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November 14, 2022

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## Announcement Regarding Booking of Extraordinary Losses

freee K.K. (the “Company”) announces that the Company recognized extraordinary losses for the three months ended September 30, 2022 (from July 1, 2022 to September 30, 2022).

### 1. Impairment loss

As stated in “Announcement Regarding Mid to Long-term Strategy and Booking of Impairment Loss Based on the Strategy” of August 12, 2022 (hereinafter the “Announcement”), under the mid to long-term strategy (hereinafter the “Mid to Long-Term Strategy”), the first year of which is the fiscal year ending June 30, 2023, the Company has defined the period from the fiscal year ending June 30, 2023 as a time to accelerate investment for mid to long-term growth. In addition, as stated in “2. Booking of Extraordinary Loss (3) Future Outlook” of the Announcement, the Company has assumed that for non-current assets, after they are recognized as assets, impairment losses may be recognized on them for every fiscal quarter.

As with the impairment loss recognized for the fiscal year ended June 30, 2022, based on the Mid to Long-Term Strategy, the Company recognized an impairment loss of 1,956 million yen under extraordinary losses for the three months ended September 30, 2022 in accordance with the “Accounting Standard for Impairment of Non-current Assets” under the Japanese GAAP. The impairment loss is primarily attributable to facilities attached to buildings and the amount equivalent to asset retirement obligations related to the Company’s new headquarters.

### 2. Expenses associated with headquarters relocation

In the Company’s rapidly expanding organization, to achieve further business growth by creating more opportunities for face-to-face communication among employees and enhancing organizational capacity, in August 2022, the Company relocated its headquarters to “Artvillage Osaki Central Tower” in Osaki, Shinagawa-ku, Tokyo.

As a result, the Company recognized expenses associated with headquarters relocation of 118 million yen under extraordinary losses for the three months ended September 30, 2022.