



July 28, 2022

To whom it may concern,

Company  
Representatives

Uzabase, Inc.  
Yusuke Inagaki,  
Representative Director and Co-CEO/CTO  
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Representative Director and Co-CEO  
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Contact

**Notice of Approval of Business Adaptation Plan  
(Business Adaptation Plan for Growth and Development)**

Uzabase, Inc. (hereinafter “the Company”) notifies that the Company’s business adaptation plan (business adaptation plan for growth and development) has been approved for a special tax treatment by the Ministry of Economy, Trade and Industry on July 27, 2022.

**1. Overview of the System**

Under the Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts, a special tax treatment is offered to companies that are facing difficult business conditions under the COVID pandemic and taking bold measures to reform their business, including restructuring/reorganization, towards the post-COVID era. In order to qualify for the treatment, companies must obtain approval from the Minister of the Ministry of Economy, Trade and Industry by submitting a plan (business adaptation plan) that includes a detailed investment plan for restructuring/reorganization. Once approved, the maximum deductible amount of net operating losses carried forward is raised from the current 50% up to 100%, within the range of the amount of investment, for up to five fiscal years.

**2. Impact on Business Performance**

Recording deferred tax assets related to net operating loss carryforwards under the framework has a positive impact on net income (net income attributable to owners of the parent company on a consolidated basis) for the fiscal year in which the plan is approved. The amount of deferred tax assets to be recorded will be disclosed in a timely manner once a reasonable estimate becomes available.

The Company will also timely make a disclosure if a revision of its financial results outlook is deemed necessary.

Details are given on the website of the Ministry of Economy, Trade and Industry:

([https://www.meti.go.jp/policy/economy/kyosoryoku\\_kyoka/nintei\\_kurikoshi.html](https://www.meti.go.jp/policy/economy/kyosoryoku_kyoka/nintei_kurikoshi.html))

End of notice