



December 16, 2021

To whom it may concern,

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Representatives: Yusuke Inagaki, Representative Director and Co-CEO
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Notice on Recording of Gain on Revaluation of Investment Securities (Extraordinary Gain)

Uzabase, Inc. (hereinafter “the Company”) notifies the recording of gain on revaluation of investment securities held by its consolidated subsidiary Uzabase USA, Inc. (hereafter “UBUS”) in the fourth quarter of the consolidated fiscal year ending December 2021.

1. Details of gain on revaluation of investment securities (extraordinary gain)

The financial statements of UBUS are prepared in accordance with the Generally Accepted Accounting Principles of the United States (hereinafter “U.S. GAAP”).

Following new investments made by external investors in the company of which UBUS holds investment securities, the investment securities held by UBUS have been remeasured at fair value under U.S.GAAP. As a result, USD1,364 thousand (JPY155 million [Note 1]) is expected to be recorded as gain on revaluation of investment securities in the fourth quarter of the consolidated fiscal year ending December 2021.

As tax effect on the extraordinary gain, a deferred tax expense of USD401 thousand (JPY45 million [Note 1]) is to be recorded.

[Note 1] The exchange rate as of December 15, 2021 has been applied (USD1 = JPY113.8).

2. Outlook

The impact of the gain on revaluation of investment securities (extraordinary gain) on the consolidated financial results for the fiscal year ending December 2021 is currently being examined with other factors in consideration. No amendments have been made so far in the consolidated results forecast disclosed on November 4, 2021.

The Company will promptly issue a notice in the case any need for revision arises in the future.

End of Notice