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May 15, 2020

To Whom It May Concern:

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**Announcement that the number of shops opened has exceeded one million
and implementation of an online shop support campaign**

We would like to inform you that the number of online shops using "BASE", service of online shop creation operated by the Company, has exceeded one million in May 2020.

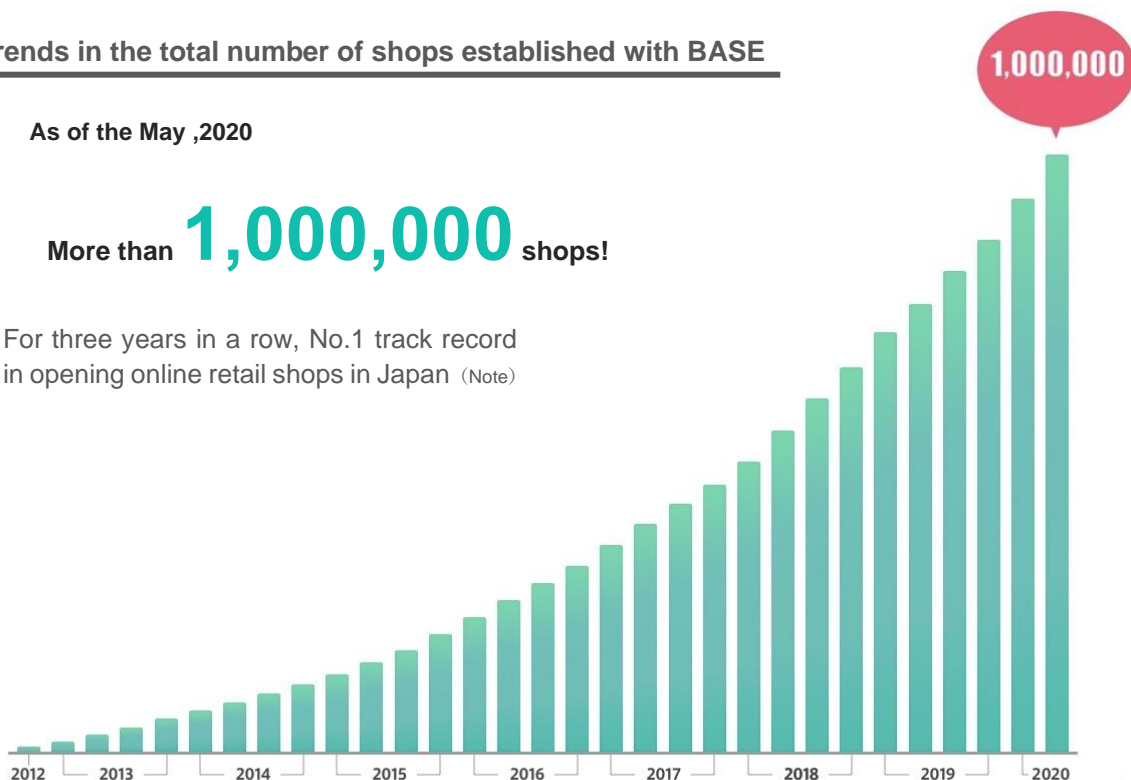
Also, BASE will be along with all the challengers and will conduct a campaign of exceeding one million shops to support them with all its strength.

Trends in the total number of shops established with BASE

As of the May ,2020

More than **1,000,000** shops!

For three years in a row, No.1 track record
in opening online retail shops in Japan (Note)



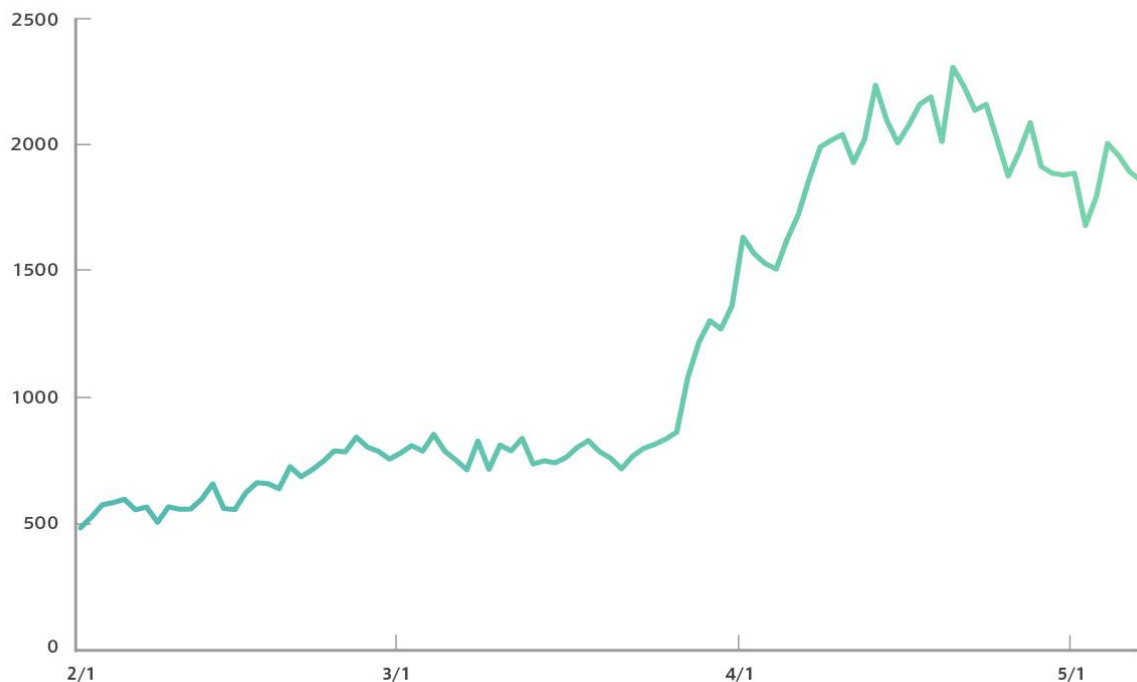
(Note) The online shop opening track record is taken from a survey by Macromill, Inc. (February 2020)

