



BASE

Q4 of Fiscal Year Ending December 2021
Materials for Financial Results Presentation

BASE, Inc.
(Tokyo Stock Exchange Mothers: 4477)
February 9, 2022

- 1. Corporate Profile**
- 2. Executive Summary**
- 3. Results for Q4 of the Fiscal Year Ending December 2021**
- 4. Medium Term Strategies and Policy for Fiscal Year 2022**
- 5. References**

1. Corporate Profile

Mission

Payment to the people, Power to the people.

To ensure that the thoughts, feelings, and talents kept deep inside to come out and reach those who need them around the world.

To realise ideas, works and activities born there.

To ensure that everyone receives fair value.

Making payment available to everyone around the globe.

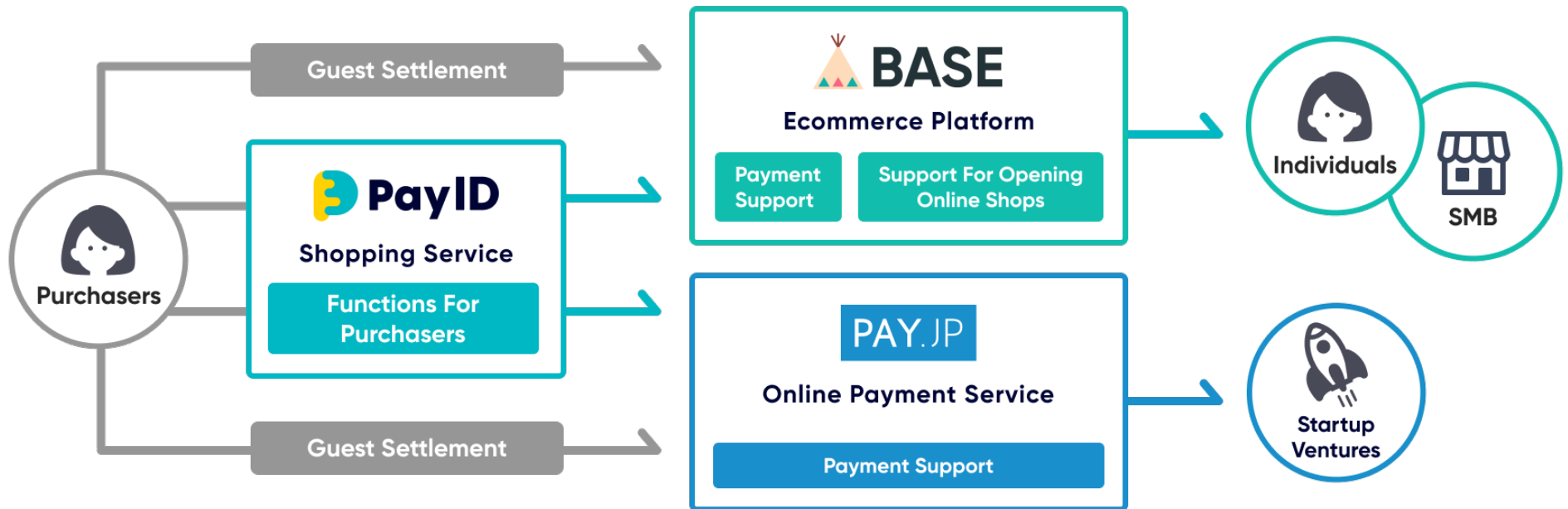
To give everyone a chance to transform his/her power into value.

To create new economy through a new payment platform.



Outline Chart of Business

Focus on empowering individuals and small teams through "BASE"
and supporting startups through "PAY.JP"



(Note)SMB...Small and Medium Business

2. Executive Summary

Topics

- **Consolidated net sales, gross profit, and operating profit were all within the full-year forecast**
- **Continued high growth for BASE business at CAGR +66.9%, and PAY business at CAGR+185.2%**

Financial Results For The Term Ended in December 2021

Full Year

- **BASE business GMV surpasses 100 billion yen with the number of monthly active shops increasing above expectations at +11 thousand shops**
- Developing new functions to attract a wider range of users, and expanding services to support the growth of shops
- **PAY business GMV surpasses 50 billion yen**, with continued growth by existing merchants and additional increases by new merchants, and **continued to grow significantly at +53.2% YoY**

Fourth Quarter Term

- **Consolidated net sales recorded highest level at 2,754 million yen with growth in both BASE and PAY business GMV**
- BASE business GMV recorded **highest level at 31,725 million yen**
- PAY business GMV growth **maintained a high rate of +51.2% YoY** when excluding the Go-To Campaign impact from Q4 2020

Medium Term Strategies and Policy for Fiscal Year 2022

- BASE business to place focus on maximizing GMV and gross profit, **aiming for 300 billion yen (CAGR+40%) GMV in 2024**
- **Scheduled to launch a new monthly-fee based pricing plan in April 2022** to attract individuals and small teams with large sales scale
- **Aiming to provide BNPL function** with Shopping Service “Pay ID” in the medium term

Consolidated net sales, gross profit on sales and operating profit were within the full-year forecast range

BASE business net sales were within forecast range, and PAY business net sales were above the upper range of the forecast

Operating profit and ordinary profit were near the upper range due SG&A expenses below forecast

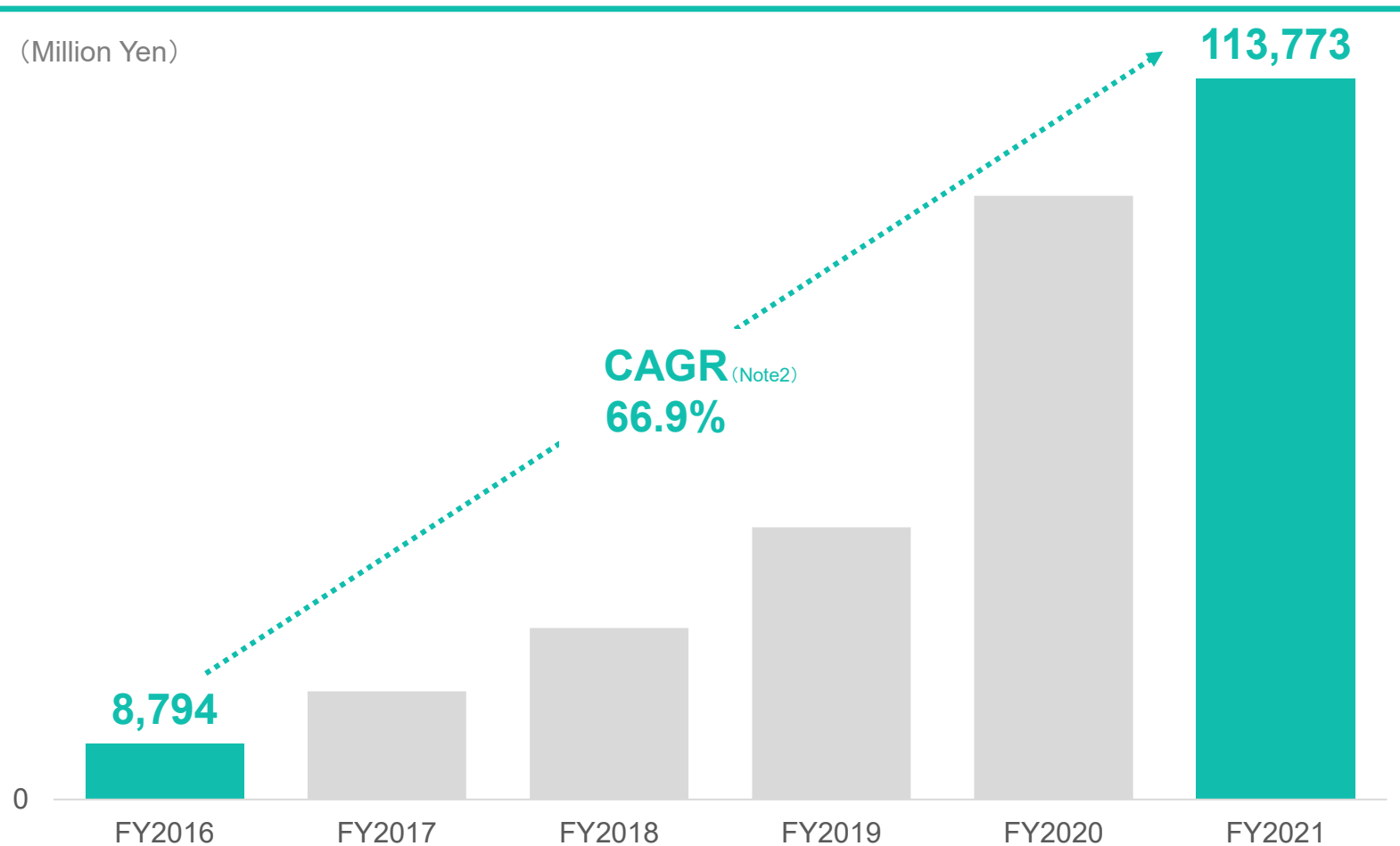
(Million Yen)	FY2021 Results	FY2020 Results	YoY	FY2021 Forecast	Achievement Rate (note)
Net Sales	9,931	8,288	+19.8%	9,750 ~10,536	101.9%
Gross Profit on Sales	5,623	4,992	+12.7%	5,614 ~6,118	100.2%
SG&A	6,601	4,189	+57.6%	7,047	93.7%
Operating Profit	-977	803	-	-1,433 ~-929	-
Ordinary Profit	-960	747	-	-1,433 ~-929	-
Net income attributable to shareholders of the parent company	-1,194	584	-	-1,437 ~-933	-

(Note) Achievement against the lower limit of the full-year earnings forecast for the fiscal year ending December 31, 2021

Continued high growth for BASE business at CAGR +66.9% surpassing the 100 billion yen mark

Yearly GMV (Note1)

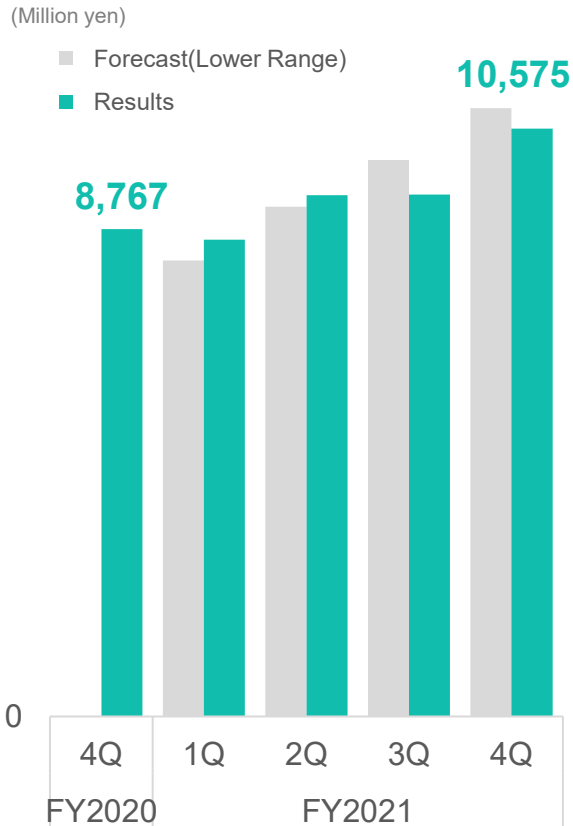
(Million Yen)



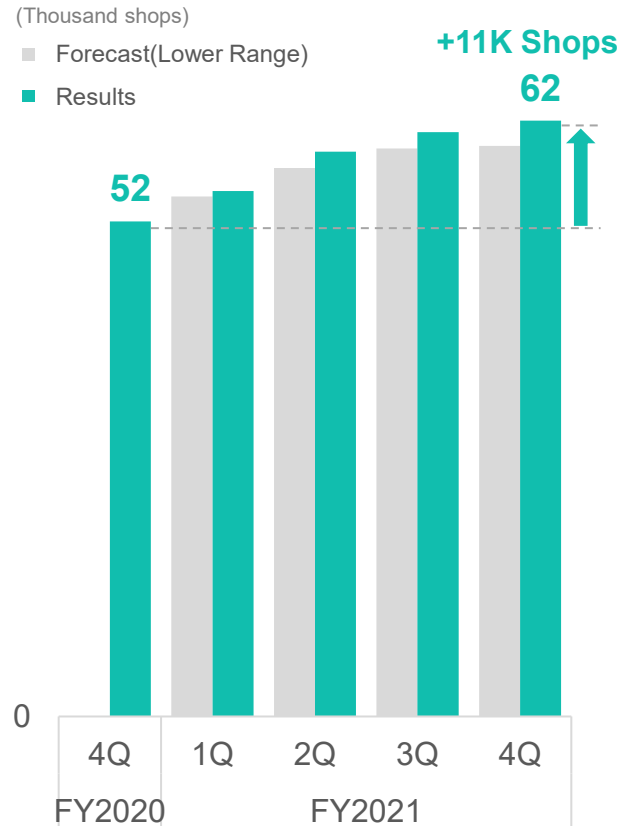
(Note1) GMV is the order amount based on the order date
(Note2) 5 year compound average growth rate

BASE business GMV came below the lower end of the forecast, **however recorded highest level monthly GMV in Q4**
Number of monthly active shops increased higher than expectation with +11 thousand shops, while monthly average GMV was lower than expectation due to the reduced impact of COVID-19

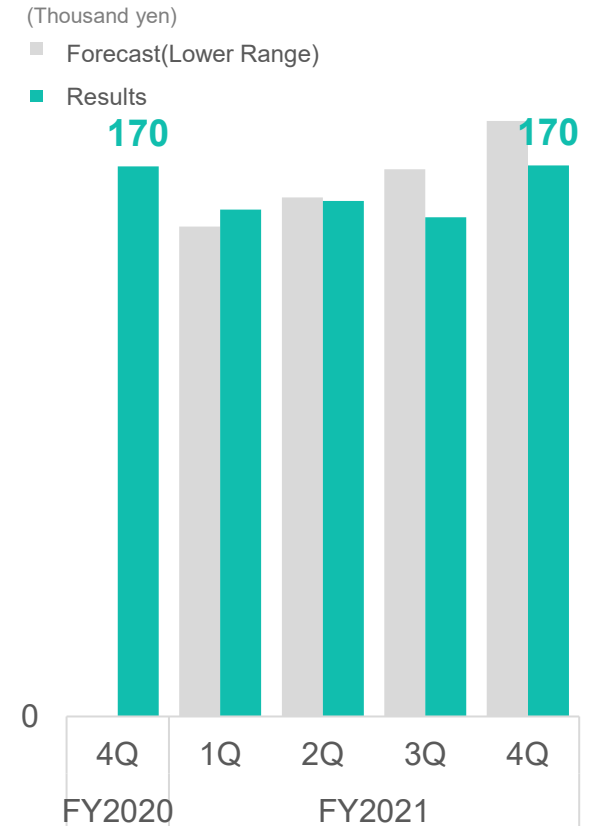
Monthly GMV (Note1,2)



Number of Monthly Active Shops (Note2)



Monthly Average GMV Per Shop

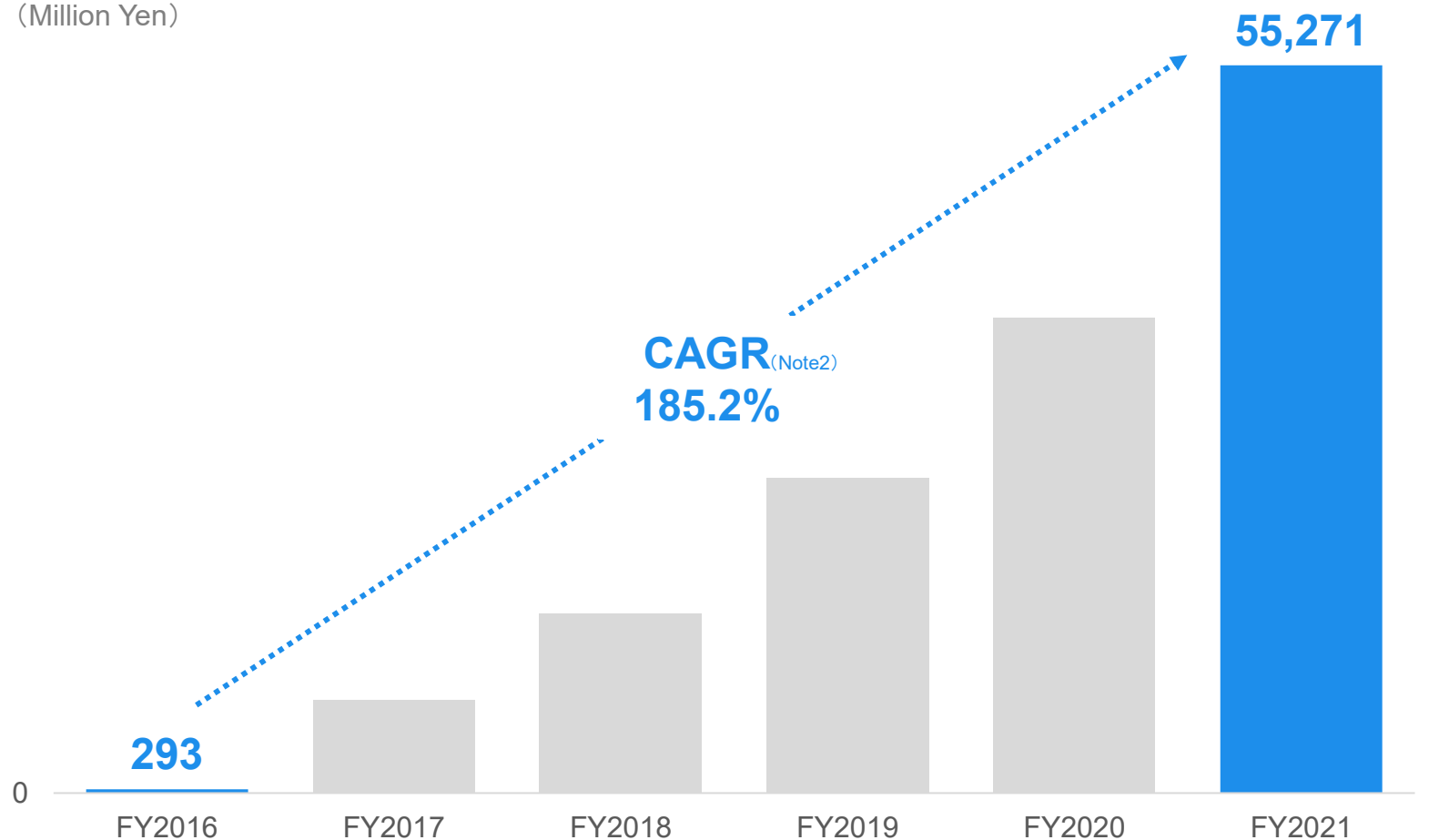


(Note1) GMV is the order amount based on the order date
 (Note2) Monthly GMV and number of monthly active shops are quarterly averages

Continued high growth for PAY business at CAGR +185.2% surpassing the 50 billion yen mark

Yearly GMV (note1)

(Million Yen)



(Note1) GMV is based on the payment date (payment amount)

(Note2) 5 year compound average growth rate

Summary of Management Policies announced in the Q4 FY2020 Presentation

Group

- Continue forward-looking investments aimed for profit growth in the medium to long term, instead of short term
- Strengthen governance to achieve enhanced corporate value over the medium to long term
- Expand investor categories and increase liquidity in equities
- Consideration for strategic investment and M&A

BASE Business

- Focus on growth in GMV and gross profit, and actively implement forward-looking investments
- Forward-looking investments in promotion to enhance brand recognition for new shop acquisition, and strengthening sales promotions through coupons
- Forward-looking investments in product development by increasing product development personnel
- Expanding services to facilitate a wider range of users, and functional development to support growth by existing shops, as well as achieving continued use and improved LTV

PAY Business

- Strengthen product functions and increases in merchants aimed at increasing GMV growth while controlling costs

Review Summary of Fiscal Year Ending December 2021

- **Achieved a positive operating profit (excluding promotional expenses) for the full year by executing forward-looking investments with discipline**
- **Strengthened the supervisory function of the Board of Directors** by reviewing the composition of board directors and increase the ratio of external directors etc (note1)
- Conducted a stock split(note2) resulting in increases of shareholders, mainly driven by individual investors and **contributed to improved liquidity conditions**
- Consideration for strategic investments and M&A aimed at growth in the medium to long term

- Forward-looking investments in promotion through TVCM **improved brand recognition of “BASE”, contributing to new opening of shops**
- **sales promotion support** for shops conducted through coupons
- Forward-looking investments in product development through increased product personnel fell short of plans, however **strengthened CRM, business efficiency, shop design functions etc. to promote a wider range of users**
- Enhanced financial service functions to **support shops in raising funds and improving cash flow**
- Other initiatives include the empowerment of individuals and SMBs through expansion of offline shops etc

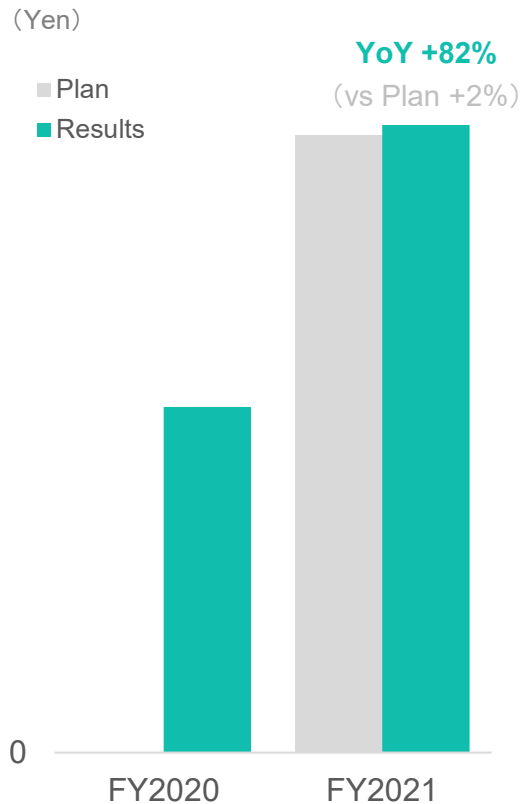
- **Continued a high growth rate** with continued growth by existing merchants, and additional increases by new merchants

(Note1) Appointment of Directors, Senior Executive Officers and Executive Officers in March 2020. Nomination and Compensation Committee established as an advisory body to the Board of Directors to ensure objectivity and rationality in management, in January 2020.

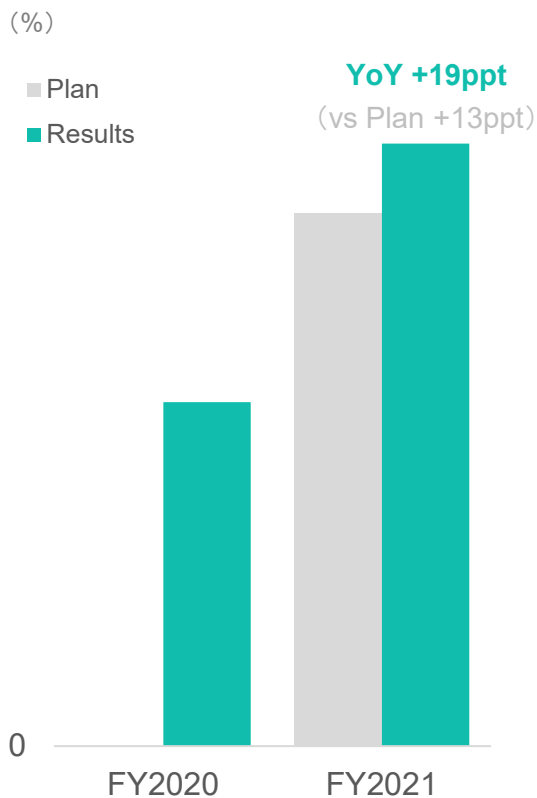
(Note2) Conducted a 5:1 stock split effective 1st April 2020.

Achieved “top of mind” awareness levels as per plan for service brand recognition
Utilized coupons aimed at strengthening sales promotion for shops

Promotional Expenses




Service Brand Recognition

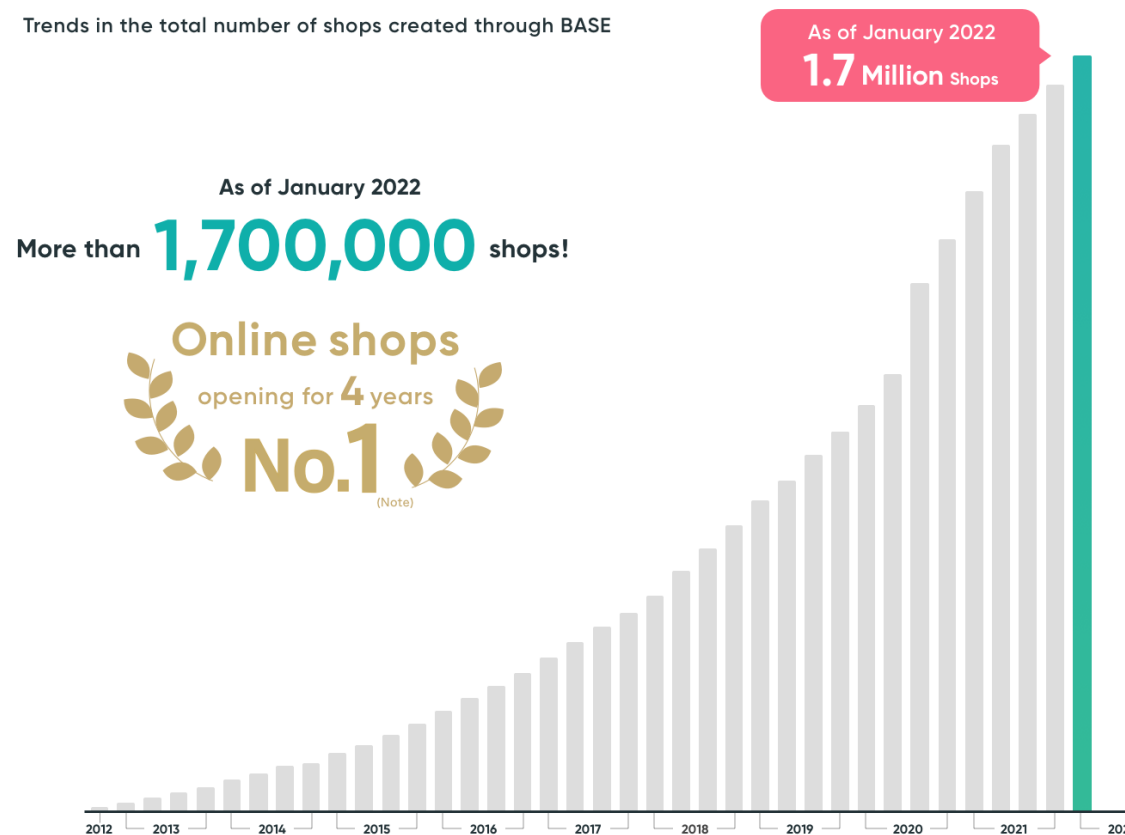


- Medium to long term growth in new shop openings
- Establish a strong position in the long-tail market for sustainable growth

Strengthened advertisements for forward-looking investments contributing to new acquisitions of shops

Total number of shops opened exceeded 1.7 million in January 2022

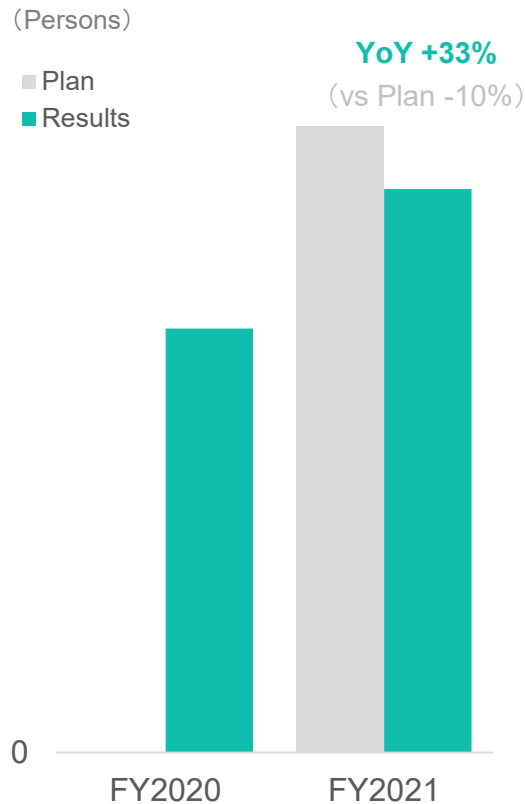
 Trends in the total number of shops created through BASE



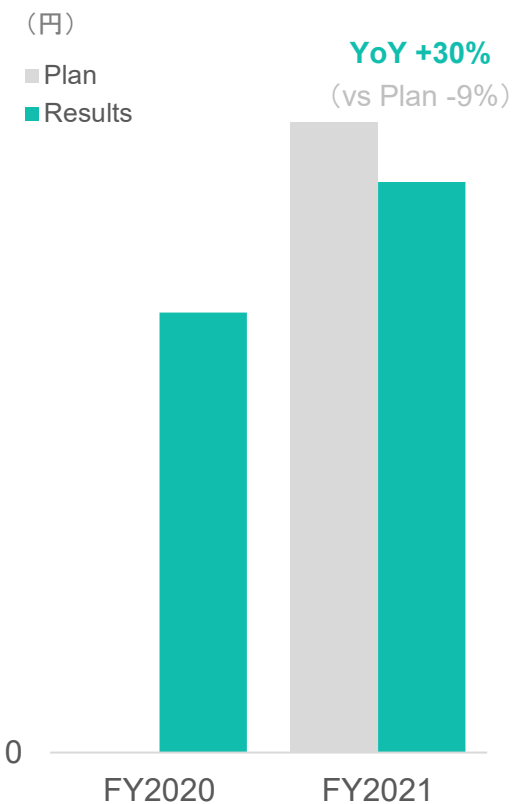
(Note)The online shop opening track record is taken from a survey by Macromill, Inc.

Forward-looking investments in product development through increased product personnel fell short of plans, however strengthened functions to promote a wider range of users, and further support the growth of existing shops

Number of Employees



Personnel Expenses



- Further increase the added value of products
- Establish a strong position in the long-tail market for sustainable growth

CRM and inventory integration functions expanded to support large-scale shops in building relationships with purchasers and improve operational efficiency

Filter by 🛒 購入回数 📅 最終購入日 🔍 キーワード

Send newsletters to categorized purchaser groups!

※Newsletters can be sent via the "Mail Magazine App"



✉ Update of Mail Magazine App !

Send Mail Magazines to Potential Purchasers

BASE

Automatic Restock Notification

- ✓ Notify restock updates on E-mail
- ✓ Suited to grasp demand of sold out goods
- ✓ Send automated notifications

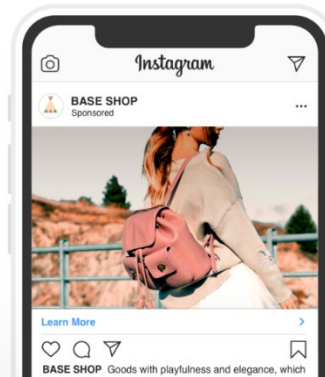
Expanded advertisement functions to support shops in attracting new customers and promoting sales

Online seminars to provide marketing knowledge to support the growth of shops

Advertisement Function Offers

Instagram Ads

- ✓ Distribution to the interested users
- ✓ Minimal setup for beginners
- ✓ Easy reports measuring effectiveness



Google Merchandise Cooperative App

- ✓ Easily link BASE Merchandise
- ✓ Merchandise information is automatically updated



※ Google and the Google logo are trademarks of Google LLC.

Online Seminar Sessions



2021.10.26 Tue 18:00 ~ @ Online

集客に広告は必須なの！？ 「マーケティング」の基本と 広告との向き合い方



グーグル合同会社
アジア・太平洋地域広告営業
プログラムマネージャー
Yugi Lim (ユギ・リム)



BASE 株式会社
Product Management
米山 真平

Enhanced functions to better express a brand's unique worldview, and lead to product appeal for purchasers

Leading to purchases from encourage purchasers and assisting increases in shop sales

Page Addition App

- ✓ Easily add pages according to needs
- ✓ Freely customize with templates and parts
- ✓ Create FAQs and shopping guides

Appeal to Purchaser on Your Top Page

Notification Banner App

Easily add videos and maps to shop pages.

Expanding Permanent stores and pop-up stores to create new opportunities for contact with offline purchasers

Permanent Store Space



Renewal Opening of “SHIBUYA BASE”



New Opening of “THE BASE MARKET”

Pop Up Space

POP UP SPACE

supported by



「more BASE^(note)」newly added in Shinjuku Marui

CREATOR'S PALETTE

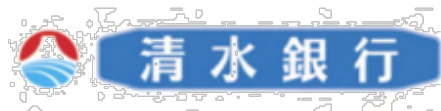
curated by



Pop up space in Hanshin Umeda

Supporting a wide range of users in establishing business sales channels through partnerships with local banks

Newly partnered in 2021



Establishment of the Creator Economy Association(note) to create a facilitating environment for activities of creators.

