

## Translation

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### Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 (Based on Japanese GAAP)

February 8, 2024

Company name: BASE, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 4477 URL <https://binc.jp/en>  
 Representative: Representative Director and CEO Yuta Tsuruoka  
 Inquiries: Director, Senior Executive Officer and CFO Ken Harada TEL 03(6441)2075  
 Scheduled date to hold General Meeting of Shareholders: March 26, 2024  
 Scheduled date to file Securities Report: March 27, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down)

#### 1. Consolidated financial results for the fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

(1) Consolidated operating results (% indicates changes from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2023	11,680	19.9	(425)	–	(409)	–	(606)	–
Fiscal year ended December 31, 2022	9,739	(1.9)	(1,508)	–	(1,495)	–	(1,732)	–

(Note) Comprehensive Income (millions of yen) Fiscal year ended December 31, 2023: (608) (–%) Fiscal year ended December 31, 2022: (1,729) (–%)

	Earnings per share	Diluted earnings per share	Return on equity ratio	Ratio of ordinary profit to total assets	Ratio of operating profit to sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2023	(5.31)	–	(4.6)	(1.2)	(3.6)
Fiscal year ended December 31, 2022	(15.46)	–	(12.1)	(4.7)	(15.5)

(Reference) Equity income of affiliates (millions of yen) Fiscal year ended December 31, 2023: – Fiscal year ended December 31, 2022: –

(Notes) Despite the existence of potential shares, diluted earnings per share are not indicated because net loss per share was recorded.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended December 31, 2023	32,297	13,000	34.9	112.87
Fiscal year ended December 31, 2022	31,278	13,501	43.2	118.81

(Reference) Equity (millions of yen) As of December 31, 2023: 13,000 As of December 31, 2022: 13,501

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended December 31, 2023	(80)	(53)	16	22,227
Fiscal year ended December 31, 2022	(1,706)	(28)	26	22,344

#### 2. Cash dividends

	Annual dividends per share					Total amount of dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
Fiscal year ended December 31, 2022	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ended December 31, 2023	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ending December 31, 2024 (Forecast)	–	0.00	–	0.00	–	–	–	–

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

(% indicates changes from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	14,700	25.9	(200)	–	(204)	–	(207)	–	(1.79)
			~ 0		~ (3)		~ (7)		~ (0.06)

#### 4. Notes

- (1) Changes in significant subsidiaries during the fiscal year ended December 31, 2023  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No  
New: – ( ), Exclusion: – ( )
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- |  |    |
|--|----|
| Changes in accounting policies due to revisions to accounting standards and other regulations: | No |
| Changes in accounting policies due to other reasons:   | No |
| Changes in accounting estimates:   | No |
| Restatement of prior period financial statements:  | No |

#### (3) Number of issued shares (ordinary shares)

Total number of issued shares at the fiscal year end (including treasury shares)

As of December 31, 2023	115,197,823 shares	As of December 31, 2022	113,631,964 shares
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Number of treasury shares at the fiscal year end

As of December 31, 2023	19,894 shares	As of December 31, 2022	14 shares
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Average number of shares during the fiscal year

Fiscal year ended December 31, 2023	114,355,587 shares	Fiscal year ended December 31, 2022	112,052,436 shares
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#### (Reference) Summary of non-consolidated financial results

##### 1. Non-consolidated financial results for the fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

##### (1) Non-consolidated operating results (% indicates changes from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2023	8,073	5.7	(339)	—	(322)	—	(520)	—
Fiscal year ended December 31, 2022	7,635	(9.3)	(1,461)	—	(1,446)	—	(1,779)	—

	Earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2023	(4.55)	—	—	—
Fiscal year ended December 31, 2022	(15.88)	—	—	—

(Notes) Despite the existence of potential shares, diluted earnings per share are not indicated because net loss per share was recorded.

##### (2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	%	Yen	Yen	
Fiscal year ended December 31, 2023	27,026	13,087	13,087	13,087	48.4	113.63	113.63	
Fiscal year ended December 31, 2022	25,819	13,501	13,501	13,501	52.3	118.81	118.81	

(Reference) Equity (millions of yen) As of December 31, 2023: 13,087 As of December 31, 2022: 13,501

\*Financial summary is outside of the scope of audit by the certified public accountant or by the auditing firm.

