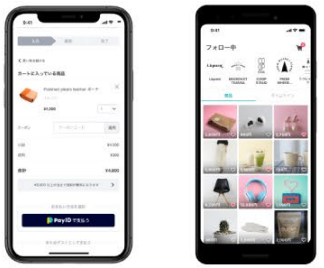


Payment Support

Online payment service for developers to easily integrate credit card payments to web services

PayID

For Purchasers



Payment ID / Shopping App

Shopping service providing smoother payment experiences including BNPL and helping to build relationships with purchasers

2. Executive Summary

Executive Summary

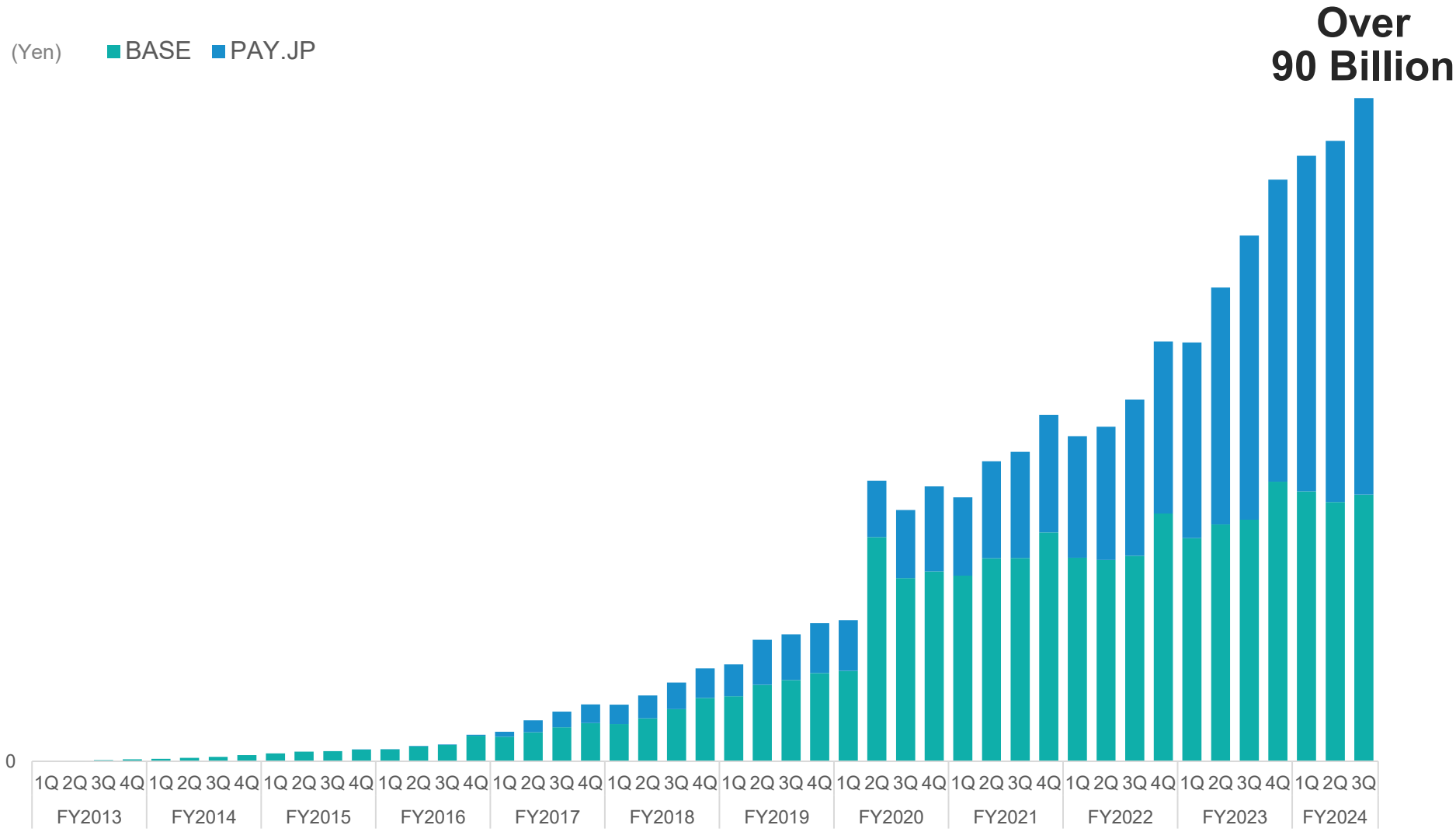
Topics	✓ **Due to the growth of the entire group, consolidated gross profit exceeded the highest figure during COVID-19** ✓ **Group's profitability continued to improve due to increased gross profit margins of all businesses**
FY2024 Q3 Results	✓ **Net sales and gross profit continued to increase significantly by 33.5% and 42.2% YoY respectively due to the increase in Group GMV and YELL BANK business** ✓ **Net sales and gross profit in BASE business increased by 17.6% and 22.9% YoY respectively,** due to increased GMV ✓ **GMV in PAY.JP business continued to increase significantly by 39.6% YoY**, as well as **net sales and gross profit strongly by 50.5% and 149.3% YoY respectively,** due to further improved gross profit margin ✓ **Net sales in YELL BANK business continued increased significantly by 190.4% YoY beyond expectations,** mainly due to functional improvements to "YELL BANK" ✓ The acquisition of want.jp, Inc. as a subsidiary was completed in August 2024 as planned, and the PMI is progressing

(Note) From Q3, the name of Other business is changed to YELL BANK business, and want.jp business is newly added.

Consolidated

The Group Growth

Group GMV exceeds 90 billion yen

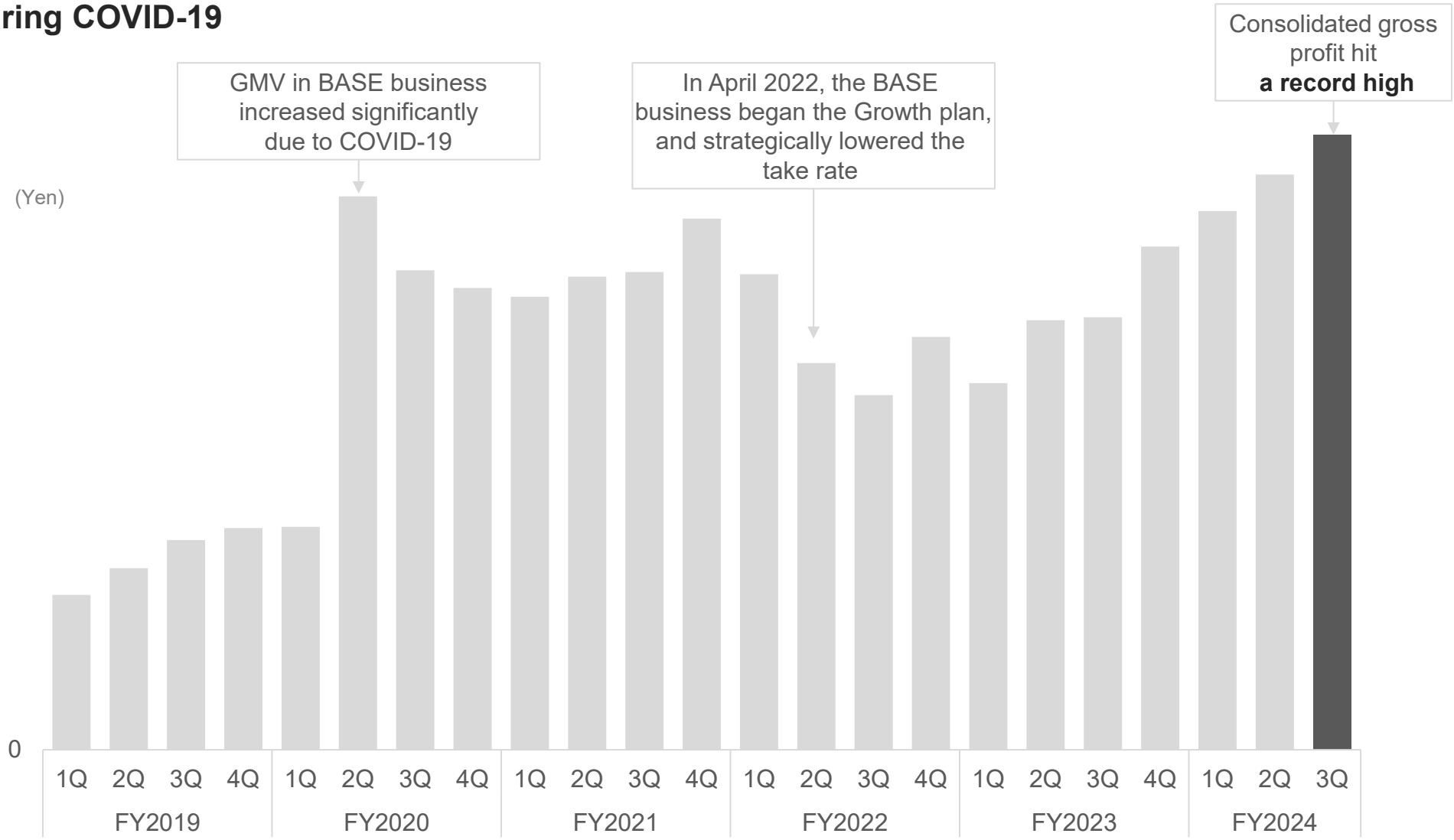


(Note) BASE's GMV is based on the order date (order amount). PAY.JP's GMV is based on the payment date (payment amount)

Consolidated

The Group Growth

Due to the growth of the entire group, consolidated gross profit exceeded the highest figure during COVID-19



Consolidated

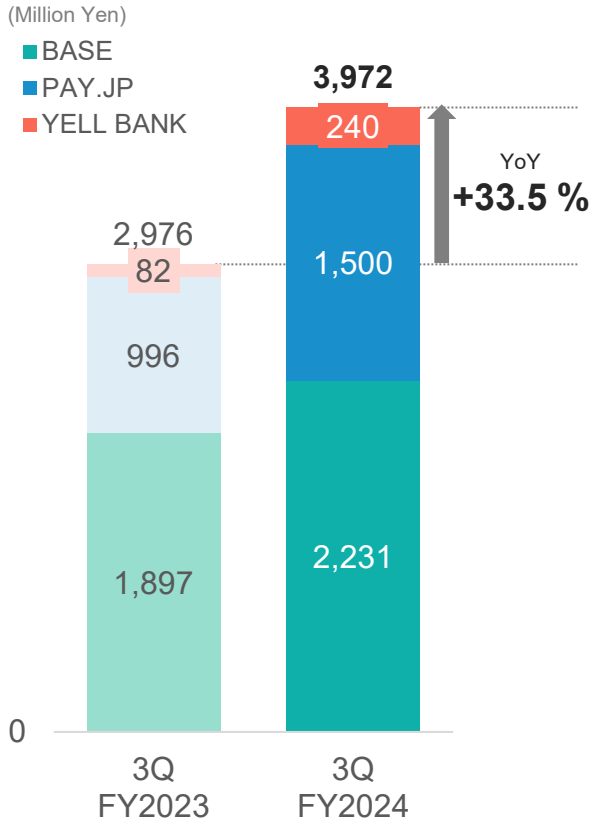
The Group Growth

Group's profitability continued to improve due to increased gross profit margins of all businesses

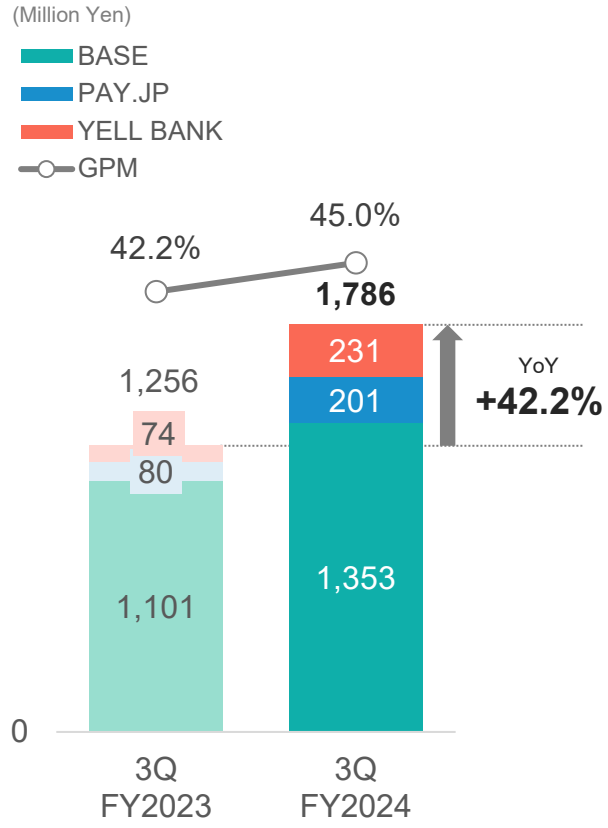
Net sales and gross profit continued to increase significantly by 33.5% and 42.2% YoY respectively

Operating profit maintained positive

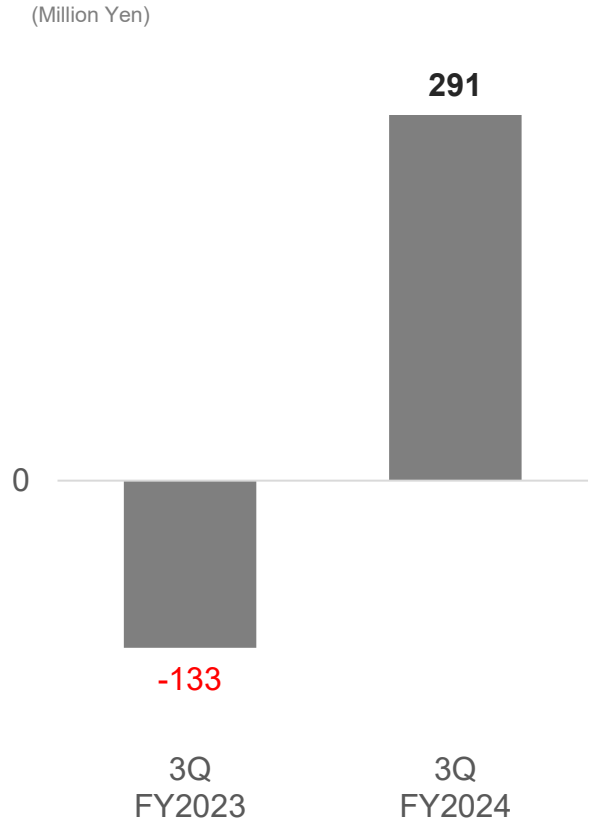
Net Sales



Gross Profit and Gross Profit Margin



Operating Profit



Acquisition of want.jp

The acquisition of want.jp Inc. as a subsidiary was completed in August 2024 as planned

Aim to strengthen the cross-border EC function of the BASE business and contribute to take rate improvement in the medium term

Due to the stronger-than-expected yen, there has been a negative impact in part, but the **PMI is progressing**

Overview of want.jp Inc. and Aims of the Acquisition

Overview	✓ Creating a system that allows customers around the world to purchase goods from around the world at fair prices and with the highest level of convenience ✓ Providing a service that allows Japanese e-commerce operators to sell their goods to marketplaces in dozens of countries, especially in Asia
Feature	✓ Automated pricing of all goods without human intervention, with costing by goods, country, and marketplace ✓ Establishment of a logistics system that enables centralized shipping of all goods worldwide ✓ Realization of both reduced shipping costs and speedy delivery
Aims of the Acquisition	✓ Contributing to the realization of **"easy cross-border EC even for individuals"** in the BASE business by strengthening cross-border EC functions ✓ Aim to contribute to **the improvement of take rate of BASE business** in the mid- to long-term ✓ Promoting overseas expansion support for want.jp merchants
Shares acquired and Impact on consolidated results	✓ Acquired 94.2% shares of the company ✓ To be recorded as a segment independent from existing businesses ✓ The impact on consolidated net sales and operating profit for FY 2024 is expected to be 403 million yen and 34 million yen, respectively, with 865 million yen of goodwill to be recorded