First online shop creation service to offer a private setting function under the Specified Commercial Transactions Act requirement

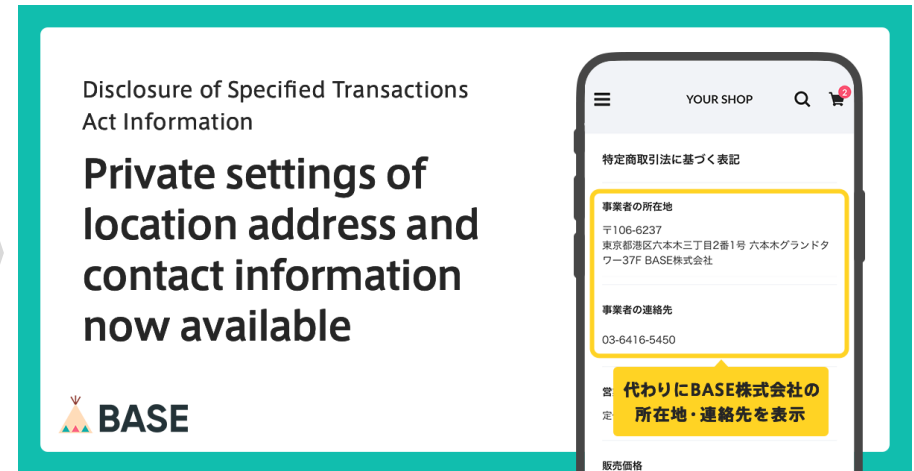


Creator Economy Association

Announcement of the Establishment of the Creator Economy Association

Established by 7 companies including BASE, note, UUUM etc.

Creator Economy Association



Disclosure of Specified Transactions Act Information

Private settings of location address and contact information now available

BASE

YOUR SHOP

特定商取引法に基づく表記

事業者の所在地
〒106-6237
東京都港区六本木三丁目2番1号 六本木グランドタワー37F BASE株式会社

事業者の連絡先
03-6416-5450

代わりにBASE株式会社の所在地・連絡先を表示

販売価格

(Note) The Creator Economy Association with BASE, note, and UUM serving as representative directors was established to create a social environment that facilitates the activities of creators and to promote their free and safe activities. As a result of discussions between the association and the Consumer Affairs Agency, an opinion was obtained regarding the operation of the Act on Specified Commercial Transactions when individuals conduct business activity on a platform, allowing shop owners to open online shops without disclosing personal information (October 2021)

Strengthening existing financial services and providing new functions to support shops in raising funds and improving cash flow

Lump-sum repayment now available on YELL BANK

YELLBANKに支払う残高	¥52,876
支払済みの金額	¥83,876
支払率	30%
支払完了予定日	2021/02/10

※Based on yearly transacted cases (Surveyed by CAMPFIRE)

BASE | CAMPFIRE

The largest crowd funding platform in Japan

CAMPFIRE
The place to attract funding and partners

- Easily accessible for all sizes and genres
- Convey passion for your products
- Reliable support functions

“Trial Plan” with no service fee is now available on YELL BANK

お試しプラン	¥0
手数料	¥0
支払完了予定日	2022/03/06

BASE Card
Spend Sales Proceeds Instantaneously

(Note) “YELLBANK” is offered under other business, and “BASE CARD” and “Campfire App” are offered under BASE business. “YELLBANK” and “BASE CARD” are developed and managed by the BASE BANK team

3. Results for Q3 of the Fiscal Year Ending December 2021

Consolidated

Consolidated net sales **increased +19.8%** YoY owing to increases in both BASE and PAY business GMV

Consolidated net sales and gross profit on sales were within the full-year forecast

Operating profit near upper range of forecast at -977 million yen due to SG&A expenses below forecast as a result of improved efficiency in promotional measures etc

BASE Business

GMV ^(Note1) **continued growth at +19.4%** despite a spike in previous year GMV due to COVID-19

High demand continues for opening online shops, with **the number of monthly active shops increasing by +11 thousand for the full year, driving growth in GMV**

Net sales and gross profit on sales increased **+15.0%** and **+11.2% YoY** respectively owing to GMV growth

PAY Business

GMV ^(Note1) grew significantly at **+53.2% YoY** owing to continued growth by existing merchants, and additional increases by new merchants

Net sales and gross profit on sales increased **+54.2%** and **+56.1% YoY** respectively, due to GMV growth

(Note1) BASE's GMV is based on the order date (order amount). PAY's GMV is based on the payment date (settlement amount)

(Note2) Ratio of the cost of sales over GMV (payment amount)

Consolidated

Consolidated net sales recorded highest level at 2,754 million yen with growth in both BASE and PAY business GMV

BASE Business

GMV ^(Note1) recorded highest level at 31,725 million yen, surpassing the previous high in Q2 FY2020 due to a spike from the COVID-19 impact

Number of monthly active shops and monthly average GMV per shop both increased QoQ owing to effective sales promotions through coupons etc

Net sales and gross profit on sales grew +16.3% and +13.1% YoY respectively as a result of GMV growth

PAY Business

PAY business GMV growth maintained a high rate of +51.2% YoY when excluding the Go-To Campaign impact from Q4 2020

Net sales and gross profit on sales continued growth at +41.7% and +48.4% YoY respectively as a result of GMV growth

(Note1) BASE's GMV is based on the order date (order amount). PAY's GMV is based on the payment date (settlement amount)

(Note2) Ratio of the cost of sales over GMV (payment amount)

4Q consolidated net sales recorded highest level with growth in both BASE and PAY business GMV

Full year consolidated net sales and gross profit on sales were within the forecast range

Operating profit and ordinary profit near upper range of forecast due to SG&A expenses below forecast

Net income was near the median of the forecast due to the recording of losses associated with the impairment of investments

(Million Yen)	FY 2021 4Q (October - December 2021)					FY2021 4Q (Jan - Dec 2021)				
	Results	Same period last year		Previous Quarter		Results	Same period last year		Forecast for FY2021	
		Results	YoY	Results	QoQ		Results	YoY	Forecast	Achievement rate (note)
Net sales	2,754	2,291	+20.2%	2,492	+10.5%	9,931	8,288	+19.8%	9,750 ~10,536	101.9%
Gross profit on sales	1,543	1,342	+15.0%	1,388	+11.2%	5,623	4,992	+12.7%	5,614 ~6,118	100.2%
Gross profit rate	56.0%	58.6%	-2.6pt	55.7%	-0.3pt	56.6%	60.2%	-3.6pt	-	-
SG&A	2,030	1,686	+20.4%	1,608	+26.2%	6,601	4,189	+57.6%	7,047	93.7%
Operating Profit	-487	-343	n/a	-220	n/a	-977	803	n/a	-1,433 ~ -929	n/a
Ordinary profit	-465	-400	n/a	-220	n/a	-960	747	n/a	-1,433 ~ -929	n/a
Net Income	-726	-364	n/a	-221	n/a	-1,194	584	n/a	-1,437 ~ -933	n/a

(Note) Achievement against the lower limit of the full-year earnings forecast for the fiscal year ending December 31, 2021

As of the end of December 31, 2021, cash and deposits were 24,053 million yen, **maintaining a strong financial base.**

Increase in trade account receivable, trade account payable, and operating deposits due to increases in GMV of BASE and PAY business

Decrease in investment securities due to impairment losses of investments

(Million yen)	As of December 31, 2021	As of December 31, 2020	Change from the end of the previous fiscal year
Current assets	31,433	27,693	+13.5%
(of which, cash and deposits)	24,053	22,271	+8.0%
(of which, trade accounts receivable) *1	6,631	4,971	+33.4%
Non-current assets	558	811	-31.2%
(of which, Investment securities)	183	435	-58.0%
Total assets	31,991	28,505	+12.2%
Current liabilities	16,823	12,224	+37.6%
(of which, trade accounts payable) *2	12,745	8,989	+43.2%
(of which, operating deposits) *3	3,707	2,589	+41.8%
Non-current liabilities	61	63	-2.4%
Total liabilities	16,885	12,287	+37.4%
Capital Stock	8,552	8,513	+0.5%
Capital surplus	7,362	7,323	+0.5%
Retained earnings	-813	380	-
Valuation difference on available-for-sale securities	3	-0	-
Total net assets	15,105	16,217	-6.9%

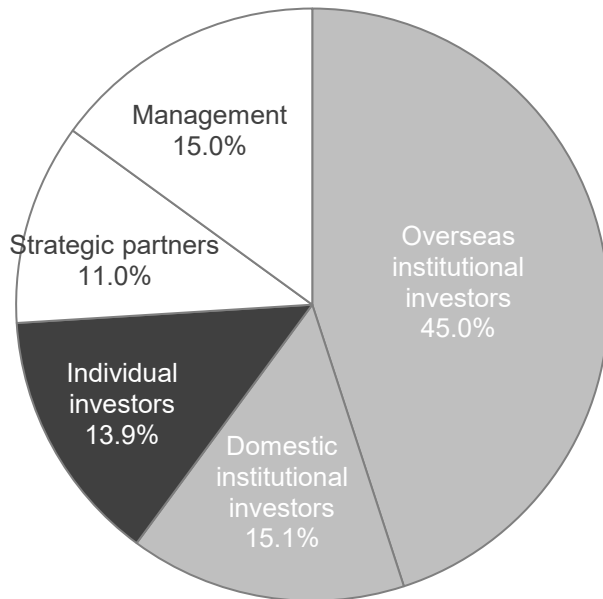
*1: Trade accounts receivable: The unpaid portion of the settlement amount to be paid to our company by the settlement service company.

*2: Trade accounts payable: In the BASE business, outstanding amount of settlement to be paid by our company to shops.

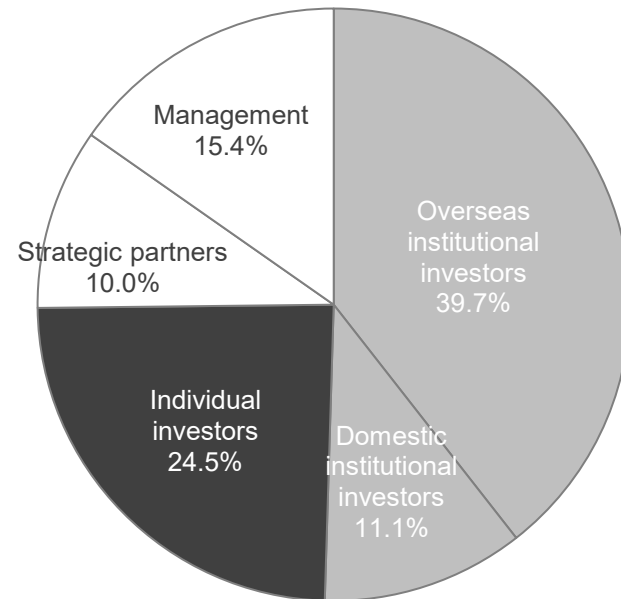
*3: Operating deposits: Outstanding amount of settlement to be paid by our company to franchised stores in the PAY business.

Increase in the number of shareholders primarily in the individual investors category as a result of a stock split
Institutional investor category remains above 50% despite an increase in the ratio of individual investors

Jun 30, 2021



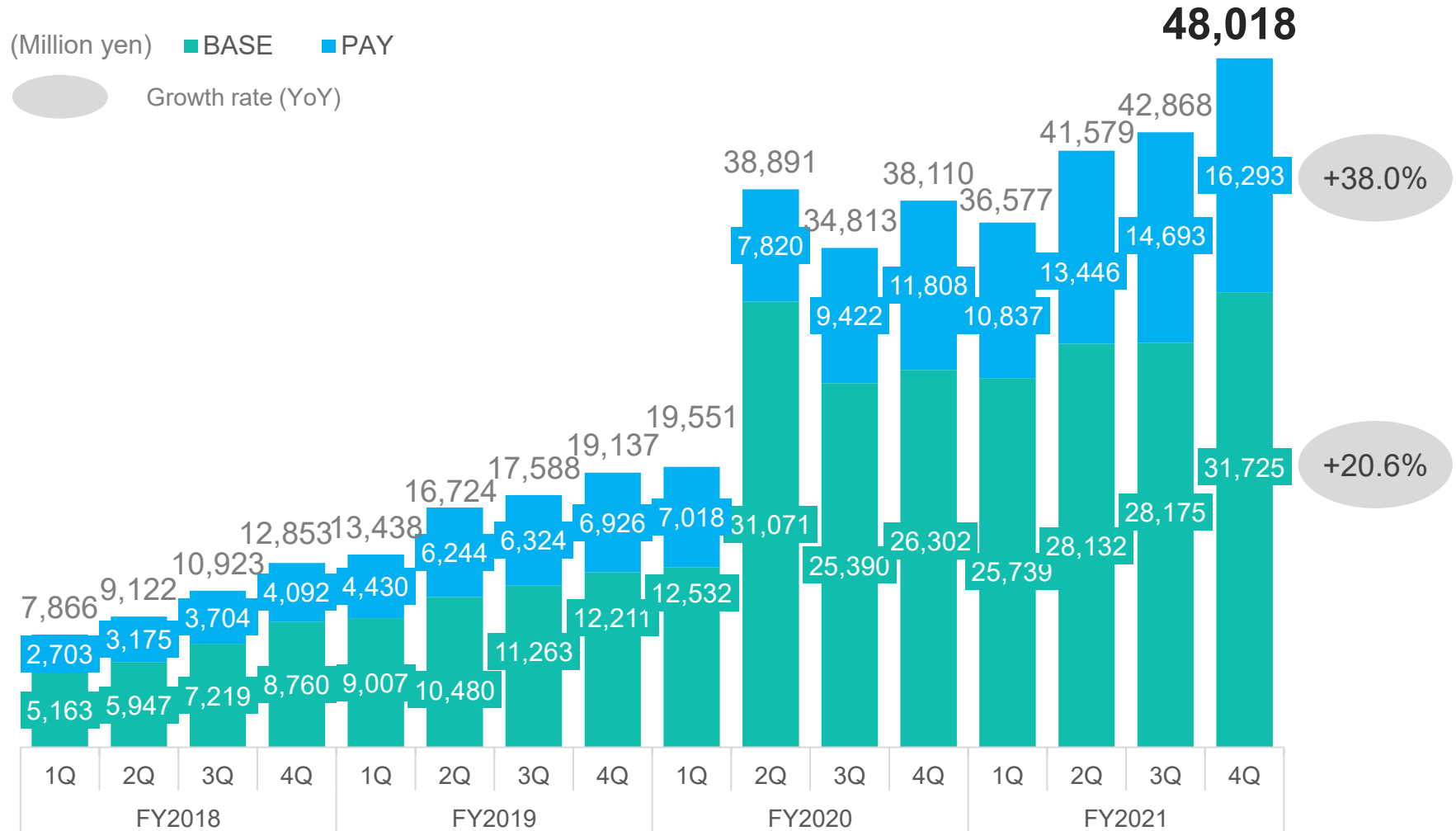
Dec 31, 2021



(Note) 5:1 stock split conducted with effective date April 1st 2021

BASE business GMV_(Note1) recorded **highest level at 31,725 million yen**, surpassing the previous high in Q2 FY2020 due to a spike from the COVID-19 impact

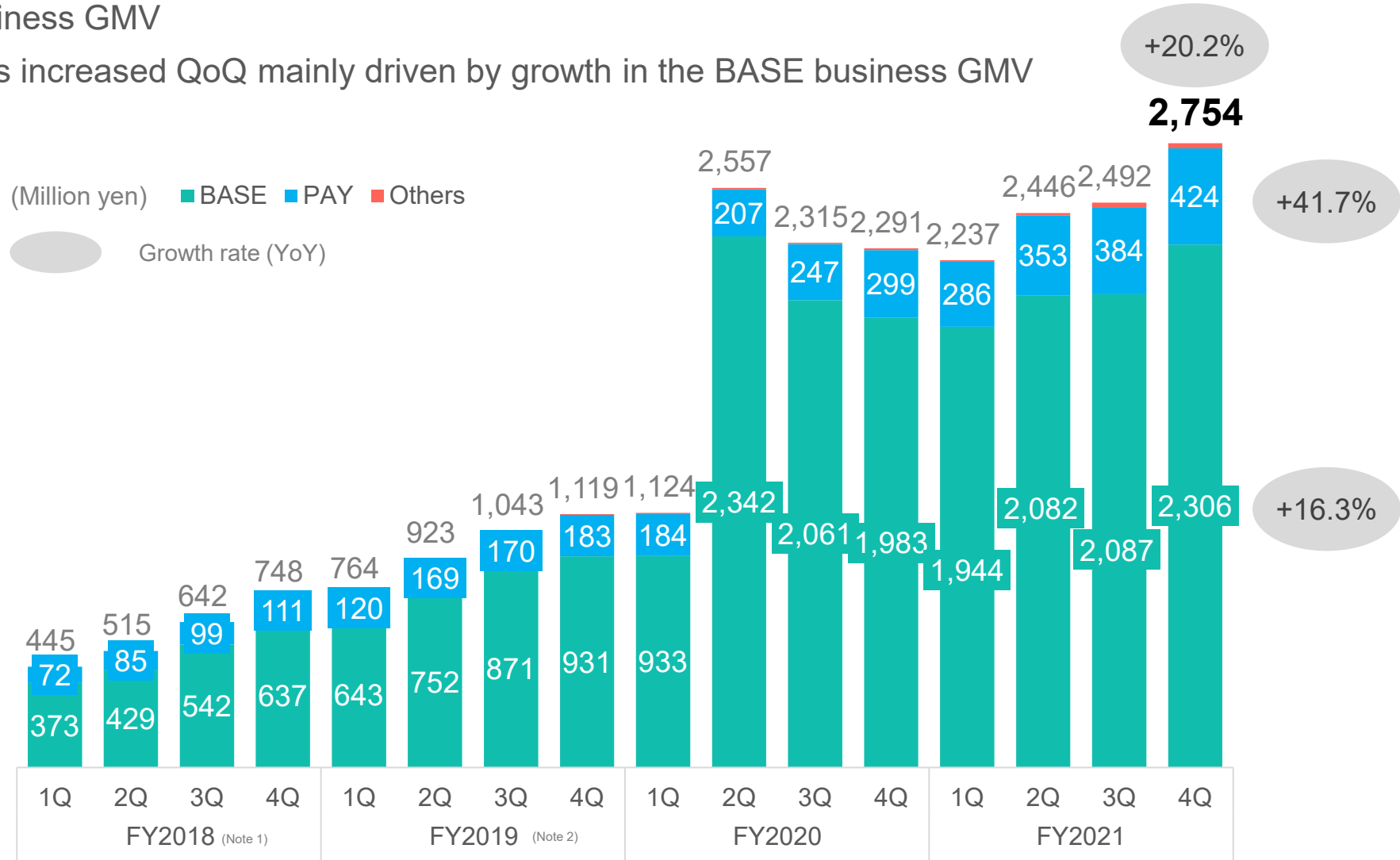
PAY business GMV increased **+38.0%** YoY despite a spike in previous year's GMV during the Go-To Campaign



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

Consolidated net sales recorded **highest level at 2,754 million yen** with growth in both BASE and PAY business GMV

Net sales increased QoQ mainly driven by growth in the BASE business GMV



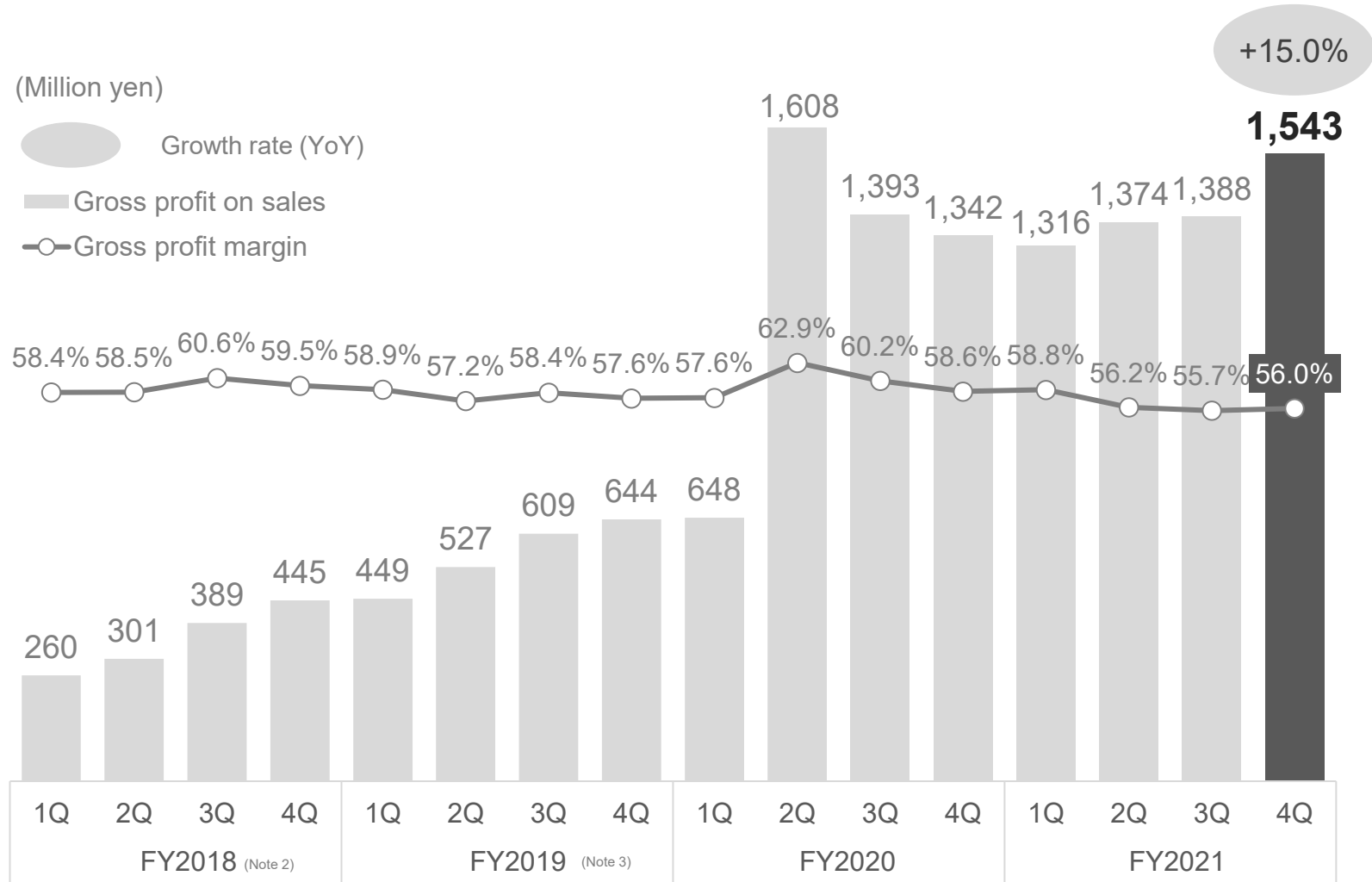
(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in the fiscal year ended December 2018.
 (Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018, and the consolidating subsidiary was implemented in the fiscal year ended December 2019. Therefore, figures for the fiscal year ended December 2019 are consolidated.

The net sales ratio remained unchanged QoQ



Gross profit increased both YoY and QoQ mainly driven by growth in the BASE business GMV

Gross profit margin slightly increased QoQ (note1)



(Note1) Decreases in the COGS ratio for the based business contributed to the increase in the consolidated gross profit margin despite no change in net sales ratio

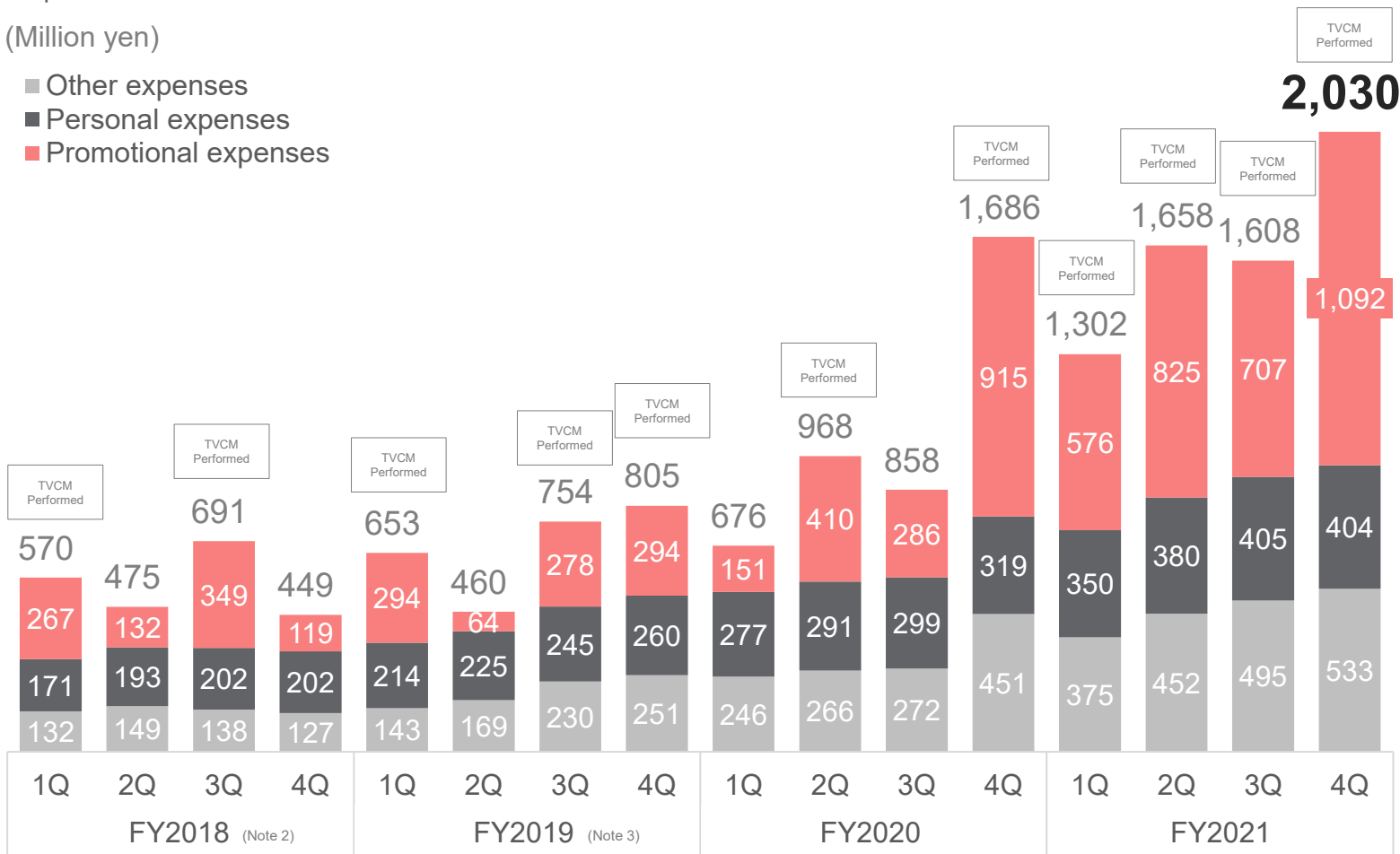
(Note 2) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in the fiscal year ended December 2018.

(Note 3) BASE BANK, Inc. was established in the fiscal year ended December 2018, and the consolidating subsidiary was implemented in the fiscal year ended December 2019. Therefore, figures for the fiscal year ended December 2019 are consolidated.

- **SG&A increased +26.2% QoQ due to an increase in promotional expenses in the BASE business**
- Promotional expenses increased significantly by **+54.4%** as a result of forward-looking investments in TVCM and web advertisements in the BASE business, as well as effective deployment of coupons aimed at shop's sale promotion
- Other expenses such as outsourcing and recruitment costs increased QoQ as a result of enhancement in the forward-looking investments in product development

(Million yen)

- Other expenses
- Personal expenses
- Promotional expenses



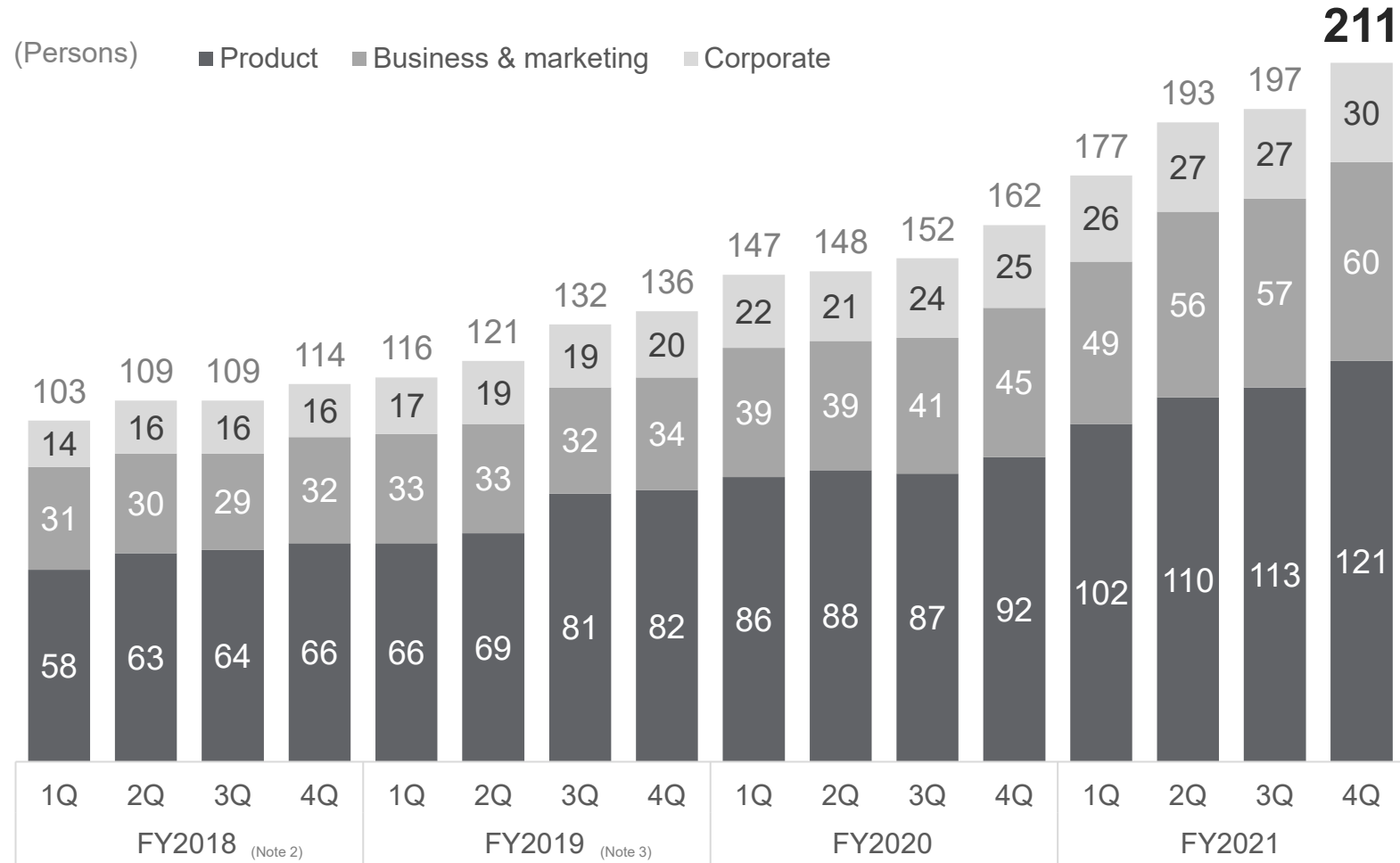
(Note 1) Other expenses consist mainly of office expenses, system expenses, remuneration and outsourcing expenses, and taxes.

(Note 2) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in the fiscal year ended December 2018.

(Note 3) BASE BANK, Inc. was established in the fiscal year ended December 2018, and the consolidating subsidiary was implemented in the fiscal year ended December 2019. Therefore, figures for the fiscal year ended December 2019 are consolidated.

Number of employees increased by **+49 headcounts (+30.2%)** YoY

Continued policy for strengthening products personnel for further expansion of services



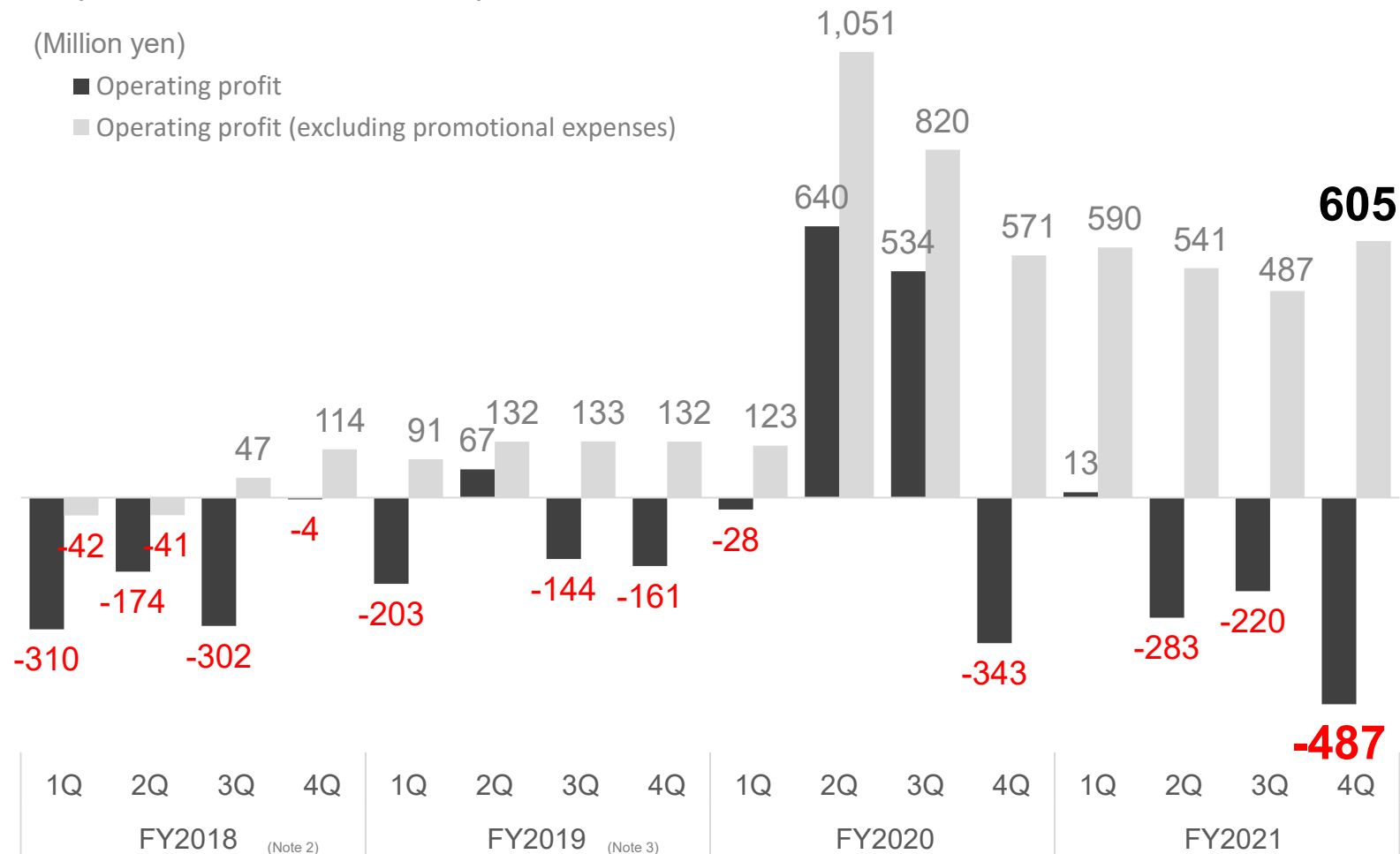
(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in the fiscal year ended December 2018.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018, and the consolidating subsidiary was implemented in the fiscal year ended December 2019. Therefore, figures for the fiscal year ended December 2019 are consolidated.