\*Explanations and other remarks regarding the appropriate use of the business results forecast

(Notice regarding forward-looking statements, etc.)

The business results forecasts and other forward-looking statements contained in this material are based on information currently available to the Company and certain assumptions that are believed to be reasonable, and are not intended as a promise by the Company to fulfill such statements. In addition, the actual business results, etc. could prove to differ substantially from such statements due to a variety of factors. For the assumptions that served as the basis for the business results forecast and the points to be noted when using these forecasts, please refer to “1. Summary of Operating Results, (4) Future outlook” on page 3 of the Appendix.

(Access to supplementary information on the financial results and explanation on a financial result briefing)

The Company is scheduled to hold a financial result briefing for institutional investors and analysts on Thursday, February 8, 2024. Relevant briefing information is scheduled to be disclosed on our website.

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# 1. Summary of Operating Results

## (1) Summary of operating results for the current fiscal year

Advocating “Payment to the People, Power to the People.” as its mission, the Company group (the “Group”) actively operates the BASE Business, which provides the online shop creation service “BASE” as well as “Pay ID” shopping service for purchases, and the PAY.JP Business, which provides the online payment service “PAY.JP.” Through these services, the Group focuses on empowering individuals and small teams and supporting start-up companies.

During the fiscal year under review, the economic outlook remained uncertain due to factors such as heightened geopolitical risks and inflation. However, there were signs of movement toward normalization of economic activities as the spread of COVID-19 infections and confusion associated with its containment gradually subsided. In the midst of this business environment, the BASE Business maintains its position as the overwhelming first choice for a wide range of individuals and small teams, while continuing efforts to strengthen its products to achieve sustainable growth over the medium to long term. In the PAY.JP Business, the Group aims to support the growth of its existing merchants while also expanding the number of new merchants by targeting start-up companies and strengthening its products with the aim of creating online payment functions that are simpler and easier to implement and operate.

As a result of the above, the Group’s consolidated net sales for the fiscal year ended December 31, 2023 were ¥11,680 million (19.9% increase year on year), operating loss was ¥425 million (operating loss of ¥1,508 million in the same period of the previous fiscal year), ordinary loss was ¥409 million (ordinary loss of ¥1,495 million in the same period of the previous fiscal year), and loss attributable to owners of parent was ¥606 million (loss attributable to owners of parent of ¥1,732 million in the same period of the previous fiscal year).

Please note that the PAY Business is renamed as the PAY.JP Business from the fiscal year under review.

The results of the segments are as follows.

### A) BASE Business

In the BASE Business, GMV growth for the fiscal year under review surpassed the year-on-year growth rate for domestic online consumption with growth driven by shops with large sales, contributed mainly by the Monthly-Fee Plan released in April 2022. GMV for the three months ended December 31, 2023 was similarly robust. The number of merchants using the Monthly-Fee Plan and its lower commission rates was unchanged, resulting in the take rate (Note) remaining level year on year, and as a result, net sales increased in the three months ended December 31, 2023, due to the increase in GMV.

Product development also progressed as expected at the beginning of the fiscal year. In addition to “BASE AI Assistant” that provides AI-driven support to improve operational efficiency and shop design, etc., the Group provided many functions to increase added value for shops of various sales size, including the “Membership App” to support CRM.

As a result of the above, GMV for the fiscal year ended December 31, 2023 was ¥135,991 million (order amount) and ¥129,056 million (payment amount) (14.3% increase for order amount and 14.8% increase for payment amount year on year), net sales for the fiscal year ended December 31, 2023 were ¥7,765 million (3.6% increase year on year), and segment loss was ¥60 million (segment loss of ¥1,150 million in the same period of the previous fiscal year).

(Note) Take rate is the ratio of net sales over GMV (payment amount)

### B) PAY.JP Business

In the PAY.JP Business, the Group provides the online payment service “PAY.JP.” GMV for the fiscal year under review increased significantly due to the growth of large-scale existing and new merchants.

As a result of the above, GMV for the fiscal year ended December 31, 2023 was ¥141,127 million (74.7% increase year on year), net sales were ¥3,606 million (71.4% increase year on year), and segment loss was ¥84 million (segment loss of ¥46 million in the same period of the previous fiscal year).