Policies for FY2024 and Progress

	Policies for FY2024 (as of February 8, 2024)	Progress
Consolidated	✓ **Aim for gross profit to be at the +30% level YoY** due to an increase in Group GMV and improved profitability ✓ **Maintain a disciplined investment policy** based on growth and profitability, even though SG&A expenses are expected to increase YoY, which were controlled better than expected in the previous year ✓ **The upper forecast for operating profit/loss is at the break-even level, while the lower forecast is also expected to contract the loss**	✓ **Net sales and gross profit continued to increase significantly by 33.5% and 42.2% YoY respectively due to the increase in Group GMV and YELL BANK business** ✓ Operating profit remained positive and exceeded expectations, despite a QoQ decrease due to an increase in SG&A expenses
BASE	✓ **Aim to increase GMV by more than 13.2% YoY** by increasing added value of products and implementing efficient marketing measure ✓ **Aim to increase gross profit beyond the GMV growth rate** by increasing take rate through increasing the price of Monthly-Fee Plans and offering paid extensions	✓ **Net sales and gross profit in BASE business increased by 17.6% and 22.9% YoY respectively,** due to increased GMV ✓ The continued use of Monthly-Fee Plan users is stronger than expected, and **take rate continues to rise, improving the profitability of the business**
PAY.JP	✓ **Aim to increase GMV by more than 32.5% YoY** by increasing added value of products and strengthening sales and marketing, etc. ✓ **Aim to improve gross profit margin** by optimizing the fee structure and improving the cost of sales ratio	✓ **GMV increased by 39.6% YoY**, with both existing and new merchants continuing to grow. ✓ Gross profit margin continued to improve significantly due to a reduction in the cost of sales to GMV ratio implemented in H1.
Pay ID	✓ **Build a foundation for expanding purchaser assets and monetizing** by expanding functions, etc.	✓ Started installments for “Pay ID” ✓ Implemented multiple coupon campaigns to improve the added value of the shopping app
YELL BANK	✓ Aim for further growth in gross profit of the YELL BANK business through increasing added value in financial services, mainly “YELL BANK”, as well as through campaigns etc. ✓ **Execute measures to improve the Group's profitability**	✓ **Net sales increased by 190.4% YoY, continuing to exceed expectations**, mainly due to the continued effect of functional improvements to the "YELL BANK"

3. Results for Q3 of the Fiscal Year Ending December 31, 2024

Consolidated

Financial Highlights for FY2024 Q3 Results

BASE

Consolidated

Net sales and gross profit continued to increase significantly by +33.5% and +42.2% YoY respectively due to the increase in Group GMV and YELL BANK business

Operating profit remained positive and exceeded expectations, despite a QoQ decrease due to an increase in SG&A expenses

BASE Business

GMV (Note) increased both QoQ and YoY, with the number of monthly active merchants and the average monthly GMV per merchant both increasing

Net sales and gross profit in BASE business increased by 17.6% and 22.9% YoY respectively, due to increased GMV

Take rate continued to increase QoQ due to the increase in Monthly-fee plan's price in January 2024

PAY.JP Business

GMV (Note) **continued to increase significantly by 39.6% YoY**

Net sales and gross profit increased significantly by 50.5% and 149.3% respectively YoY due to increased GMV

Gross profit margin continued to improve QoQ due to a reduction in the cost of sales to GMV ratio

YELL BANK Business

Net sales continued increased significantly by 190.4% YoY beyond expectations, mainly due to functional improvements to "YELL BANK"

(Note) BASE's GMV is based on the order date (order amount). PAY.JP's GMV is based on the payment date (payment amount)

Consolidated

FY2024 Q3 Results

BASE

Net sales and gross profit continued to increase significantly by +33.5% and +42.2% YoY respectively due to the increase in Group GMV and YELL BANK business

Operating profit remained positive and exceeded expectations, despite a QoQ decrease due to an increase in SG&A expenses

(Million Yen)	FY2024 Q3 (Jul. 2024 – Sep. 2024)					FY2024 Q3 (Jan. – Sep.2024)			FY2024 Full-Year	
	Results	YoY (vs. FY2023 Q3)		QoQ (vs. FY2024 Q2)		Results	YoY (vs. FY2024 Q3)		Forecast	Progress rate (Note 1)
		Results	Change	Results	Change		Results	Change		
Net Sales	3,972	2,976	+33.5%	3,734	+6.4%	11,297	8,336	+35.5%	15,500	72.9%
Gross Profit	1,786	1,256	+42.2%	1,671	+6.9%	5,024	3,570	+40.7%	6,900	72.8%
Gross Profit Margin	45.0%	42.2%	+2.8pt	44.8%	+0.2pt	44.5%	42.8%	+1.6pt	44.5%	-
SG&A	1,495	1,390	+7.6%	1,369	+9.2%	4,224	3,991	+5.8%	6,700	63.1%
Operating Profit	291	-133	n/a	302	-3.6%	799	-420	n/a	200	399.9%
Ordinary Profit	299	-130	n/a	303	-1.4%	814	-410	n/a	201	405.0%
Net Income Attributable to Owners of Parent	236	-142	n/a	238	-0.8%	687	-514	n/a	198	347.3%
GMV (BASE Business) (Note 2)	36,951	33,487	+10.3%	35,931	+2.8%	110,283	97,239	+13.4%	151,000	73.0%
GMV (PAY.JP Business) (Note 2)	54,926	39,351	+39.6%	50,029	+9.8%	151,442	99,269	+52.6%	202,000	75.0%

(Note1) Progress Rate towards full-year forecast
(Note2) GMV disclosed as reference figures. BASE's GMV is based on the order date (order amount). PAY.JP's GMV is based on the payment date (payment amount)

Consolidated

Balance Sheet

BASE

Due to the M&A of want.jp in August 2024, goodwill, long-term loans and bonds increased

(Million Yen)	As of Sep. 30, 2024	As of Dec. 31, 2023	Change
Current assets	40,826	36,965	+10.4%
(of which, cash and deposits)	22,904	22,227	+3.0%
(of which, trade accounts receivable) (Note1)	16,079	13,821	+16.3%
(of which, factoring advances) (Note 2)	1,162	581	+100.1%
Non-current assets	1,341	331	+304.0%
(of which, Goodwill)	865	-	-
(of which, Investment securities)	32	36	-10.8%
Total assets	**42,167**	**37,297**	**+13.1%**
Current liabilities	27,424	24,244	+13.1%
(of which, trade accounts payable) (Note 3)	26,483	13,215	+100.4%
(of which, operating deposits) (Note 4)	43	10,299	-99.6%
Non-current liabilities	851	52	+1,515.2%
(of which, Long-term loans payable)	479	-	-
(of which, Bonds)	300	-	-
Total liabilities	**28,275**	**24,297**	**+16.4%**
Capital Stock	8,731	8,669	+0.7%
Capital surplus	4,995	4,933	+1.3%
Retained earnings	80	-606	-
Valuation difference on investment securities	1	5	-76.8%
Total net assets	**13,892**	**13,000**	**+6.9%**

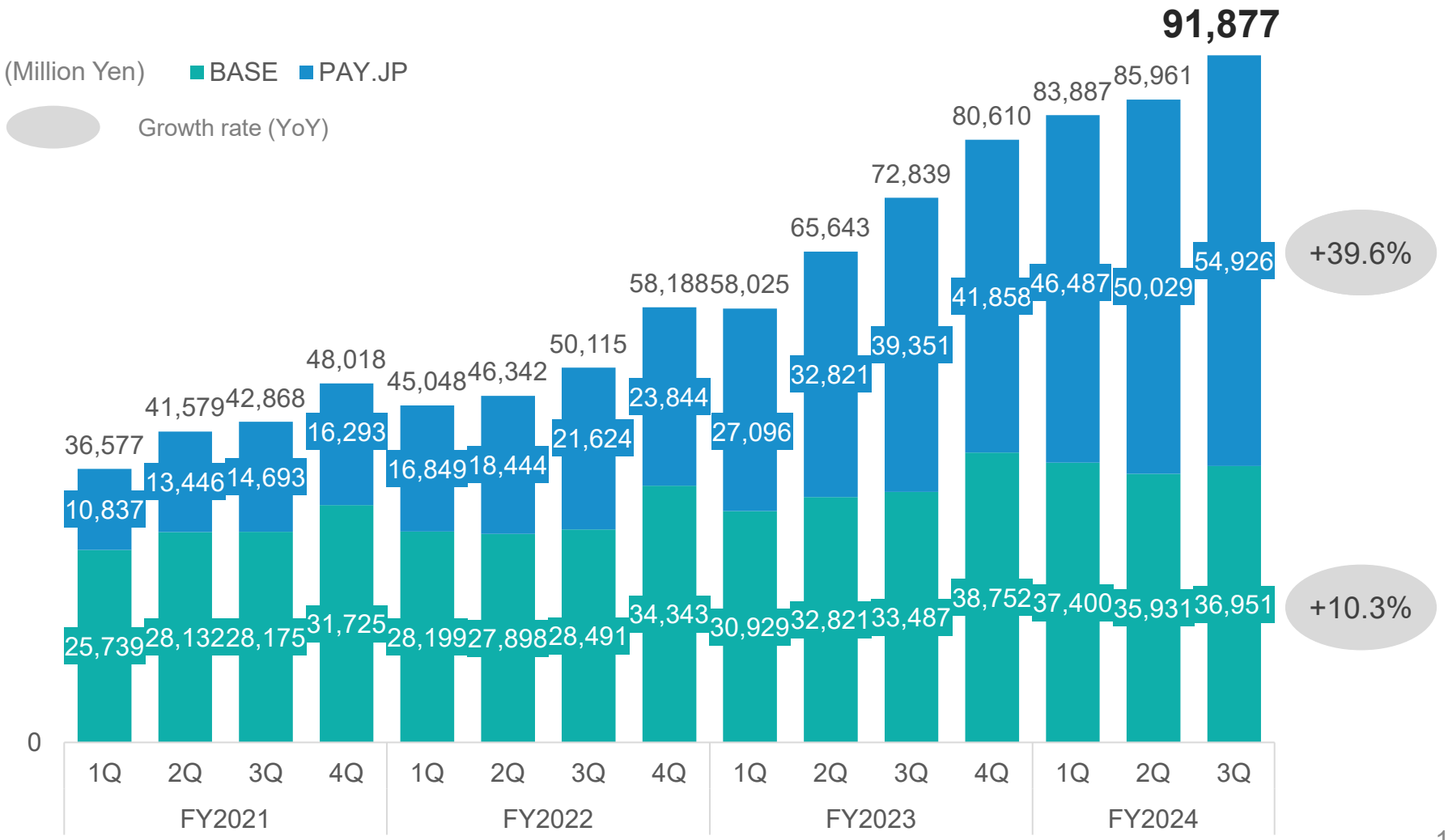
(Note1) Trade accounts receivable: The unpaid portion of the settlement amount to be paid to our company by the settlement service company
(Note2) Factoring advances: Uncollected receivables balance of "YELL BANK" in the YELL BANK business. Part of the uncollected receivables balance is also included in accounts receivable.
(Note3) Trade accounts payable: In the BASE and PAY.JP Businesses, outstanding amount of settlement to be paid by our company to merchants
(Note4) Operating deposits: Following the change of the PAY.JP business from a collection agency to a crediting format from Q1, outstanding amount of settlement to merchants in the PAY.JP business are included in trade accounts payable

Consolidated

Trends in GMV (Gross Merchandise Volume)

BASE

Group GMV grew significantly, driven by the PAY.JP business



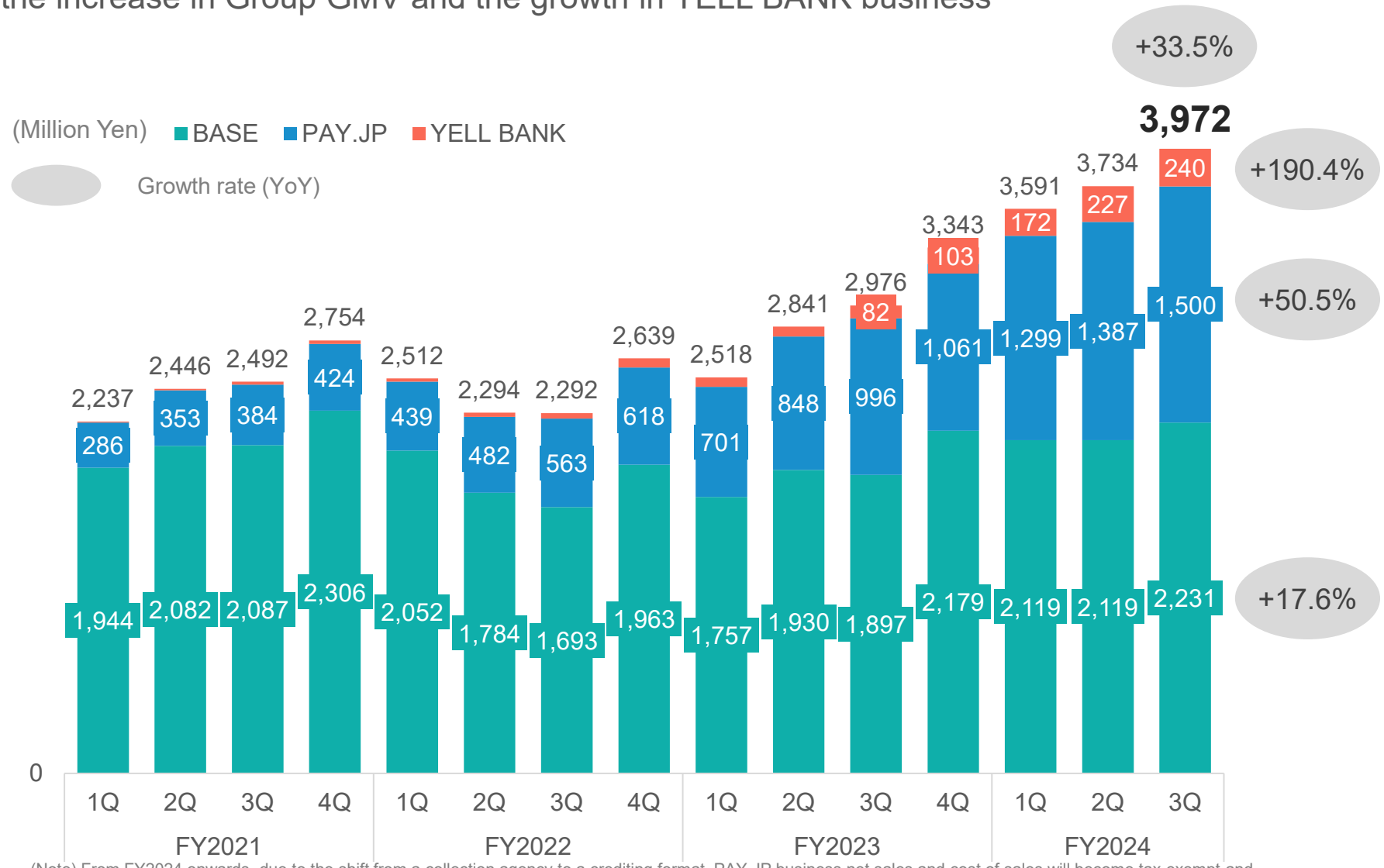
(Note) BASE's GMV is based on the order date (order amount). PAY.JP's GMV is based on the payment date (payment amount)

Trends in Net Sales

BASE

Consolidated net sales increased by 33.5% YoY

due to the increase in Group GMV and the growth in YELL BANK business

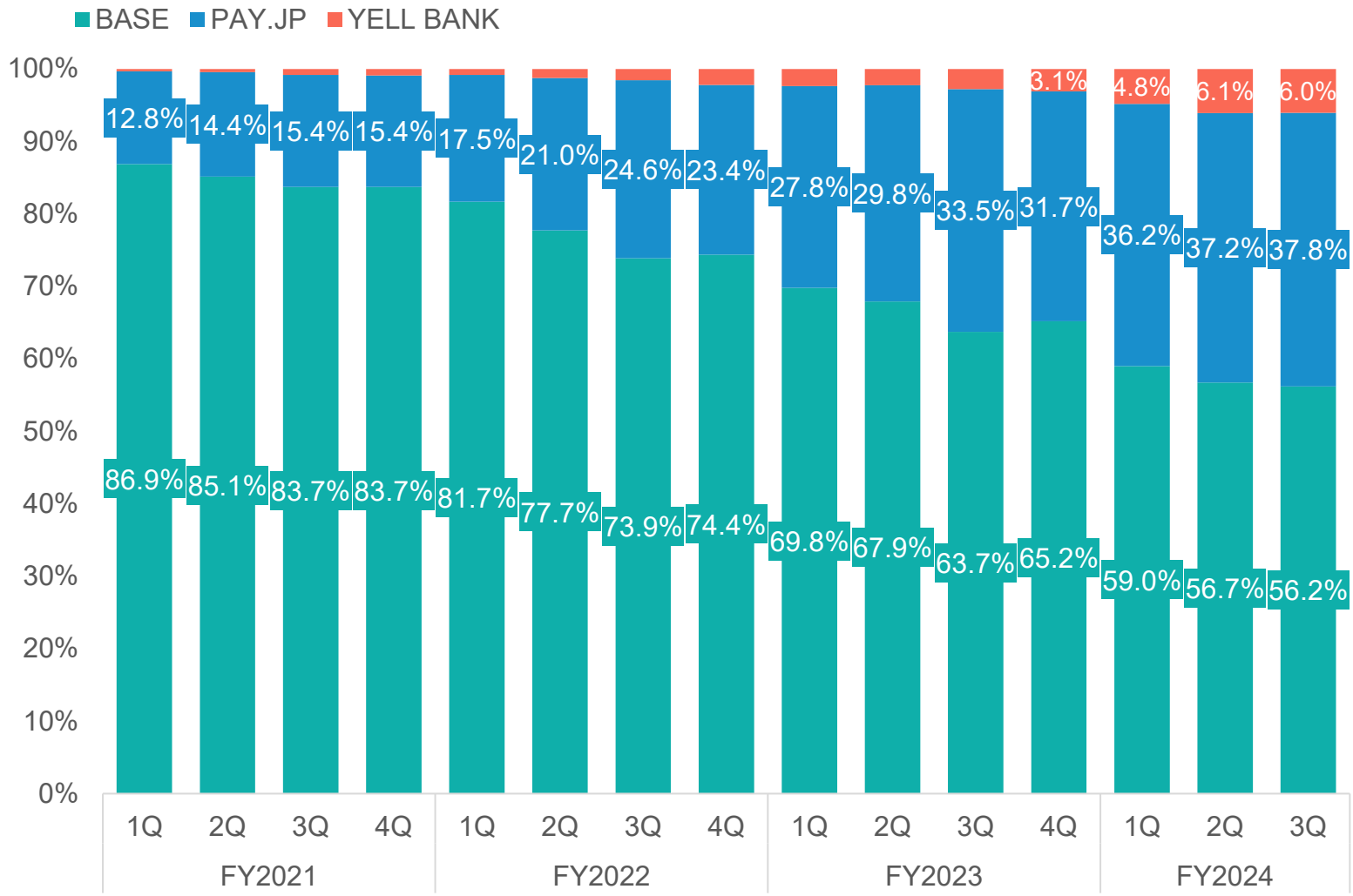


(Note) From FY2024 onwards, due to the shift from a collection agency to a crediting format, PAY.JP business net sales and cost of sales will become tax-exempt and will be recognized at a level approximately 10% higher than before FY2023