(Note 3) 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.

Operating loss of **-487 million yen** (same quarter last year was **-343 million yen**) as a result of promotional expenses increasing SG&A

Operating profit (excluding promotional expenses) increased QoQ owing to increase in GMV, despite an increase in product development costs under other expenses



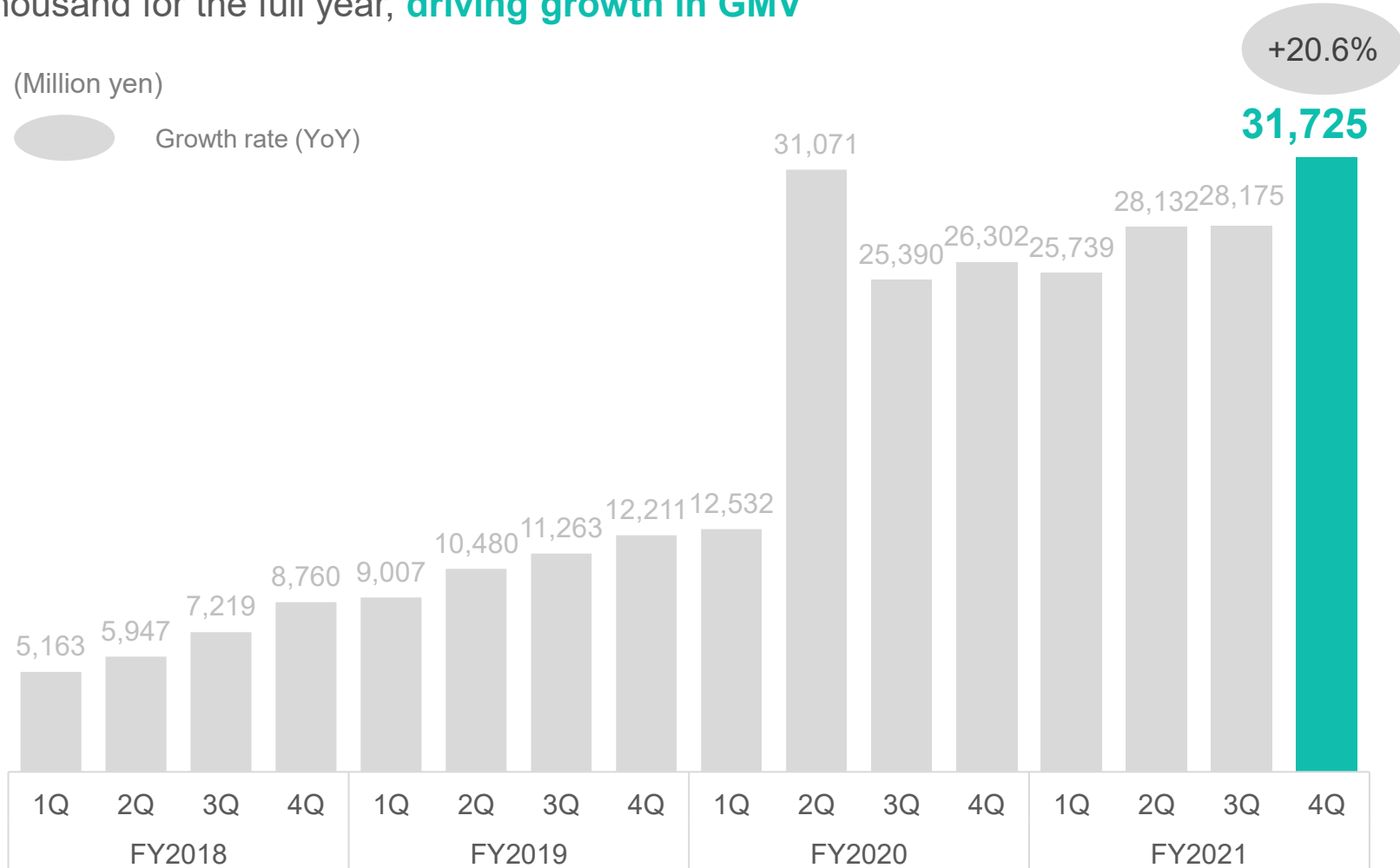
(Note 1) Other expenses are SG&A expenses excluding promotional expenses and personnel expenses.

(Note 2) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in the fiscal year ended December 2018.

(Note 3) BASE BANK, Inc. was established in the fiscal year ended December 2018, and the consolidating subsidiary was implemented in the fiscal year ended December 2019. Therefore, figures for the fiscal year ended December 2019 are consolidated.

GMV ^(Note1) **recorded highest level at 31,725 million yen**, surpassing the previous high in Q2 FY2020 due to a spike from the COVID-19 impact

High demand continues for opening online shops, with the number of monthly active shops increasing by +11 thousand for the full year, **driving growth in GMV**



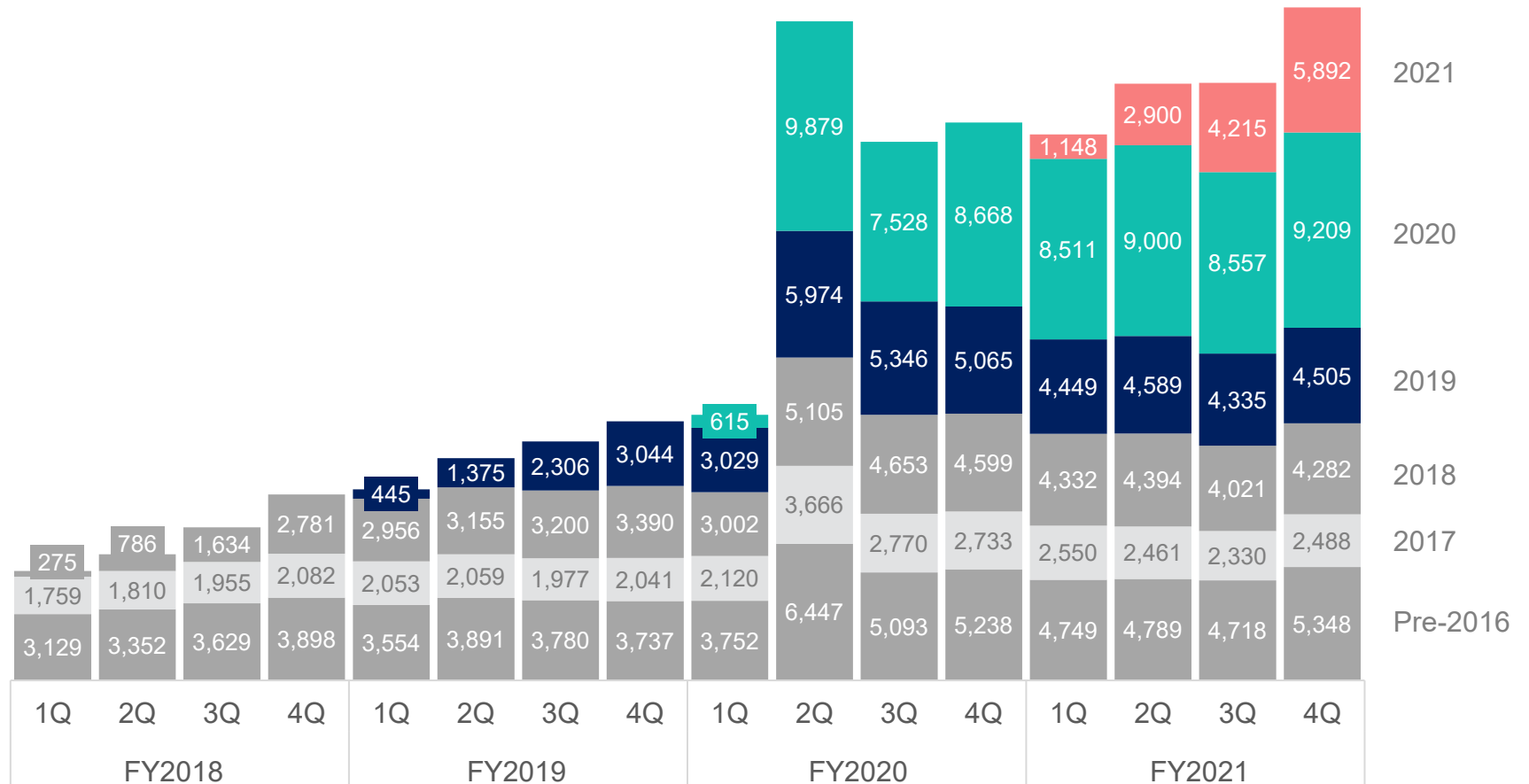
(Note) GMV is based on the order date (order amount)

Every GMV by year of establishment increased QoQ, leading to a record high of 31,725 million yen

Effective promotion of sales and growth by existing shops, and new shop openings contributed to growth

GMV Trend (By Year of Establishment)

(Million yen) ■ Pre-2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021

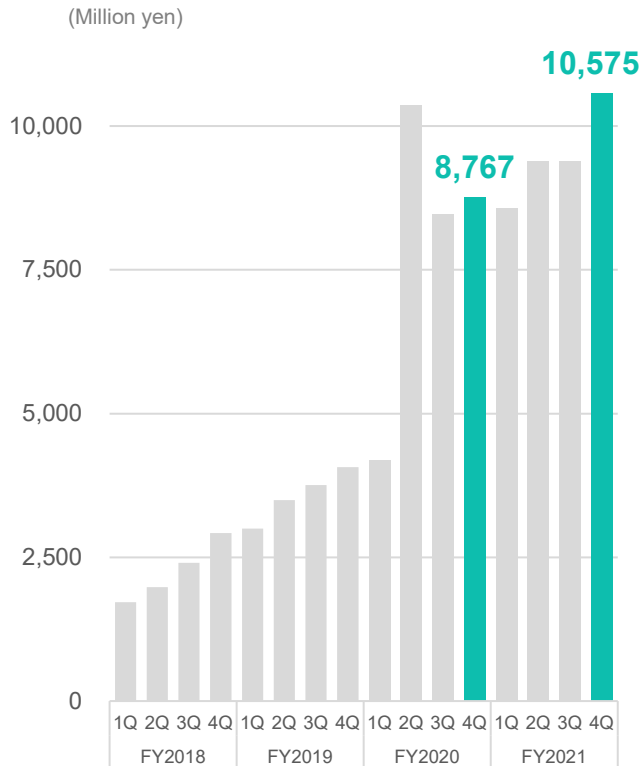


(Note) GMV is based on the order date (order amount)

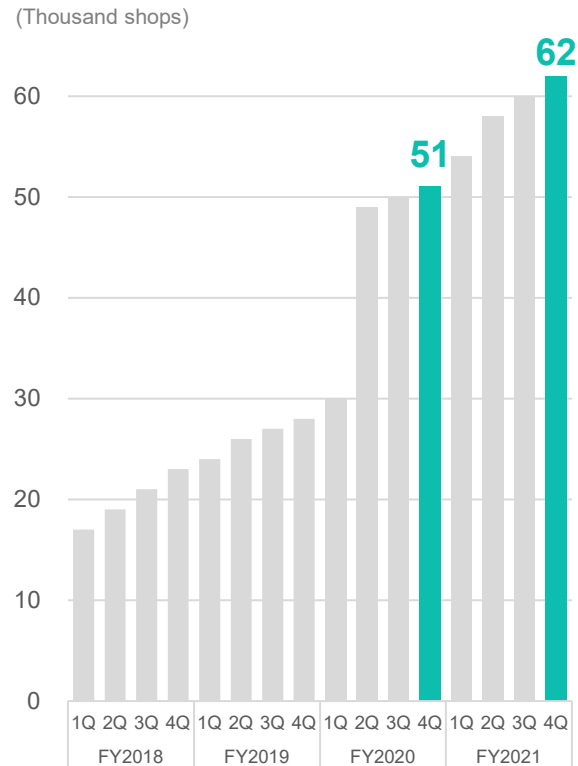
Number of monthly active shops increased by **+20.3%** YoY while monthly average GMV per shop remained flat

Both number of monthly active shops and monthly average GMV per shop increased QoQ as a result of effective promotion of sales through coupons

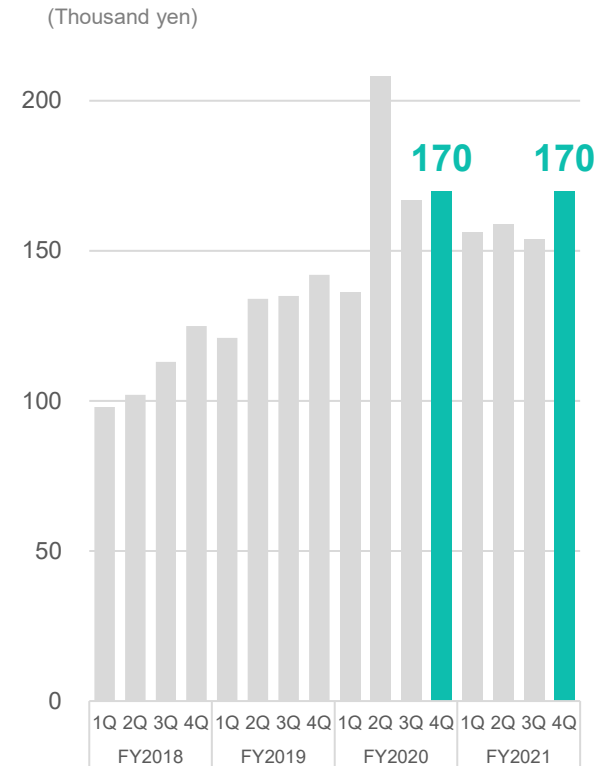
Monthly GMV (Notes 1, 2)



Number of Monthly Active Shops (Note 2)



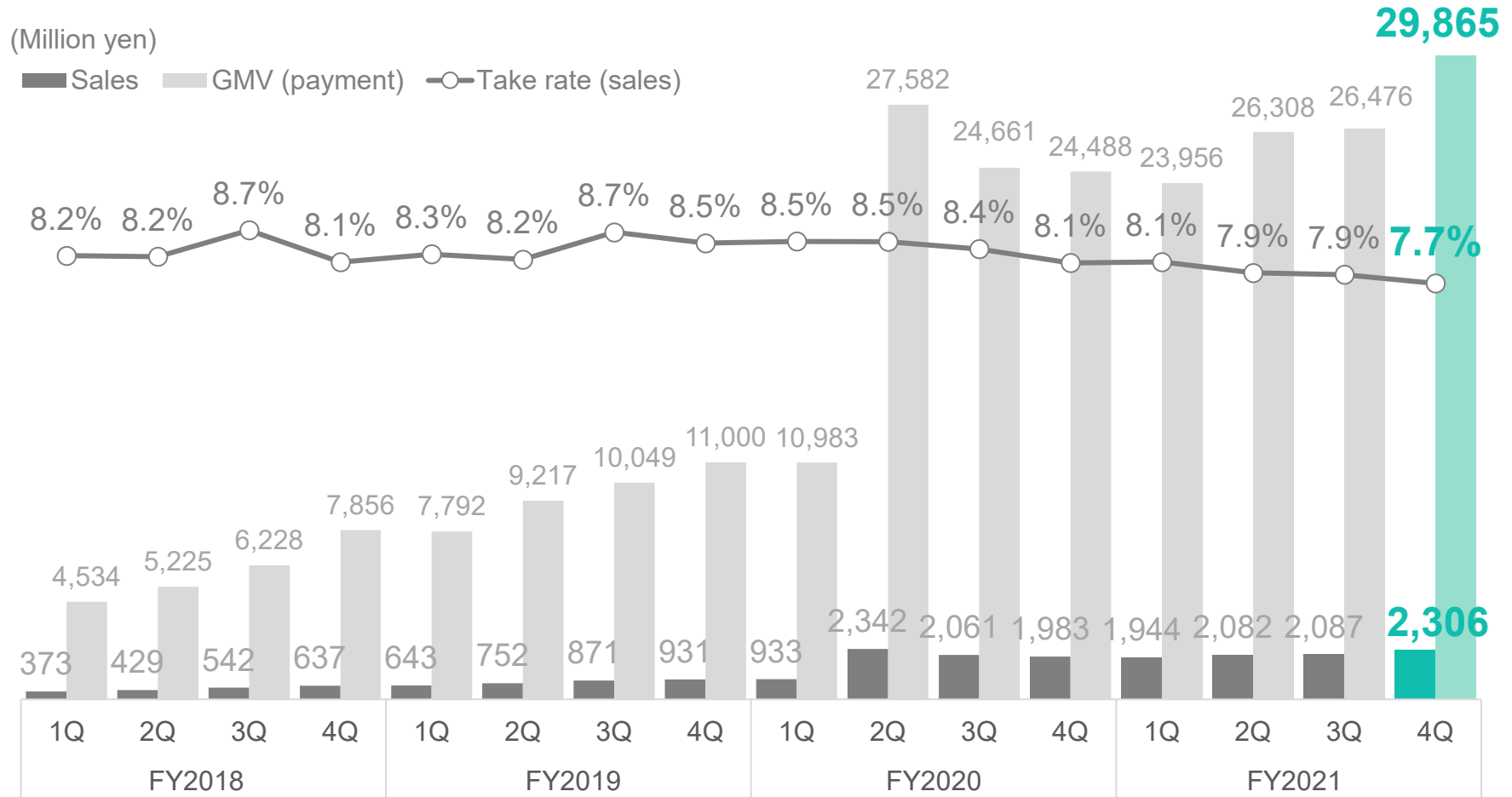
Monthly Average GMV Per Shop



(Note 1) BASE's GMV is based on the order date (order amount).
 (Note 2) Monthly GMV and the number of monthly active shops are the quarterly averages.

GMV (payment amount) **recorded highest levels and increased by +22.0% YoY**

Take rate decreased QoQ mainly driven by decreases in purchasers' commission impacted by an increase in unit price from sales promotion and seasonality, as well as decrease in the payment method ratio



(Note1) 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).

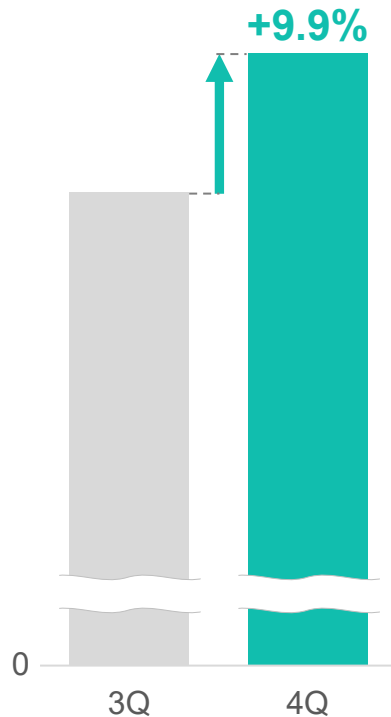
(Note2) Purchasers' commission are applicable for payment by CVS payment, deferred payment, and carrier payment, and not applicable for other payment methods. The take rate will decrease if the ratio of payments made through the payment methods incurring purchasers' commission decreases, or if the unit price of payments increases, against the overall GMV

Take rate^(note1) decreased QoQ as a result of decrease in purchasers commission impacted by increase in unit price from sales promotion and seasonality, as well as decrease in the payment method ratio

Factors Affecting the Purchaser Commission

Payment Unit Price

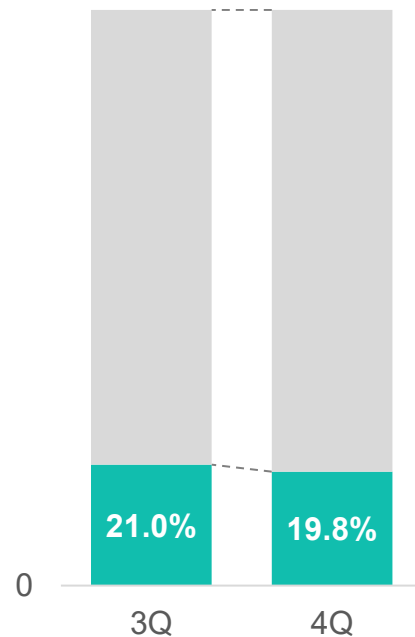
(Yen)



Payment Method Ratio

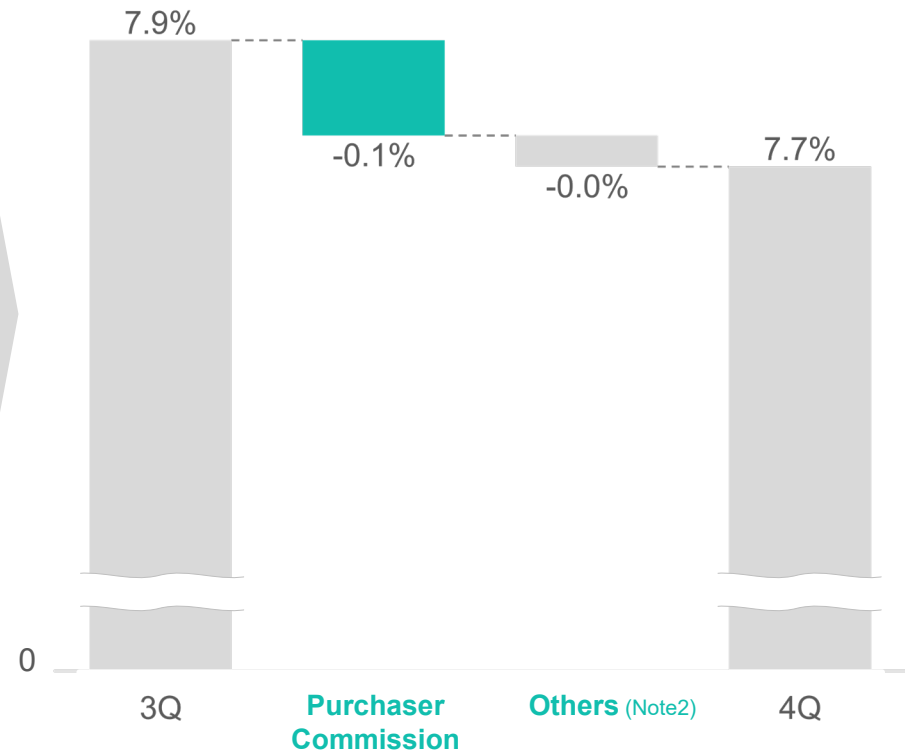
(%)

Other methods
Methods incurring purchaser commission



Factors Affecting the Take Rate

(%)

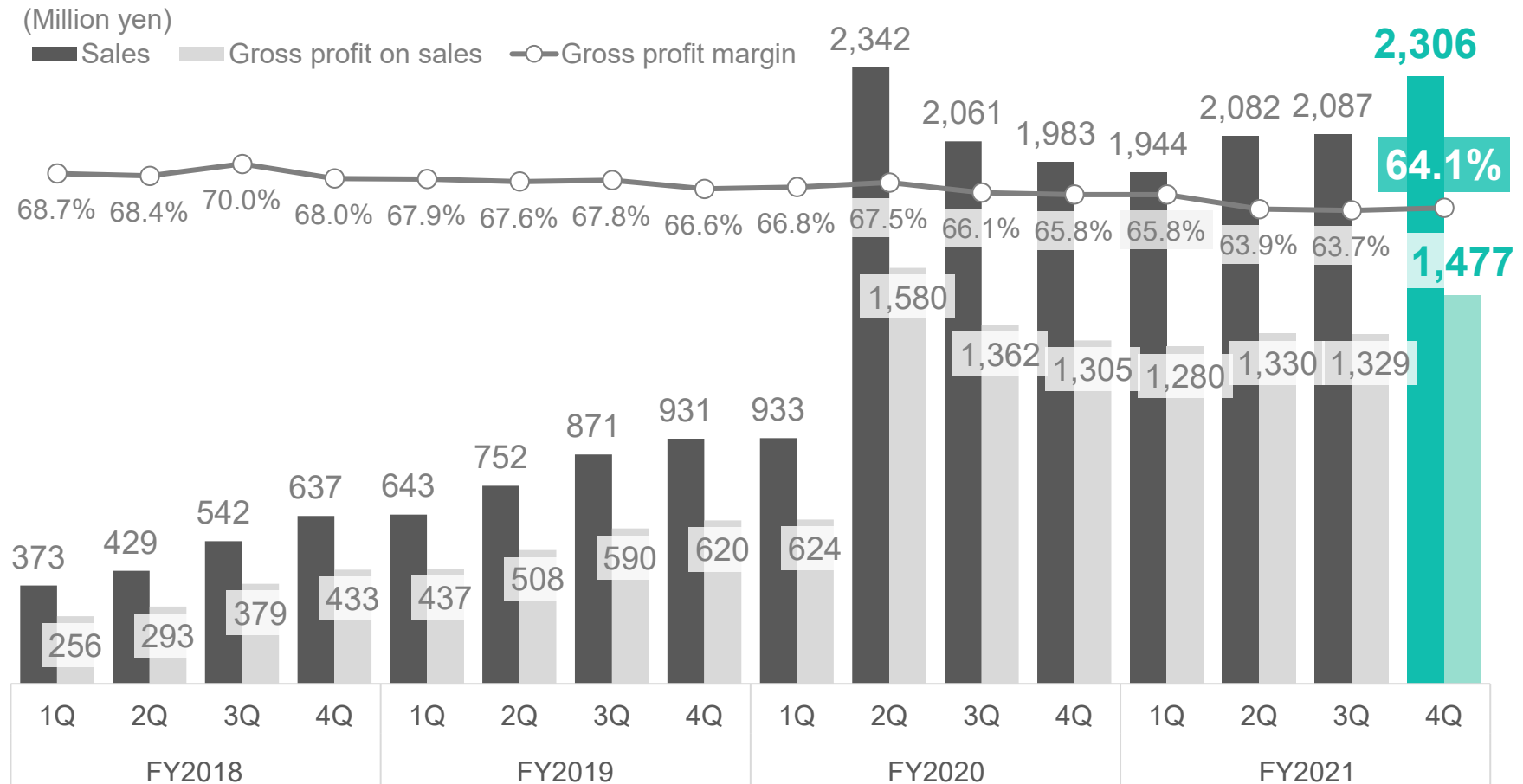


(Note1) Ratio of net sales over GMV (payment amount)

(Note3) Includes payment processing commission and service commission

Net sales and gross profit on sales increased by **+16.3%** and **+13.1%** respectively as a result of increase in GMV

Gross profit margin increased QoQ as a result of reduced cost of sales ratio



(Note) Ratio of the cost of sales over GMV (payment amount). Cost of sales ratio decreased as a result of changes in the payment methodologies and reduced costs for certain payments.

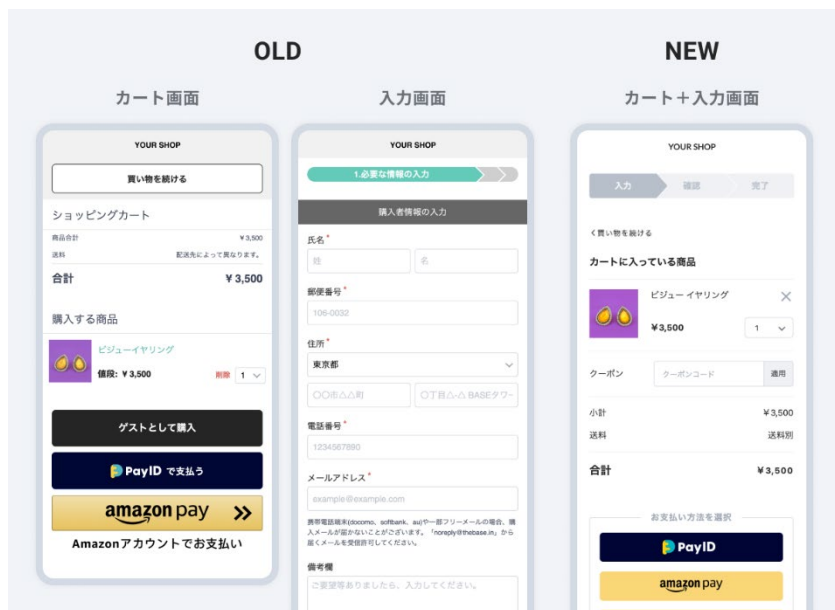
Improving the experience for purchasers by enhancing the input screen when purchasing products and design of the flow line for additional purchases

Continuous efforts planned to add functions to the cart screen **to provide an environment that leads to increased sales for shops**

Improvements in Input Screen for Purchase

Integration of 2 input screens into 1

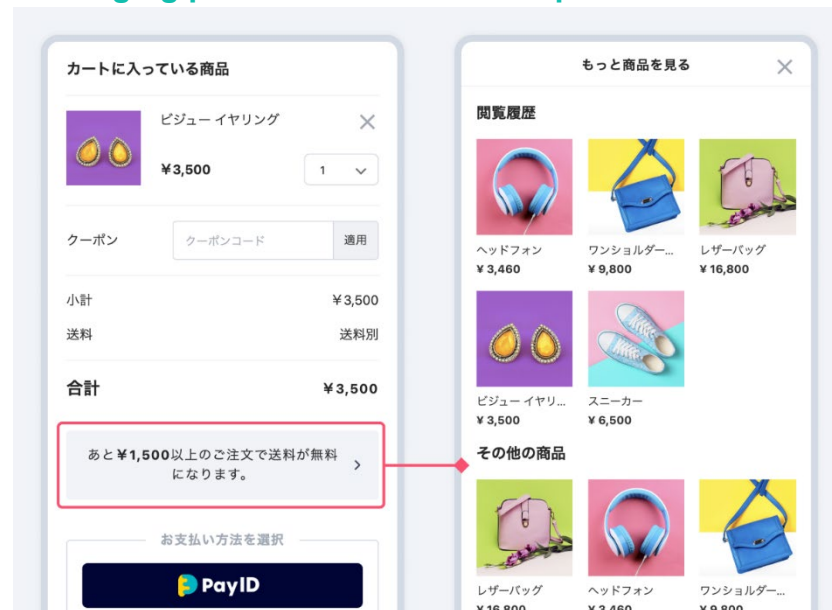
Improving the flow until purchase completion



Enhancement of Flow Line for Additional Purchases

Flow line to products already viewed and recommendations for additional purchases

Encouraging purchasers for addition purchases

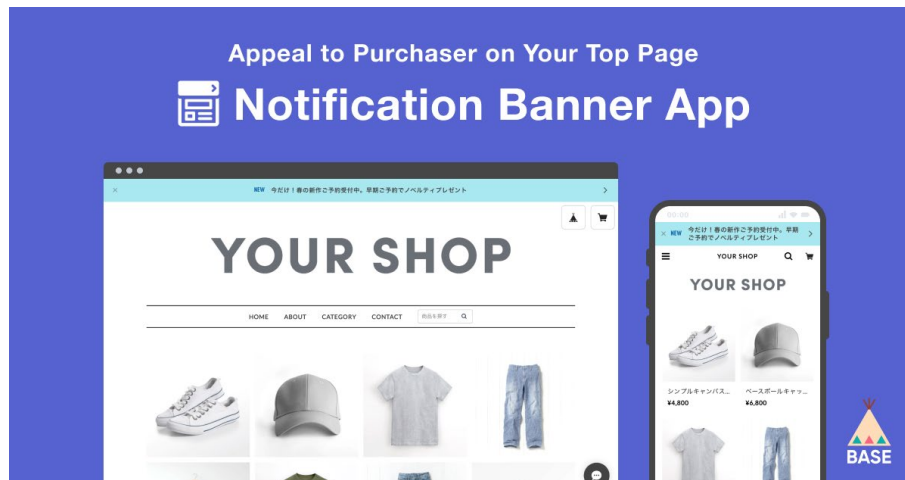


Notification banners displayed to strengthen sales promotion, and e-mail newsletters to be sent to potential purchasers

Functions to encourage purchasers to buy products and **assist in increasing shop sales**

Offer of “Notification Banner App”

Display information to promote coupons and new products etc at the top of the page to **effectively appeal to shop visitors** and **promote product purchases**



Update of “Mail Magazine App”

