

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



November 10, 2023

Name of listed company: Chatwork Co., Ltd.

Listing exchange: Tokyo Stock Exchange

Securities code: 4448

URL: <https://corp.chatwork.com/en/>

Representative: Masaki Yamamoto, Representative Director, President, Senior Executive Officer & CEO

Contact for inquiries: Naoki Inoue, Director, Senior Executive Officer & CFO

Tel: 81-50-1791-0683

Notice Regarding Upward Revision of Consolidated Financial Results For the Year Ending December 31, 2023

Based on recent performance trends and future prospects, we have revised our full-year forecasts for the fiscal year ending December 31, 2023, which were announced on August 10, 2023, as follows.

1. Revision of the forecast of consolidated financial results for the year ending December 31, 2023 (From January 1, 2023 to December 31, 2023)

	Revenue	EBITDA	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
Previous forecast (A)	million yen 6,646 ~6,744	million yen 0 ~77	million yen (606) ~(528)	million yen (612) ~(535)	million yen (575) ~(498)	Yen (14.37) ~(12.45)
Revised forecast (B)	6,451	(116)	(716)	(725)	(711)	(17.74)
Difference (B – A)	(293) ~(195)	(193) ~(116)	(188) ~(110)	(190) ~(113)	(213) ~(136)	(5.29) ~(3.37)
Difference (%)	—	—	—	—	—	—
(Reference) Results for the previous fiscal year ended December 31, 2023	4,593	(468)	(719)	(724)	(687)	(17.33)

2. Reasons for revision

For FY2023, we have revised our forecast from a range to the figures outlined below, although companywide revenue are expected to grow at 40.4% year on year and Chatwork Segment that at 43.3% year on year, due to higher ARPU from price revisions in chatwork service and sales expansion subsidiaries' and other peripheral services. Operating income is expected to be in the black from December.

There were three main factors behind our revised earnings forecast: (1) discrepancy in expected unit price following the revision of pricing on business chat, (2) a decline in the number of paying IDs after the price

revisions, and (3) a shortfall in revenue at subsidiaries.

Regarding ARPU (1), some price revisions were delayed due to variations in contract dates per user, causing disparities with the forecasts. However, we expect ARPU to align with initial projections after the price revision in July next year. Regarding paying IDs (2), the changes in last year's free plan restrictions and the current price revisions affected them, causing disparities with the forecasts. Nevertheless, we have confirmed a recent recovery. As to factor (3), the shortfall in Group company revenues, we have been prioritizing the establishment of a structure to expand revenue, and we anticipate steady business progress going forward.

As we expect to resolve all of these factors in the next fiscal year, we envision no change in our steady progress toward achieving the targets in our medium-term management plan.

Details of the business outlook are as follows. Please also refer to Third Quarter of FY2023 Results , which was disclosed on the same day.

Unit : million yen	FY 2022 actual	FY2023 forecast	YoY
Revenue	4,593	6,451	+40.4%
Chatwork segment	4,368	6,262	+43.3%
Gross profit	3,187	4,125	+29.4%
Gross margin	69.3%	63.9%	-5.4pt
EBITDA	(468)	(116)	—
Operating profit	(719)	(716)	—
Ordinary profit	(724)	(725)	—
Profit attributable to owners of parent	(687)	(711)	—

Note: The above forecasts are based on information available at the time of the announcement and actual results may differ from the forecasts due to various factors in the future.