### C) Other Business

In the Other Business, the Group provides services such as “YELL BANK,” which provides business funds to online shop operators using “BASE.” The number of its users and its usage amount continued to grow.

As a result of the above, net sales for the fiscal year ended December 31, 2023 were ¥308 million (118.0% increase year on year), and segment loss was ¥25 million (segment loss of ¥31 million in the same period of the previous fiscal year).

## (2) Summary of financial position for the current fiscal year

### (Assets)

Total assets as of the end of the fiscal year under review were ¥37,297 million, an increase of ¥6,019 million from the end of the previous fiscal year. This was mainly due to an increase of ¥5,843 million in accounts receivable - trade, which offset a decrease of ¥117 million in cash and deposits.

### (Liabilities)

Liabilities as of the end of the fiscal year under review were ¥24,297 million, an increase of ¥6,519 million from the end of the previous fiscal year. This was mainly due to an increase of ¥4,830 million in deposits received and an increase of ¥1,443 million in accounts payable - trade.

### (Net assets)

Net assets as of the end of the fiscal year under review were ¥13,000 million, a decrease of ¥500 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥606 million in retained earnings resulting from the recording of loss attributable to owners of parent. In addition, legal capital surplus was reduced by ¥2,545 million, and retained earnings increased by ¥2,545 million, due to deficit disposition from the appropriation of surplus based on the resolution of the Board of Directors at the meeting held on February 16, 2023.

### (3) Summary of cash flows for the current fiscal year

Cash and cash equivalents (hereinafter, “cash”) at the end of the fiscal year under review were ¥22,227 million, a decrease of ¥117 million from the end of the previous fiscal year. The respective statuses of cash flows during the fiscal year under review and their contributing factors are as follows:

#### (Cash flows from operating activities)

Net cash used in operating activities were ¥80 million (¥1,706 million used in the previous fiscal year). The main reasons for the cash increase were an increase of ¥4,830 million in deposits received and an increase of ¥1,443 million in accounts payable - trade. The main reasons for the cash decrease were an increase of ¥5,840 million in accounts receivable - trade and the recording of ¥602 million of loss before income taxes.

#### (Cash flows from investing activities)

Net cash used in investing activities were ¥53 million (¥28 million used in the previous fiscal year). The main reason for the cash decrease was purchase of property, plant, and equipment of ¥53 million.

#### (Cash flows from financing activities)

Net cash provided by financing activities was ¥16 million (¥26 million provided in the previous fiscal year). This was due to proceeds from issuance of shares resulting from exercise of share acquisition rights of ¥16 million.

### (4) Future outlook

The medium to long-term management policy is to return to operating profit in FY2025 and to achieve consolidated gross profit of JPY 10 billion as soon as possible from FY2026 onwards through growth strategies for existing products and group-wide expansion strategies.

Based on this policy, both the BASE and PAY.JP businesses aim to both increase GMV and improve profitability in FY2024 by increasing added value of existing products and optimizing pricing accordingly, as well as improving marketing measures etc. In “Pay ID” and the financial services, mainly “YELL BANK”, offered to “BASE” shops and purchasers, initiatives will be implemented to increase added value of existing products as well as to improve the profitability of the Group as a whole.

The policy is to maintain a disciplined investment policy based on growth and profitability, and to continue working to improve the financial position.

Based on the above, the financial forecast for the consolidated financial year 2024 is as follows.

GMV of BASE and PAY.JP businesses is expected to be JPY 154,000 million and JPY 187,000 million, respectively, as a result of increasing added value of existing products and improving marketing measures, etc.

In addition, the BASE business aims to improve its take rate by raising the price of Monthly-Fee Plan (Growth Plan) and providing paid extensions, etc. The PAY.JP business also aims to improve gross profit margin by optimizing its fee structure and improving the cost of sales ratio. As a result of the above, consolidated net sales and consolidated gross profit are expected to amount to JPY 14,700 million and JPY 6,450 million respectively.