New update to enable mail magazines to be sent to **potential purchasers and expand relationships**

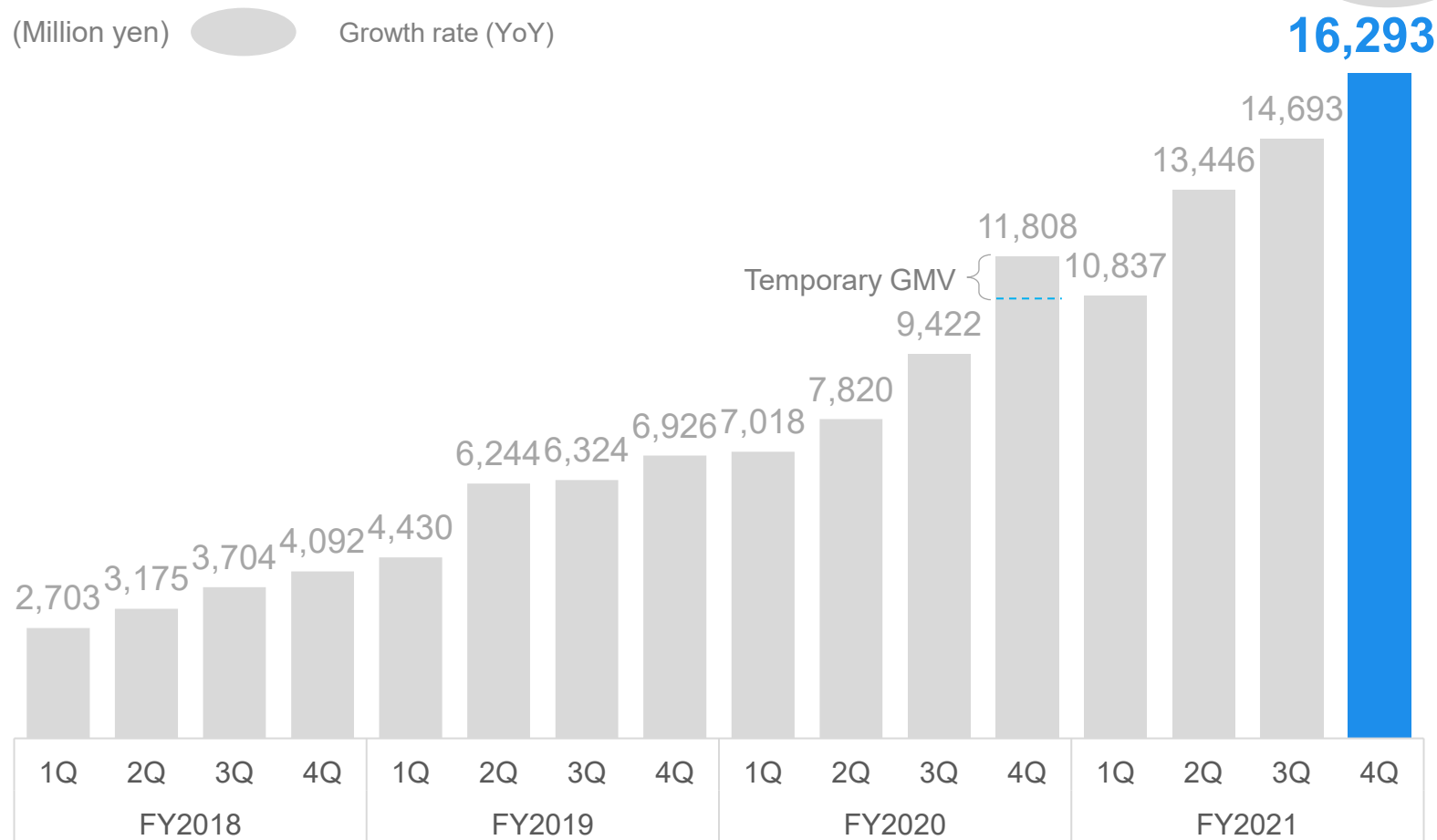
New function release following an earlier update of the CRM function(note)



(Note) CRM function was upgraded to a standard function and enabling shops to send mail magazines to segment groups

GMV increased by +38.0% YoY

GMV growth maintained a high rate of +51.2% YoY when excluding the Go-To Campaign impact from Q4 2020



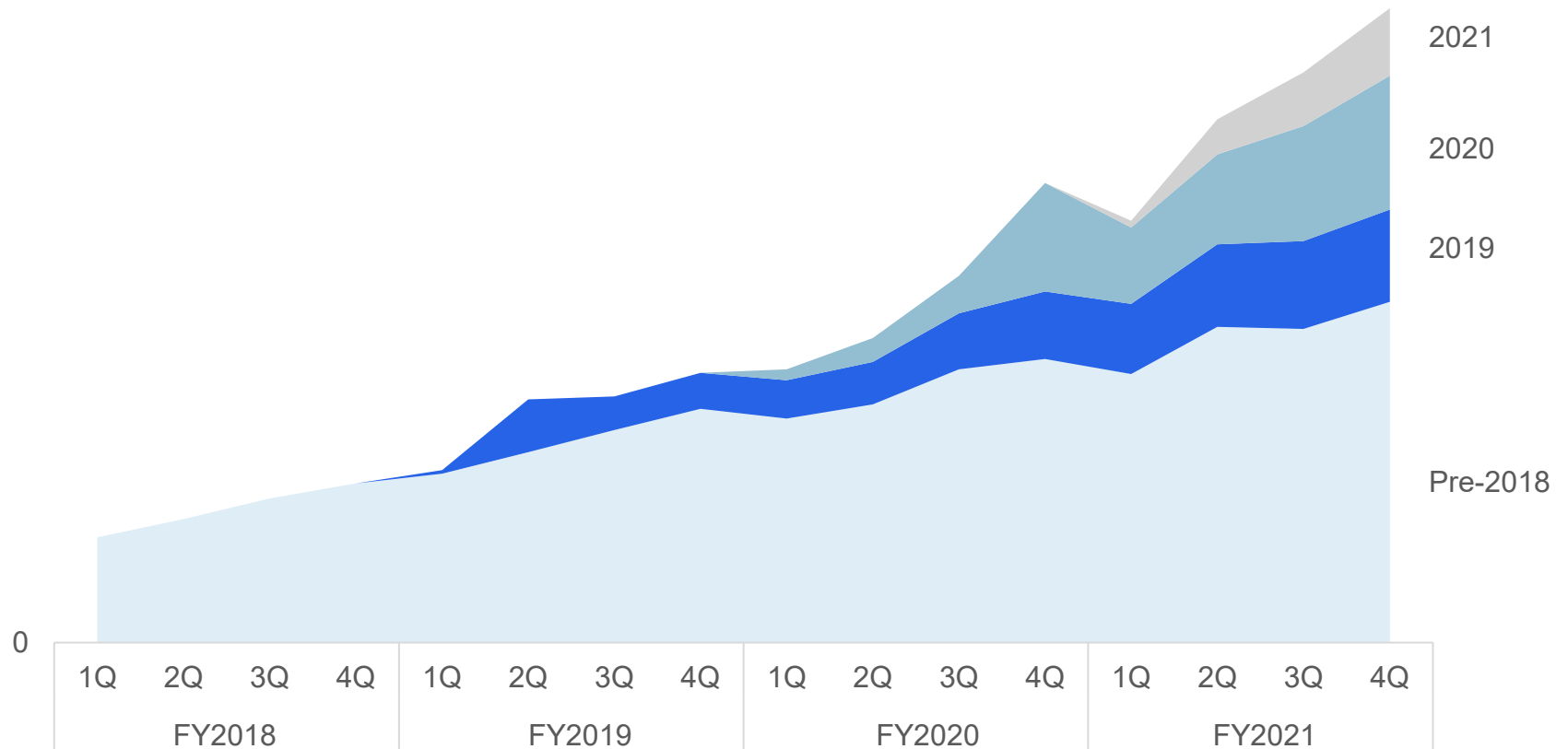
(Note) GMV is based on the payment date (payment amount).

PAY business GMV_(note) increased by +38.0% despite a spike in previous year's GMV due to the Go-To Campaign

Continuous high growth rate maintained with continued growth by existing merchants, and additional increases by new merchants

Quarterly GMV Trend (By Registered Year)

(Yen) ■ Pre-2018 ■ 2019 ■ 2020 ■ 2021



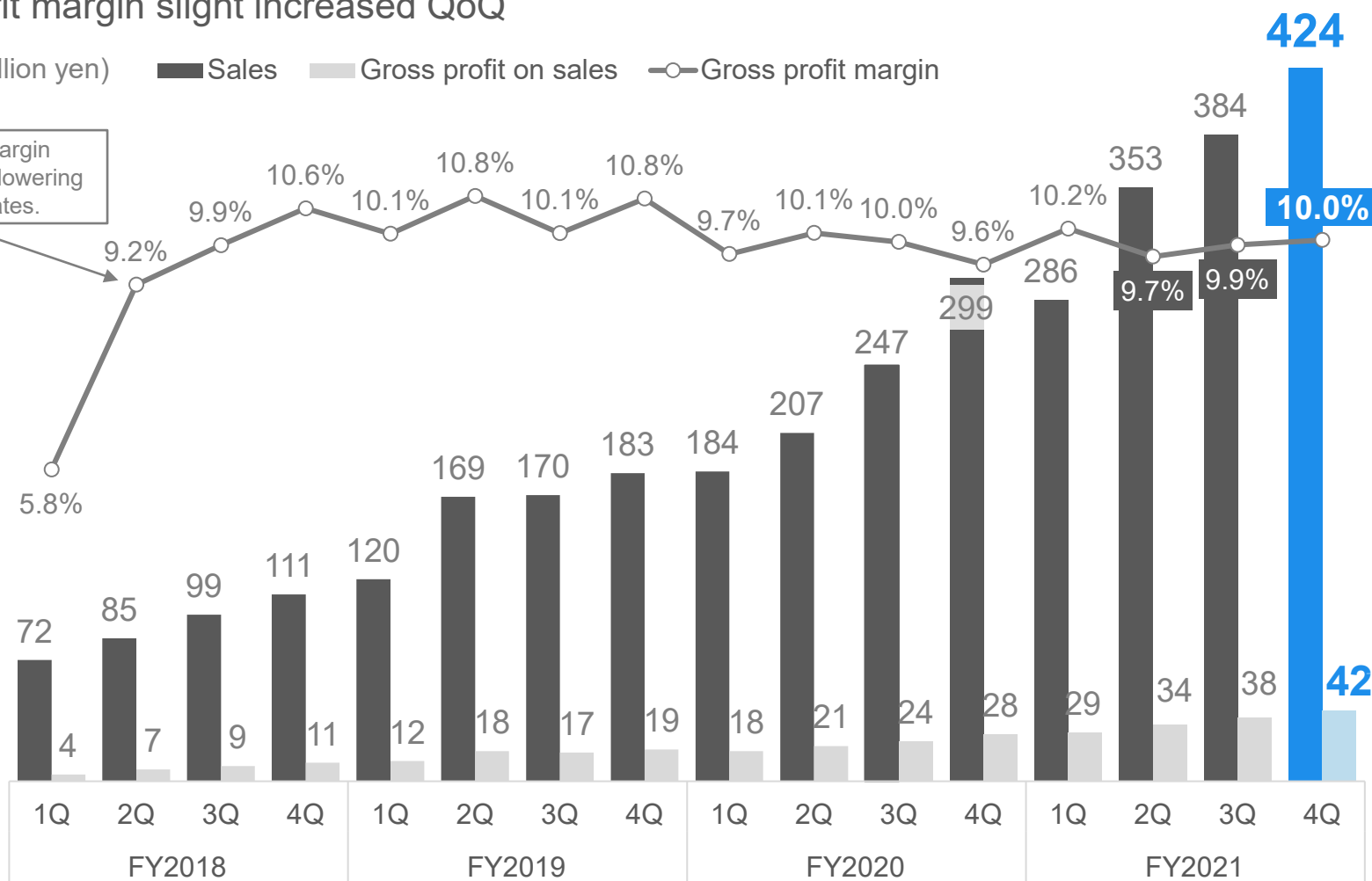
(Note) GMV is based on the payment date (payment amount)

Net sales and gross profit on sales increased by **+41.7%** and **+48.4%** YoY respectively as a result of increase in GMV

Gross profit margin slight increased QoQ

(Million yen) ■ Sales ■ Gross profit on sales ○ Gross profit margin

Gross profit margin increased due to lowering purchasing rates.




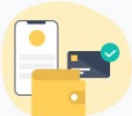

4. Medium Term Strategies and Policy for Fiscal Year2022

Since its foundation, “BASE” has focused on providing services to enable individuals and SMBs to **easily set up online shops and install payment systems with a risk-free fee structure**

With one of the largest number of monthly active shops, “BASE” has built a strong position in the long-tail market

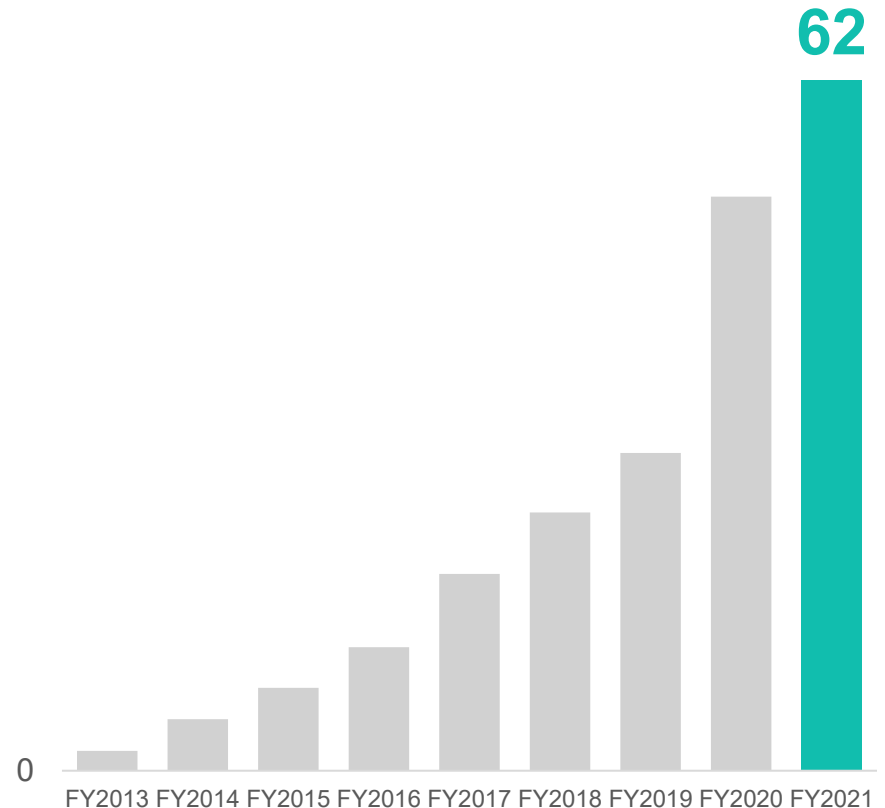
Risk-free Opportunities for All Users

- ✓ No initial or monthly costs, and fees are paid only when products are sold (Note1)
- ✓ Unique and easy to install payment system for all users
- ✓ Easy to operate standard functions, and extensions function to extend functionalities depending on needs

<p>POINT 1</p>  <p>No Initial or Monthly Costs</p>	<p>POINT 2</p>  <p>BASE Easy Payment</p>	<p>POINT 3</p>  <p>Easy To Use Functions</p>
---	---	---

Large Number of Active Shops (Note2)

(Thousand Shops)



(Note1) 3.6%+40Yen payment processing fees and 3% service fee on the amount of products sold

(Note2) Number of monthly active shops in the 4th quarter of each fiscal year

Promoting faster cash flow for “BASE” shops by providing various financial services

Financial Services Offering for “BASE” Shops^(Note)

YELL BANK

- ✓ “BASE” forecasts future sales, and purchases the receivables enabling shops to raise funds without risk

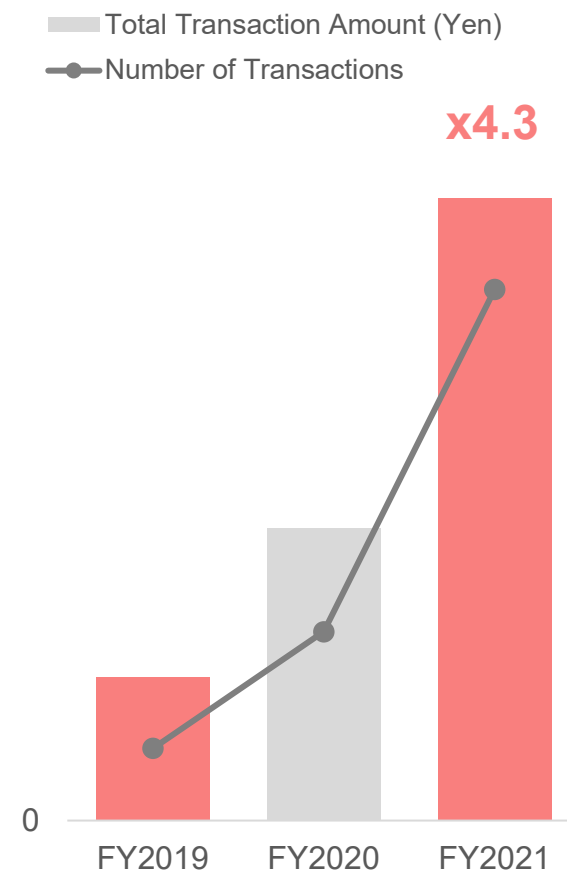
Express Bank Transfers

- ✓ Shortening the standard deposit period of 10 days, enabling the transfer of funds 1 day after application

BASE Card

- ✓ Spend proceeds from online shop sales at VISA member merchants nationwide

Growth of “YELL BANK”



User examples of “YELLBANK”

YELLの先には vol.7

一瞬で入金される
体験が圧倒的

La crienらでの資金活用方法。



YELLの先には vol.6

YELL BANKを
利用し続けて2年

「好き」の語まった
M-BROWNのショップ作り



YELLの先には vol.5

計画なく気軽に
資金を調達できるから
ちょうどいい

HACOMIDORI が実現する
お金の上手な付き合い方

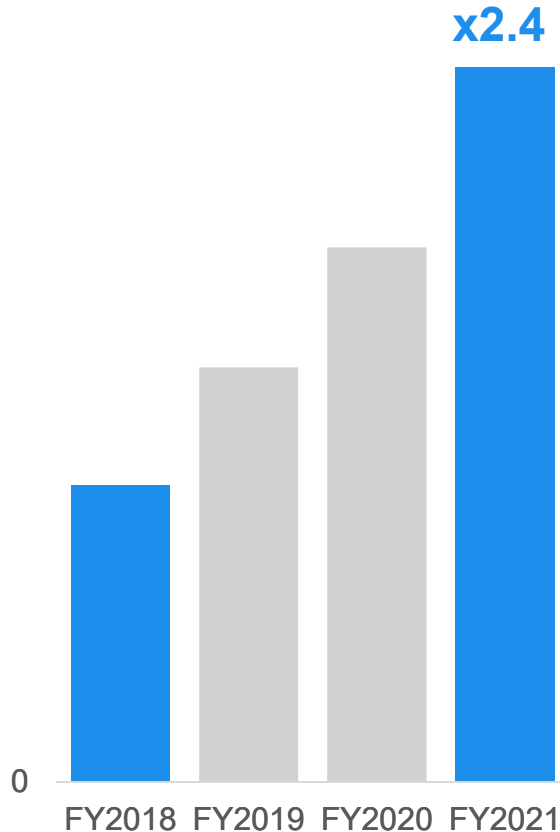


Solving issues for ventures and start ups in introducing online payment

Steady growth maintained with continuous growth by existing merchants, and additional increases by new merchant

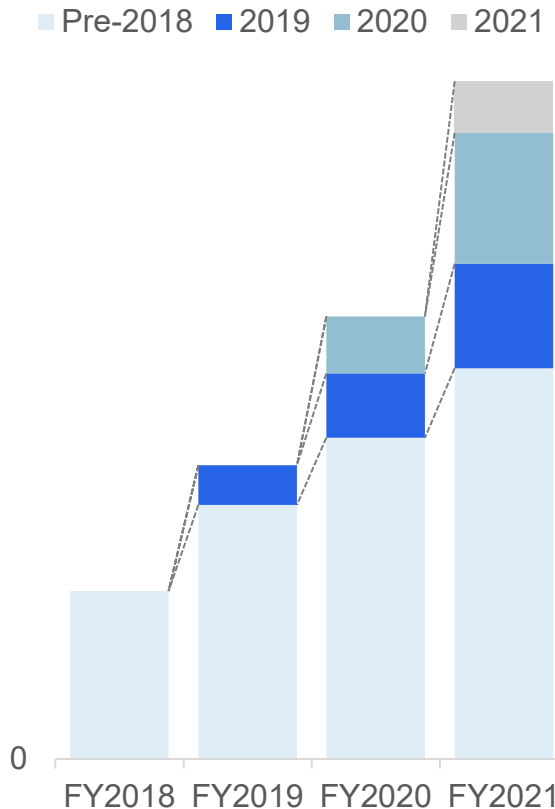
Increase in Merchants

(Merchants)



Growth in GMV

(円)



Merchant Examples of “PAY.JP”



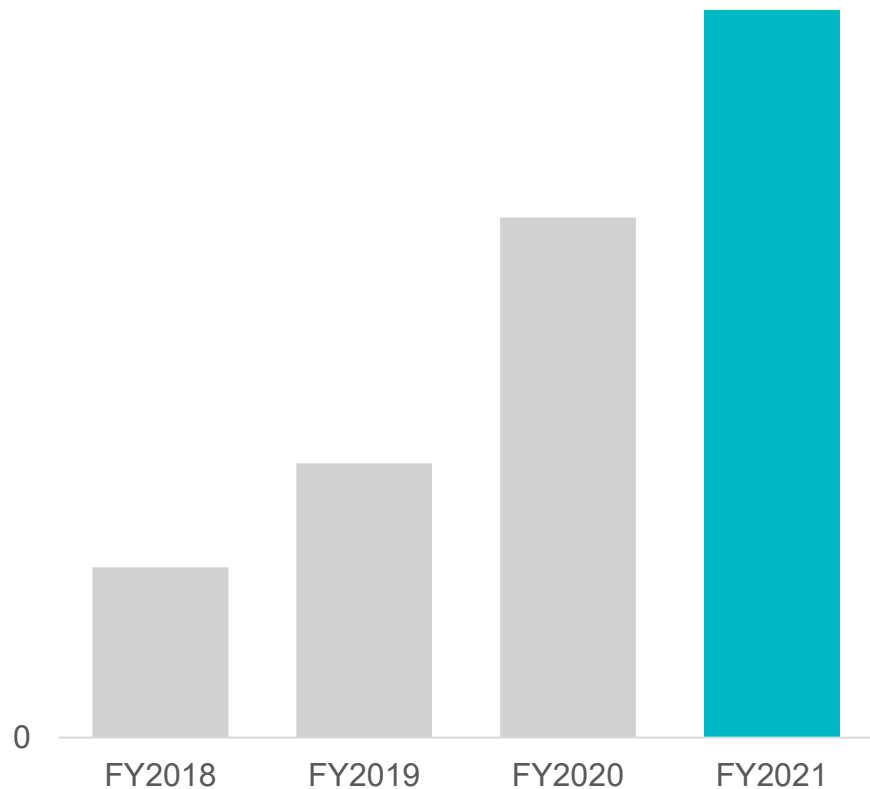
The only storefront type online shop creation service providing service to purchasers

Increase in the number of users expanded in line with the growth of “BASE”

Growth in Registered Users of “Pay ID”

(Persons)

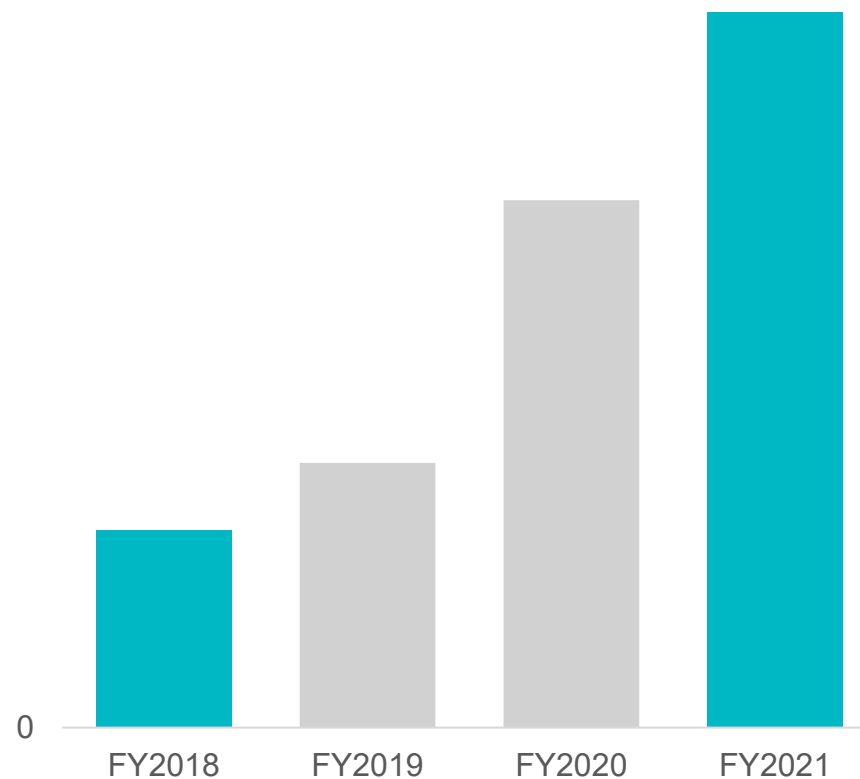
7.7 Million



Increase in GMV via Shopping App (note)

(Yen)

x3.6



(Note) Provided as the “BASE” Shopping App until November 2021. Currently offered as the “Pay ID App” following the integration and renewal of the Shopping Service “Pay ID”

Integration and revamping of Shopping App “BASE” and ID-based Payment Service “Pay ID” to newly offer **a shopping service with 7.5 million registered IDs and 1 million+ MAU**

Existing Service for Purchasers

✓ **Shopping App “BASE”**

Purchase a wide range of products from shops created on “BASE”

✓ **ID-based Payment Service “PAY ID”**

Register credit card and address information to make payments without having to enter each time while shopping with “BASE” shops

Integration and Revamping of Service for Purchasers

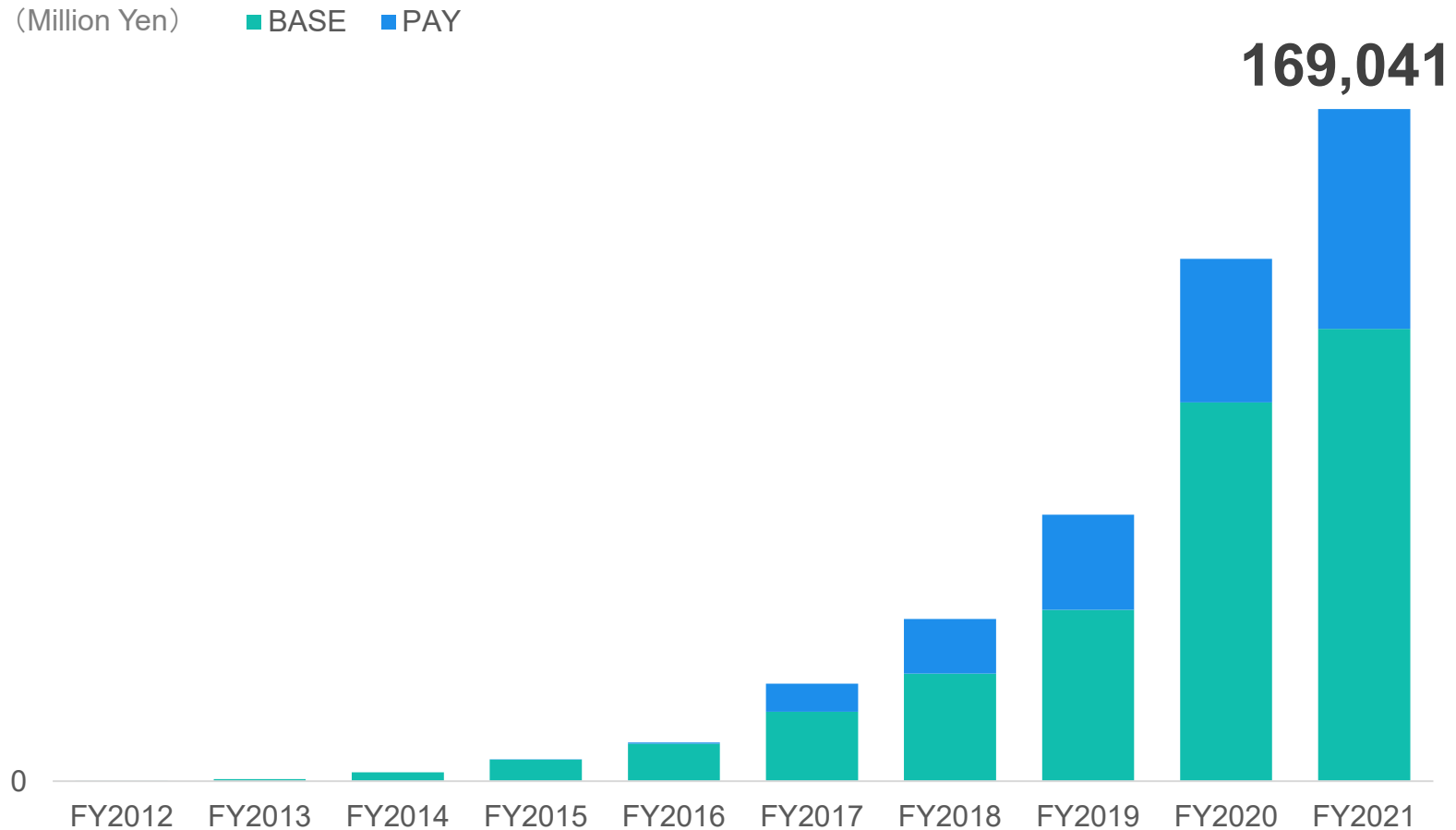
Clear separation of service for purchasers under “Pay ID” and shops under “BASE” in order to further increase value provided for each target user

	Before	After
Overall Service for Purchasers	N/A	Shopping Service “Pay ID”
App	Shopping App “BASE”	Shopping Service “Pay ID”
Payment Function	ID-based Payment Service “PAY ID”	Pay ID Payment

(Note) All existing functions of the shopping app “BASE” and ID-based payment service “PAYID” will continue to be available

Significant growth as a platform for the creation of new markets

Consolidated Yearly GMV^(Note)



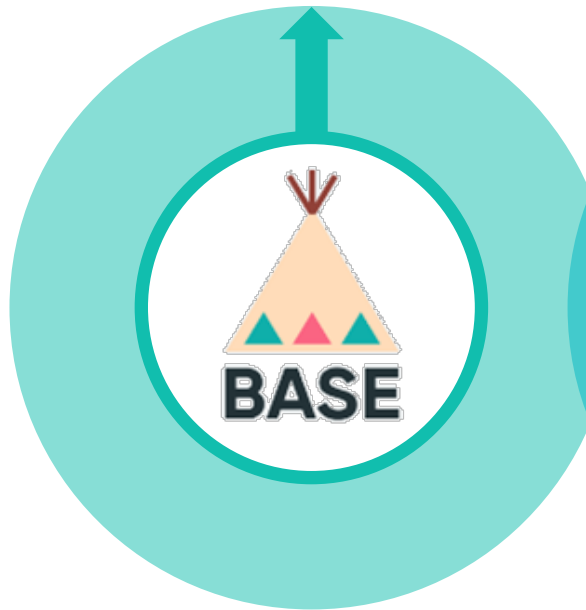
(Note1) BASE's GMV is based on the order date (order amount). PAY's GMV is based on the payment date (settlement amount)

“One Decade, One Value”

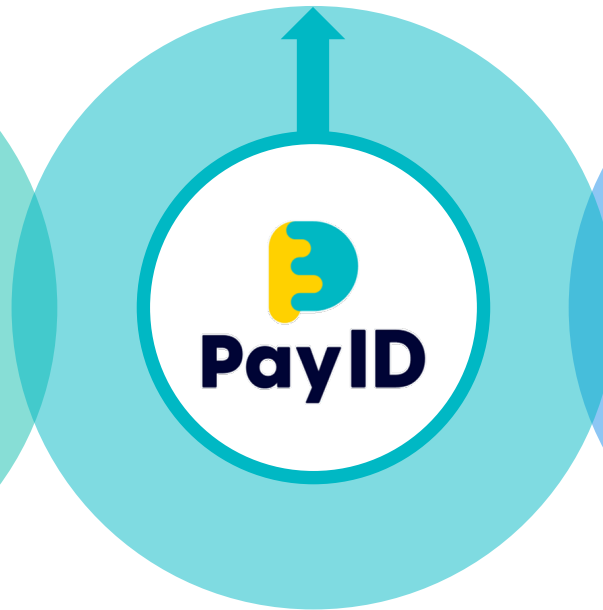
Maximize synergies among the businesses of the group to become a platform that empowers a wide range of shops, merchants, and purchasers through payments

