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To Whom It May Concern:

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**Notice of Revision of Amount of Compensation for Directors and Introduction of
Restricted Stock Compensation Plan**

Base, Inc. announces that the Board of Directors resolved at a meeting held on February 13, 2020, to revise the amount of compensation for Directors and introduce a Restricted Stock Compensation Plan (hereinafter the "Plan") and the proposal regarding the revision of compensation for Directors and the Plan shall be submitted to the 7th General Meeting of Shareholders (hereinafter the "General Meeting of Shareholders") to be held on March 25, 2020.

1. Revision of Amount of Compensation for Directors

At the extraordinary General Meeting of Shareholders held on August 28, 2019, the amount of compensation for Directors of the Company was approved to be not more than 81 million yen per year (excluding the portion of employees' salaries for Directors who currently serve as employees). The Company plans to seek the approval of its shareholders for an annual amount of compensation for Directors to be not more than 200 million yen (of the total, not more than 20 million yen per year for outside Directors. However, the amount does not include the portion of employee's salaries for Directors who serve as employees), at the General Meeting of Shareholders, in consideration of various circumstances, including the possibility of expansion of duties of Directors and the possibility of an increase in the number of Directors.

2. Purpose of and Requirements for Introduction of the Plan

(1) Purpose of Introduction

The Plan is intended to provide the company's Directors (hereinafter the "Eligible Directors") with incentives to sustainably increase the Company's corporate value as well as to further promote shared value between the Eligible Directors and shareholders.

(2) Requirements for Introduction

As the Plan provides Eligible Directors with monetary compensation claims for granting restricted stock compensation, the introduction of the Plan shall require the approval of the shareholders for the payment of such compensation at the General Meeting of Shareholders.

At this General Meeting of Shareholders, the Company plans to seek the approval of its shareholders regarding the introduction of the Plan and the establishment of a new compensation limitation for the Eligible Directors under this Plan separately from the compensation limitation mentioned in 1 above.

3. Overview of the Plan

Under the Plan, the Eligible Directors shall make contributions in-kind of all monetary claims granted as compensation by the Company, and in return they shall receive shares of the Company's ordinary stock, upon issuance or disposition thereof.

The total amount of monetary compensation claims paid to the Eligible Directors shall not exceed 100 million yen per year (of the total, not more than 10 million yen per year for outside Directors) separately from the compensation limitation mentioned in 1 above, and the total number of shares of the Company's ordinary stock to be newly issued or disposed of under the Plan shall be not more than 57,000 shares per year (of the total, not more than 5,700 shares per year for outside Directors). However, the total number of shares to be newly issued or disposed of may be adjusted rationally in the event of unavoidable circumstances such as a stock split or consolidation of the Company's ordinary stock that requires an adjustment of the number of shares.

In order to realize the medium to long-term sharing of value with shareholders, which is one of the purposes of the Plan, the restricted period for transfer of allotted shares shall be 1) the period from the day of delivery of allotment of restricted stock to the day when the relevant Eligible Director resigns or retires from the position of Director of the Company or other positions prescribed by the Board of Directors of the Company, or 2) the period of three years or more prescribed by the Board of Directors. The specific timing of payment or allotment amount of Restricted Stock Compensation to each Eligible Director shall be determined by the Board of Directors.

The amount per share of the ordinary stock of the Company to be issued or disposed of under the Plan shall be determined by the Board of Directors to the extent that does not constitute a particularly advantageous sum for Eligible Directors, based on the closing price of the ordinary stock of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution of the Board of Directors pertaining to the issuance or disposition (or the closing price of the previous latest transaction date if no transaction is made on such day).

When issuing or disposing of the Company's ordinary shares under the Plan, the Company and the Eligible Directors shall conclude a Restricted Stock Allocation Agreement (hereinafter the "Allocation Agreement"), which shall include the following matters:

- 1) Eligible Directors shall not transfer, create security interests or otherwise dispose of the allotted ordinary shares of the Company under this Allocation Agreement during a predetermined period of time.
- 2) The Company shall acquire such ordinary shares free of charge if a specified event occurs.

(Reference)

Subject to the approval of the proposal regarding the Plan by the General Meeting of Shareholders, the Company's employees and the Company's subsidiaries' Directors and employees shall be granted similar restricted shares to the above.

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