Consolidated

Trends in Net Sales Ratio by Business

Net sales ratio for the BASE business decreased QoQ due to the PAY.JP and YELL BANK businesses' net sales growth

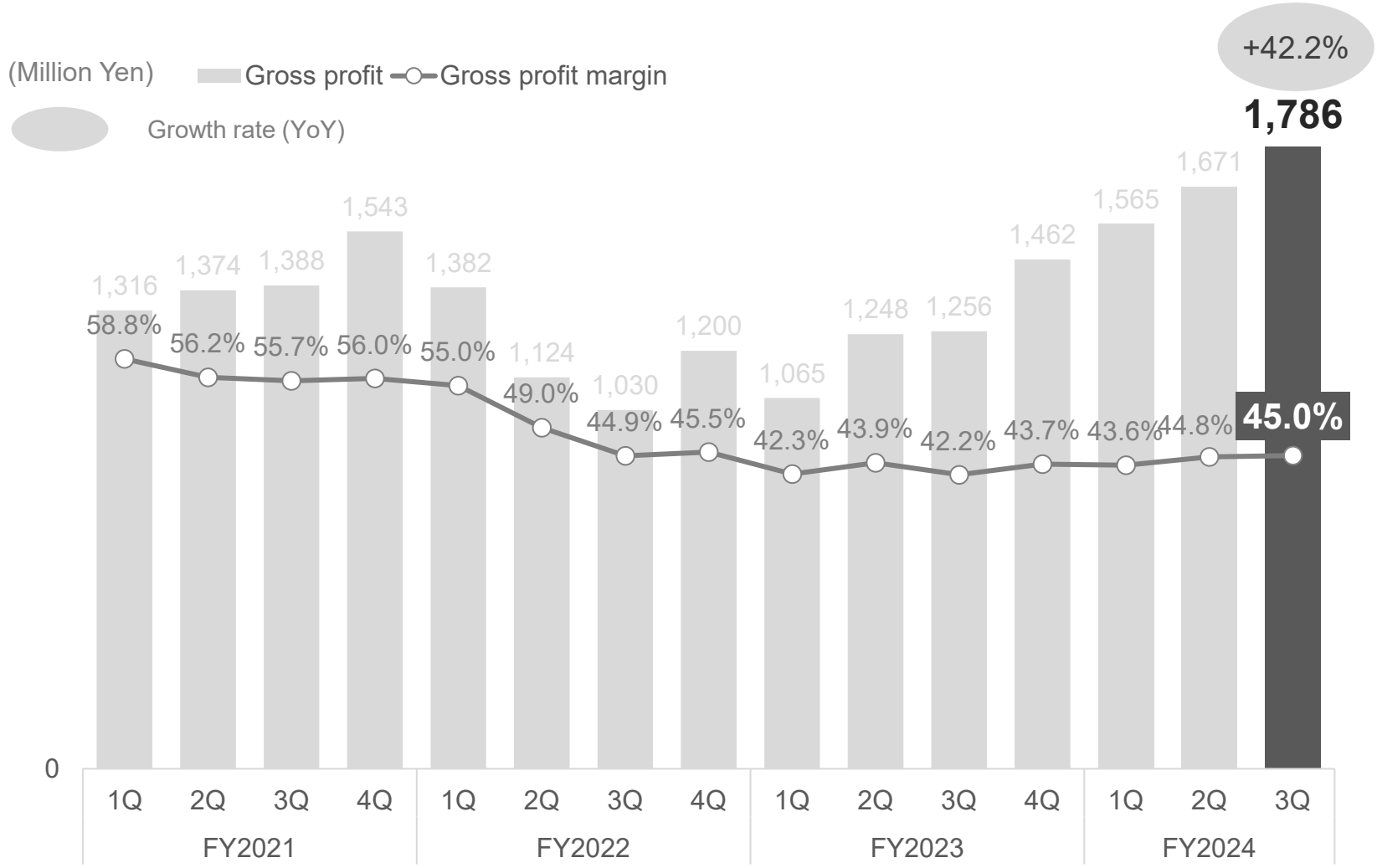


Consolidated

Trends in Gross Profit

Consolidated gross profit increased significantly by 42.2% YoY due to the increase in Group GMV and the growth in YELL BANK business

Consolidated gross profit margin increased QoQ due to **an improvement in gross profit margins of all businesses**



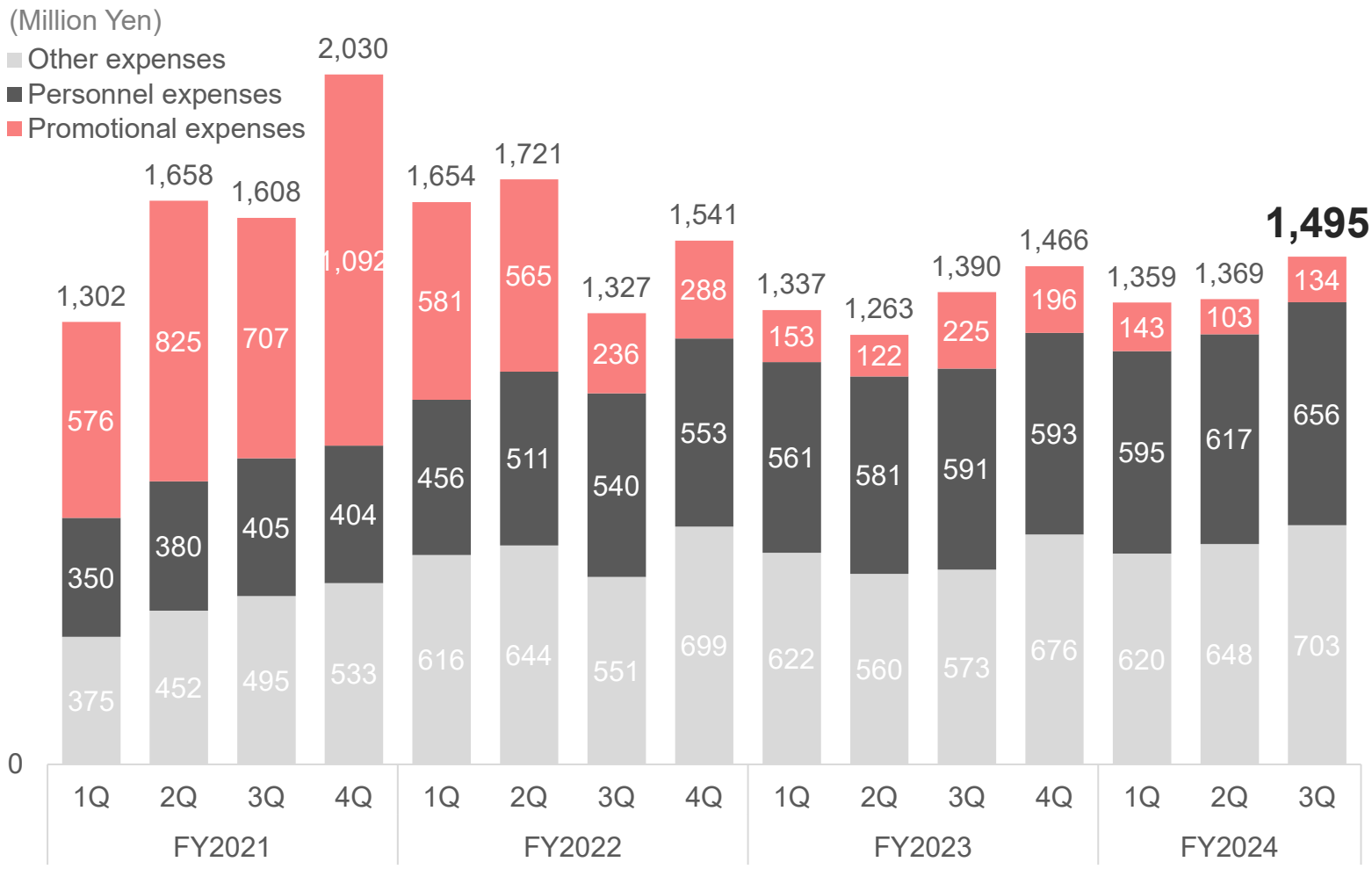
Consolidated

Trends in SG&A Expenses

SG&A expenses increased QoQ due to an increase mainly in promotional expenses

Promotion expenses increased QoQ due to sales promotion supports of the BASE business

Other expenses increased QoQ due to the occurrence of one-time expenses

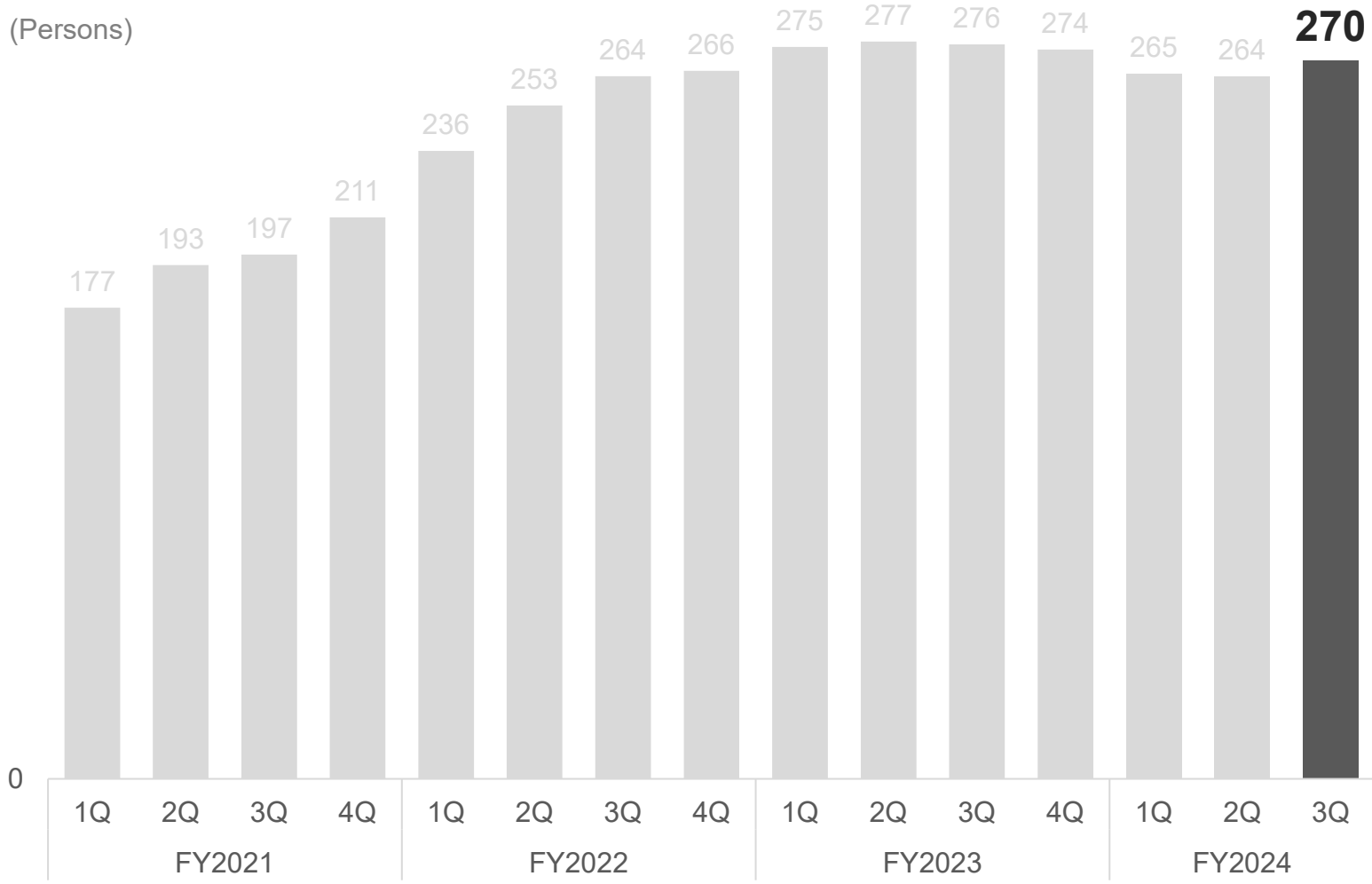


(Note) Other expenses consist mainly of remuneration and outsourcing expenses, system expenses, office expenses, tax expenses, and hiring expenses

Consolidated

Trends in Number of Employees

Headcount **decreased by 6 persons** YoY (**-2.2%** YoY)



(Note) The number of employees is the number of regular employees and contract employees and does not include the number of Directors and temporary employees. However, the number of employees includes the number of persons seconded to subsidiaries as Directors