Providing unique payment networks across the group

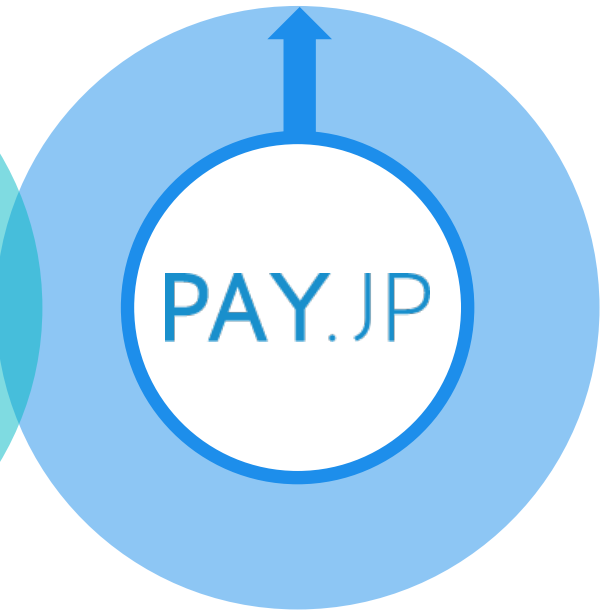
A hub for economic activities of shop owners



Leverage group assets to create synergies among businesses



Solving challenges related to payments



Increasing capacity to support shops, as a service used by shops with large sales (hereinafter "large-scale shops")

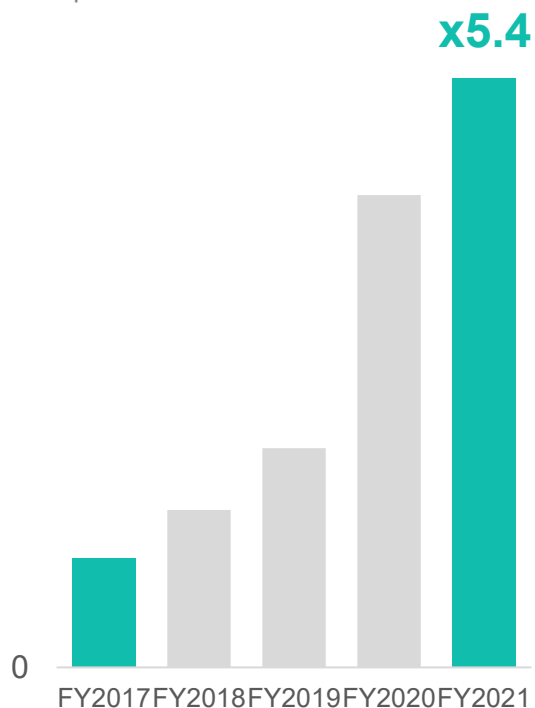
Becoming a platform with many individuals and small teams with continuous growth

Growth in Large-Scale Shops (Note1)

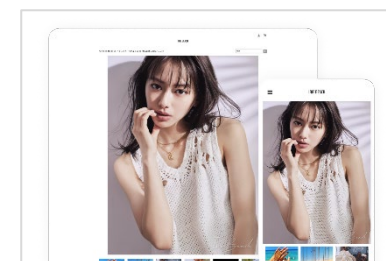
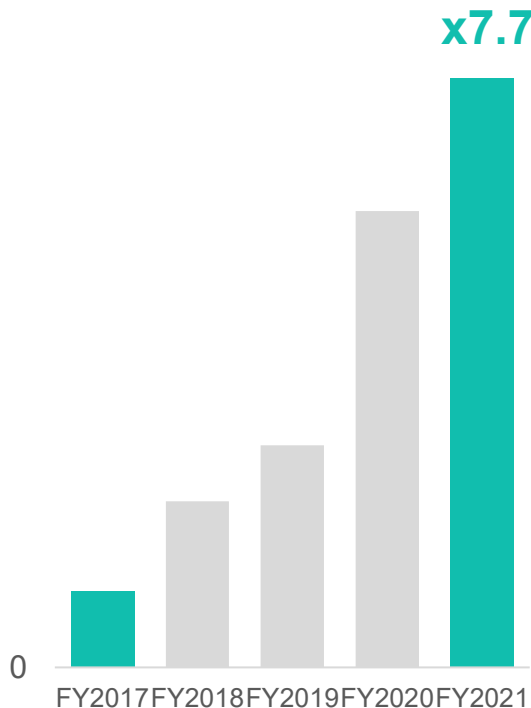
Examples of Large-Scale Shops

Number of Large-Scale Shops (Note2)

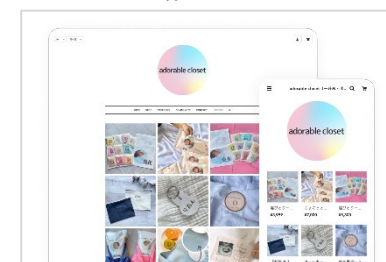
(Shops)



Monthly Average GMV Per Shop of the Top 3 Shops



IRIE BEACH様



adorable closet様

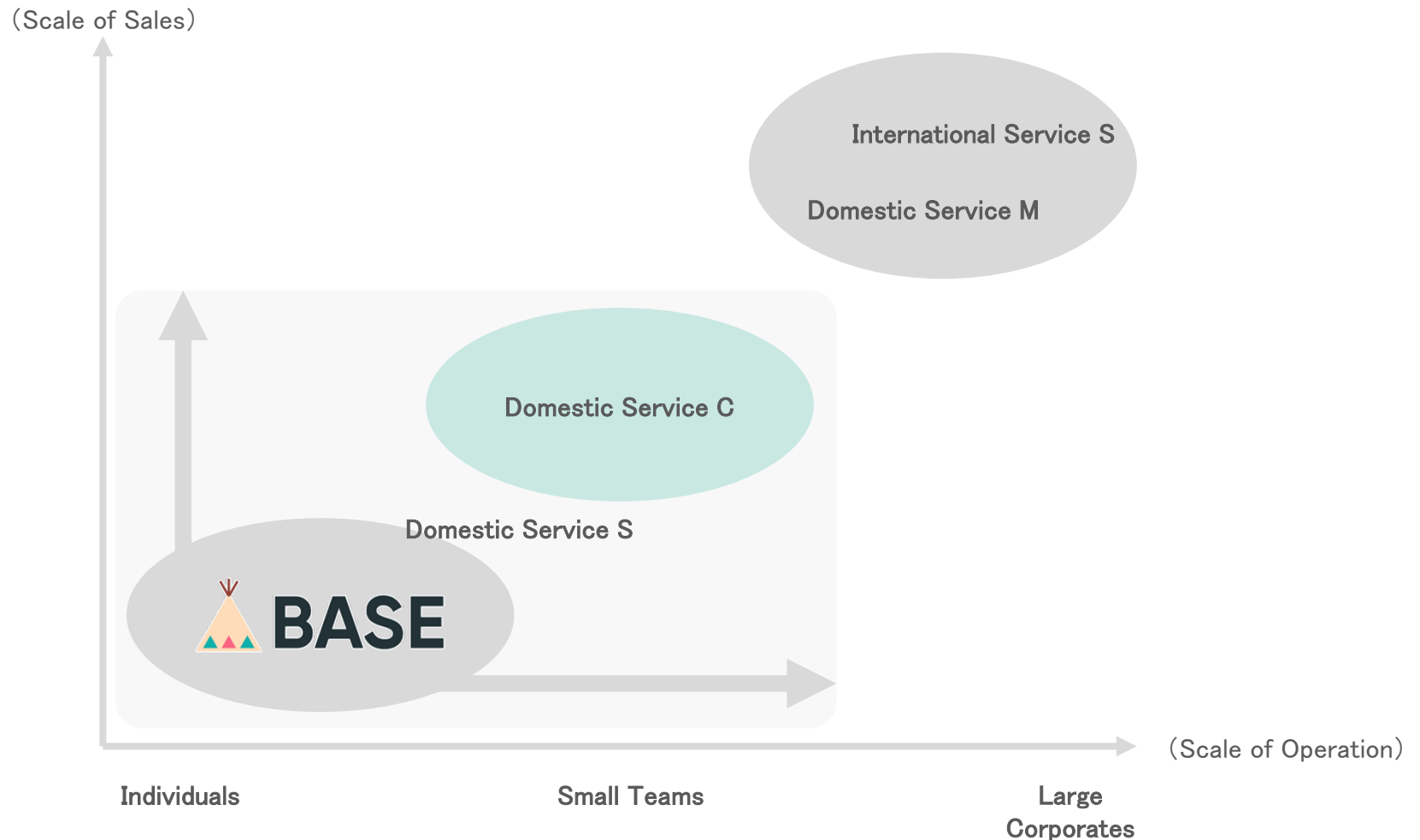


Senbei Brothers様

(Note1) Large-scale shops refer to shops with more than 1 million yen sales per month

(Note2) Number of monthly active shops in the 4th quarter of each fiscal year

Aiming to maximize GMV and gross profit in the medium to long term, to become a platform to support all individuals and SMBs



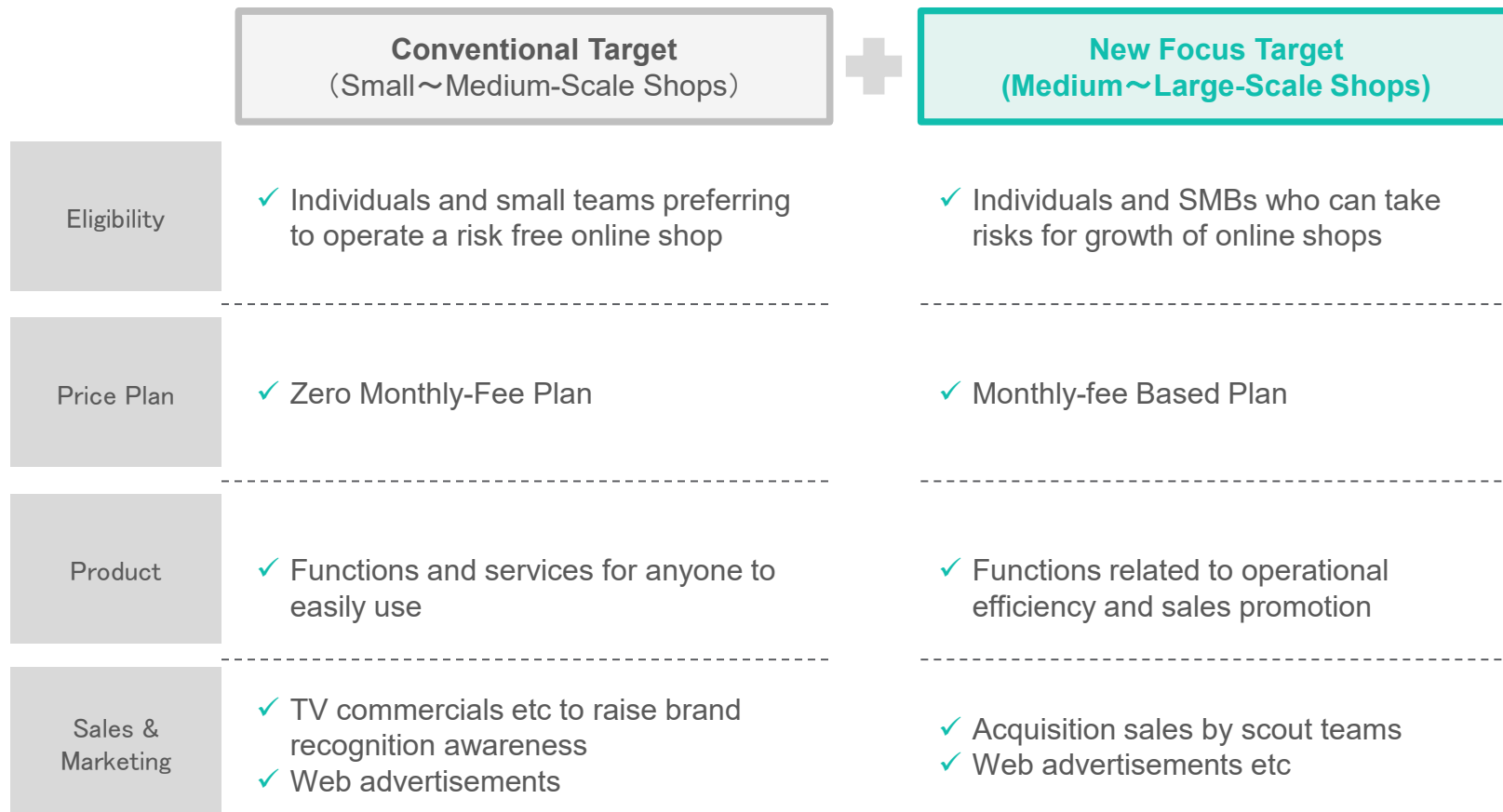
Offering of a monthly-fee based pricing plan in addition to the conventional zero monthly fee pricing plan

Enabling the support of individuals and SMBs who have not selected “BASE” due to pricing

		Conventional Plan (unchanged)	NEW Monthly-Fee Plan
Outline	Monthly Price	Free	5,980円
	Payment Processing Fee	3.6%+40Yen (+3% Service Fee)	2.9%
	Functions	Same offering for both plans	
Eligibility	Operational Structure	Individuals and Small Teams	
	Frequency of Use	Irregular spot usage	Mostly Every Month
	Purpose of Use	Hobbies and Side Businesses	Main Business

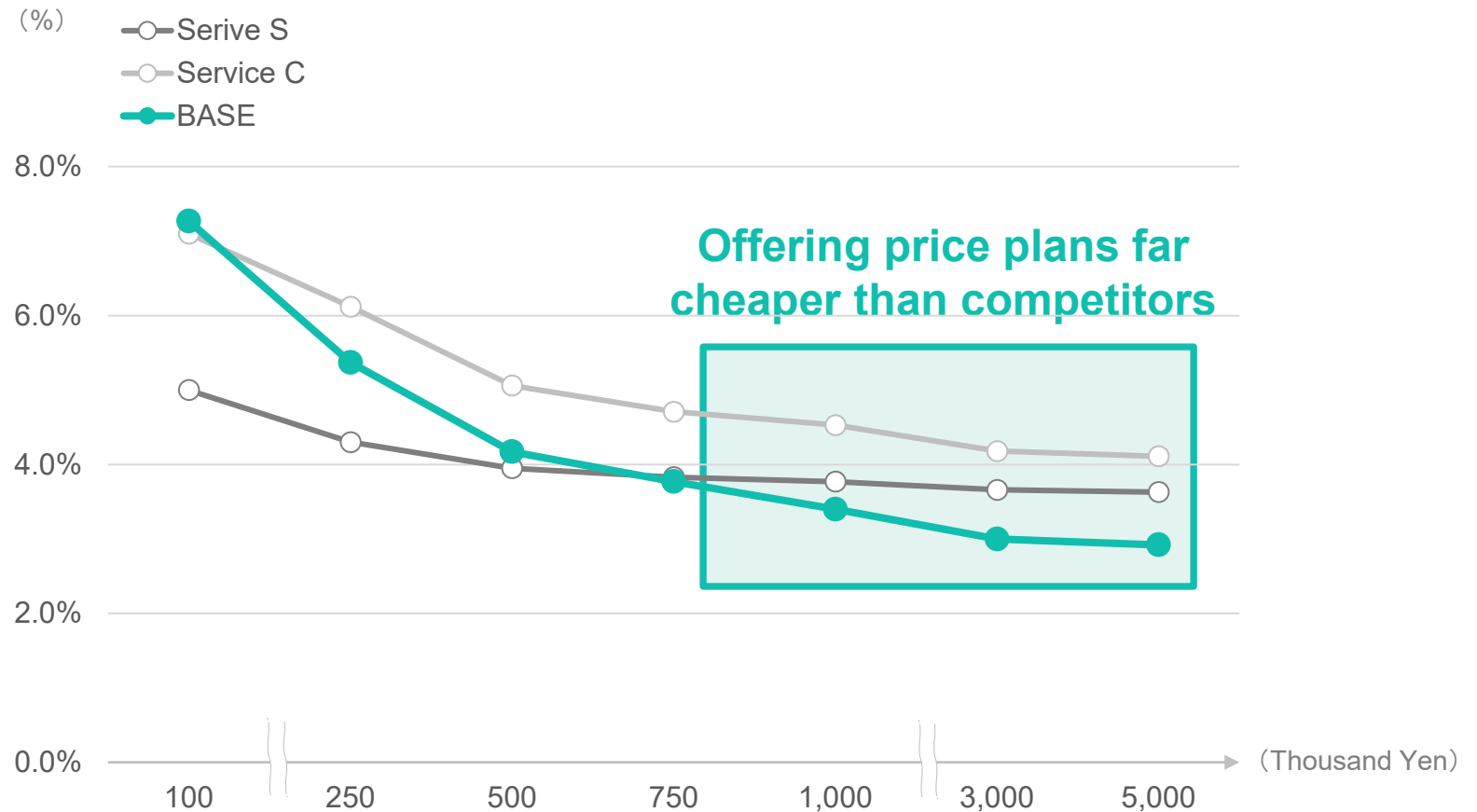
In addition to the offering of a monthly-fee based pricing plan, “BASE” aims to support all individuals and small teams through function development catering to a **wide range of sales scales, as well as sales and marketing**

Maintaining a strong position in the long-tail markets as a source of competitiveness



Enabling to support individuals and small team who can take risks to grow by offering a new price plan far cheaper than competitors

Comparison of Fee Rates (Note)

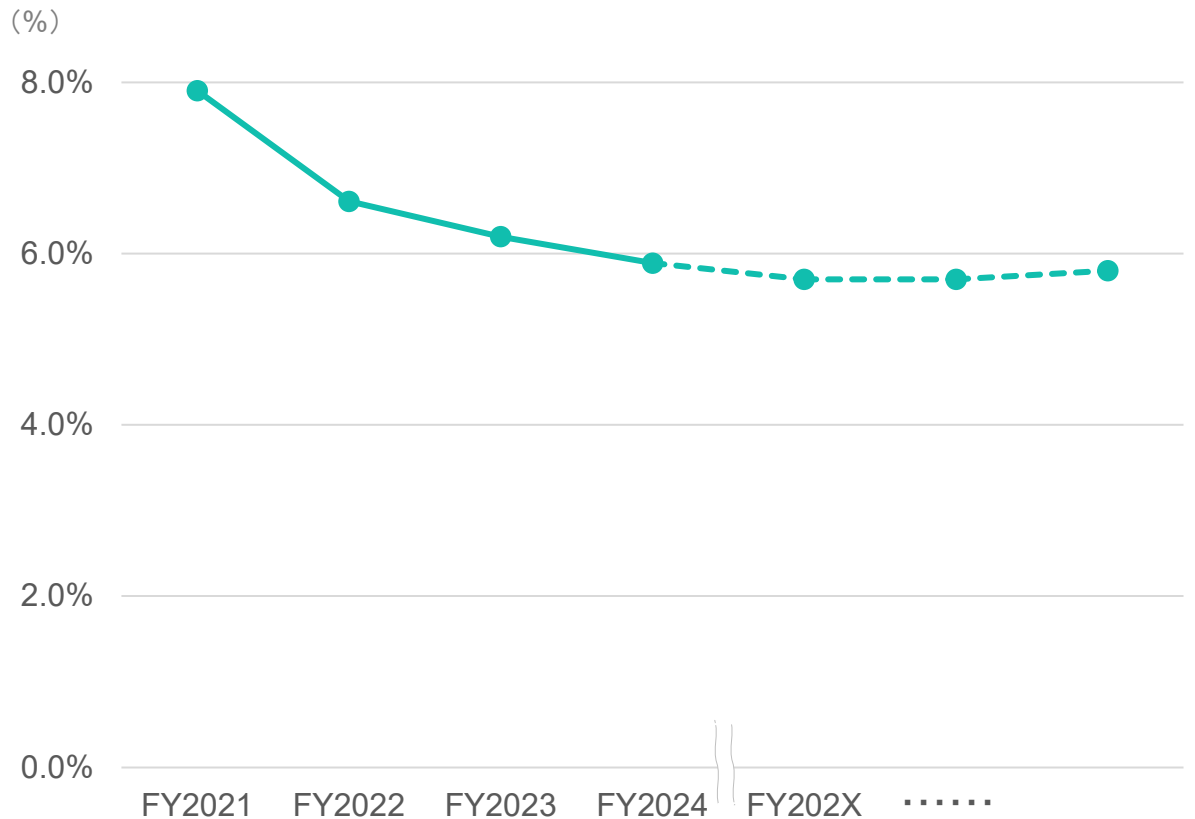


(Note) Comparison based on the lowest fee rate according to the scale of sales among the fee plans offered by each company (calculated by BASE)

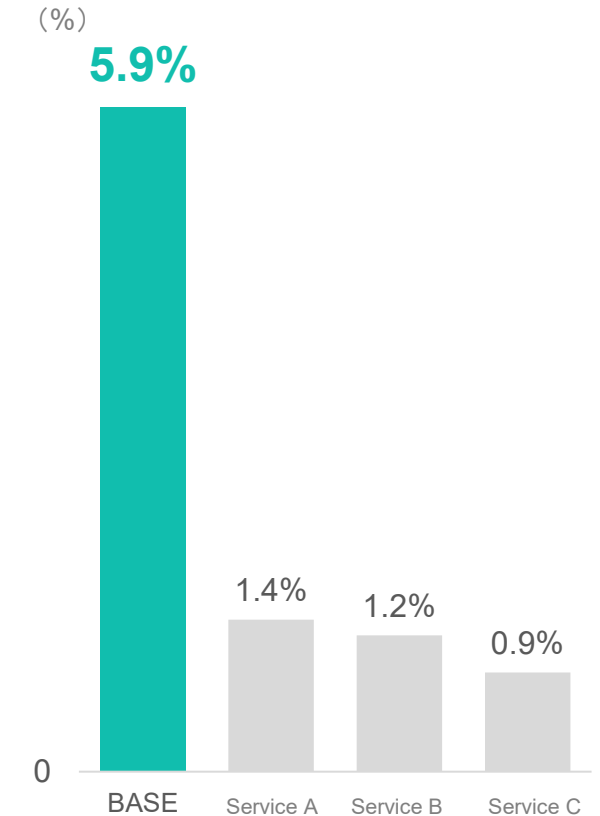
Maintaining high levels of take rate despite offering the lowest fee among competitors, by continuing to focus on long-tail markets

Providing additional pay-as-you-go functions to expect increases in take rate

Image of Future Take Rate



Take Rate Comparison^(Note)

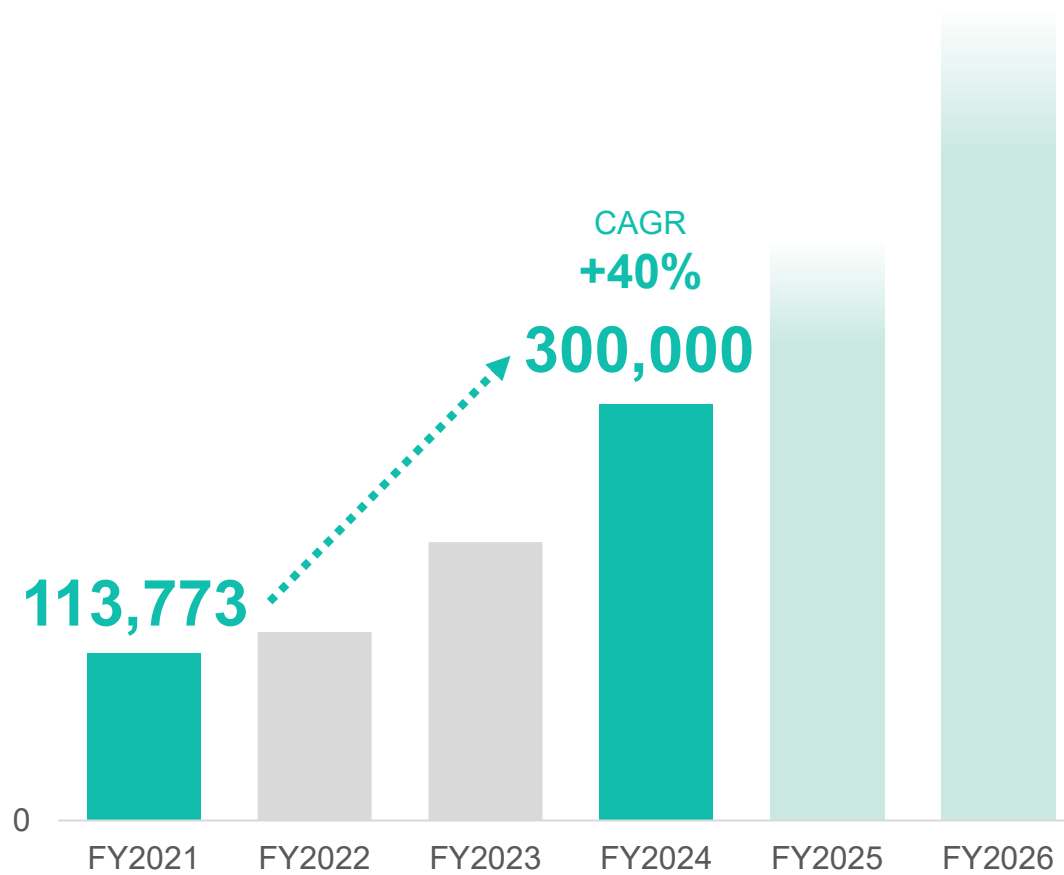


(Note) BASE's take rate is estimated for FY2024. Competitor take rates calculated from publicly disclosed material by BASE

Aiming for GMV of 300 billion yen (CAGR+30%) in 2024

Image of GMV Growth^(Note1,2)

(million yen)

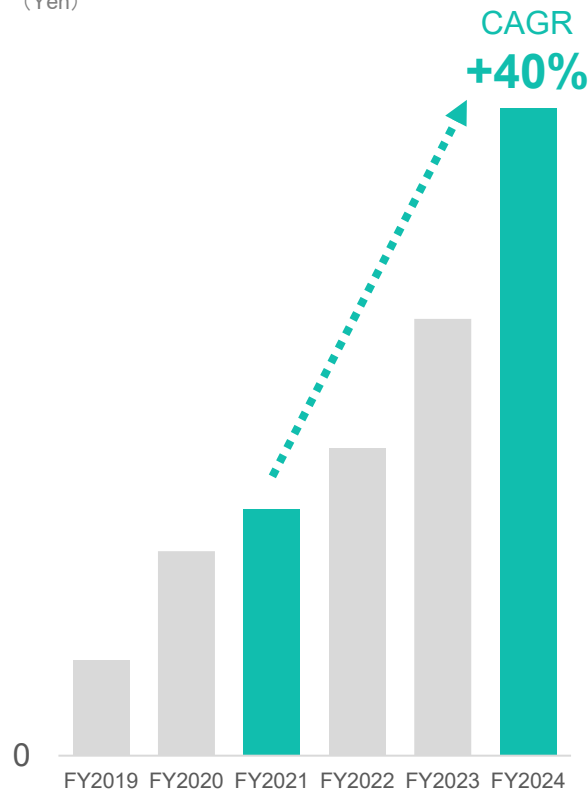


(note1) Expected figures after 2022
(note2) GMV is based on order date(order amount)

In addition to increasing the number of active shops per month, which has been a driver for growth, “BASE” aims to also increase the average monthly GMV per shop in order to maximize GMV growth

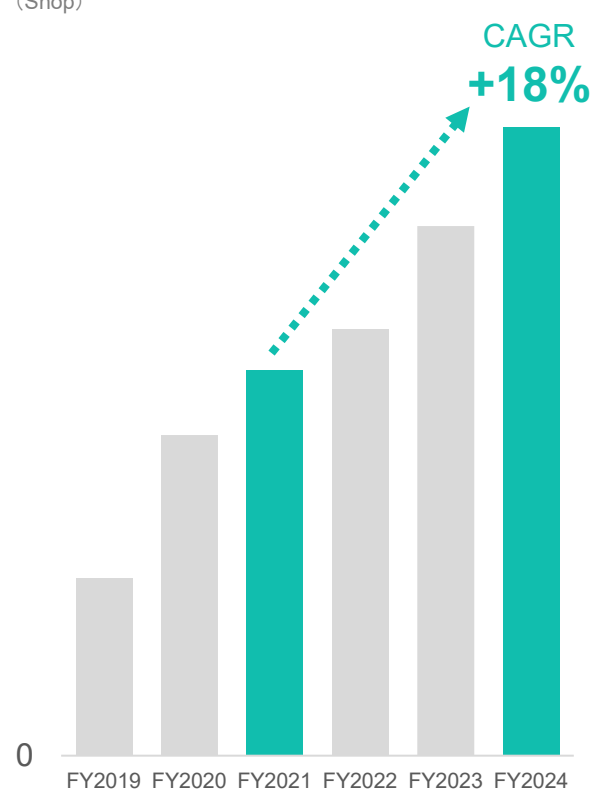
Monthly GMV (Note1,2,3)

(Yen)



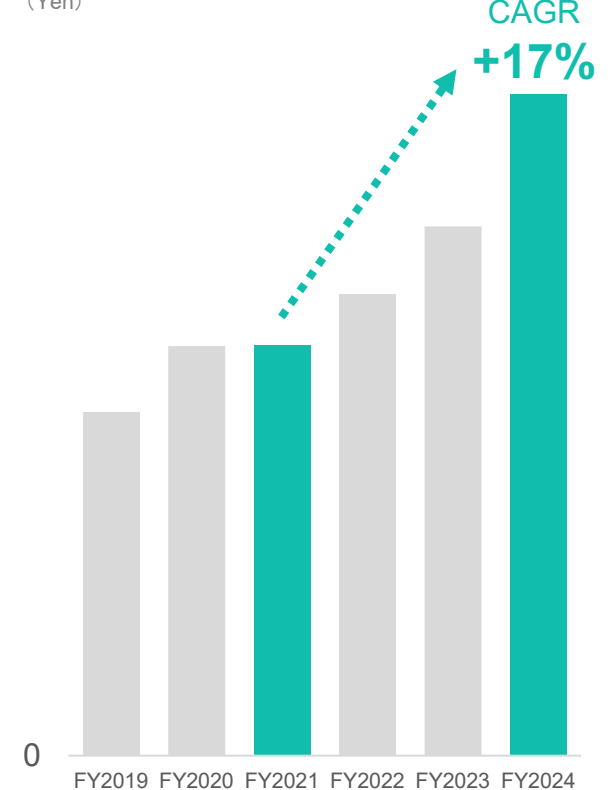
Number of active shops per month (Note2,3)

(Shop)



Monthly average GMV per shop (Note3)

(Yen)



(Note1)GMV is based on order date (order amount)

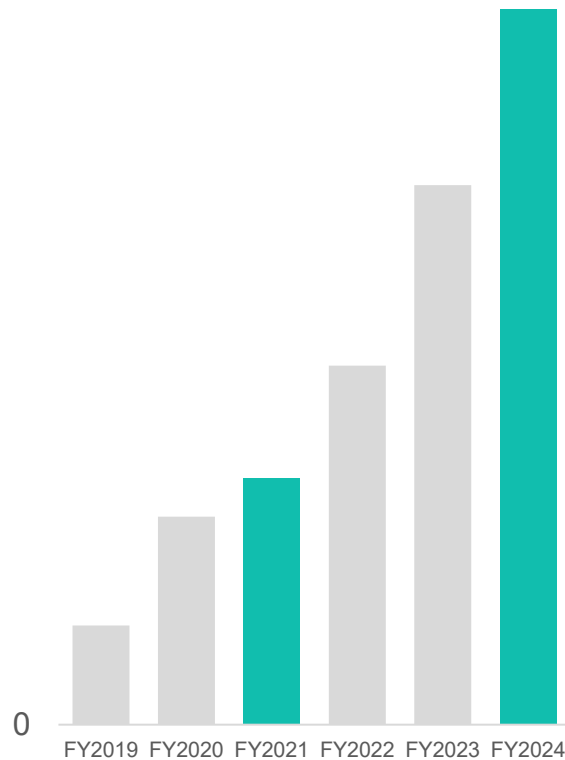
(Note2) Monthly GMV and number of active shops per month are quarterly averages

(Note3)Comparison of the 4th quarter of each fiscal year

The number of **large-scale shops**^(note1) is expected to increase with the offering of a monthly-fee based pricing plan etc, leading to a higher ratio of large-scale shops comprising the overall GMV, resulting in a higher Monthly average GMV per shop

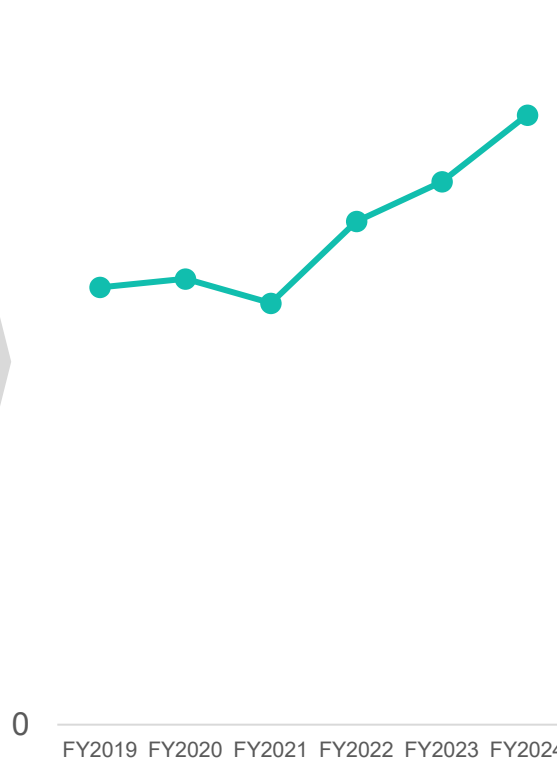
Number of large-scale active shops per month ^(note2)

(Shops)



