



November 4, 2021

To whom it may concern,

Company Name: Uzabase, Inc.
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Taira Sakuma, Representative Director and Co-CEO
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**Notice on Closure of NewsPicks GINZA, Recording of Extraordinary Losses and
Deferred Tax Benefit, and Revision of Earnings Forecast**

At the board of directors meeting held on November 4, 2021, Uzabase, Inc. (hereinafter referred to as “the Company”) resolved to close a facility of NewsPicks GINZA (hereafter referred to as “the Location”). As a result, the Company will record extraordinary losses in the third quarter of the fiscal year ending December 2021.

1. On withdrawal from the Location

The Location was opened on July 1, 2020 on the seventh floor of Tokyu Plaza Ginza as a physical campus of the project-driven educational service NewSchool (hereafter referred to as “NewSchool”), together with the experimental store NewStore by TOKYU HANDS and cafeteria space NewCafe. From the time of opening, the Location was operated with precautionary measures against COVID-19, including the shift of the operations of NewSchool to an online environment. Due to the prolonged impact of the pandemic, continued operation of the Location as a real-world gathering place has been deemed unfeasible, resulting in the Company’s decision to withdraw from the Location.

2. Details of the extraordinary losses and deferred tax benefit in the Company’s consolidated financial statements

In the third quarter of the fiscal year ending December 2021, the Company records 289 million yen in impairment loss on fixed assets and 210 million yen in provision for loss on facility closure as extraordinary losses. As a result of the tax effect from the extraordinary losses, the Company also records deferred tax benefit of 153 million yen.

3. Revision of the full-year earnings forecast for the fiscal year ending December 2021

The Company records extraordinary losses and deferred tax benefit as described in 2. Meanwhile, MRR (monthly recurring revenue: monthly revenue generated from subscription) of each business is maintaining strong growth, and net sales are surpassing initially planned levels. In addition, taking into account the gain on

sales of investment securities (non-operating profit) disclosed on September 29, 2021, profit levels other than net sales and net profit attributable to parent company shareholders are expected to exceed the earnings forecast announced on February 10, 2021. Therefore, the Company's consolidated earnings forecast for the fiscal year ending December 2021 (from January 1, 2021 to December 31, 2021) is revised as follows.

	Consolidated net sales	Consolidated EBITDA	Consolidated Operating Profit	Consolidated Ordinary Profit	Net Profit Attributable to Parent Company Shareholders	Net Profit per Share
Previously announced forecast (A)	JPY MM 15,600	JPY MM 1,800	JPY MM 1,380	JPY MM 1,240	JPY MM 690	JPY 18.83
Revised forecast (B)	15,900	1,850	1,456	1,366	500	13.64
Change in amount (B-A)	300	50	76	126	△190	△5.19
Ratio of change (%)	1.9%	2.8%	5.5%	10.2%	△27.5%	△27.6%
(Reference) Consolidated results of fiscal year ended December 2020	13,809	917	104	△281	△6,472	△186.58

End of notice