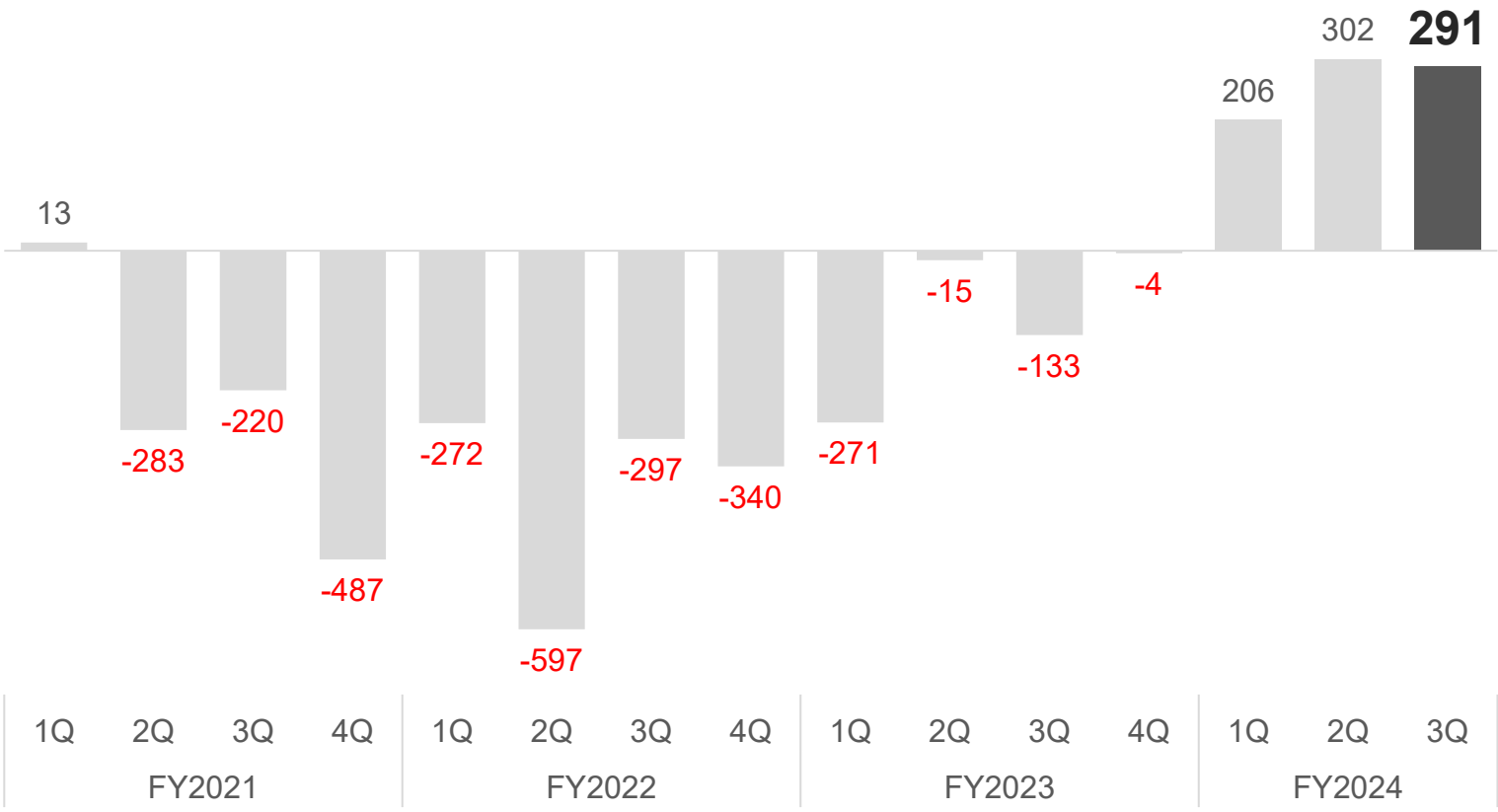
Consolidated

Trends in Operating Profit/Loss

BASE

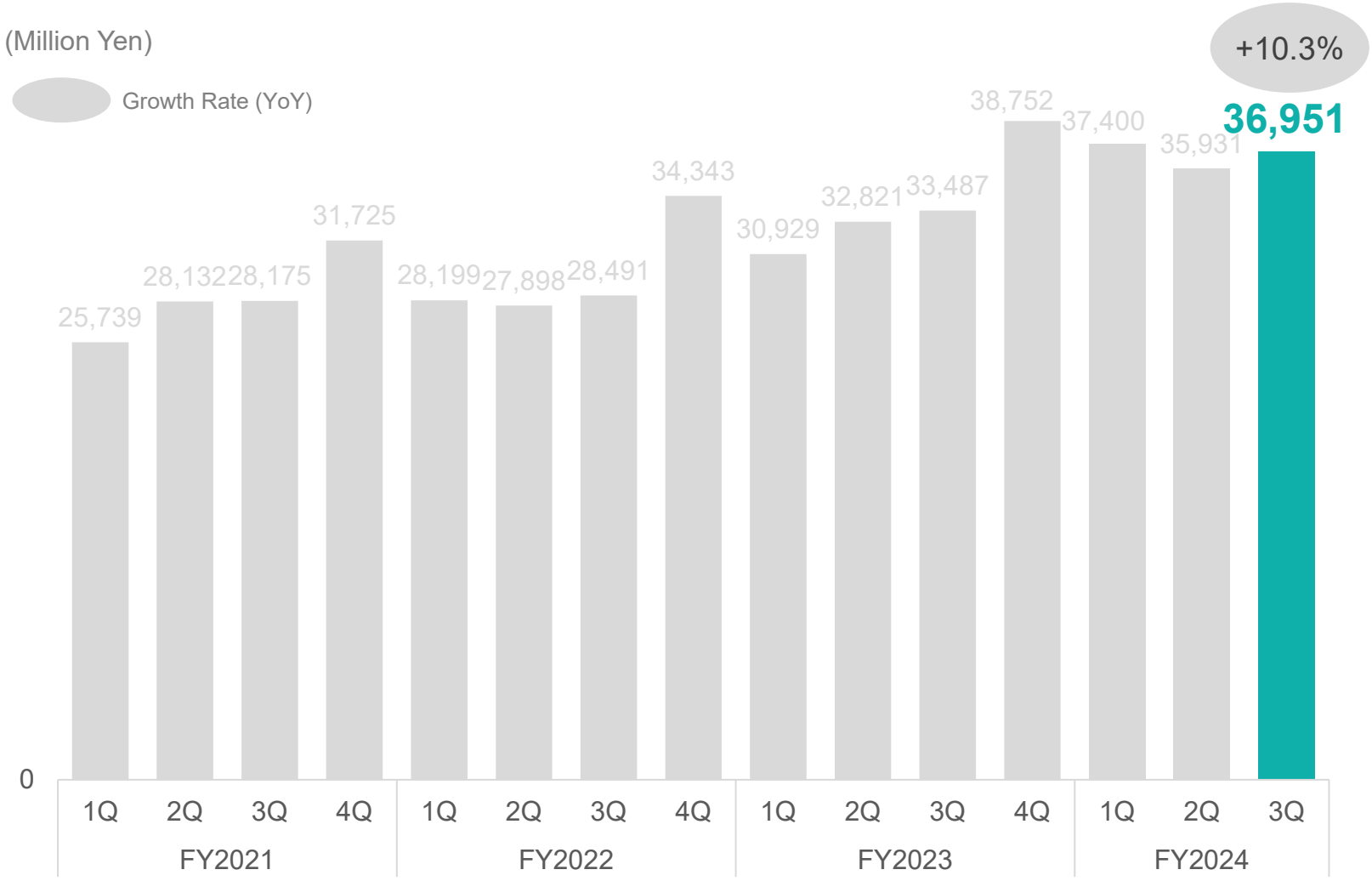
Operating profit remained positive and exceeded expectations, despite a QoQ decrease due to an increase in SG&A expenses

(Million Yen)



Trends in GMV

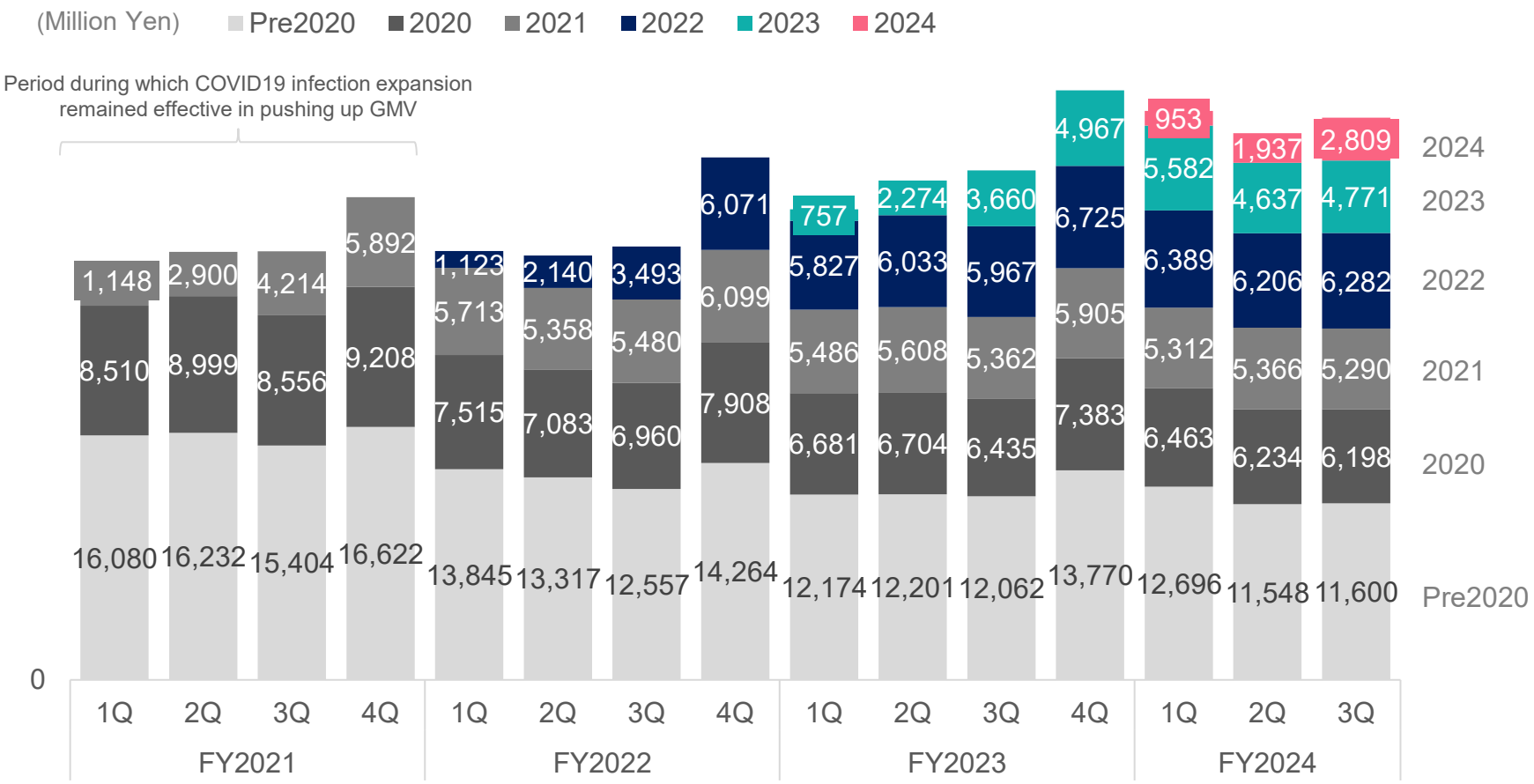
GMV increased both QoQ and YoY, with the number of monthly active merchants and the average monthly GMV per merchant both increasing



Trends in GMV

The existing cohort remaining stable and maintaining a flat QoQ trend,
and the new cohort continued to steadily build up.

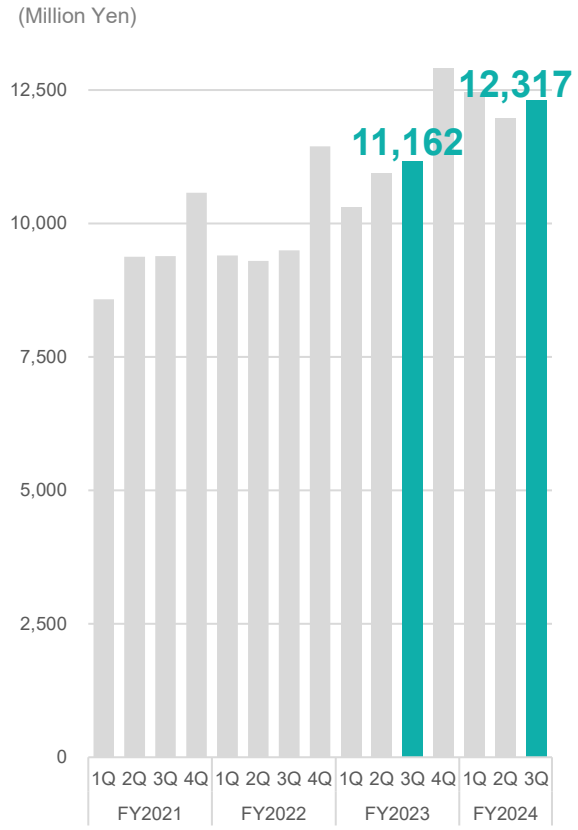
GMV Trend (By Year of Establishment)



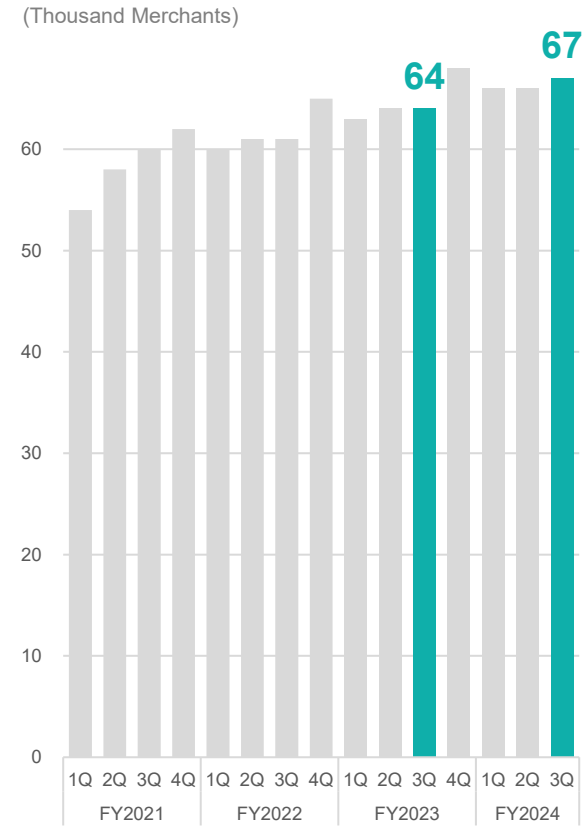
Trends in GMV

Both the number of monthly active merchants and the average monthly GMV per merchant increased QoQ and YoY, while maintaining efficiency-focused marketing measures

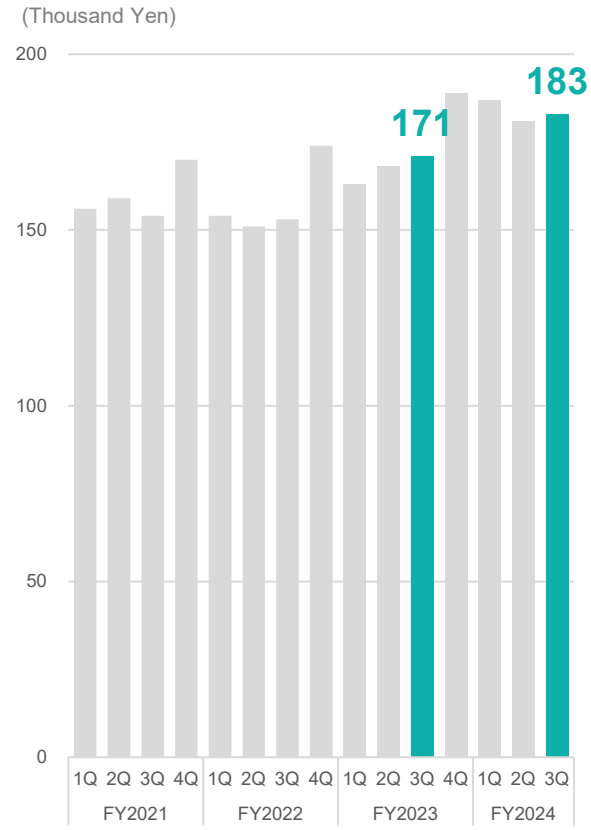
Monthly GMV (Note1,2)



Number of Monthly Active Merchants (Note2)



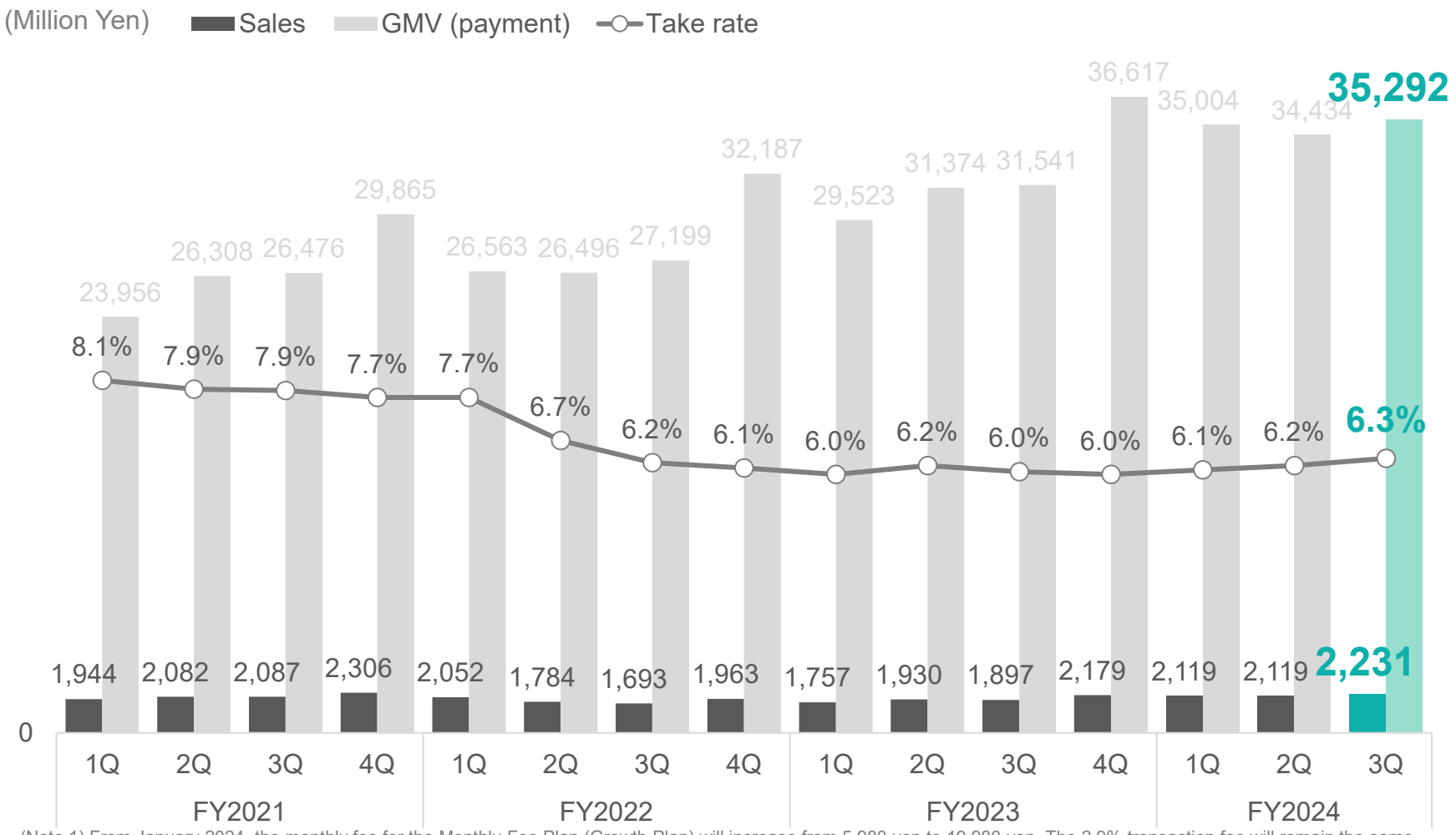
Average Monthly GMV Per Merchant



(Note1) GMV is based on the order date (order amount)
(Note2) Monthly GMV and the number of monthly active merchants are quarterly averages