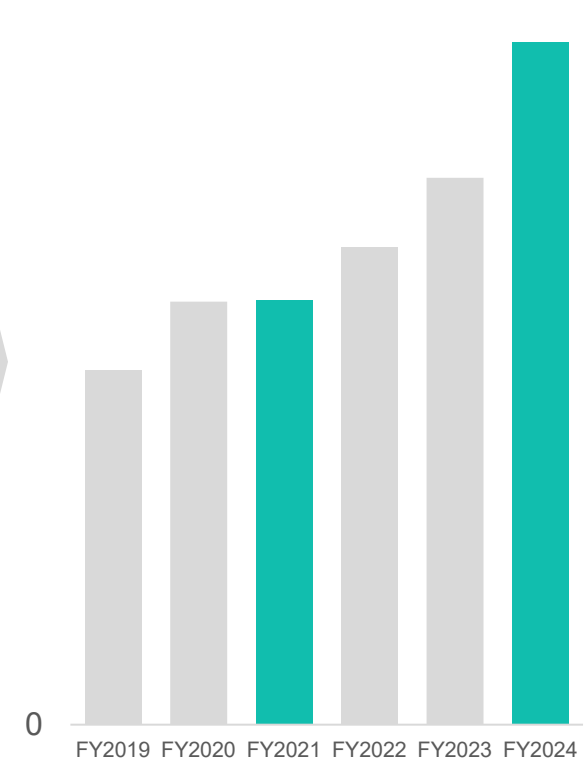
Percentage of large-scale shop GMV ^(note2)

(%)



Monthly average GMV per shop ^(Note2)

(Yen)



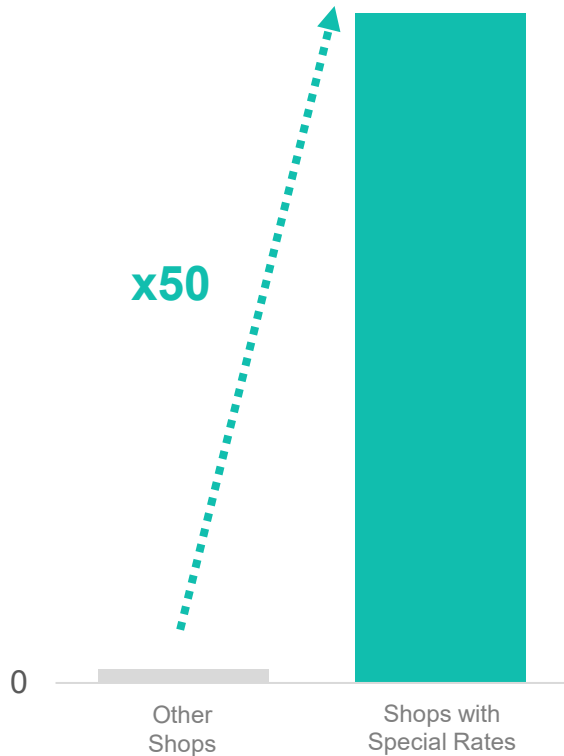
(Note1) Shops which monthly sales exceed 1 million yen
(Note2) Q4 of each fiscal year

“BASE” has been selected by many large scale shops, through providing lower fee rates (special rates)

The offering of a new price plan which is even lower in fee rates as compared to current shops with special rates, therefore making expectations to acquire a larger number of large-scale shops

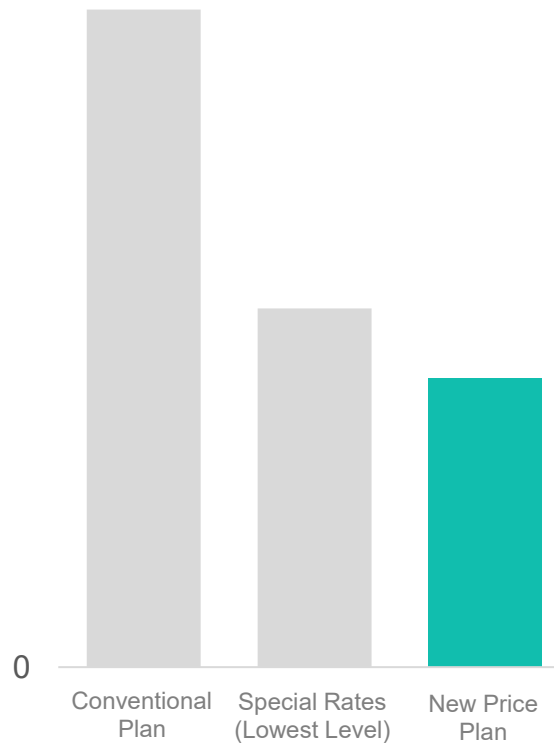
Yearly average GMV of shops which are applied special rates

(Yen)



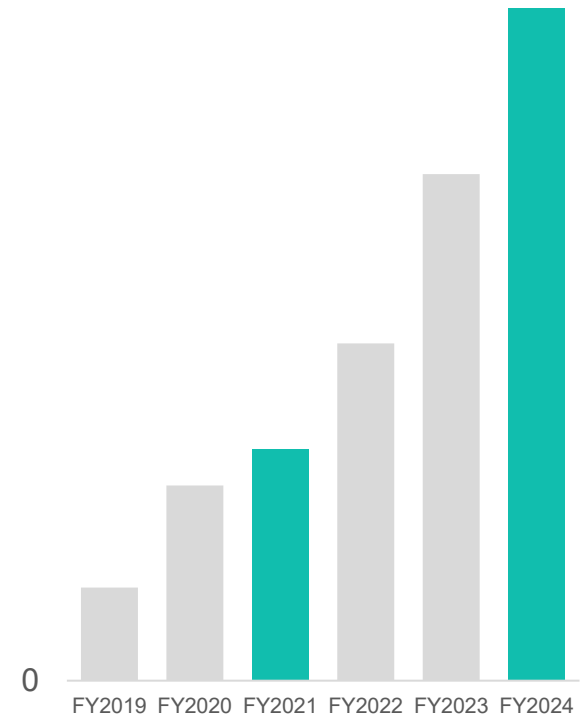
Fee Rate Comparison

(%)



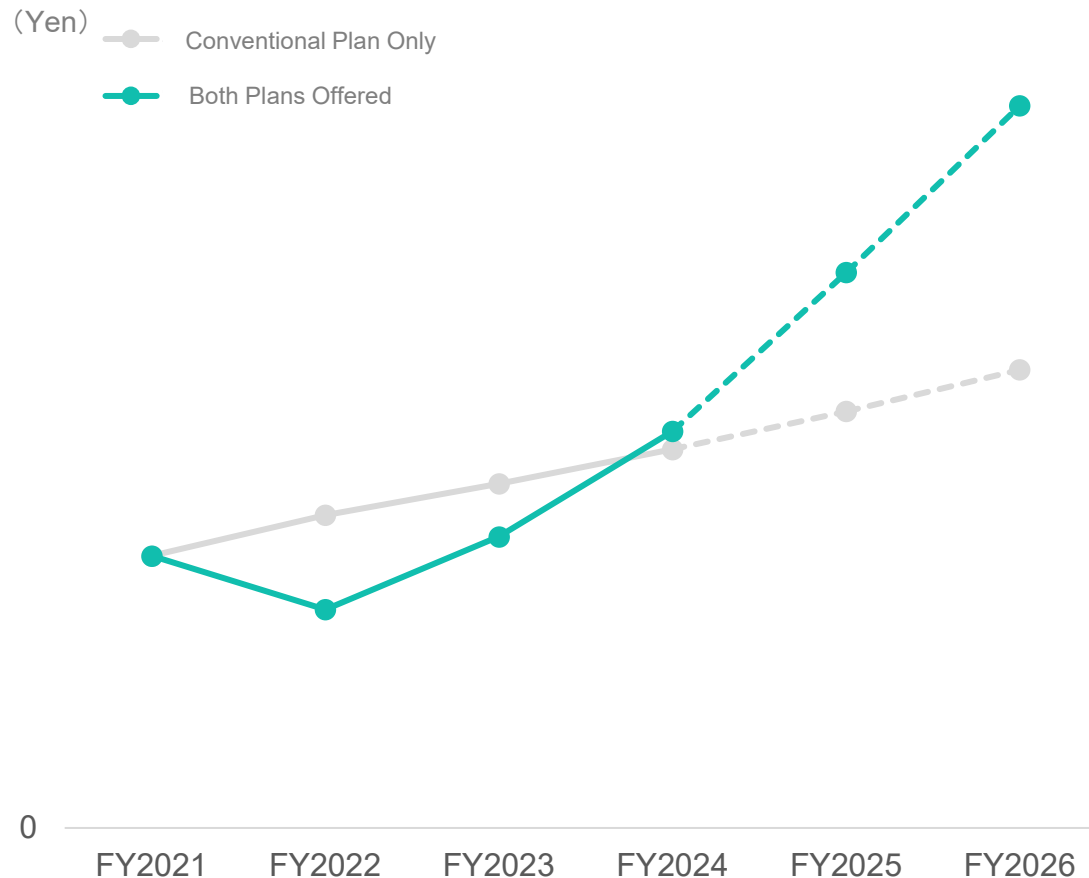
Expected Number of Large-Scale Shops

(Shop)



Gross profit expected to decrease in the short term due to the offering of a monthly-fee based plan, while medium-long term to be maximized

Expected Gross Profit (Note2)

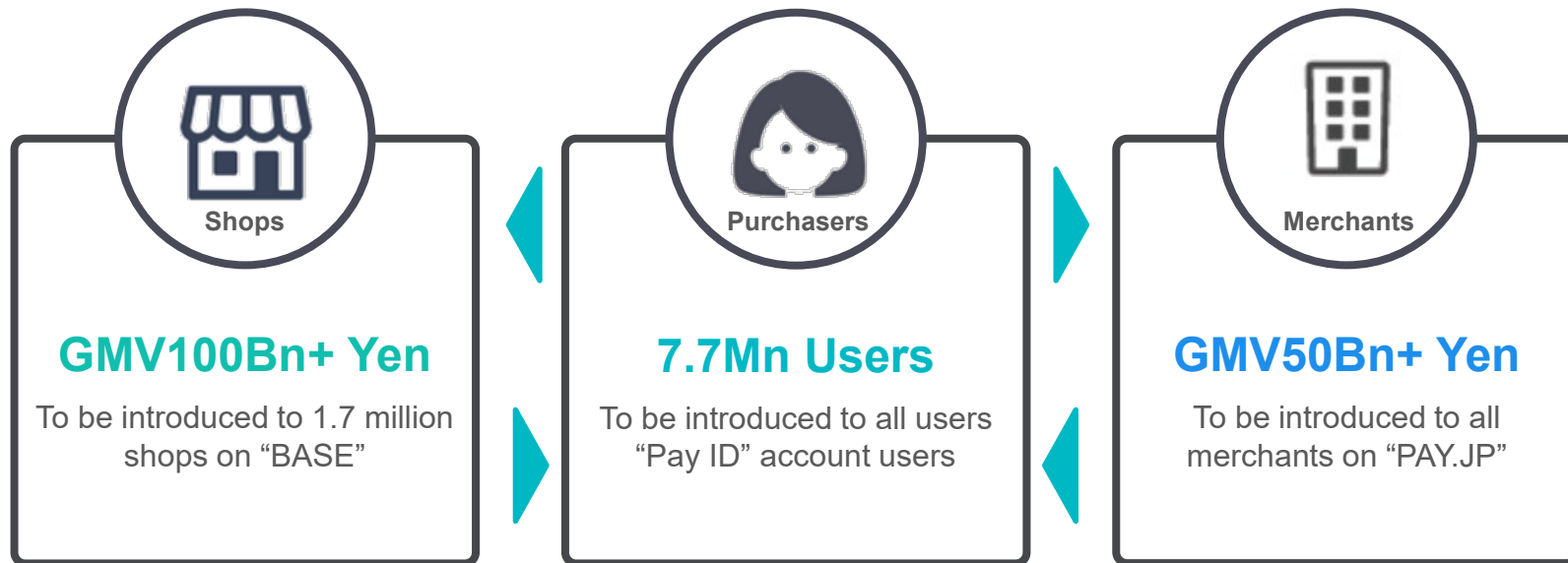


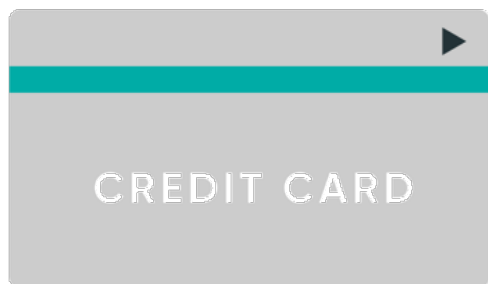
(Note1) For the BASE business, with expected figures from FY2022 onwards

Leveraging on Group assets in “BASE”, “PAY.JP”, and “Pay ID” which have been offered to fulfill the Group Mission, and aim toward offering a BNPL function

Advantages of a Complete Group Network

Leveraging on the Group’ existing assets, BNPL has an advantage in acquiring shops, merchants and users.
The base for BNPL offering further expands with growth in “BASE” and “PAY.JP”





Affirm

アマゾンが
採用を発表

時価総額
USD 177億

2022年2月時点

Afterpay

米国決済大手の
Squareが買収を発表

買収額
USD 290億

Klarna

ソフトバンク・ビジョン
・ファンドも出資

企業価値
USD 456億

2021年6月時点

Paidy

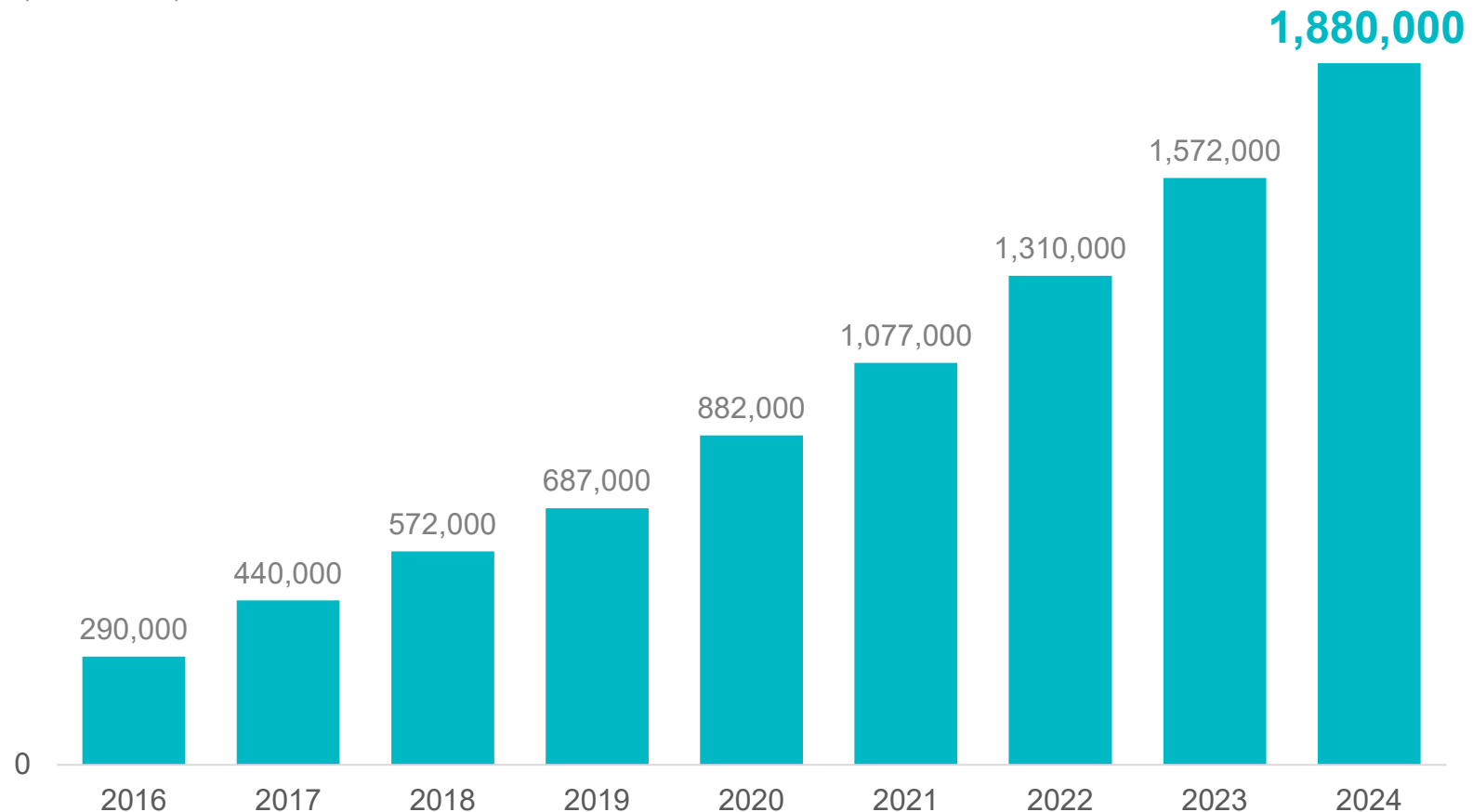
米国インターネット決済
大手Paypalが買収を発表

買収額
JPY 3,000億

Expect to see expansion in Japanese Domestic BNPL market size

Evolution of Volume of BNPL Payments

(Million Yen)



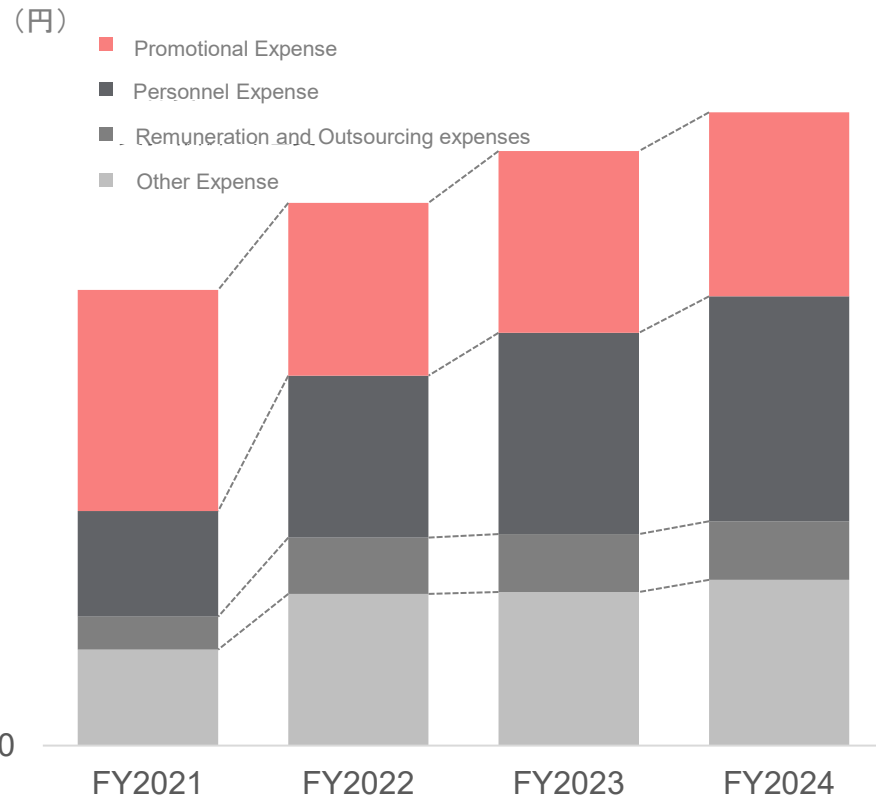
(Note) Research by Yano Research Institute. Expected figures from 2021 and onward .

Up to 25 billion yen of forward looking investments will be made over the next 3 years to maximize gross profit

Aim to return to profitability in FY2025, although the operating loss is expected to increase in the short term due to an increase in SG&A expenses as a result of strengthening of the scout team and product development related to the offering of the new price plan etc, and entry into the BNPL business

Maintain a strong financial base with approximately 24 billion JPY in cash and deposits and 15.1 billion in net assets as of December 31, 2022

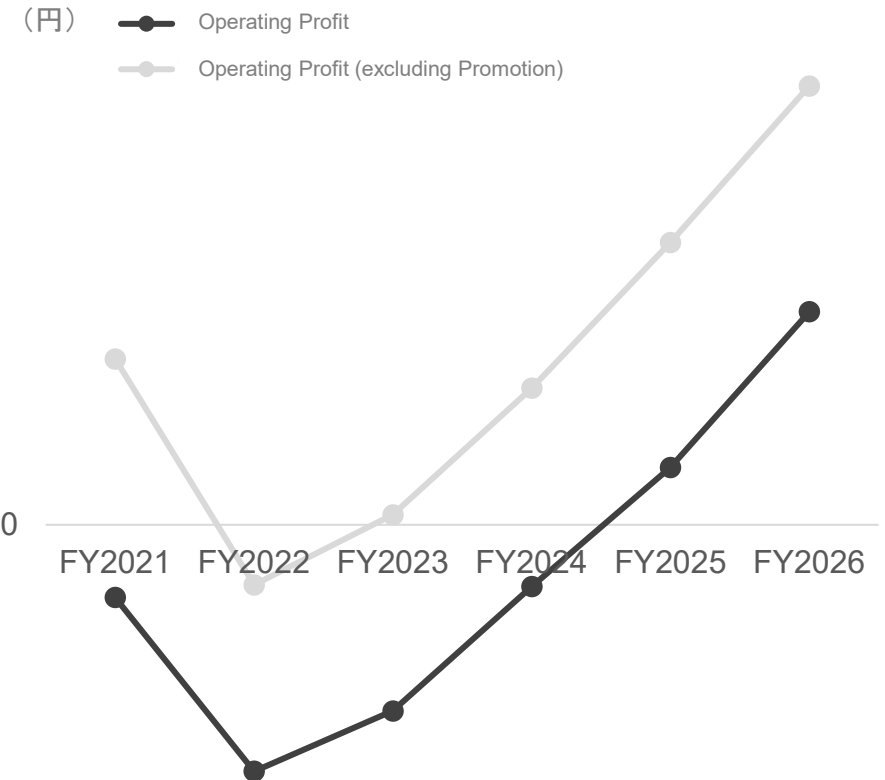
Expected SG&A^(Note1)



(Note1) Cash and deposits and trade account receivables subtracted by trade account payable and operating deposit

(Note2) For the BASE business and expected figures from 2022 onwards

Expected Operating Profit



Consolidated

- ✓ **Continue to focus on the BASE business and continue to make upfront investments with the aim of medium- to long-term profit growth rather than short-term profits**
- ✓ Increase in operating loss expected in the short term due to an increase in SG&A expenses resulting from the strengthening of recruiting activities and outsourcing expenses for product development and scout teams in connection with the new price plan for "BASE" and entry into the BNPL market.
- ✓ Strengthened governance by reviewing the composition of the Board of Director
- ✓ Formulation of long-term strategy for ESG management
- ✓ Aim for sustainable growth in the medium to long term despite difficulties in calculating appropriate figures due to the introduction of a new price plan, and the impact of COVID-19 etc, resulting in no disclosure of the full year earnings forecast

BASE

- ✓ **Scheduled offering of a monthly-fee based pricing plan in April**
- ✓ New establishment of scout team for the acquisition of large-scale shops
- ✓ Promotional expenses to be controlled to focus on cost efficiency
- ✓ Further enhancements in competitive functions for beginners, and expansion functions for large scale shops

Pay ID

- ✓ **Strengthening product development hiring for BNPL, with a prototype completion by the end of the year**
- ✓ **Focusing on increasing the number of new and repeat purchasers of "BASE" shops through quick payment functions using SMS authentication and point issuing functions**

PAY.JP

- ✓ Improving the support system for existing large-scale merchants
- ✓ Provide anti-fraud settlement functions to promote new merchant acquisition and continued use
- ✓ Aiming for full-scale launch of "PAY.JP Platform" for platform operators
- ✓ Begin preparations for the provision of new payment methods

Other (Finance)

- ✓ BASE BANK, Inc absorption merger by BASE, Inc (effective date January 1,2022)
- ✓ Start developing functions that will contribute to improving the take rate of the BASE business in the medium term

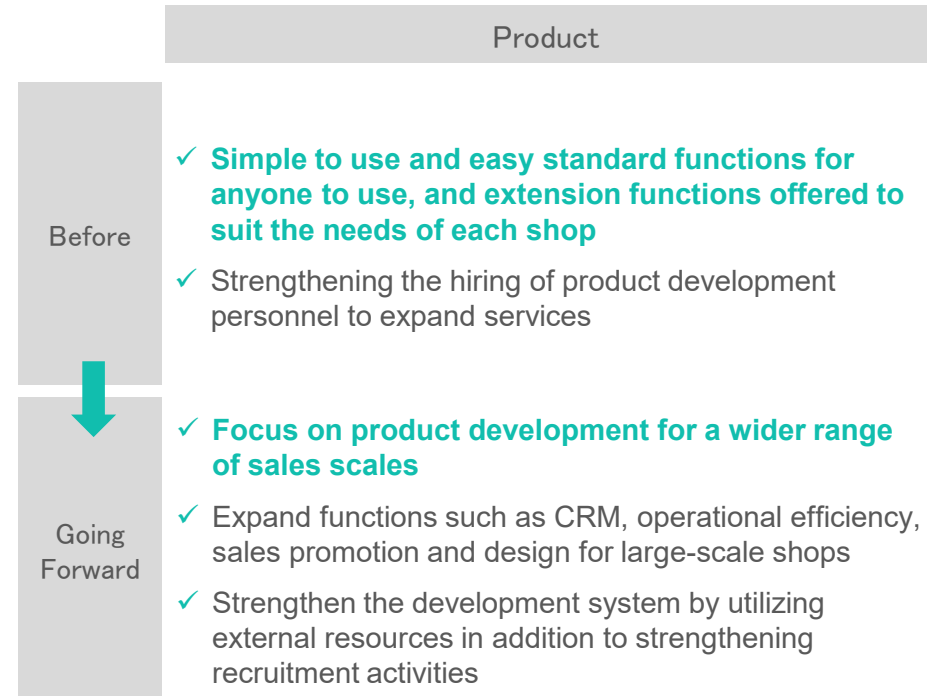
In sales and marketing, advertising expenses to curb by improving the efficiency of marketing, while **personnel and outsourcing expenses for scout teams etc to increase**

In product development, personnel and outsourcing to increase due to the strengthening of recruitment activities for product personnel and the use of external resources with the aim of catering to a wider range of shop scales

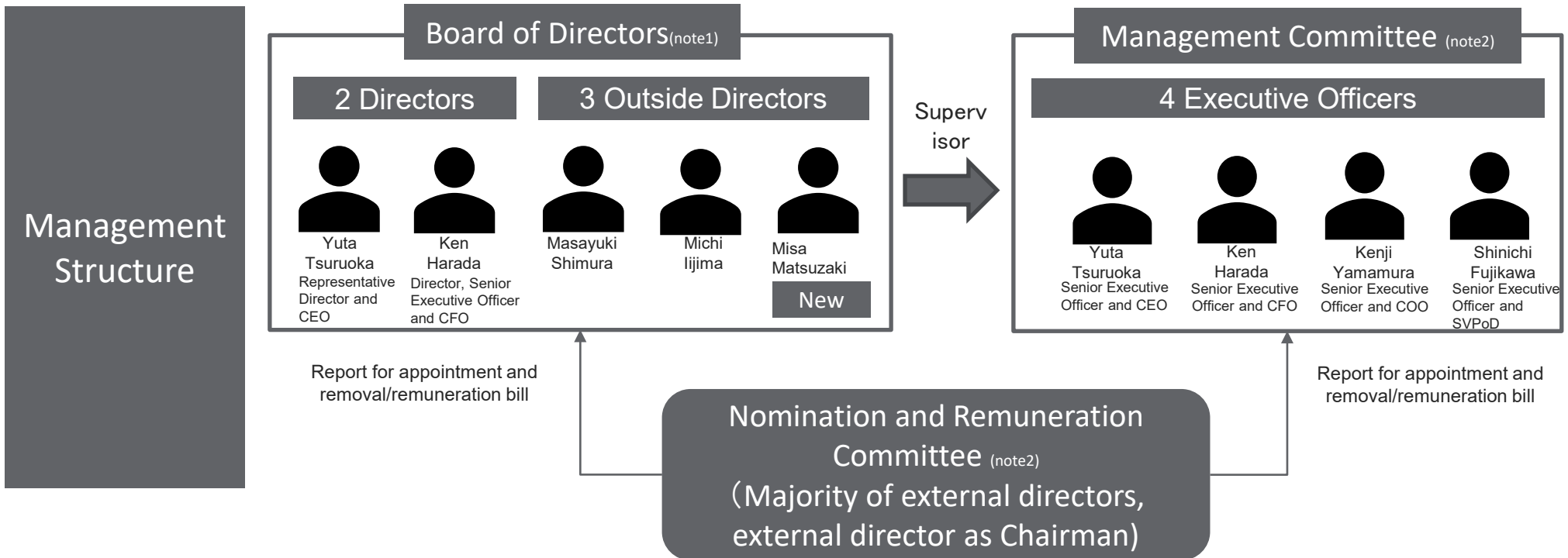
Sales & Marketing Policies



Product Development Policies



- Strengthen the supervisory function of the Board of Directors **by appointing a majority of outside directors (two internal directors and three outside directors)**^(note1)
- Improve fairness and transparency of the process of selecting and dismissing management **by appointing an outside director as the chairman of the Nomination and Compensation Committee**^(note2)



(Note1) Directors are subject to approval at the 9th Ordinary General Meeting of Shareholders to be held on March 23, 2022

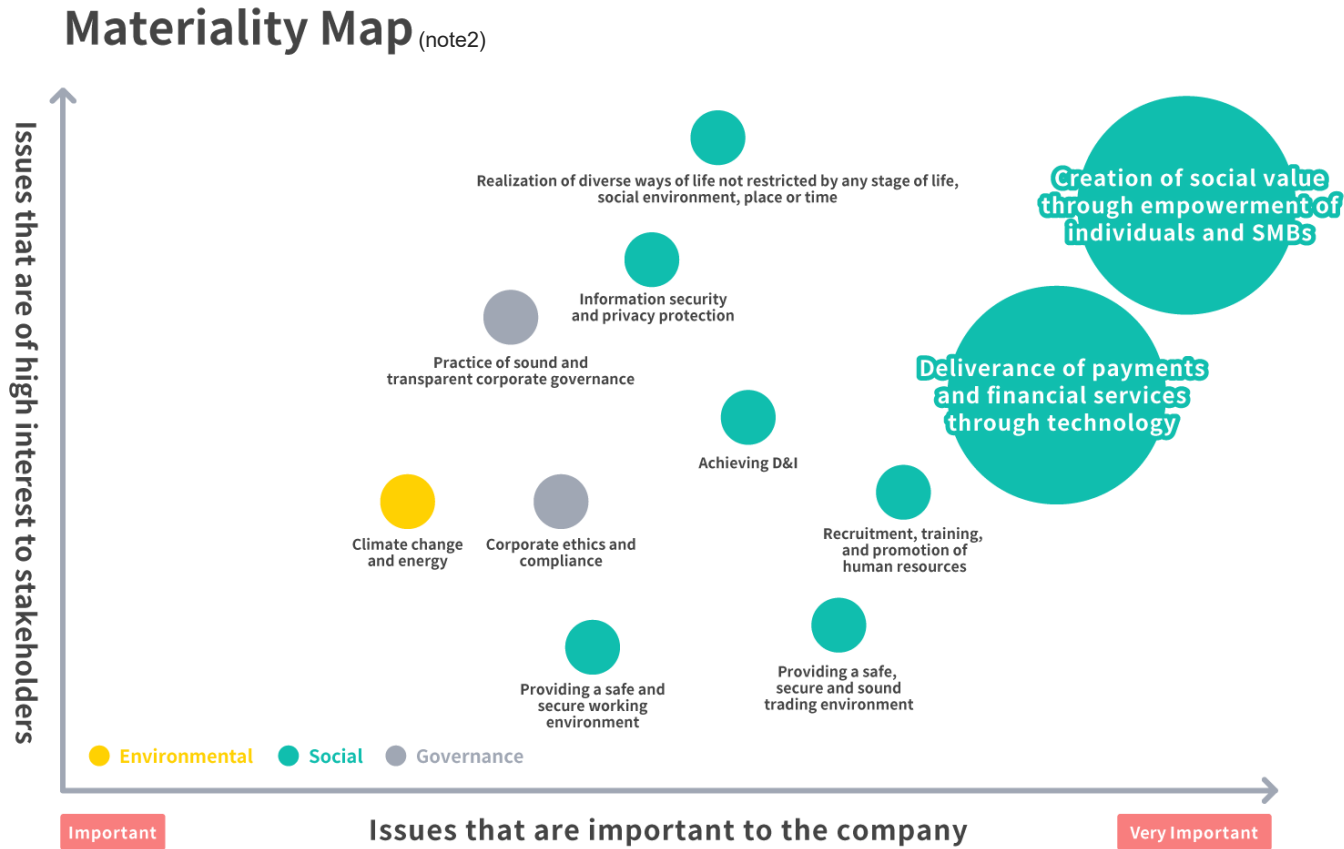
(Note2) The members and chairman of the Nomination and Compensation Committee are scheduled to be appointed at the Board of Directors meeting to be held on the same day, subject to the approval of the election of directors at the 9th Ordinary General Meeting of Shareholders to be held on March 23, 2022

(Note3) Senior Executive Officers are scheduled to be appointed at the Board of Directors meeting to be held on March 23, 2022

Initiatives for Realizing a Sustainable Society

Formulation of basic sustainability goals and identification of materiality issues

Aiming to create a society in which all people can play an active role by enhancing accessibility to payment and finance se



(Note1) Details of the materiality and specific initiatives will be disclosed on our website in the future

(Note2) the most important materiality to be resolved through business is indicated by a large circle, and materiality that serves as the foundation to support business continuity and means to achieve the most important materiality are indicated by smaller circles

5. Reference Material



Yuta Tsuruoka (Senior executive officer and CEO)

Born in 1989. After experiencing back-end programming and direction of several Internet services when he was in university, he established BASE, Inc. in December 2012 at the age of 22. Based on its mission of “Payment to the People, Power to the People.” the company has developed a business focusing on the simplification of settlement and operates “BASE,” one of Japan’s largest e-commerce platforms. He also serves as the CEO and Representative Director of BASE BANK, Inc., a wholly owned subsidiary of BASE, that engages in the financial business.