SG&A expenses are expected to increase YoY in FY2024, as SG&A expenses were better controlled than expected in FY2023. As of the beginning of the period, there is a high uncertainty of planned measures, etc. Therefore, from the perspective of providing more useful and reasonable information to investors, the figures are disclosed in the form of a range, with an upper limit of JPY 6,650 million including a certain buffer, and a lower limit of JPY 6,450 million.

As a result of the above, the forecast for operating profit/loss has an upper limit of 0 and a lower limit of a deficit of 200 million yen, indicating a contraction of the loss compared YoY.

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

## **2. Basic Concept Regarding the Selection of Accounting Standards**

The Group plans to prepare its consolidated financial statements in accordance with Japanese GAAP (generally accepted accounting principles) for the time being, taking into consideration comparability from period to period of consolidated financial statements and between Japanese companies.

With regard to the adoption of IFRS (International Financial Reporting Standards), we will take action in an appropriate and timely manner in consideration of various circumstances at home and abroad.

### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated balance sheets

(Million yen)

	As of December 31, 2022	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	22,344	22,227
Securities	66	—
Accounts receivable - trade	7,977	13,821
Other	687	1,117
Allowance for doubtful accounts	(130)	(200)
Total current assets	30,946	36,965
Non-current assets		
Property, plant, and equipment		
Buildings	100	100
Accumulated depreciation	(100)	(100)
Buildings, net	—	—
Other	80	61
Accumulated depreciation	(80)	(61)
Other, net	—	—
Total property, plant, and equipment	—	—
Investments and other assets		
Investment securities	39	36
Other	293	295
Total investments and other assets	332	331
Total non-current assets	332	331
Total assets	31,278	37,297

(Million yen)

	As of December 31, 2022	As of December 31, 2023
Liabilities		
Current liabilities		
Account payable - trade	11,771	13,215
Deposits received	5,468	10,299
Provision for chargeback	9	7
Contract liabilities	50	115
Other	420	606
Total current liabilities	17,720	24,244
Non-current liabilities		
Other	57	52
Total non-current liabilities	57	52
Total liabilities	17,777	24,297
Net assets		
Shareholders' equity		
Capital stock	8,614	8,669
Deposits for subscriptions to shares	0	—
Capital surplus	7,424	4,933
Retained earnings	(2,545)	(606)
Treasury shares	(0)	(0)
Total shareholders' equity	13,494	12,995
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6	5
Total accumulated other comprehensive income	6	5
Total net assets	13,501	13,000
Total liabilities and net assets	31,278	37,297



## (2) Consolidated statement of income and comprehensive income

### Consolidated statement of income (Fiscal year ended December 31, 2023)

(Million yen)

	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net sales	9,739	11,680
Cost of sales	5,002	6,647
Gross profit	4,737	5,033
Selling, general, and administrative expenses	6,245	5,458
Operating loss	(1,508)	(425)
Non-operating income		
Interest income	0	0
Commission income	12	6
Insurance claim income	—	6
Lecturer's fee income	3	5
Other	5	1
Total non-operating income	20	21
Non-operating expenses		
Interest expenses	0	—
Exchange loss	2	0
Share issuance cost	1	0
Commitment fee	3	3
Other	0	—
Total non-operating expenses	7	4
Ordinary loss	(1,495)	(409)
Extraordinary loss		
Impairment losses	157	130
Loss on valuation of investment securities	83	63
Total extraordinary profit	240	193
Loss before income taxes	(1,735)	(602)
Income taxes -current	4	4
Income taxes - deferred	(7)	—
Total income taxes	(3)	4
Net loss	(1,732)	(606)
Loss attributable to owners of parent	(1,732)	(606)

**Consolidated statement of comprehensive income**

(Million yen)

	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net loss	(1,732)	(606)
Other comprehensive income		
Valuation difference on available-for-sale securities	3	(1)
Total other comprehensive income	3	(1)
Comprehensive income	(1,729)	(608)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,719)	(608)

**(3) Consolidated statement of changes in equity**

Fiscal year ended December 31, 2022

(Million yen)