Trends in GMV (Payment Amount), Take Rate and Net Sales

Take rate increased QoQ due to the GMV mix of No Monthly Cost Plan increasing by the shift from Monthly-Fee Plan to No Monthly Cost Plan

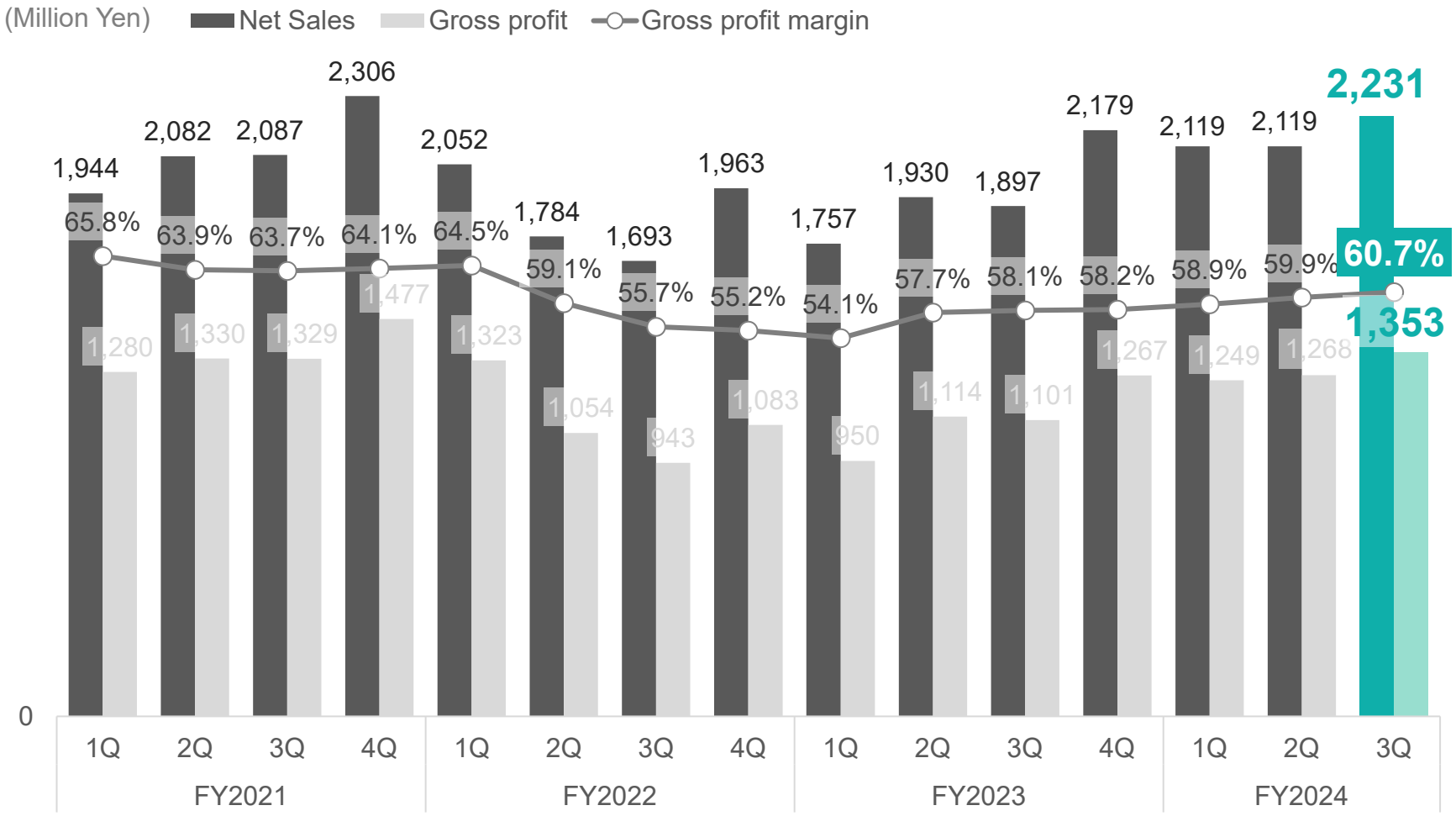


(Note 1) From January 2024, the monthly fee for the Monthly-Fee Plan (Growth Plan) will increase from 5,980 yen to 19,980 yen. The 2.9% transaction fee will remain the same.
(Note 2) The fee rate for the No Monthly Cost Plan (Standard Plan) is 6.6% + 40 yen.

Trends in Net Sales and Gross Profit

Net sales and gross profit in BASE business increased 17.6% and 22.9% YoY respectively, due to increased GMV

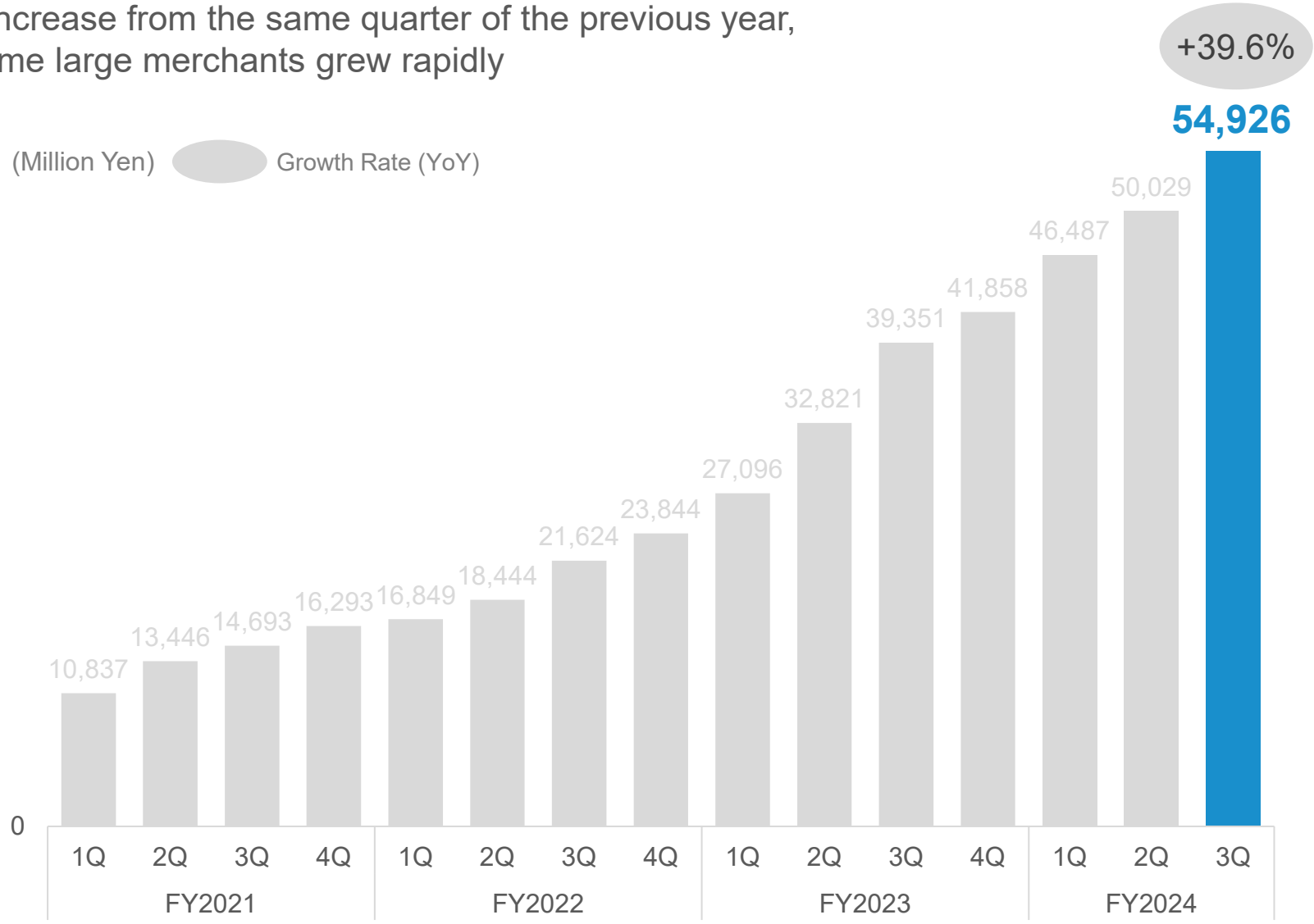
Gross profit margin increased QoQ due to an increase in take rate



Trends in GMV

GMV continued to increase significantly at 39.6% YoY

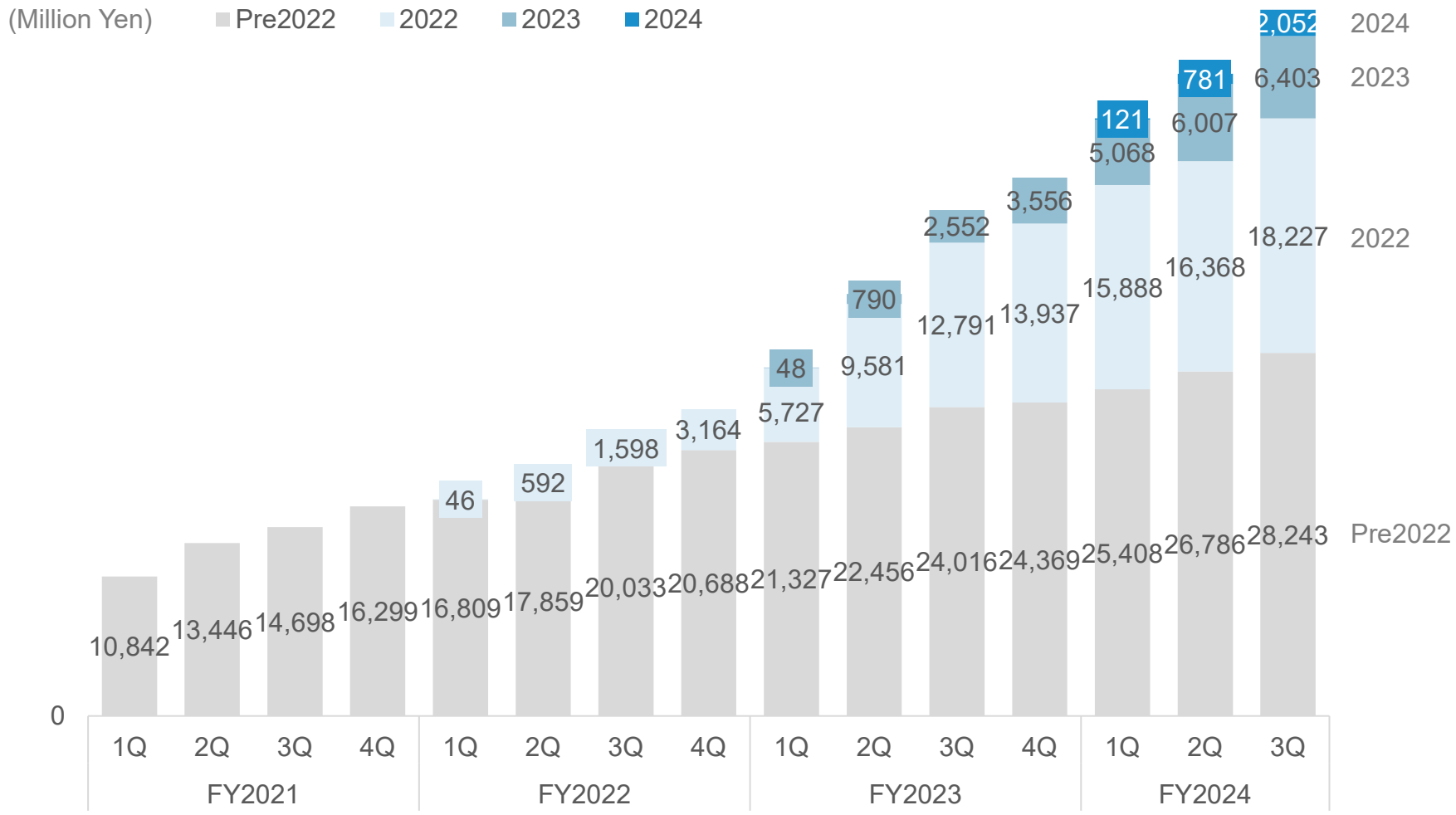
Steady increase from the same quarter of the previous year, when some large merchants grew rapidly



Trends in GMV

PAY.JP

New and existing merchants grew significantly



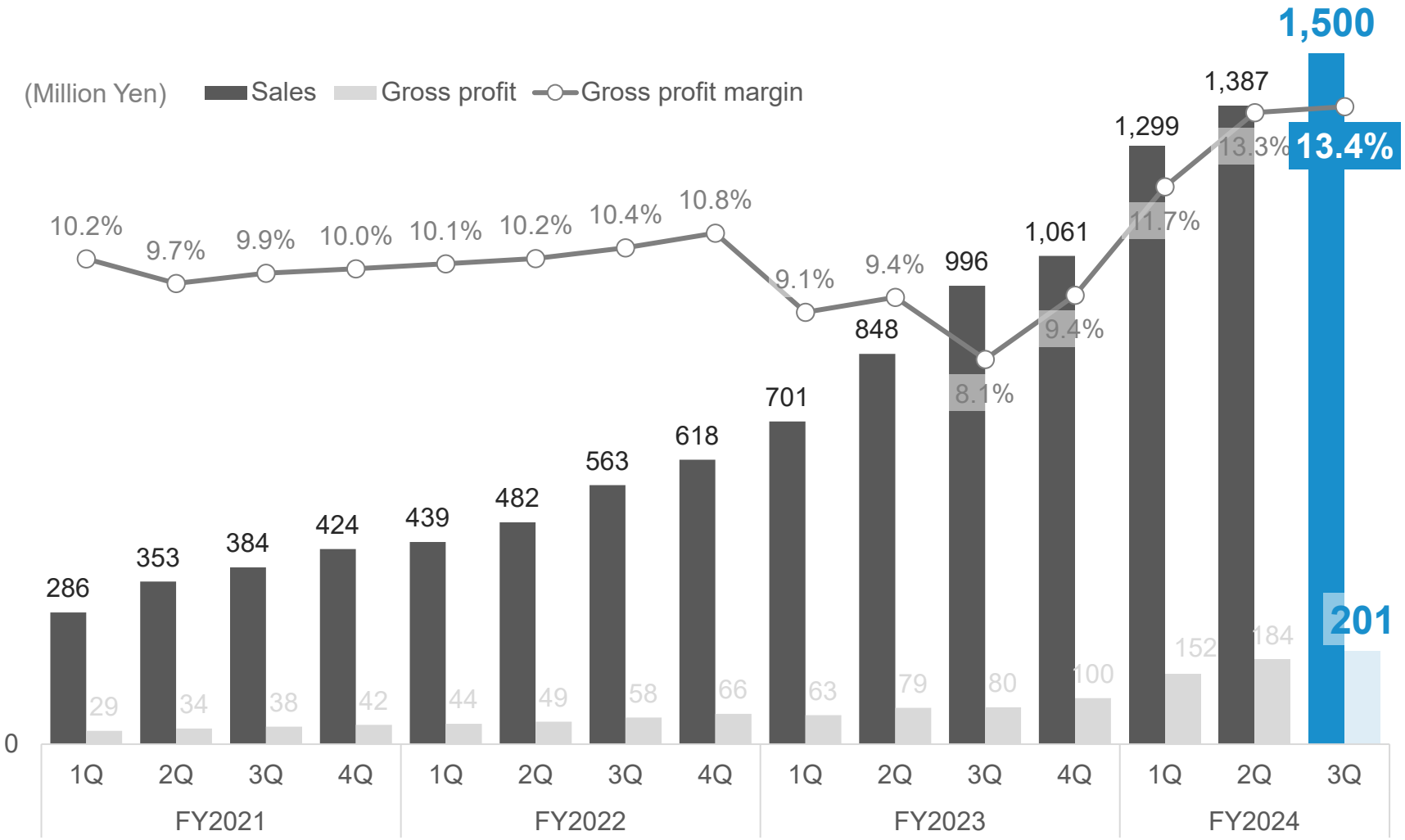
PAY.JP Business

Trends in Net Sales and Gross Profit

PAY.JP

Net sales and gross profit increased significantly by 50.5% and 149.3% respectively YoY (note) due to an increase in GMV