Shinichi Fujikawa (Senior executive officer and SVP of Development)

After working at an FA equipment manufacturer and a Web production venture, he joined GMO Pepabo in 2006. In 2007, he independently began developing and operating a Twitter Web service client “movatwi” for mobile devices. He established Sousousha in 2010 and served as President and Representative Director until April 2012. He was appointed as CTO of our company in August 2014. In January 2018, he completed the doctoral course of the Graduate School of Media Design, Keio University. In July 2019, he resigned as CTO of our company and was appointed as EVP of Development. In March 2021, he was appointed as Senior Executive Officer of our company.



Ken Harada (Senior executive officer and CFO)

After graduating from School of Commerce, Waseda University, he was in charge of accounting and finance at a major general contractor from 2000. After that, he was in charge of operations such as accounting manager and management planning at mixi, Inc. from 2007, and joined FreakOut, inc. as a management manager in 2013, and conducted its IPO in June 2014. After the IPO, he oversaw and was in charge of overall accounting and finance, corporate planning, and IR operations. He joined our company as CFO in June 2015 and was appointed as Director and CFO of our company in February 2016. He oversees overall corporate operations. In March 2021, he was appointed as Senior Executive Officer of our company.



Kenji Yamamura (Senior executive officer and COO)

After graduating from Ritsumeikan University, he worked at a food company and joined Recruit Co., Ltd. in 2004. He served as a business planning member and manager in the learning business, group purchase service “Ponpare,” CS promotion, EC business promotion office, “Air cashier,” etc. He joined our company in January 2017. He promoted “BASE” e-commerce platform business and strengthened the organizational structure, and was appointed as Director and COO of our company in June 2018. In March 2021, he was appointed as Senior Executive Officer of our company.

GMV (Order) came below the lower range of the forecast

Net sales was within forecast range, despite the take rate below forecast as **GMV (Payment) was within the forecast range**

Gross profit margin came below forecast, resulting in gross profit on sales below forecast range

(Million Yen)	FY2021 Results	FY2020 Results	YoY	FY2021 Forecast	Achievement Rate (note)
GMV (Orders)	113,773	95,296	+19.4%	115,000 ~125,000	98.9%
GMV (Payment)	106,607	87,717	+21.5%	103,500 ~112,500	103.0%
Net sales	8,420	7,321	+15.0%	8,350 ~9,100	100.8%
Take rate	7.9%	8.3%	-	8.1%	-
Gross profit on sales	5,417	4,872	+11.2%	5,450 ~5,950	99.0%
GMV (settlement base) rate	5.1%	5.6%	-	5.3%	-
Gross profit rate	64.3%	66.6%	-	65.3%	-

(Note) Achievement against the lower limit of the full-year earnings forecast for the fiscal year ending December 31, 2021

GMV_(note), net sales, and gross profit on sales were all above the forecast range

(Million Yen)	FY2021 Results	FY2020 Results	YoY	FY2021 Forecast	Achievement Rate (note2)
GMV	55,271	36,069	+53.2%	52,600 ~54,000	105.1%
Net sales	1,448	939	+54.2%	1,370 ~1,406	105.7%
Take rate	2.6%	2.6%	-	2.6%	-
Gross profit on sales	144	92	+56.1%	134 ~138	107.5%
GMV ratio	0.3%	0.3%	-	0.3%	-
Gross profit rate	9.9%	9.8%	-	9.8%	-

(Note1) GMV based on payment amount

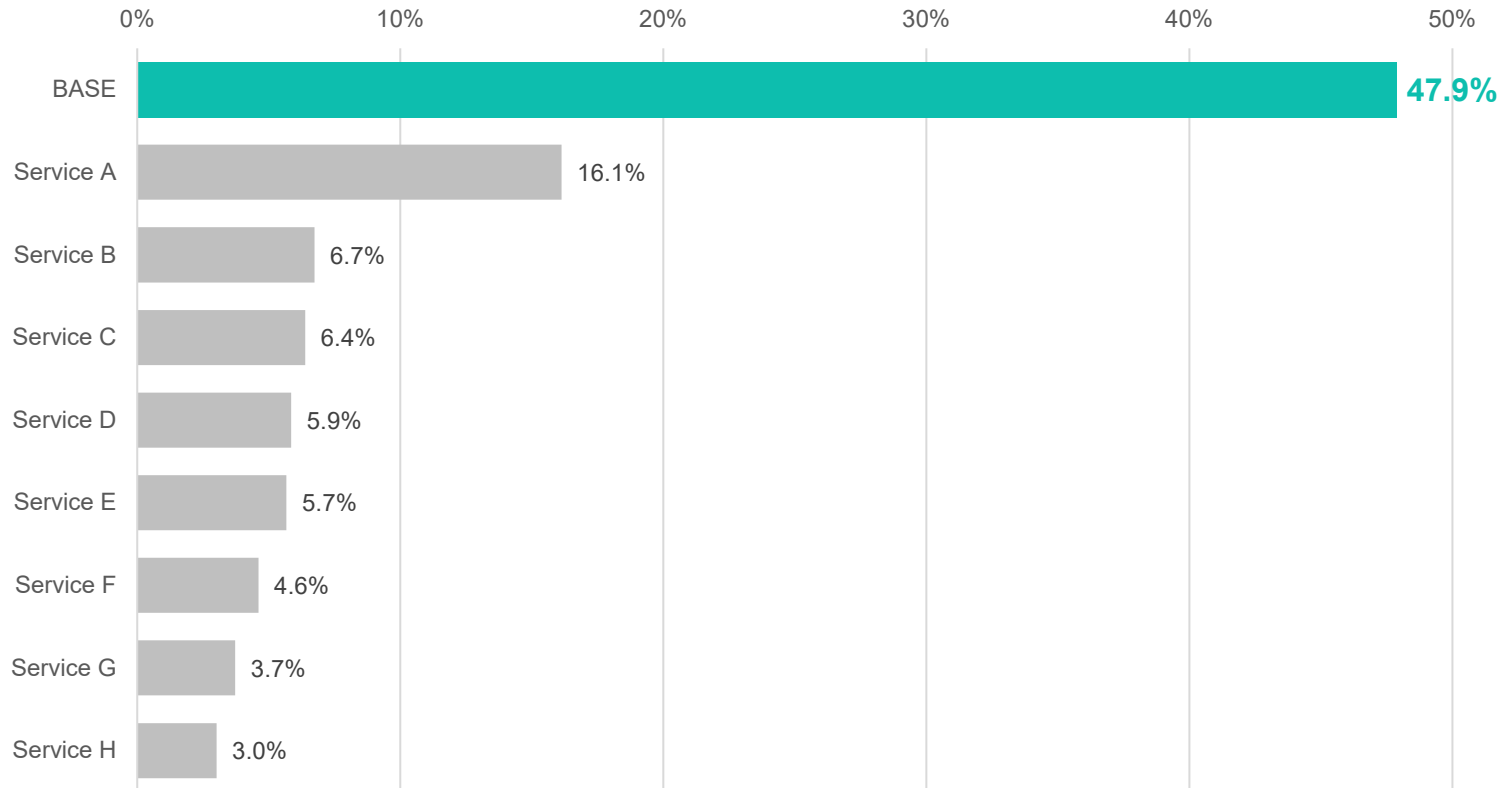
(Note2) Achievement against the lower limit of the full-year earnings forecast for the fiscal year ending December 31, 2021

Incurring cost from the initial stage when products don't sell is a risk for SMBs.

The strengths of our services that it is easy to set up an e-commerce site and introduce a payment function, and that initial and monthly costs are free of charge, are a major differentiators from similar services.

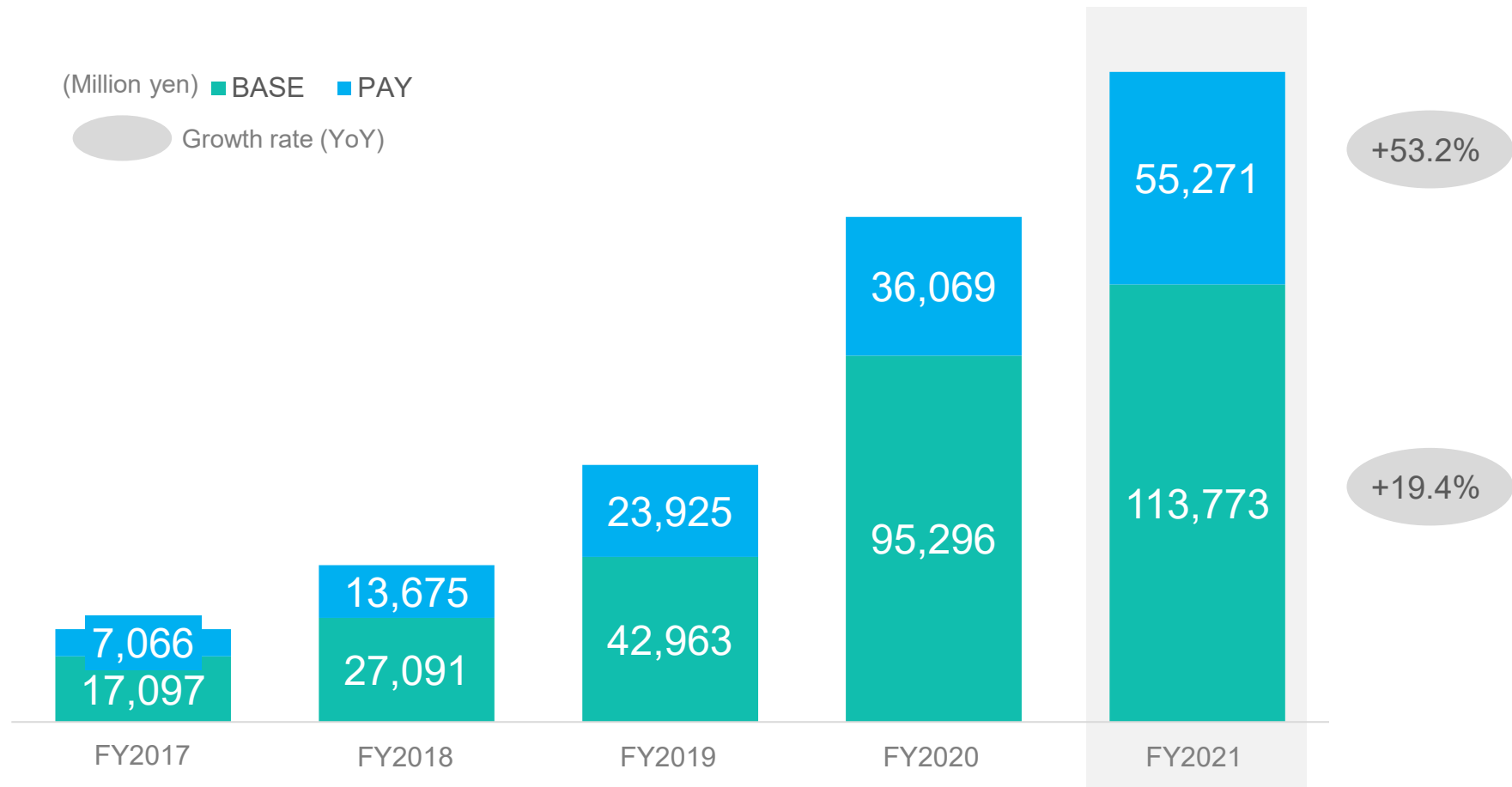
Survey on actual use of our cart-style online retail shop creation service (Feb 2021)

Please reply with all of the online retail shop creation services you used when opening your online retail shop within the most recent year.



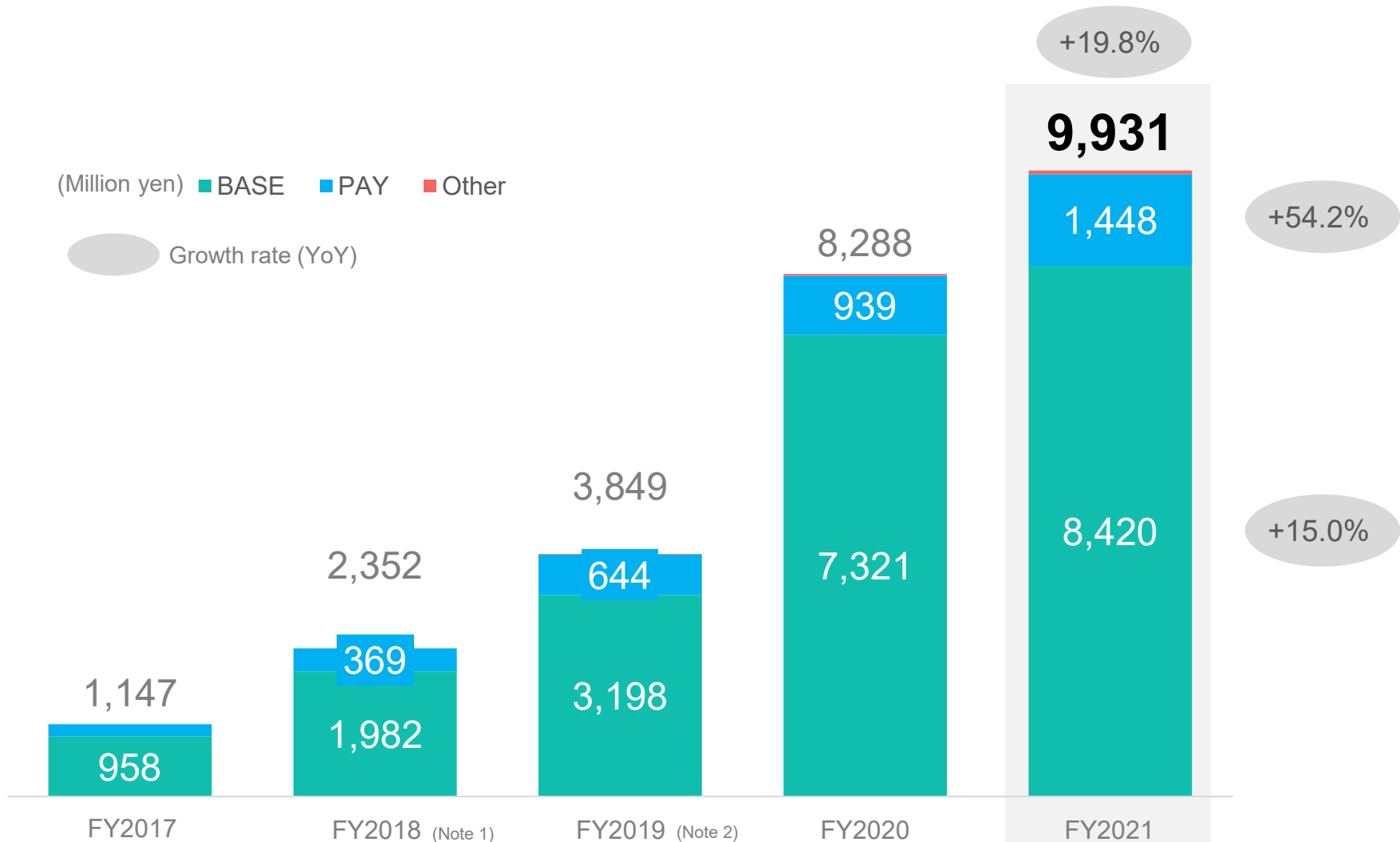
* Research from Macromill, Inc. (actual results from Feb 2021)

GMV ^(Note1) **continued growth at +19.4%** despite a spike in previous year GMV due to COVID-19
 GMV ^(Note1) grew significantly at **+53.2%** YoY owing to continued growth by existing merchants, and additional increases by new merchants



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

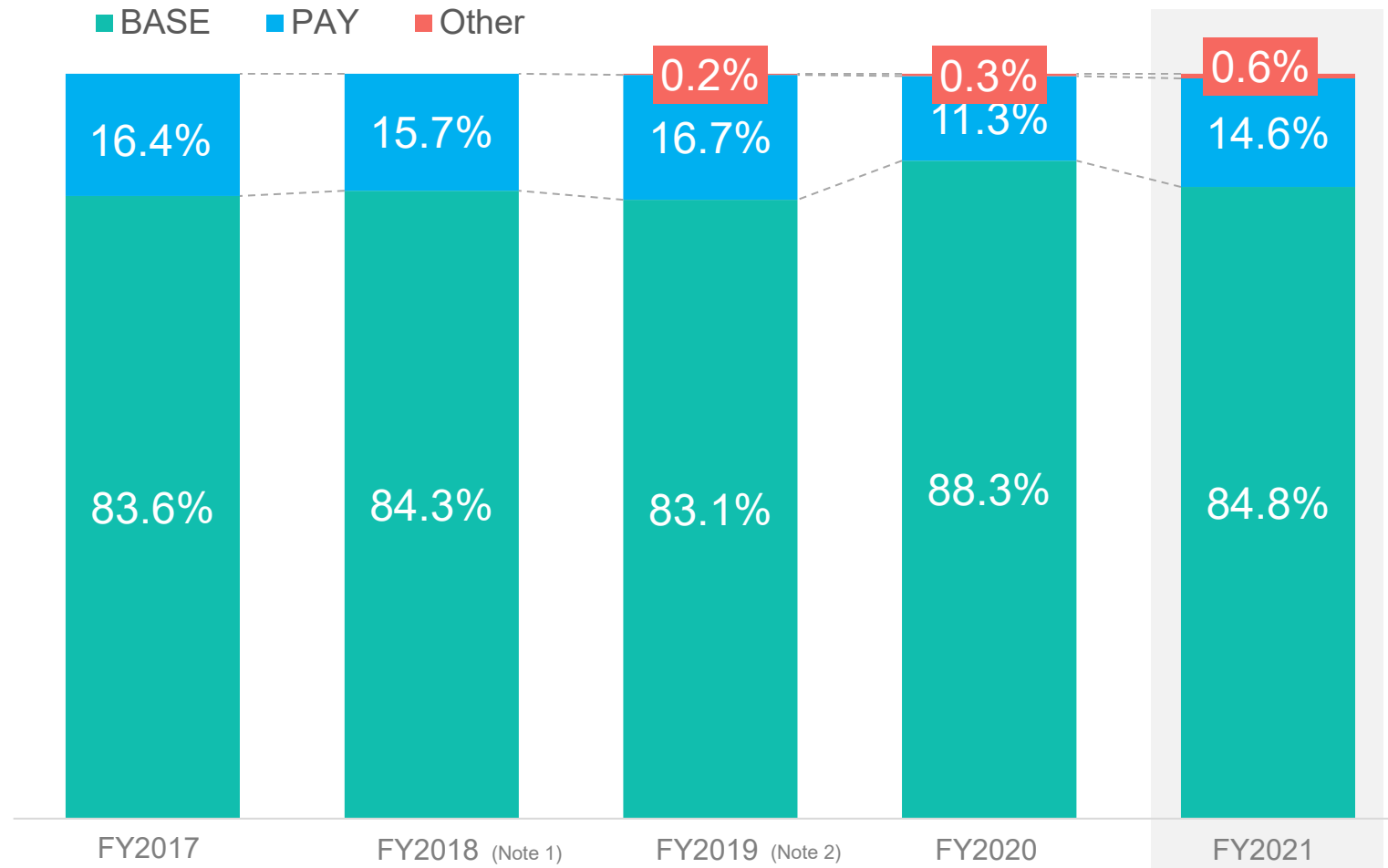
Consolidated net sales increased **+19.8%** YoY owing to increases in both BASE and PAY business GMV



(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in fiscal year ended December 2018 while non-consolidated figures are shown in the fiscal year ended December 2017 and before.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018 and became a consolidated subsidiary in the fiscal year ended December 2019. As a result, figures for the fiscal year ended December 2019 are consolidated.

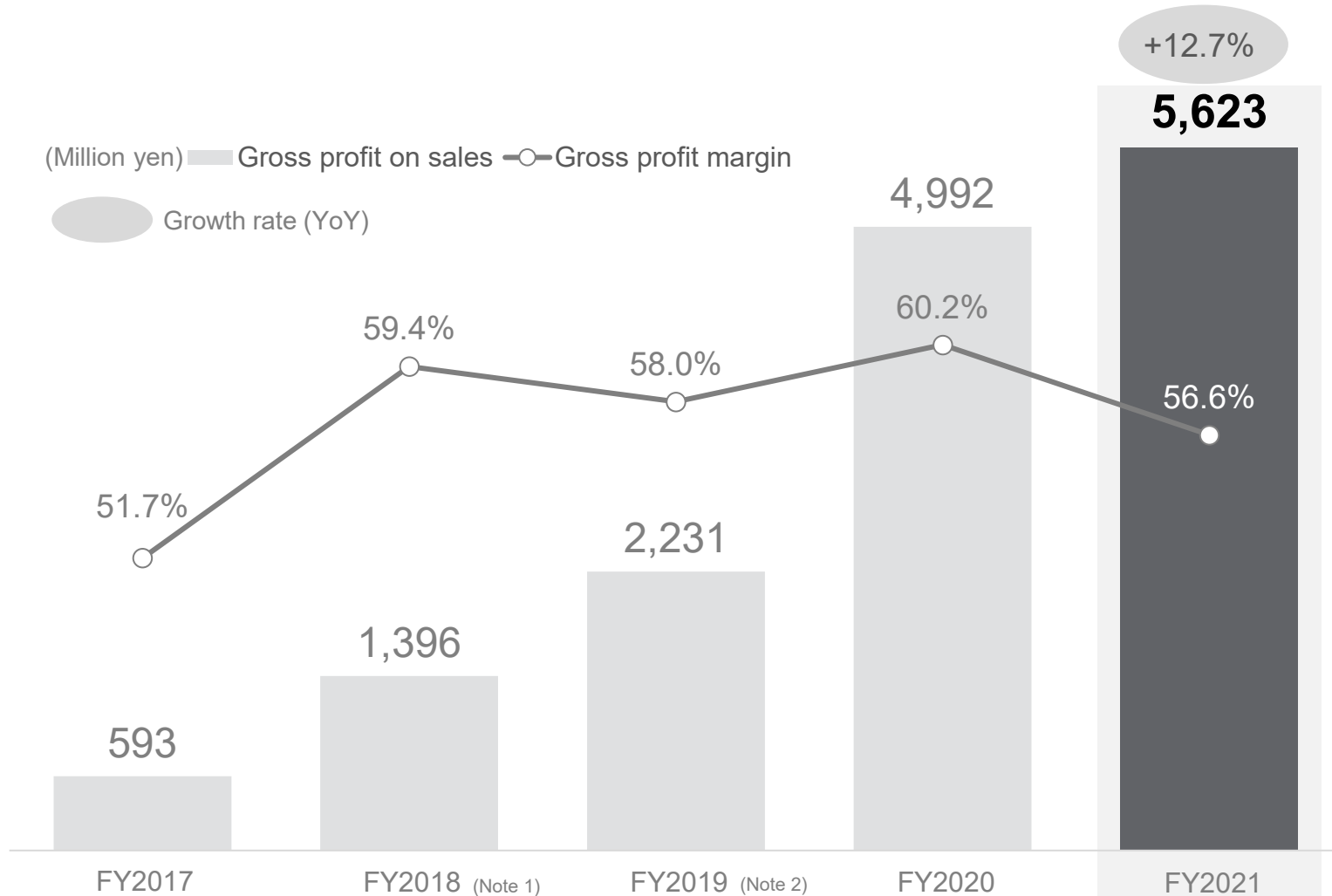
Ratio of the BASE business decreased YoY as a result of increase in net sales of the PAY business



(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in fiscal year ended December 2018 while non-consolidated figures are shown in the fiscal year ended December 2017 and before.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018 and became a consolidated subsidiary in the fiscal year ended December 2019. As a result, figures for the fiscal year ended December 2019 are consolidated.

Gross profit on sales increased by **+12.7%** YoY mainly driven by the increase in BASE business GMV
 Gross profit margin decreased due to a decrease in the net sales ratio of the BASE business



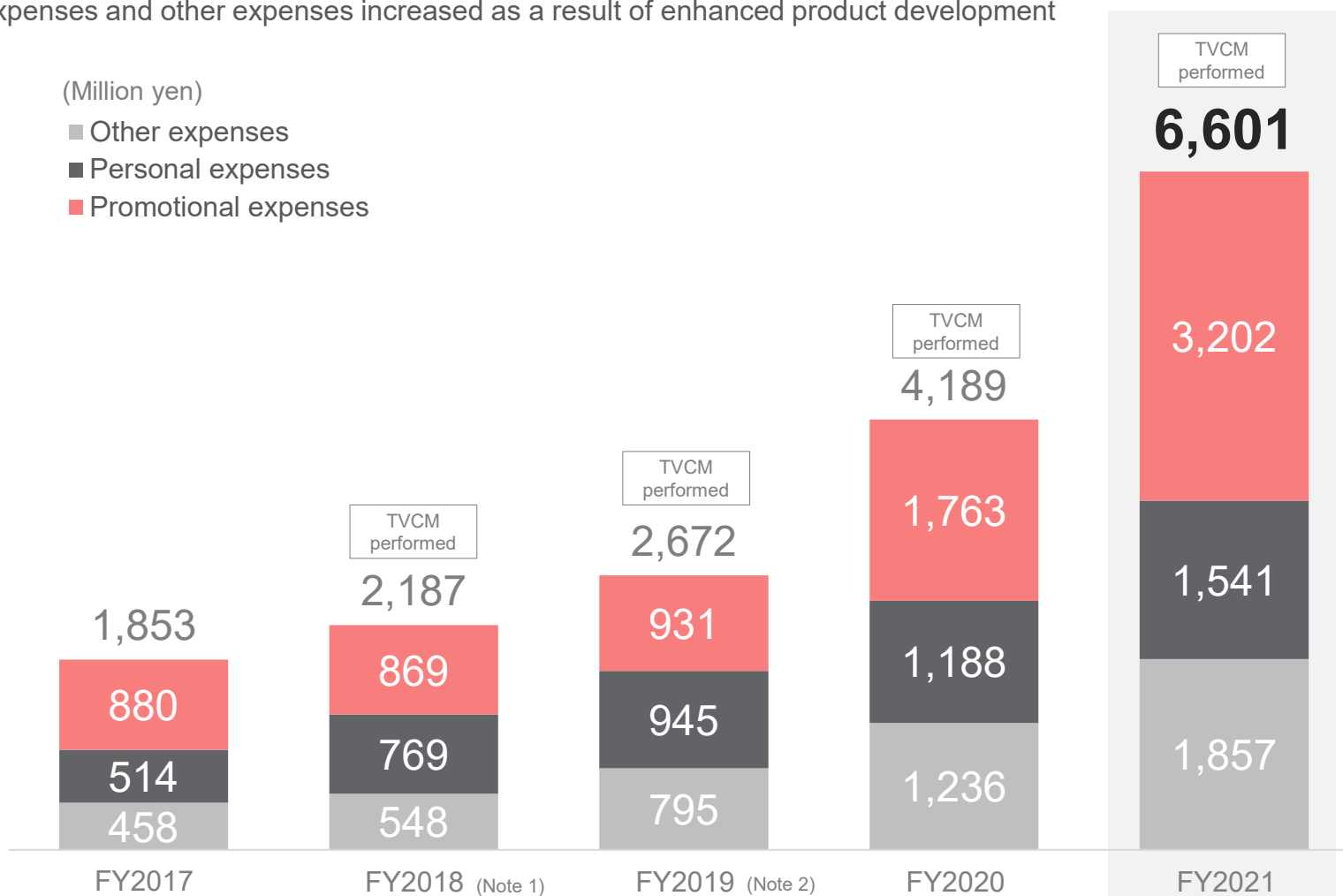
(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in fiscal year ended December 2018 while non-consolidated figures are shown in the fiscal year ended December 2017 and before.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018 and became a consolidated subsidiary in the fiscal year ended December 2019. As a result, figures for the fiscal year ended December 2019 are consolidated.

SG&A increased by **+2,412 million yen YoY (+56.7%)** due to increases in promotional expenses

Promotional expenses increased by **+1,438 million yen YoY (+81.6%)** aimed at forward-looking investments for sustainable growth for the BASE business

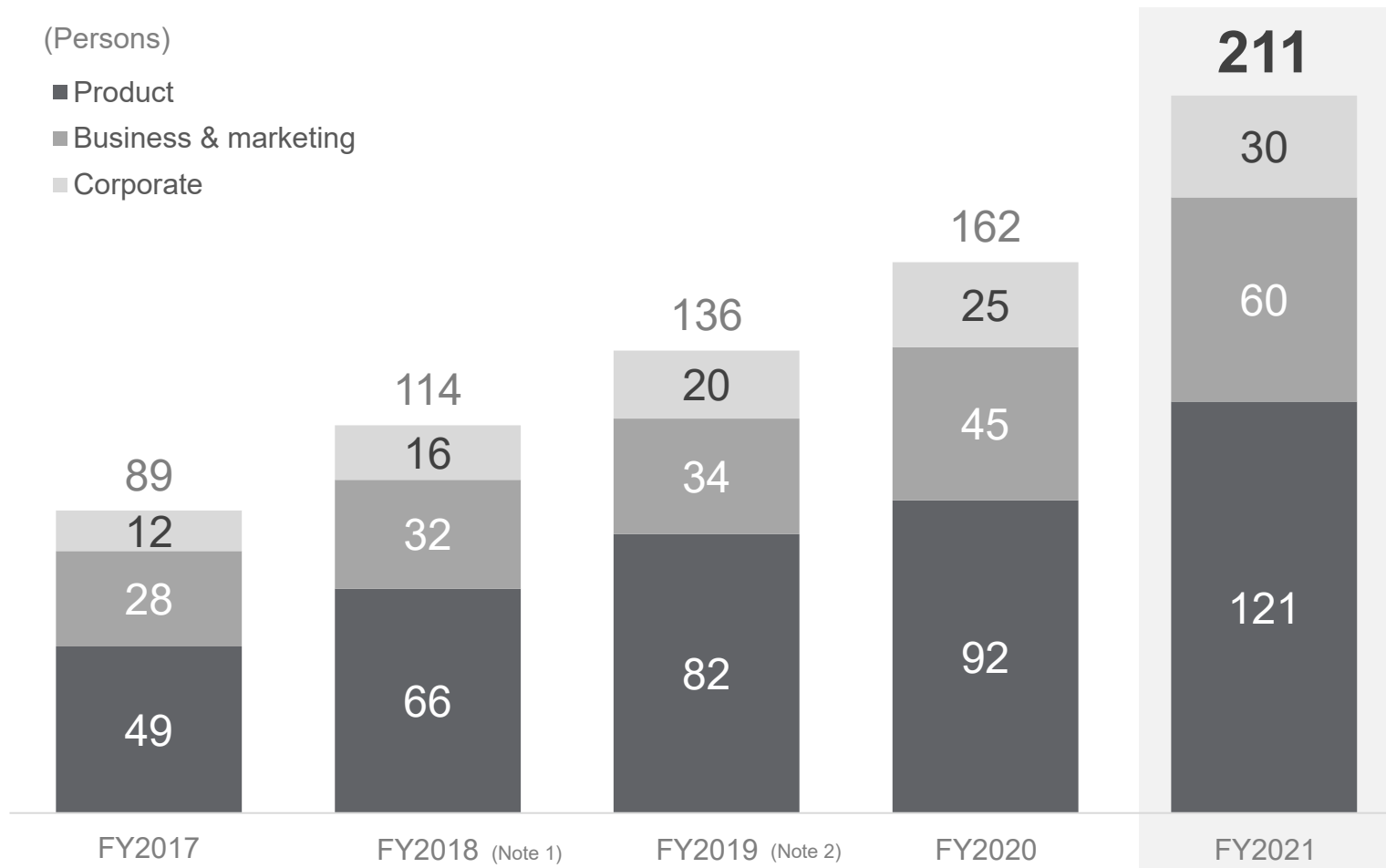
Personnel expenses and other expenses increased as a result of enhanced product development



(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in fiscal year ended December 2018 while non-consolidated figures are shown in the fiscal year ended December 2017 and before.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018 and became a consolidated subsidiary in the fiscal year ended December 2019. As a result, figures for the fiscal year ended December 2019 are consolidated.