	Shareholders' equity						Accumulated other comprehensive income		Total net assets
	Capital stock	Deposits for subscriptions to shares	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of current period	8,552	—	7,362	(813)	—	15,102	3	3	15,105
Changes in items during period									
Issuance of new shares	62	0	62			124			124
Purchase of treasury shares					(0)	(0)			(0)
Net losses attributable to owners of parent				(1,732)		(1,732)			(1,732)
Net changes in items other than shareholders' equity							3	3	3
Total changes in items during period	62	0	62	(1,732)	(0)	(1,607)	3	3	(1,604)
Balance at end of current period	8,614	0	7,424	(2,545)	(0)	13,494	6	6	13,501

Fiscal year ended December 31, 2023

(Million yen)

	Shareholders' equity						Accumulated other comprehensive income		Total net assets
	Capital stock	Deposits for subscriptions to shares	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of current period	8,614	0	7,424	(2,545)	(0)	13,494	6	6	13,501
Changes in items during period									
Issuance of new shares	54	(0)	54			107			107
Deficit disposition			(2,545)	2,545		—			—
Net losses attributable to owners of parent				(606)		(606)			(606)
Net changes in items other than shareholders' equity							(1)	(1)	(1)
Total changes in items during period	54	(0)	(2,491)	1,938	—	(498)	(1)	(1)	(500)
Balance at end of current period	8,669	—	4,933	(606)	(0)	12,995	5	5	13,000

**(4) Consolidated statement of cash flows**

(Million yen)

	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Cash flows from operating activities		
Loss before income taxes	(1,735)	(602)
Depreciation	49	2
Impairment losses	157	130
Share-based payment expenses	42	73
Loss on valuation of investment securities	83	63
Increase (decrease) in allowance for doubtful accounts	35	69
Increase (decrease) in provision for charge back	(7)	(1)
Interest income	(0)	(0)
Commission income	(12)	(6)
Interest expenses	0	—
Share issuance cost	1	0
Increase (decrease) in accounts receivable -other	(1,357)	(5,840)
Increase (decrease) in trade accounts payable	(973)	1,443
Increase (decrease) in deposits received	1,760	4,830
Other, net	163	(241)
Subtotal	(1,793)	(80)
Interest income received	0	0
Commission income received	23	3
Interest paid	(0)	—
Income taxes paid	63	(4)
Net cash provided by (used in) operating activities	(1,706)	(80)
Cash flows from investing activities		
Purchase of property, plant, and equipment	(28)	(53)
Net cash provided by (used in) investing activities	(28)	(53)
Cash flows from financing activities		
Proceeds from issuance of shares	26	16
Purchase of treasury shares	(0)	—
Proceeds from issuance of shares resulting from exercise of share acquisition rights	0	—
Net cash provided by (used in) financing activities	26	16
Net increase (decrease) in cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	(1,708)	(117)
Cash and cash equivalents at beginning of period	24,053	22,344
Cash and cash equivalents at end of period	22,344	22,227

**(5) Notes to consolidated financial statements**

(Notes regarding going concern assumptions)

Not applicable.

(Segment information)

1. Summary of reportable segment

The Group's reportable segments are components of the Company for which separate financial information is available that is regularly evaluated by the Board of Directors to determine allocation of management resources and assess business performance.

The Group consists of three reportable segments, "BASE Business," "PAY.JP Business," and "Other Business."

"BASE business" provides the online shop creation service "BASE" that allows anyone to easily create well-designed online shop. "PAY.JP business" develops "PAY.JP" that is an online payment service for developers to easily integrate credit card payments to web services and online stores. With regard to "Other businesses," the Group provides financial services such as "YELL BANK", which enables shop owners who use "BASE" to raise funds by purchasing the BASE shops' future accounts receivable from shop owners.

Starting from the fiscal year under review, the name of the reportable segment previously referred to as "PAY Business" has been changed to "PAY.JP Business." This change in segment name has no impact on segment information. The segment information for the previous fiscal year is also presented under the new name.

2. Method of calculation of net sales, profit or loss, assets, liabilities, and other items by reportable segment

Methods of accounting procedures for reported business segments are in accordance with the accounting principles used to prepare consolidated financial statements.