Gross profit margin continued to improve QoQ due to a reduction in the cost of sales to GMV ratio

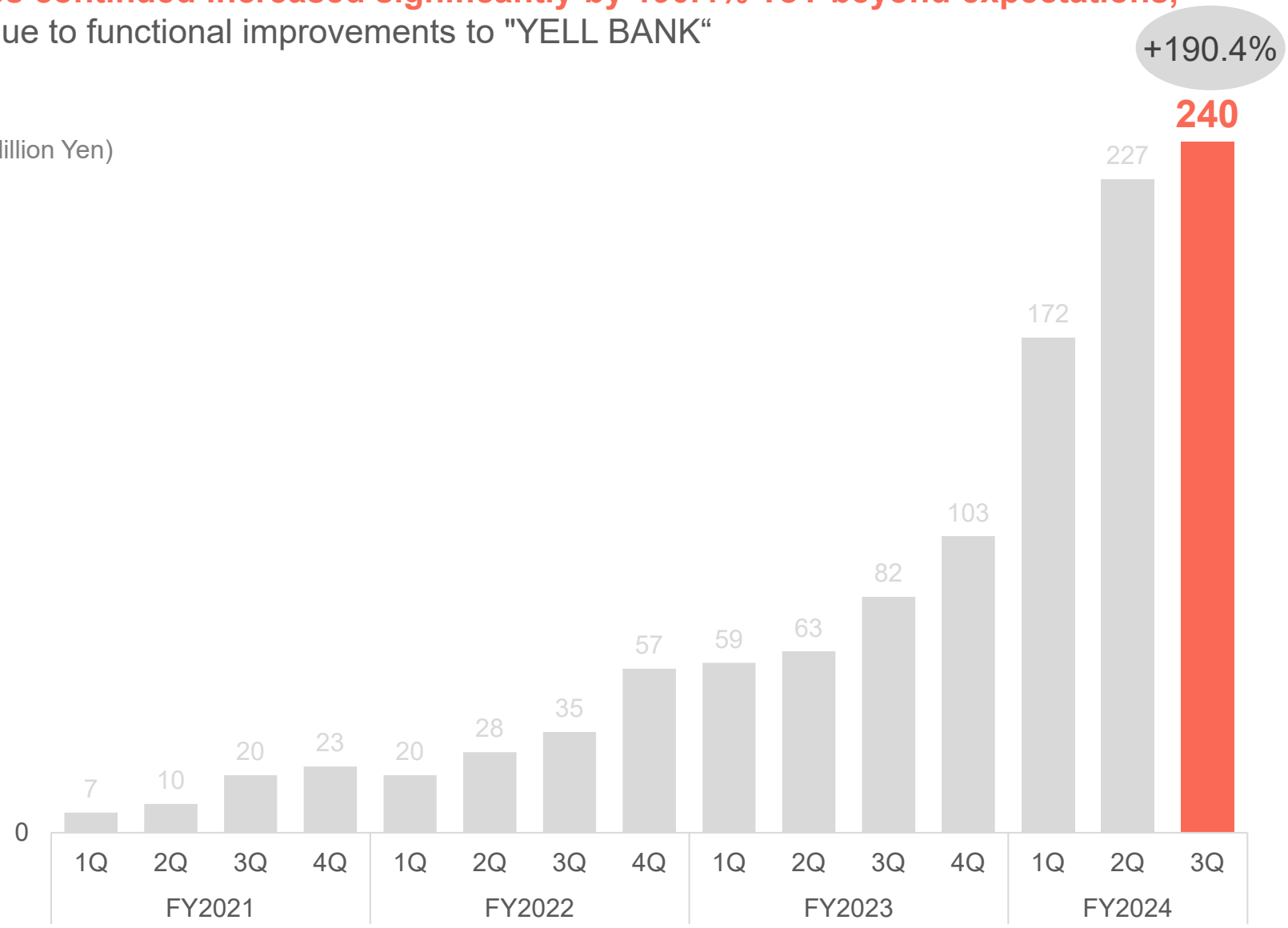


(Note) From FY2024 onwards, due to the shift from a collection agency to a crediting format, PAY.JP business net sales and cost of sales will become tax-exempt and will be recognized at a level approximately 10% higher than before FY2023

YELL BANK Business

Trends in Net Sales

Net sales continued increased significantly by 190.4% YoY beyond expectations,
mainly due to functional improvements to "YELL BANK“



(Note) YELL BANK businesses include "YELL BANK" and “BASE Card”

4. Earnings Forecast for the Fiscal Year Ending December 31, 2024

Consolidated

FY2024 Full-Year Earnings Forecast

BASE

Nt sales and gross profit are expected to slightly exceed the forecast in all businesses
SG&A expenses are also expected to slightly exceed the forecast due to the promotional expenses increasing
As a result, operating income is expected to slightly exceed the forecast

（百万円）	FY2024			FY2023	
	Forecast	Jan.-Sep.	Progress	Results	Change
Net Sales (Note1)	15,500	11,297	*72.9%*	11,680	*+32.7%*
Gross Profit	6,900	5,024	*72.8%*	5,033	*+37.1%*
SG&A	6,700	4,224	*63.1%*	5,458	*+22.7%*
EBITDA (Note2)	227	-	-	-	-
Operating Profit	200	799	*399.9%*	-425	-
Ordinary Profit	201	814	*405.0%*	-409	-
Net Income Attributable to Owners of Parent	198	687	*347.3%*	-606	-
GMV (BASE Business) (Note 3)	151,000	110,283	*73.0%*	135,991	*+11.0%*
GMV (PAY.JP Business) (Note 3)	202,000	151,442	*75.0%*	141,127	*+43.1%*

(Note 1) From FY2024 onwards, due to the shift from a collection agency to a receivables transfer format, net sales and cost of sales of the PAY.JP business become non-taxable and are recorded at a level approximately 10% higher than before FY2023, but gross profit is unaffected
(Note 2) EBITDA is calculated by adding depreciation and amortization to operating income.
(Note 3) GMV disclosed as reference figures. BASE's GMV is based on the order date (order amount). PAY.JP's GMV is based on the payment date (payment amount)

5. Reference Materials

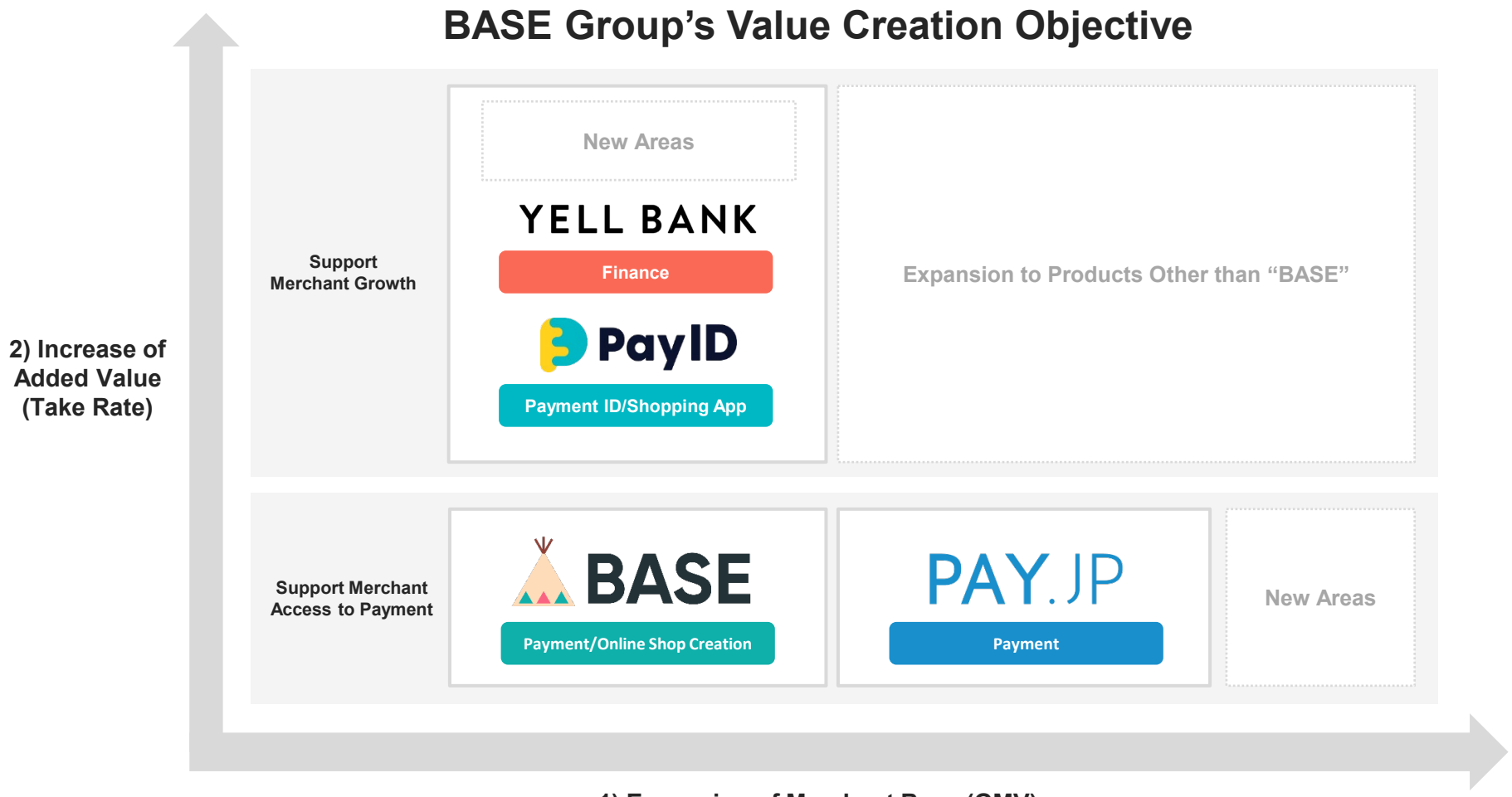
5-1. Medium to Long-Term Growth Strategy

(Excerpt from the Presentation Materials for Q2 of Fiscal Year Ending December 31, 2024)

Medium to Long-Term Growth Strategy

Increase enterprise value through **the value creation by "1) expansion of merchant base" and "2) increase of added value"** of the BASE Group

Realize 1) and 2) by growth strategies for existing products and group-wide expansion strategies



Medium to Long-Term Growth Strategy and Progress

		Medium to Long-Term Growth Strategy (as of Feb. 2024)	Progress
Growth strategies for existing products	Group	✓ **Achieve both GMV growth and improved profitability by strengthening existing products** through increasing added value and optimizing pricing accordingly, as well as through improving marketing measures, etc.	✓ **Group GMV and gross profit showed a positive trend** ✓ **Group's profitability improved due to increased gross profit margins of all businesses**
	BASE	✓ **Continue to focus on empowerment for individuals and small teams** ✓ **Continue to focus on both GMV growth and take rate improvement** by increasing added value of products and optimizing the fee structure, as well as improving marketing measures	✓ **GMV trends as almost expected** ✓ Increased take rate due to price increase of Monthly-Fee Plan (Growth Plan), contributing to improved profitability of the Group
	PAY.JP	✓ **Continue to focus on both strong GMV growth and gross profit margin improvement** by increasing added value of products, optimizing the fee structure and improving the cost of sales ratio accordingly, as well as strengthening sales and marketing, etc.	✓ **GMV continued to grow strongly** ✓ Cost ratio improvement contributed to improved profitability of the Group
	Pay ID	✓ **Contribute to the growth of the BASE business by monetizing purchaser assets with over 14 million registered users** through enhancements to BNPL "Post Pay (Pay ID)" and shopping app functions, etc.	✓ Development and promotion are progressing for monetization of both the ID payment and shopping apps for purchasers
	Finance	✓ Continue to increase added value to "BASE" shops by expanding existing services, mainly "YELL BANK" ✓ **In the long term, aim to take the role of profit center through group-wide initiatives**	✓ **"YELL BANK" grew significantly**
Group-wide expansion strategies	Group	① Accelerate growth by **creating synergies** between existing products ② **Achieve group-wide inorganic growth** through M&A and alliances, etc.	① The functional improvements to "PAY.JP YELL BANK" are progressing as expected ② **PMI of Want.jp is progressing as expected**

Consolidated

Medium to Long-Term Financial Outlook

BASE

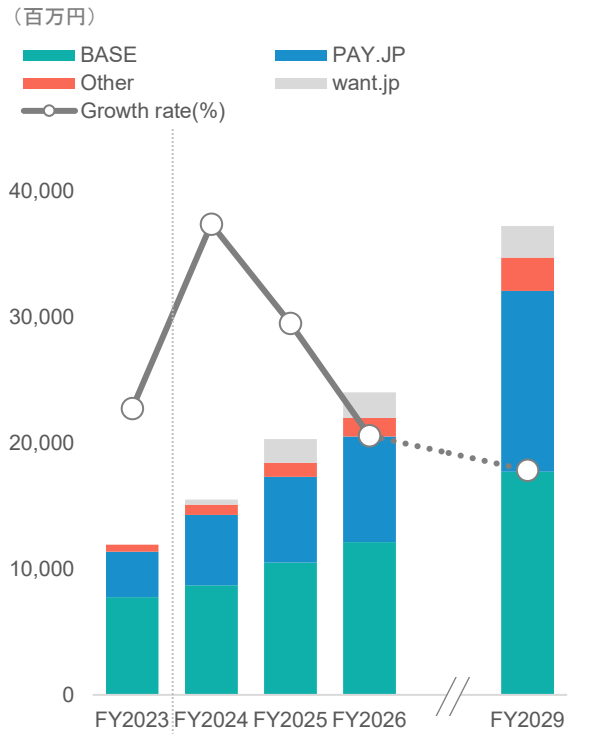
Operating income and EBITDA are expected to turn profitable in FY2024, one period earlier than expected

In the medium term, aim to achieve the upside scenario (disclosed at the beginning of the fiscal year) of **10 billion yen in gross profit in FY2026**

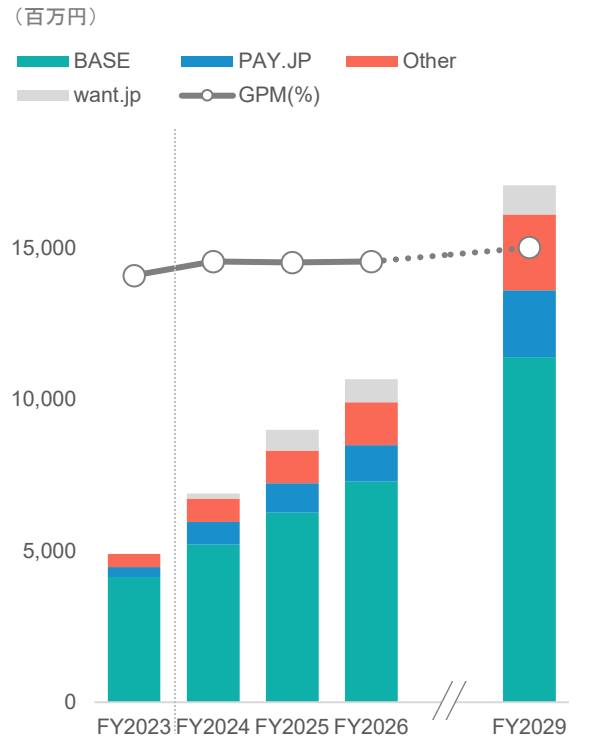
In the long term, **aim to improve EBITDA margin** to compensate for net sales growth rate