1. Background of the one million shops breakthrough

Concerning this breakthrough of one million shops, we think it had great influence that, in addition to those who used to need an online shop, affected by the recent spread of the new coronavirus (COVID-19) infection, customers who used to run physical stores, sell goods at fairs and events as main business, or engage in tourism or tourism-related businesses, all of whom used to have no need to sell on the Internet, have chosen to open an online shop as a sales channel.

The number of new online shops in BASE increased sharply from the end of March this year, compared to the trends in the number of shops opened in the past. Under these circumstances, we are keenly aware that people who need an online shop opening service where they can simply use and start immediately has been clearly increasing, and we place top priority on implementing measures to support shop owners.

Trends in the total number of shops established with BASE



Therefore, BASE will be along with all the challengers and will conduct a campaign of exceeding one million shops to support them with all its strength. This campaign aims to achieve attracting customers at your store, and Making your brand more expressible at online shops by making it easier to buy design templates.

We will also introduce some of the features to be released in the future. The new features of BASE aim to create a communication environment so that shop owners can establish long-term relationships with many customers in various forms of sales and expressions.

2. About the campaign of one million shops breakthrough

This is a campaign that can be used by shop owners who regularly use BASE and those who have opened their first online shop.

(1) 10% discount coupons that can be distributed from the shop to their fans

Target persons: The shop owners who will have posted on Twitter from the twitter button of the special site

Coupon usage period: May 18 (Monday) - May 21 (Thursday)

(2) 30% off coupon for paid design theme

Target persons: The shop owners who will have posted on Twitter from the twitter button of the special site

Coupon usage period: June 1 (Monday) - June 30 (Tuesday)

Details of the campaign are available on the special website.

Special site: <https://lp.thebase.in/1000000>

3. New functions in BASE under development

Because of the economic impact from the spread of the COVID-19 infection, with the highest priority, BASE is currently proceeding with the development of functions to reduce the burden on shop owners as much as possible. Below are some of the functions that are currently being developed and will be released in the future.

<Functions to be released in the future>

- (1) Takeaway App
- (2) Product Option App
- (3) Cart Function App
- (4) Update of shop design function

(1) Takeaway App

Shop owners can receive takeaway orders on their online shops. We will support operations required for takeaway, such as order reception management, etc.



(2) Product Option App

Customers can use gift-wrapping service and custom-made options for items they purchase. The price can be adjusted according to the option.



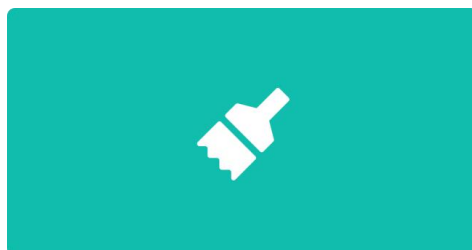
(3) Cart Function Update

The function will be improved to make it easier for customers to purchase items. It will solve common problems in online shopping. (e.g. place an item in the shopping cart, but unable to purchase the item, etc.)



(4) Update of shop design function

There will be a lot more contents that can be customized and you will be able to design more attractive shops.



After the spread of the COVID-19 infection is over, we plan to hold a variety of offline events such as festivals and conferences. We sincerely hope that the day we can meet you all will come as soon as possible.

4. Response of BASE to the COVID-19

As an e-commerce platform, in an emergency, we will do our utmost to support all business operators to continue their business and to provide services to customers, regardless of whether or not BASE is used.

On the following special site, together with information on the support provided by the government and various organizations related to the COVID-19, the support measures for business operators provided by the Net Shop Creation Service "BASE" are introduced. In addition, we have also set up a BASE consultation desk on the same site for those who are suffering from the effects from the COVID-19, so please visit this site to make use of it for business continuity and shop management.

BASE's Special Coronavirus Response Site

<https://lp.thebase.in/covid19>

5. About BASE, the net shop creation service

BASE is a service designed to allow anyone to simply set up an Internet shop, derived from the desire of CEO and representative director Tsuruoka's mother, who runs a clothes shop in an Oita shopping street, who "wanted to open an online store." This service allows people with similar desires to immediately start an Internet shop by themselves under a development system that affords simple operability and handles a wide range of sales.

The name BASE refers to the economic base of the Internet. Our aim is that this will become an economic base on the Internet for many, and become a world in which people will receive a

fair price for the work, ideas, and activities generated therein.

In order to achieve this, we strive to simplify settlement, and will continue to provide BASE as a simple service that everyone can use.

Currently, BASE is No.1 (*) regarding the number of newly opened net shops for the third consecutive year, and is selected from many brands when launching an online shop.

*The net shop creation service (Macromill,Inc. survey conducted in February 2020) used when creating the net shop within the last one year

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