Number of employees increased by **+49 persons YoY (+30.2%)** as a result of increase in product development personnel aimed at service expansion

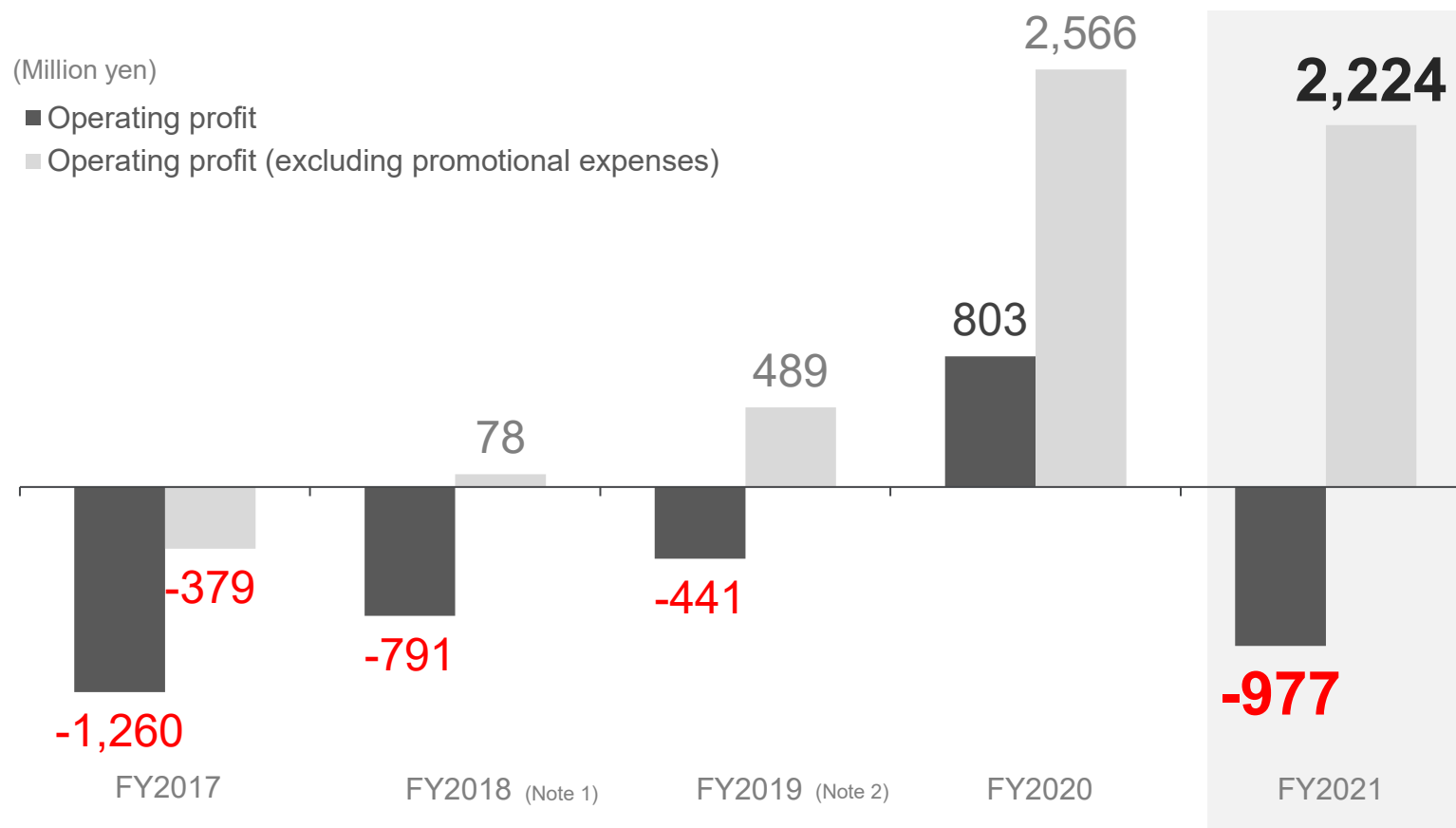


(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in fiscal year ended December 2018 while non-consolidated figures are shown in the fiscal year ended December 2017 and before.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018 and became a consolidated subsidiary in the fiscal year ended December 2019. As a result, figures for the fiscal year ended December 2019 are consolidated.

Operating profit was **-977 million yen** (previous full year was **+803 million yen**) as a result of increases in promotional expenses resulting in an increase in SG&A

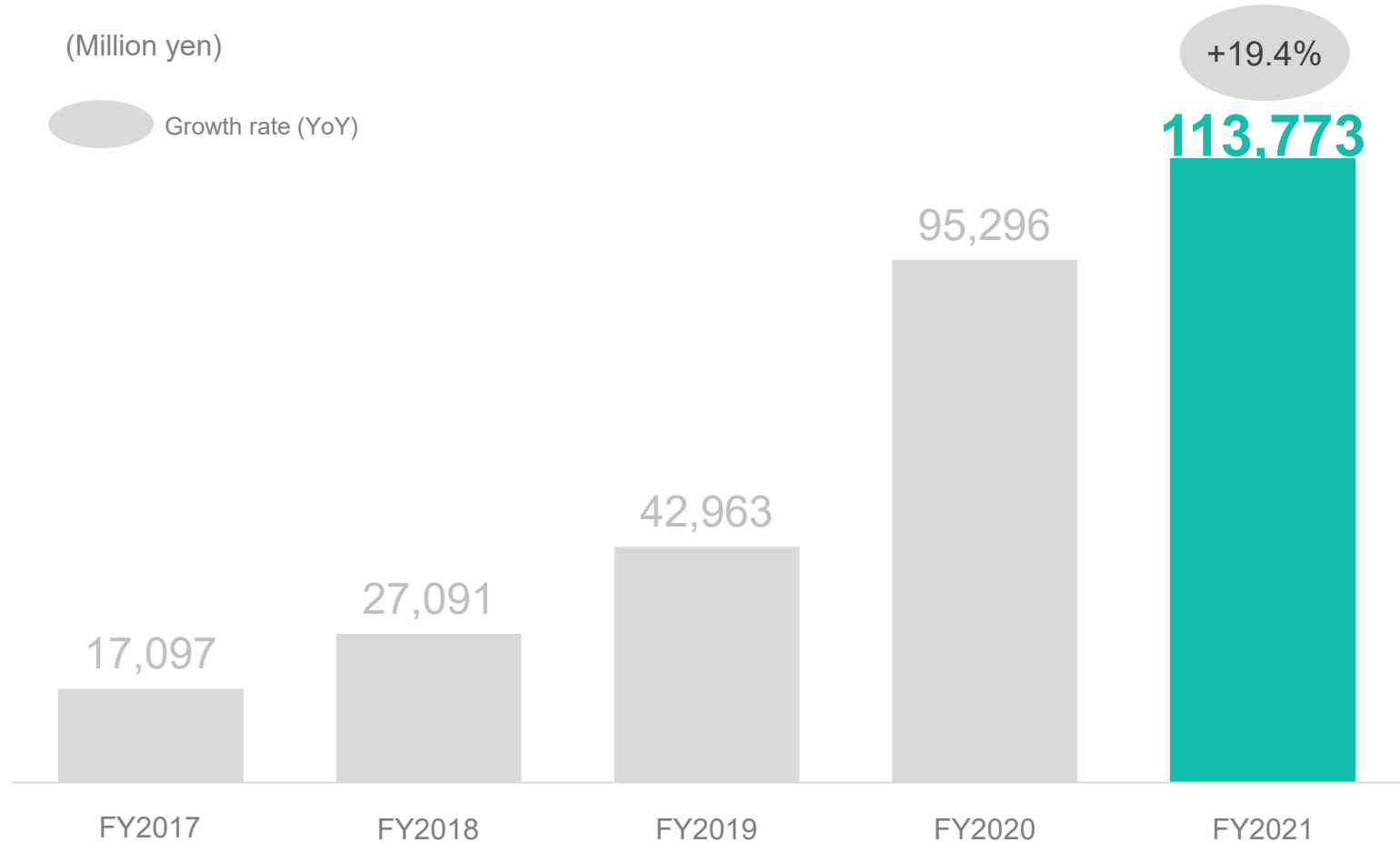
Decrease in operating profit (excluding promotional expenses) due to increases in personnel expenses and other expenses for the recruitment in the BASE business



(Note 1) Because PAY business was consolidated through the incorporation-type company split in the fiscal year ended December 2018, only figures for PAY, Inc. are consolidated in fiscal year ended December 2018 while non-consolidated figures are shown in the fiscal year ended December 2017 and before.

(Note 2) BASE BANK, Inc. was established in the fiscal year ended December 2018 and became a consolidated subsidiary in the fiscal year ended December 2019. As a result, figures for the fiscal year ended December 2019 are consolidated.

GMV ^(Note1) **continued growth at +19.4%** despite a spike in previous year GMV due to COVID-19



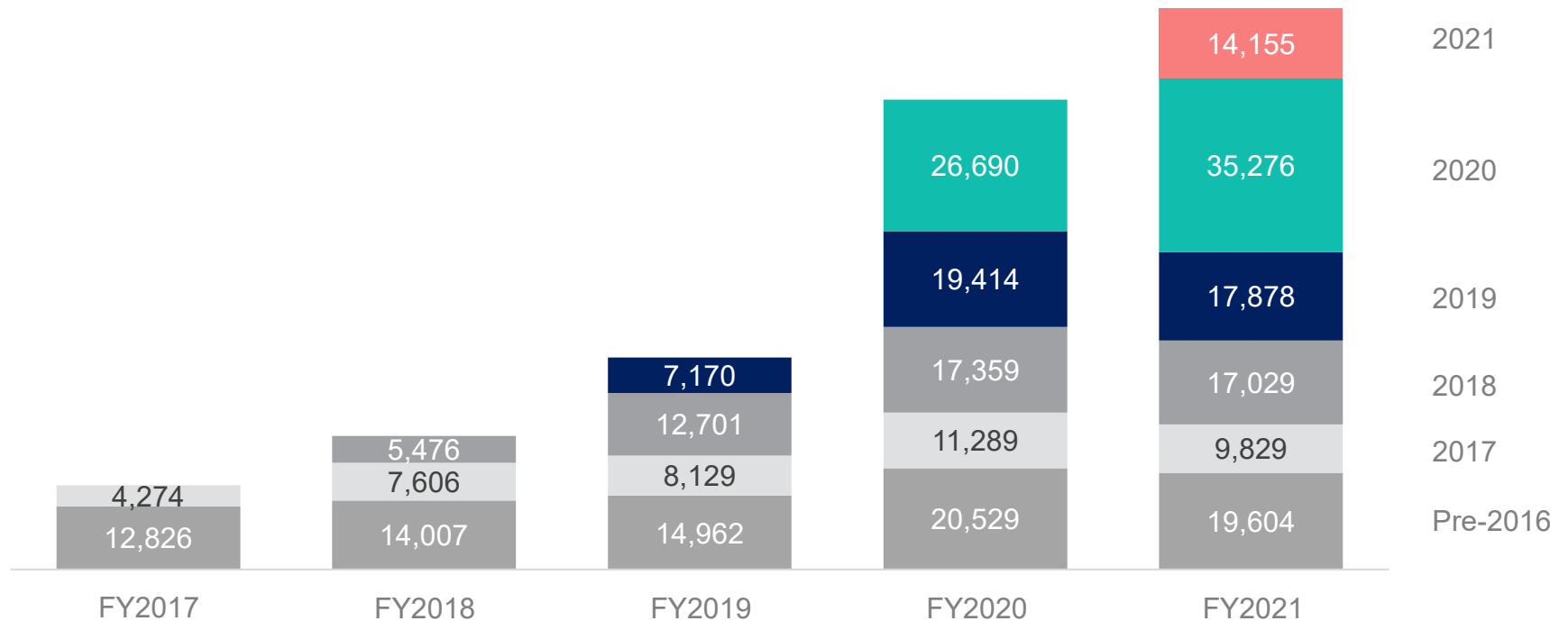
(Note) GMV is based on the order date (order amount)

Shops registered prior to 2020 continues high level GMV owing to growth by shops opening during the COVID-19 pandemic

New shops opened in 2021 contributed to increased GMV

GMV trend (By Year of Establishment)

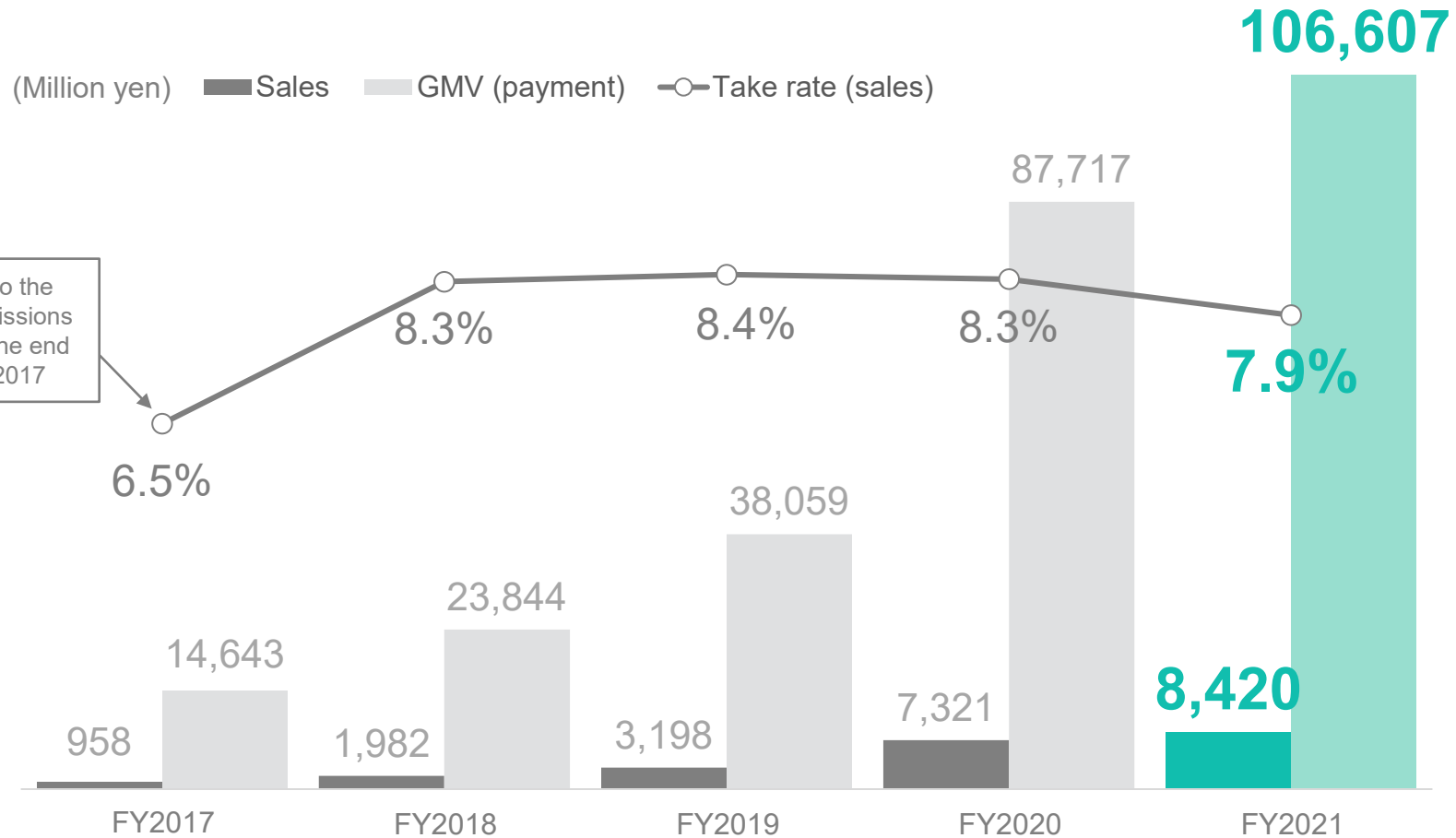
(Million yen) ■ Pre-2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021



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

GMV (Payment amount) ^(note1) increased by **+21.5%** YoY

Take rate decreased YoY mainly driven by decreases in the purchasers' commission

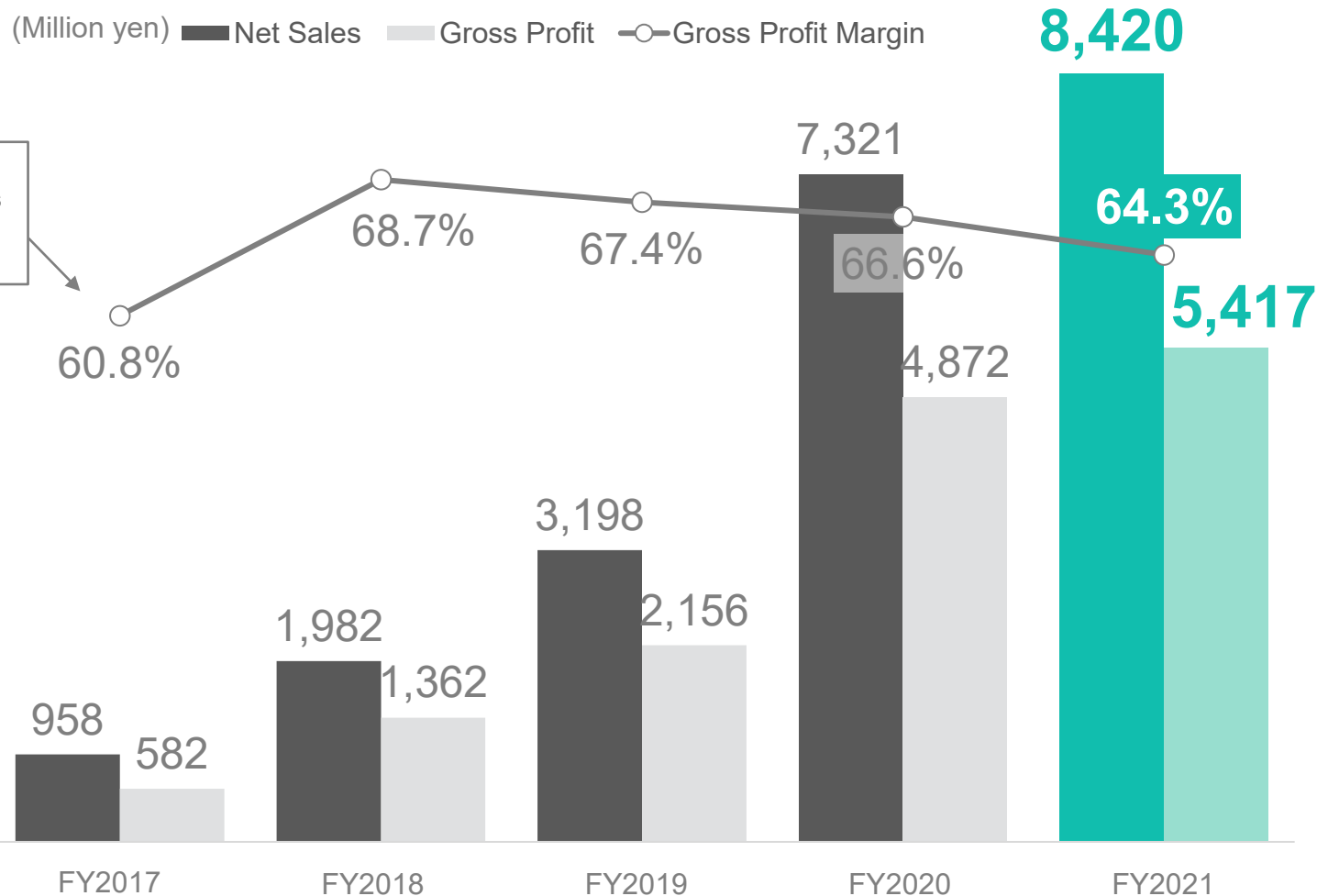


(Note1) Of the total amount of orders (GMV based on the order date), GMV (payment amount) is the amount that has been paid, and is recorded in the month of payment date. There is monthly time lag from order to settlement because the order date and settlement date are different. Also, the amount of GMV 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)

(Note2) No purchasers' commissions are charged for credit card payment, bank transfer, and Paypal, but 300 yen of additional commissions are charged to purchasers for convenience store payment, deferred payment, and carrier payment. Accordingly, the lower the payment ratio of convenience store payment, deferred payment, and carrier payment, the lower the take rate.

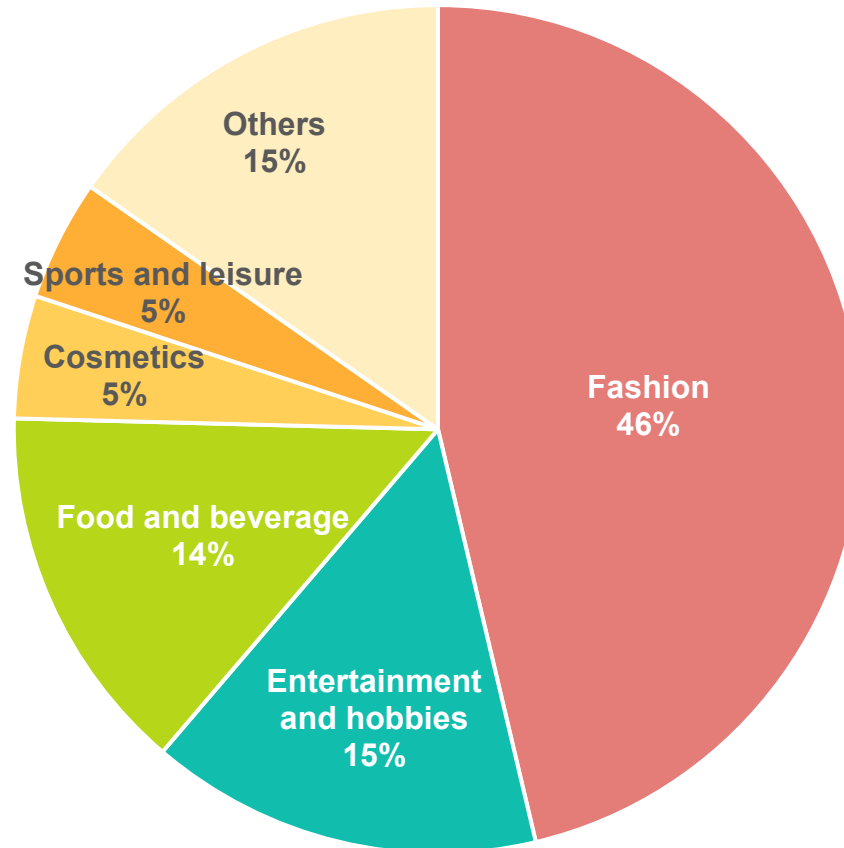
Net sales and gross profit on sales increased by **+15.0%** and **+11.2%** respectively as a result of GMV increases

Gross profit margin decreased YoY due to decreases in the take rate



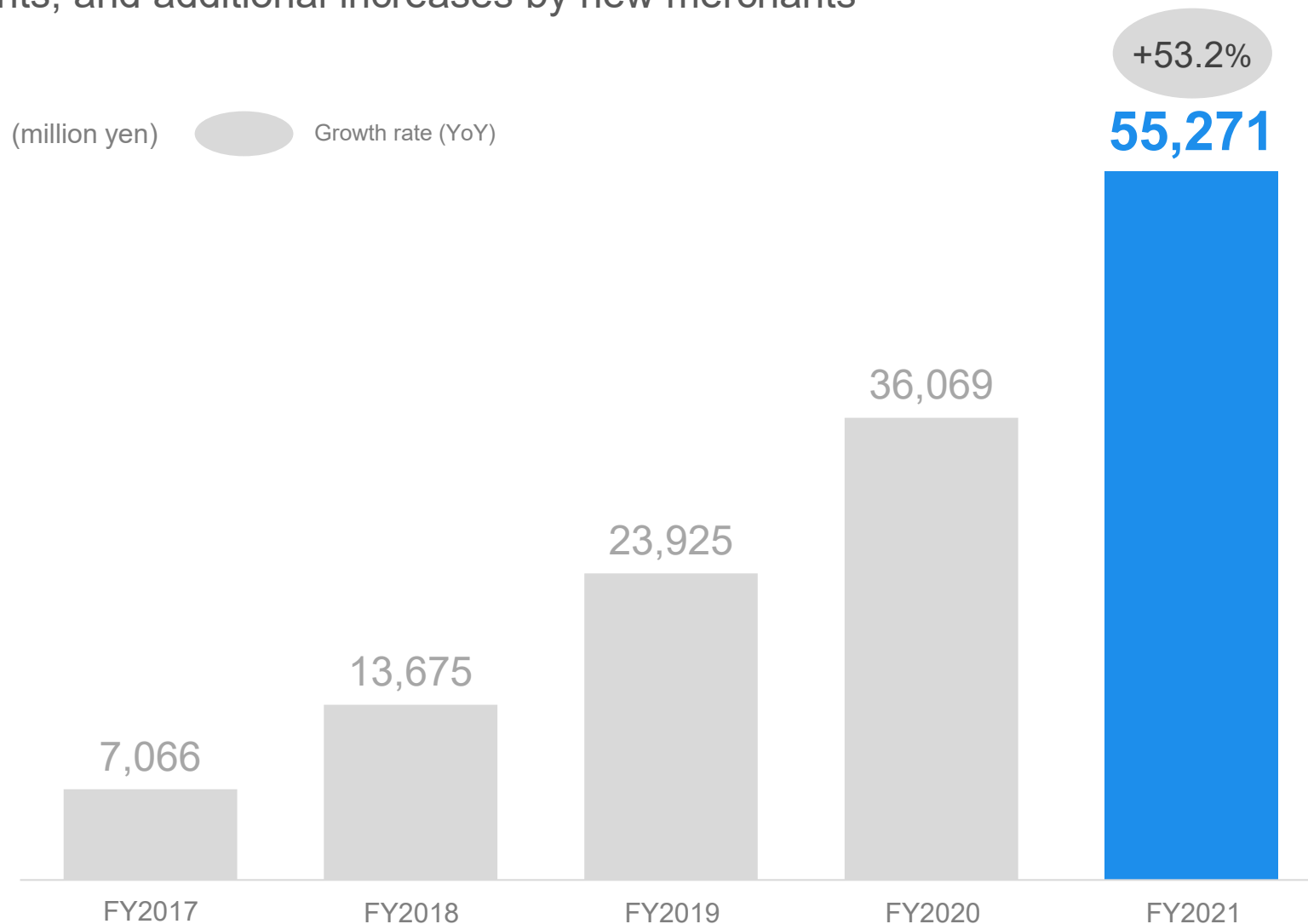
Wide variety of products sold with fashion being the main category

Ratio of Product Categories in GMV (Note)



(Note) FY2021 results

GMV_(Note1) grew significantly at **+53.2%** YoY owing to continued growth by existing merchants, and additional increases by new merchants

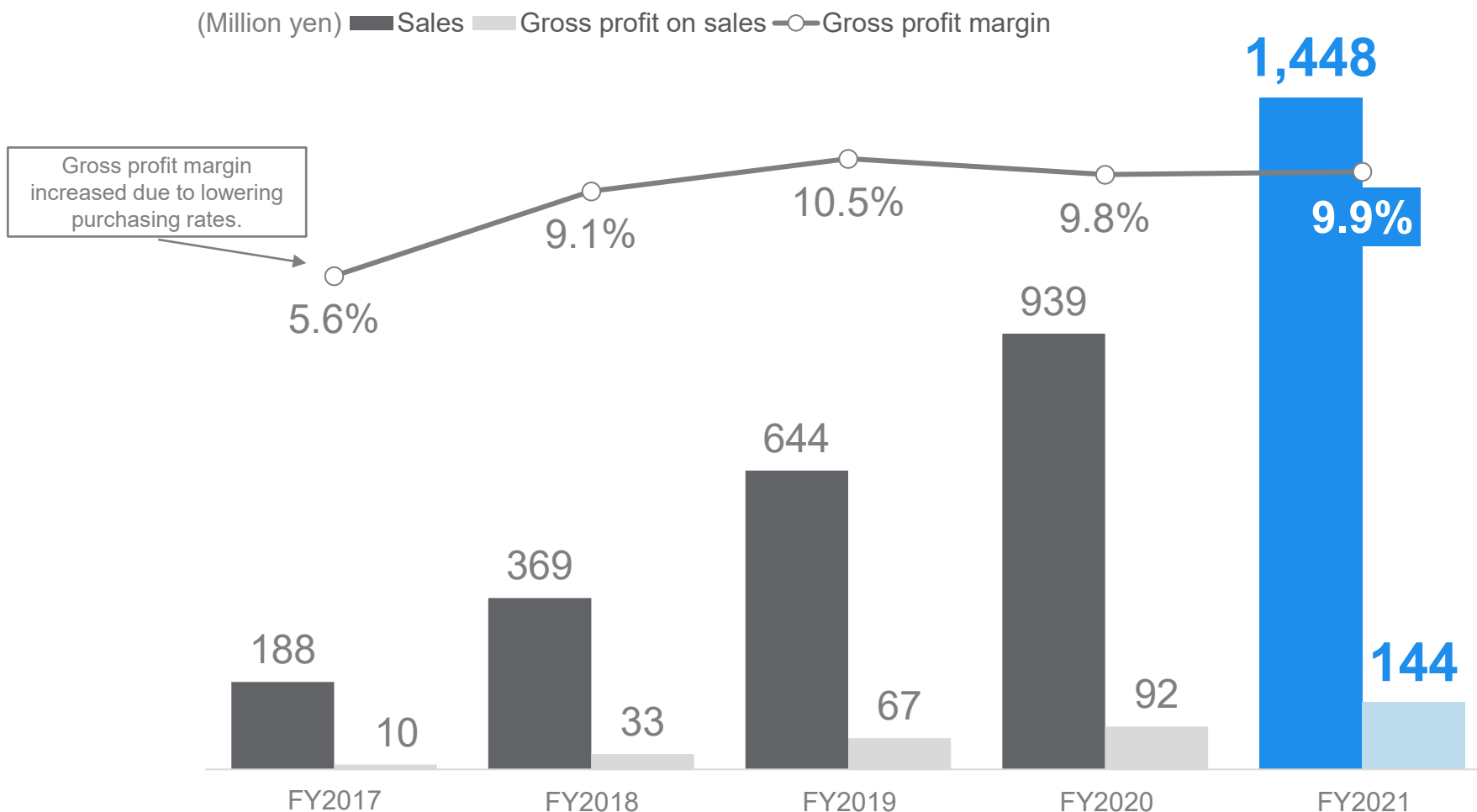


(Note) GMV is based on the payment date (payment amount).

Net sales and gross profit on sales increased by **+54.2%** and **+56.1%** respectively as a result of increase in GMV

Gross profit margin increased slightly YoY

(Million yen) ■ Sales ■ Gross profit on sales ○ Gross profit margin



Profit and Loss Statement (By Segment)

(Million yen)		FY2019				FY2020				FY2021			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales	BASE	643	752	871	931	933	2,342	2,061	1,983	1,944	2,082	2,087	2,306
	PAY	120	169	170	183	184	207	247	299	286	353	384	424
	Others	0	0	1	3	6	7	6	7	7	10	20	23
Gross profit on sales	BASE	437	508	590	620	624	1,580	1,362	1,305	1,280	1,330	1,329	1,477
	PAY	12	18	17	19	18	21	24	28	29	34	38	42
	Others	0	0	1	3	6	7	6	7	7	10	20	23
Segment profit	BASE	-108	144	-71	-81	56	718	601	-264	102	-207	-167	-431
	PAY	-43	-31	-28	-24	-25	-26	-19	-19	-18	-17	-6	3
	Others	-15	-12	-11	-14	-10	-13	-6	-14	-15	-18	-12	-5
	Corporate expenses	-34	-32	-33	-41	-47	-38	-40	-44	-54	-41	-33	-52
Operating profits	Entire company	-203	67	-144	-161	-28	640	534	-343	13	-283	-220	-487

Year	Month	Quarterly GMV (million yen) <small>(Note1)</small>	Monthly GMV (million yen)	Number of shops	Monthly GMV per shops (yen)	Quarterly GMV (Settlement amount) (million yen) <small>(Note2)</small>
2018	March	5,163	1,721	17,532	98,167	4,534
	June	5,947	1,982	19,326	102,589	5,225
	September	7,219	2,406	21,216	113,426	6,228
	December	8,760	2,920	23,183	125,968	7,856
2019	March	9,007	3,002	24,770	121,218	7,792
	June	10,480	3,493	26,071	134,001	9,217
	September	11,263	3,754	27,811	135,000	10,049
	December	12,211	4,070	28,537	142,638	11,000
2020	March	12,532	4,177	30,658	136,262	10,983
	June	31,071	10,357	49,715	208,330	27,582
	September	25,390	8,463	50,553	167,417	24,661
	December	26,302	8,767	51,558	170,051	24,488
2021	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

(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).

year	month	Quarterly GMV (million yen)
2018	March	2,703
	June	3,175
	September	3,704
	December	4,092
2019	March	4,430
	June	6,244
	September	6,324
	December	6,926
2020	March	7,018
	June	7,820
	September	9,422
	December	11,808
2021	March	10,837
	June	13,446
	September	14,693
	December	16,297

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

Ratio of Dilutive Shares

		FY2021
SO	Beginning balance	7,196,000
	Granted	0
	Exercised	-1,778,000
	Renounced	-84,000
	Ending balance	5,334,000
Number of shares outstanding		111,500,749
Ratio of dilutive shares		4.8%

(Note) 5 to 1 stock split conducted on April 1st 2021 reflected for beginning balance of FY 2021

Handling of these Materials

This document has been prepared by BASE, Inc. (the “Company”) solely for information purpose only. This document does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of the Company in Japan, the United States or any other jurisdictions. The information contained herein is based on current economic, regulatory, market trends and other conditions. The Company makes no representation or guarantee with respect to the credibility, accuracy or completeness of the information herein. The information contained herein may change without prior notice. Furthermore, the information on future business results are forward-looking statements. Forward-looking statements include but not limited to expressions such as "believe", "expect", "plan", "strategic", "anticipate", "predict" and "possibility", as well as other similar expressions to explain future business activities, achievements, events and future conditions. Forward-looking statements are predictions about the future that reflect management's judgment based on currently available information. As such, these forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those expressed in or suggested by the forward-looking statements. Therefore, you may not rely entirely on forward-looking statements. The Company does not assume any obligation to change or correct any forward-looking statements in light of new information, future events or other findings.

This presentation is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. In giving this presentation, the Company does not undertake any obligation to provide the recipient with access to any additional information or to update this presentation or any additional information or to correct any inaccuracies in any such information which may become apparent.

Information on companies other than the Company and information provided from third parties are based on public information or sources. The Company has not independently verified the accuracy and appropriateness of such data and indicators used herein, nor assume any responsibility for the accuracy and appropriateness of such data and indicators presented in this document.

BASE