Growth Outlook (Note1,2)

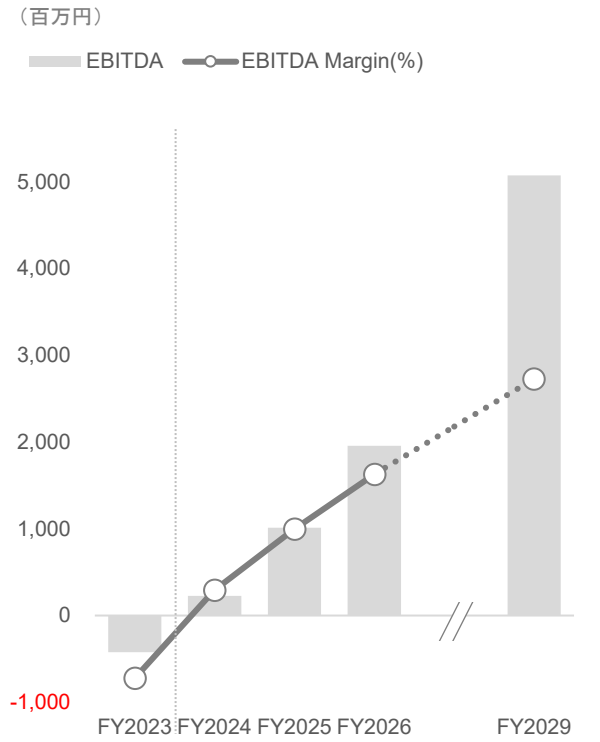
Net Sales and Growth Rate



Gross Profit and Gross Profit Margin



EBITDA and EBITDA Margin

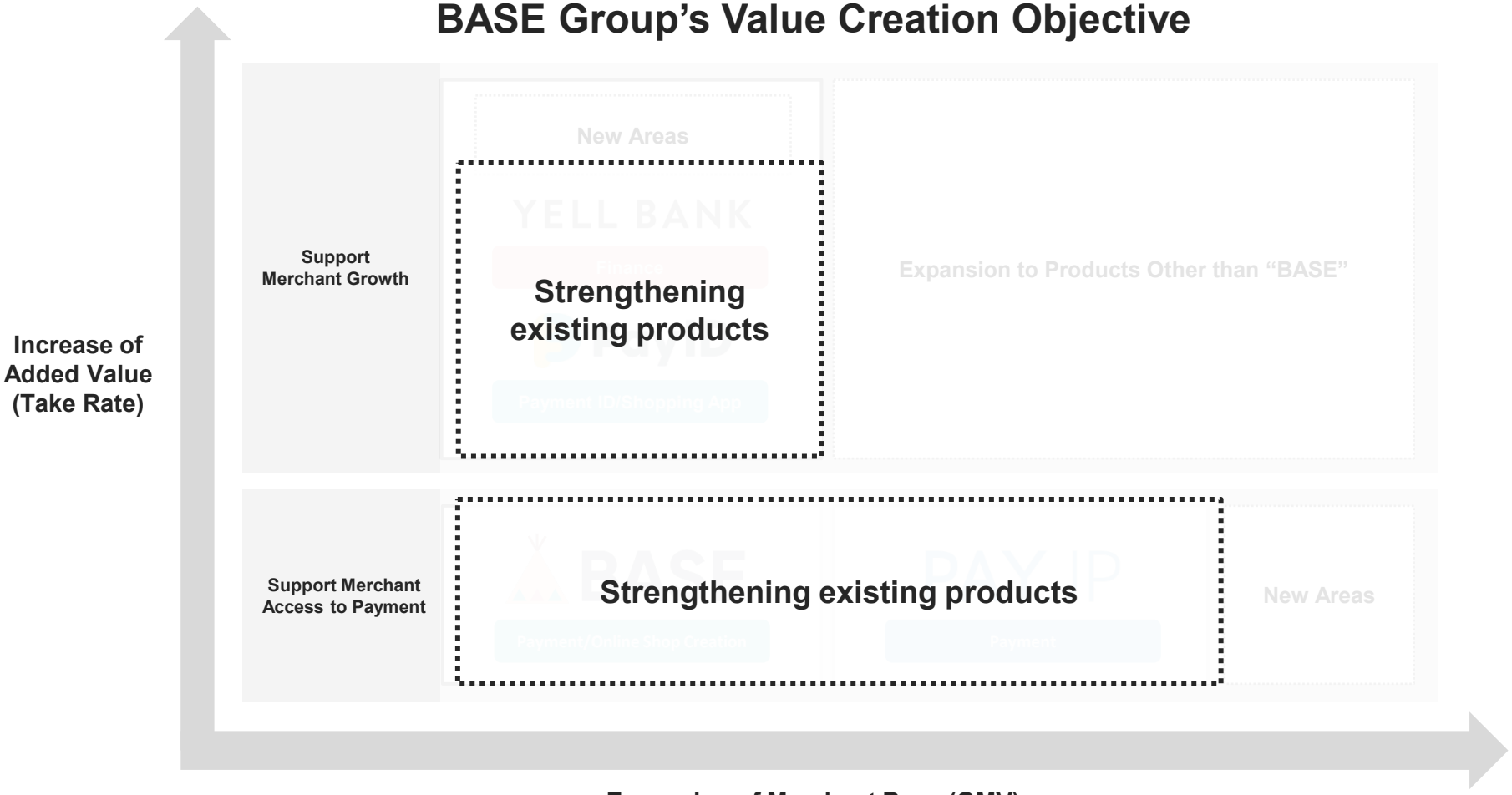


(Note 1) Net sales and SG&A expenses are based on the upside scenario disclosed in the "Presentation Material for Q4 of the Fiscal Year Ending December 31, 2023" (disclosed on February 8, 2024), and operating profit is close to the level of the base scenario.
(Note 2) The balance between sales growth rate and operating margin will change if the assumptions are changed due to the business environment or other factors.

Growth strategies for existing products

Achieve both GMV growth and improved profitability by strengthening existing products through increasing added value and optimizing pricing accordingly, as well as through improved marketing measures, etc.

BASE Group's Value Creation Objective



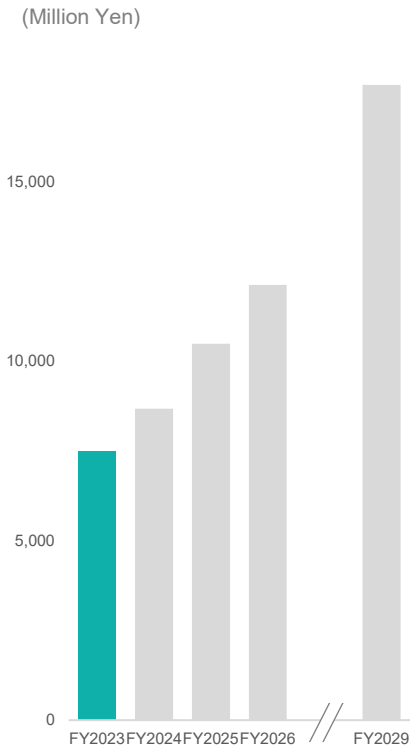
Growth Strategy

Improve profitability while maintaining stable sales growth as the Group's revenue base

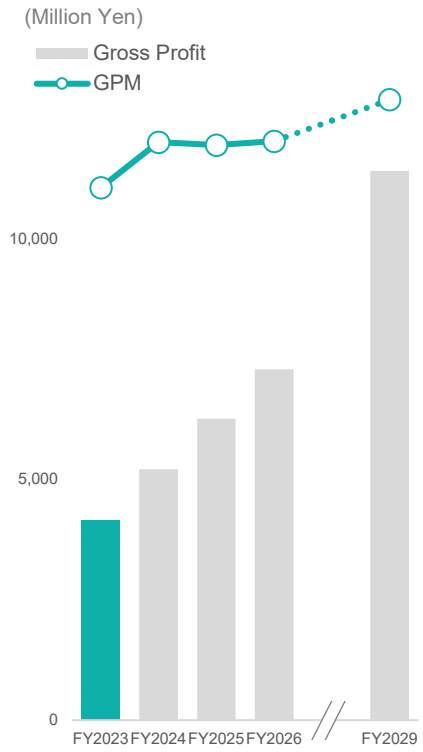
Aim to increase gross margin and achieve long-term growth by providing high value-added products, including functions that support store sales growth, updates that improve store convenience and security, and the use of "Pay ID".

Growth Outlook (Note)

Net Sales



Gross Profit and Gross Profit Margin



Growth Strategy

Enhance Functions

- ✓ **Attract overseas purchasers** by strengthening cross-border EC functions
- ✓ Provide extended functions **supporting store sales growth more directly**, including support for attracting customers through linkage with external platforms
- ✓ **Update to improve store convenience and safety**, such as by enhancing logistics and security

Utilize “Pay ID”

- ✓ Assist stores in acquiring new customers through "Pay ID”
- ✓ Increase in unit purchase price by existing "Pay ID" users

Reinforce New Shops Openings

- ✓ Continuously improve branding and marketing initiatives for the purpose of opening new shops
- ✓ Increase new acquisitions of individuals and small teams using EC mall

(Note) All of the above levels are close to the upside scenario disclosed in the "Financial Results for the Fourth Quarter of the Fiscal Year Ending December 31, 2023" (disclosed on February 8, 2024)

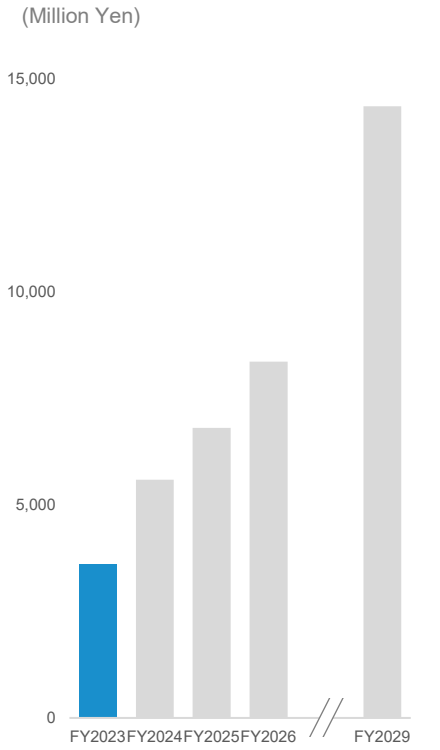
Growth Strategy

Continue to achieve high net sales growth rates by expanding coverage across a wide range of industries and business categories while maintaining a cost-efficient organization

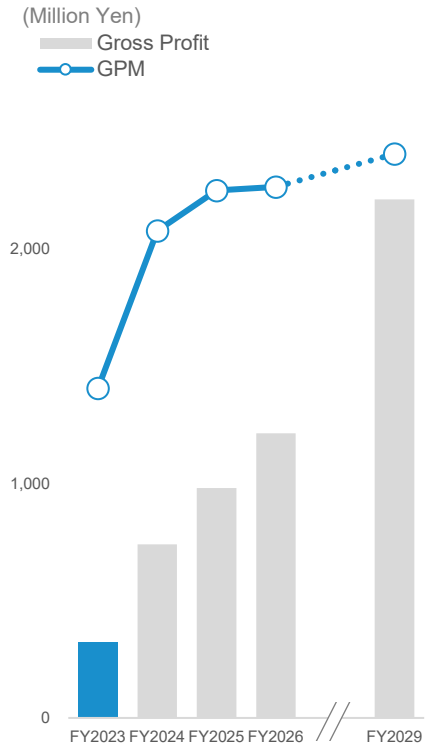
Over the long term, aim for **GMV growth and higher gross margin by differentiating the Group through value-added financial services, etc.** provided by the Group

Growth Outlook(Note)

Net Sales



Gross Profit and Gross Profit Margin



Growth Strategy

Enhance Payment Functions

- ✓ Develop payment systems easier to install and reinforcing of fraudulent payment countermeasures
- ✓ Enhance the "PAY.JP Platform" to attract new merchants to the platform, etc.

Enhance the Group's unique functions

- ✓ Differentiate from competitors by enhancing value-added financial services such as "PAY.JP YELL BANK"

Strengthen marketing and support for existing merchants

- ✓ Diversify new acquisition channels by strengthening sales and marketing initiatives
- ✓ Promote continued usage by building relationships with existing large merchants

(Note) All of the above levels are close to the upside scenario disclosed in the "Financial Results for the Fourth Quarter of the Fiscal Year Ending December 31, 2023" (disclosed on February 8, 2024)

YELL BANK Business

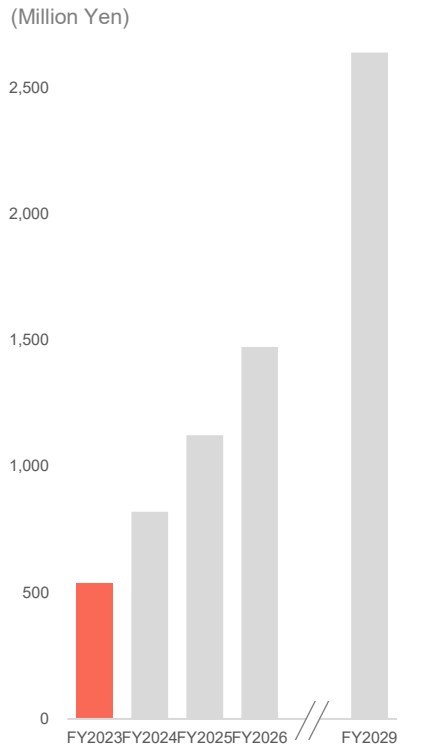
Growth Strategy

Maintain high growth rates for YELL BANK and other financial services as **the Group's profit center**

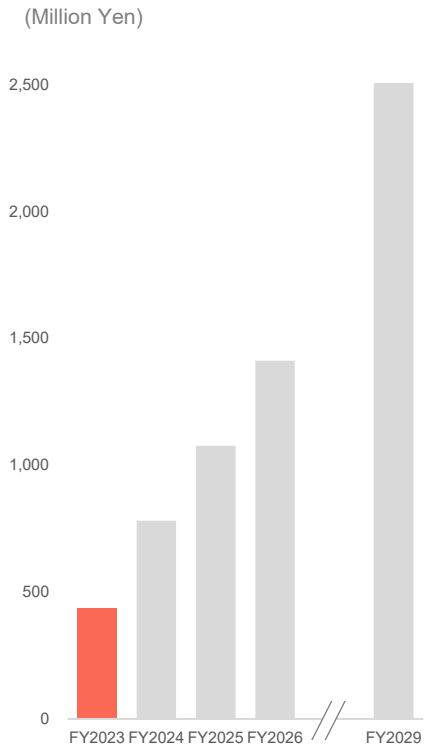
Aim for high growth over the long term by expanding products that solve cash flow-related issues for merchants while continuing to maintain high profitability and cost efficiency

Growth Outlook

Net Sales



Gross Profit



Growth Strategy

Add value to the Group's existing merchants

- ✓ Expand the number of merchants using existing financial services by refining the screening criteria for "BASE" and "PAY.JP" merchants
- ✓ Continue to expand the amount of funds raised and fee payment methods by improving the functionality of existing products
- ✓ Expand the lineup of financial products related to Merchants' cash flow