3. Information about net sales, profit (loss), assets, liabilities, and other items by reportable segment

Fiscal year ended December 31, 2022

(Million yen)

	Reportable segment				Reconciliations (Note 1)	Consolidated (Note 2)
	BASE Business	PAY.JP Business	Other Business	Total		
Net sales						
Goods or services transferred at a point in time	7,290	2,074	8	9,372	—	9,372
Goods or services transferred over time	167	27	—	195	—	195
Revenue from contracts with customers	7,457	2,102	8	9,567	—	9,567
Other revenue	36	1	133	171	—	171
Net sales to external customers	7,494	2,103	141	9,739	—	9,739
Inter-segment net sales or transfers	—	—	—	—	—	—
Total	7,494	2,103	141	9,739	—	9,739
Segment loss	(1,150)	(46)	(31)	(1,227)	(280)	(1,508)
Segment assets	25,242	5,552	376	31,171	107	31,278
Other items						
Depreciation	49	—	—	49	—	49
Increase in property, plant, and equipment, and intangible assets	26	—	—	26	—	26

(Notes) 1. Reconciliations of segment loss of ¥(280) million are corporate expenses that are not allocated to each reportable segment. Corporate expenses consist mainly of general and administrative expenses that do not belong to reportable segments.

2. Segment loss is adjusted with operating loss in the consolidated statement of income.

3. Reconciliations of segment assets of ¥107 million are inter-segment elimination ¥(46) million and not allocated to individual reportable segments ¥153 million.

Fiscal year ended December 31, 2023

(Million yen)

	Reportable segment				Reconciliations (Note 1)	Consolidated (Note 2)
	BASE Business	PAY.JP Business	Other Business	Total		
Net sales						
Goods or services transferred at a point in time	7,323	3,578	25	10,927	—	10,927
Goods or services transferred over time	318	28	—	347	—	347
Revenue from contracts with customers	7,642	3,606	25	11,274	—	11,274
Other revenue	123	0	282	405	—	405
Net sales to external customers	7,765	3,606	308	11,680	—	11,680
Inter-segment net sales or transfers	—	—	—	—	—	—
Total	7,765	3,606	308	11,680	—	11,680
Segment loss	(60)	(84)	(25)	(170)	(254)	(425)
Segment assets	26,002	10,606	690	37,299	(1)	37,297
Other items						
Depreciation	2	—	—	2	—	2
Increase in property, plant, and equipment, and intangible assets	56	—	—	56	—	56

(Notes) 1. Reconciliations of segment loss of ¥(254) million are corporate expenses that are not allocated to each reportable segment. Corporate expenses consist mainly of general and administrative expenses that do not belong to reportable segments.

2. Segment loss is adjusted with operating loss in the consolidated statement of income.

3. Reconciliations of segment assets of ¥(1) million are inter-segment elimination ¥(88) million and not allocated to individual reportable segments ¥86 million.

4. Information about impairment losses on non-current assets by reportable segment

Fiscal year ended December 31, 2022

(Million yen)

	Reportable segment				Reconciliations	Consolidated
	BASE Business	PAY.JP Business	Other Business	Total		
Impairment losses	157	—	—	157	—	157

Fiscal year ended December 31, 2023

(Million yen)

	Reportable segment				Reconciliations	Consolidated
	BASE Business	PAY.JP Business	Other Business	Total		
Impairment losses	130	—	—	130	—	130

(Per share information)

	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net assets per share	¥118.81	¥112.87
Net loss per share	¥ (15.46)	¥ (5.31)
Diluted earnings per share	—	—

(Notes) 1. Despite the existence of potential shares in the fiscal year ended December 31, 2022 and 2023, diluted earnings per share are not indicated because net loss per share was recorded.

2. Net loss per share was calculated on the following basis.

Item	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net loss per share		
Net loss attributable to owners of parent (Million yen)	(1,732)	(606)
Amount not attributable to ordinary shareholders (Million yen)	—	—
Net loss attributable to owners of parent regarding ordinary shares (Million yen)	(1,732)	(606)
Average number of ordinary shares during the period (Shares)	112,052,436	114,355,587
Diluted earnings per share		
Adjustment to profit (Million yen)	—	—
Increase in number of common stock (Shares)	—	—
(Number of share subscription rights included in the increase)	—	—
Outline of diluted shares that were not included in calculation of diluted earnings per share because of their anti-dilutive effect	—	—

(Significant subsequent events)

Not applicable.