Contribute to the Group's acquisition of new Merchants

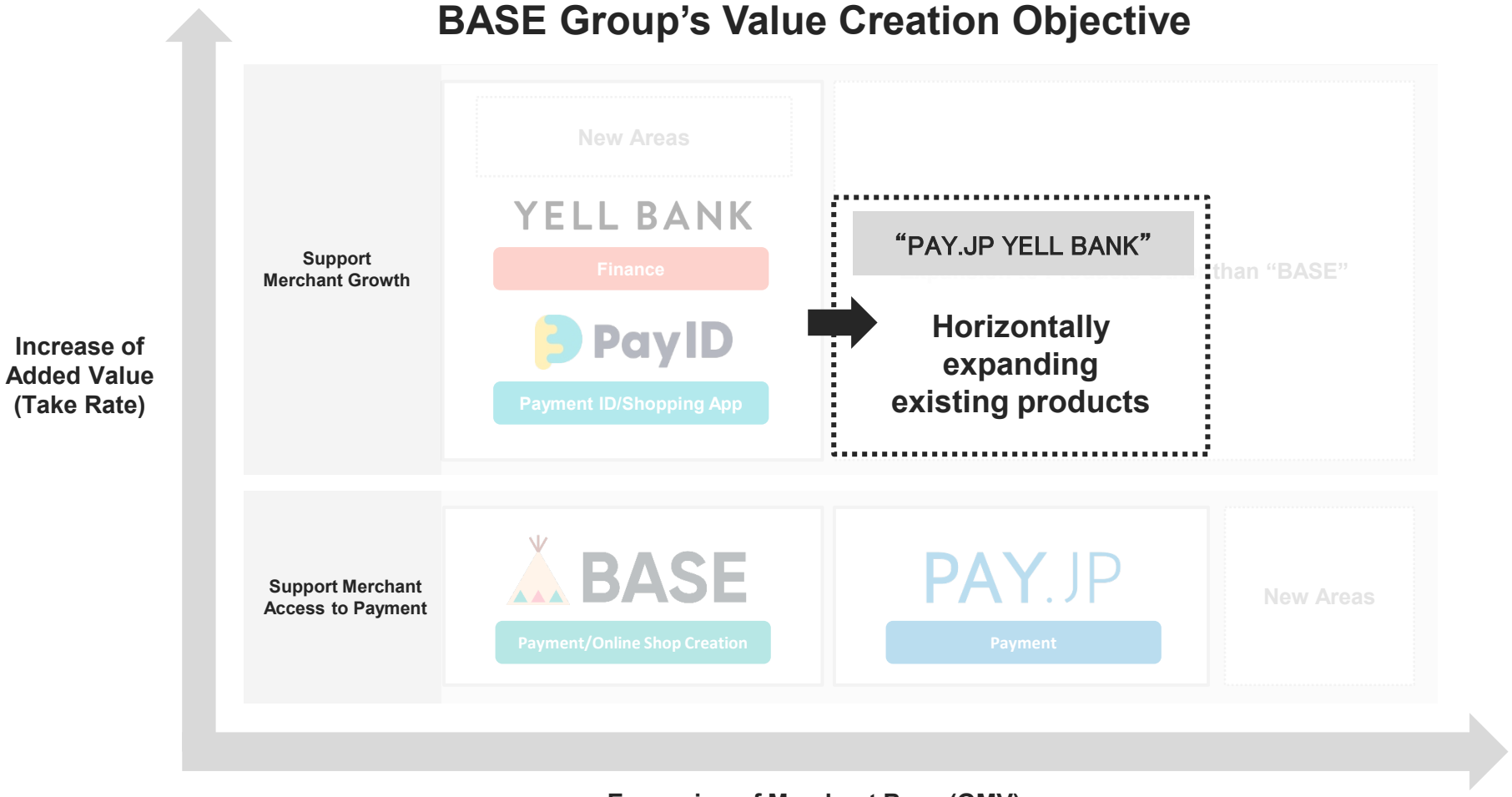
- ✓ Establish best practices of embedded finance in existing products and aim to expand to external platforms

(Note) All of the levels are significantly higher than the scenarios disclosed in the "Financial Results for Q4 of the Fiscal Year Ending December 31, 2023" (disclosed on February 8, 2024)

Group-wide Expansion strategies – Horizontally Expanding Existing Products

Aiming to accelerate growth through creating synergies between existing products
by horizontally expanding existing products offered to "BASE" shops to "PAY.JP" merchants

In June 2024, the PAY.JP YELL BANK was launched

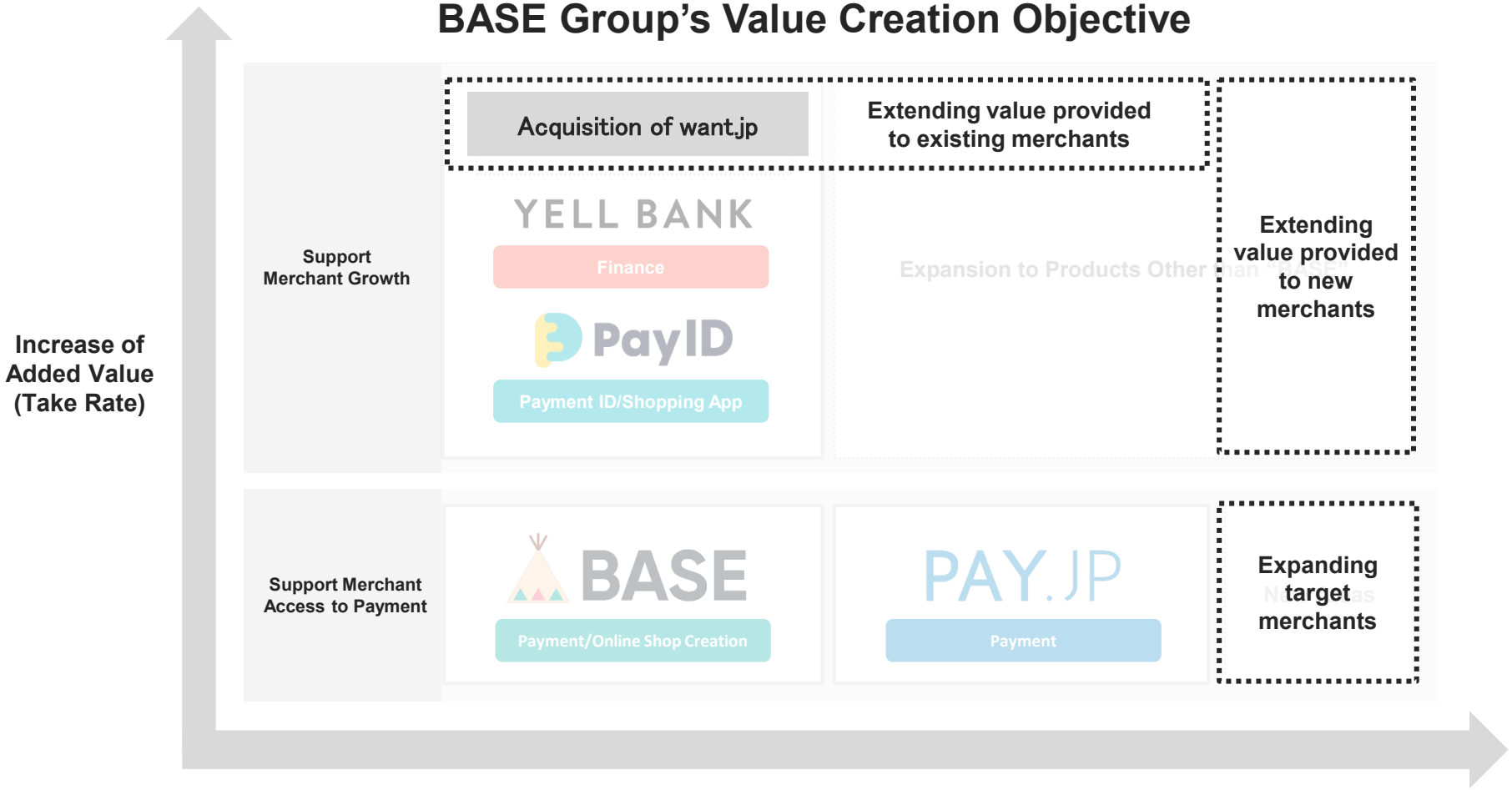


Group-wide Expansion strategies –Extending Value Provided to Existing Merchants

Achieve inorganic growth of the group through M&A and alliances, etc. to expand target customers and add value to existing products

Focus on expanding the merchant base first, and aim to increase net sales and EBITDA margin by creating synergies with "YELL BANK" and "Pay ID", etc.

BASE Group's Value Creation Objective



5-2. Others

Trends in Average Monthly GMV Per Merchant

Implementing a strategy to become the service of choice for merchants with a wider range of sales volumes by offering a pricing plan with an overwhelming competitive superiority (Note1)

Lowest price

	BASE	Domestic Service S	Domestic Service C	Domestic Service M	International Service S
Payment Processing Fee	**2.9% ~**	3.6%	4.0% ~	3.19% ~	3.4%
Monthly Fee	¥19,980	¥2,980	¥4,950	¥12,100	¥4,950 (Note2)
Initial Fee	¥0	¥0	¥3,300	¥11,000	¥0

(Note1) Pricing plans for each company are based on in-house research (as of May 2023). Comparison of plans that incur monthly fees
(Note2) Conversion rate of 150 yen to the U.S. dollar

PAY.JP Business

Renewal of fee plans

PAY.JP

To align with the diversification of merchants' industries and sales sizes, **fee plans were adjusted to a wider range of merchants from June 2024, improving the profitability of PAY.JP business**

Maintain competitive fee levels in the new fee plans

▼Before Change

	Basic	Pro
Payment Fee VISA / Mastercard	3.0%	2.59%
Payment Fee Others (Note)	3.6%	3.3%
Monthly Fee	¥ 0	¥ 10,000

▼After Change

	Standard	Business	Enterprise
Payment Fee VISA / Mastercard	3.3%	2.78%	2.59%
Payment Fee Others (Note)	3.3%	2.78%	2.7%
Monthly Fee	¥ 0	¥ 20,000	¥ 50,000

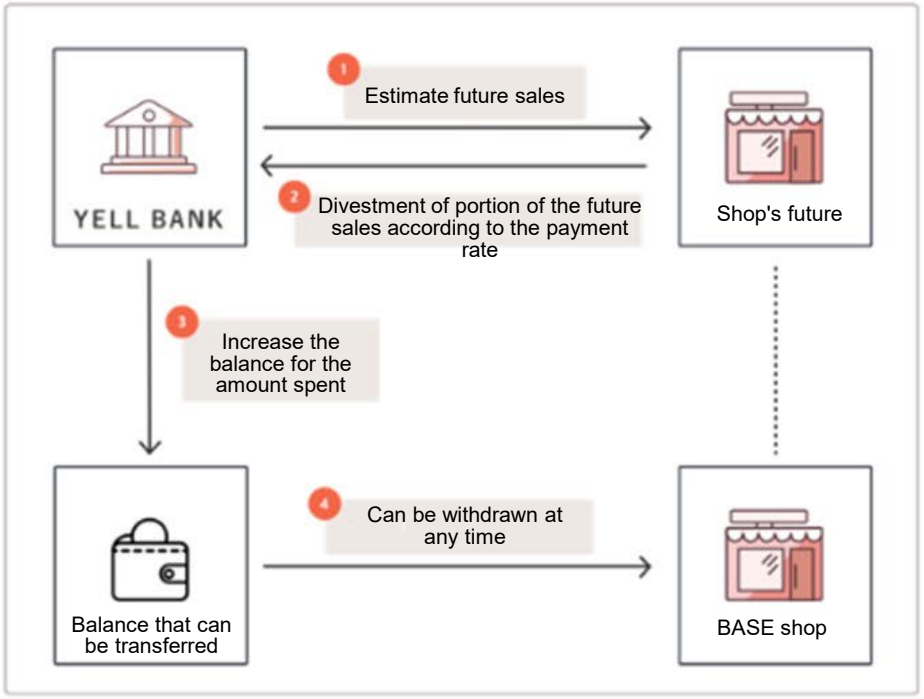
(Note) JCB, AMERICAN EXPRESS, Diners Club, and Discover

YELL BANK Business

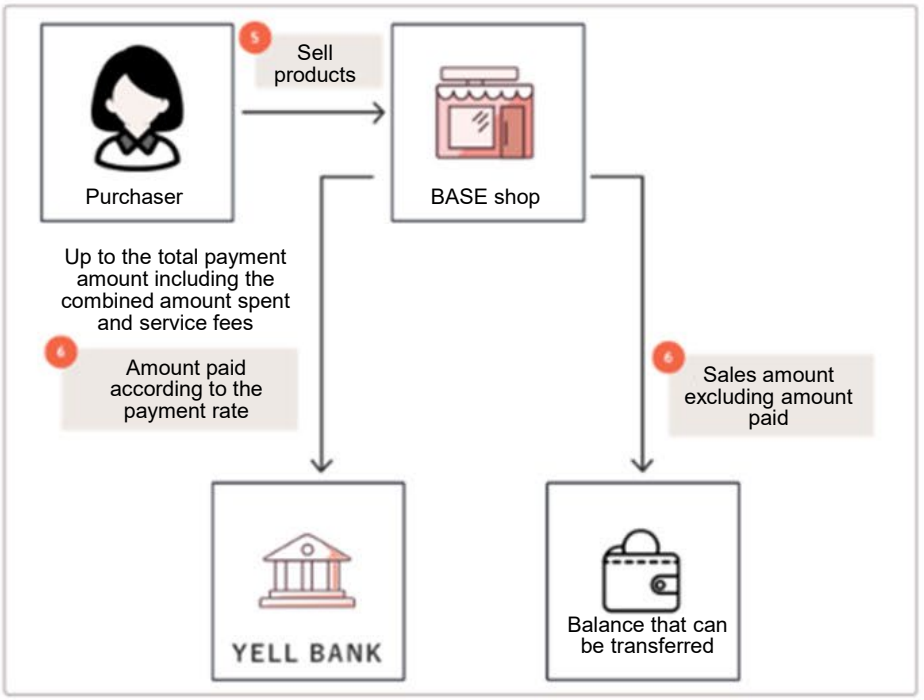
“YELL BANK”

A financial service that allows shops to raise funds instantly by “BASE” purchasing their future receivables

Process for obtaining financing



Payment process



YELL BANK Business

Usage Procedure of “YELL BANK”

Merchants can raise funds instantly with easy process

Step 1

The funding amount available displayed on the administration screen of merchants with certain criteria



Step 2

Selecting the funding amount



Step 3

Select the percentage paid to BASE from future sales



Step 4

The funding amount added to the merchant’s balance



Consolidated

Profit and Loss Statement (By Segment)

BASE

(Million Yen)		FY2022				FY2023				FY2024		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net Sales	BASE	2,052	1,784	1,693	1,963	1,757	1,930	1,897	2,179	2,119	2,119	2,231
	PAY.JP	439	482	563	618	701	848	996	1,061	1,299	1,387	1,500
	Other	20	28	35	57	59	63	82	103	172	227	240
Gross Profit	BASE	1,323	1,054	943	1,083	950	1,114	1,101	1,267	1,249	1,268	1,353
	PAY.JP	44	49	58	66	63	79	80	100	152	184	201
	Other	14	20	27	50	51	54	74	94	163	218	231
Segment Profit	BASE	-178	-481	-234	-256	-175	66	-73	120	174	245	249
	PAY.JP	-4	-3	-4	-33	-9	3	5	-84	51	67	80
	Other	-13	-15	-8	6	-14	-23	-7	20	61	95	115
	Corporate Expenses	-76	-96	-49	-57	-72	-61	-58	-61	-81	-106	-154
Operating Profit	Entire Company	-272	-597	-297	-340	-271	-15	-133	-4	206	302	291

BASE Business

KPI Trends in the BASE Business

Year	Month	Quarterly GMV (Million Yen) (Note1)	Monthly GMV (Million Yen)	Monthly Active Merchants (# of Merchants)	Average Monthly GMV Per Merchant (Yen)	Quarterly GMV (Payment amount) (Million Yen) (Note2)
FY2021	March	25,739	8,579	54,742	156,734	23,956
	June	28,132	9,377	58,833	159,392	26,308
	September	28,175	9,391	60,856	154,329	26,476
	December	31,725	10,575	62,049	170,431	29,865
FY2022	March	28,199	9,399	60,672	154,927	26,563
	June	27,898	9,299	61,455	151,322	26,496
	September	28,491	9,497	61,883	153,468	27,199
	December	34,343	11,447	65,516	174,736	32,187
FY2023	March	30,929	10,309	63,226	163,064	29,523
	June	32,821	10,940	64,820	168,785	31,374
	September	33,487	11,162	64,948	171,871	31,541
	December	38,752	12,917	68,115	189,641	36,617
FY2024	March	37,400	12,466	66,482	187,520	35,004
	June	35,931	11,977	66,152	181,055	34,434
	September	36,951	12,317	67,081	183,617	35,292

(Note 1) BASE's GMV is based on the order date (order amount)
(Note 2) Of the total amount of orders (GMV based on the order date), GMV (payment amount) is the amount that has been paid and is recorded in the month of payment date. There is monthly time lag from order to settlement because the order date and settlement date are different. Also, the amount of GMV is different from the order amount (GMV based on the order date) because the amount that has not been paid due to cancellation is not included in GMV (payment amount)

KPI Trends in the PAY.JP Business

Year	Month	Quarterly GMV (Million Yen)
FY2021	March	10,837
	June	13,446
	September	14,693
	December	16,293
FY2022	March	16,849
	June	18,444
	September	21,624
	December	23,844
FY2023	March	27,096
	June	32,821
	September	39,351
	December	41,858
FY2024	March	46,487
	June	50,029
	September	54,926

(Note) GMV is based on the payment date (payment amount)

Consolidated

Ratio of Dilutive Shares

(Shares)		FY2024
Stock Options	Beginning balance	2,126,000
	Granted	3,460,000
	Exercised	-170,000
	Renounced	0
	Ending balance	5,416,000
Number of issued shares (including treasury shares)		115,818,590
Ratio of dilutive shares (as a % of issued shares)		4.7%

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