

Translation

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April 14, 2022

To whom it may concern:

Company name:	BASE, Inc.
Representative:	Representative Director and CEO Yuta Tsuruoka (Code: 4477, Tokyo Stock Exchange Mothers)
Inquiries:	Director and CFO Ken Harada TEL 03-6441-2075

Notice Concerning the Issuance of New Shares as Restricted Stock-Based Compensation

At a meeting of the Company's Board of Directors held on April 14, 2022, BASE, Inc. (Location: Minato-ku, Tokyo; Representative Director and CEO: Yuta Tsuruoka) resolved to issue new shares as restricted stock-based compensation (hereinafter referred to as the "New Share Issuance").

1. Issuance Summary

(1) Payment Date	May 12, 2022
(2) Class and Number of Shares for Issuance	Company common stock: 209,044 shares
(3) Issue Price	465 yen per share
(4) Total Issue Price for All Shares	97,205,460 yen
(5) Planned Allottees	5 Company Directors (including Outside Directors): 76,776 shares 2 Company Senior Executive Officers: 34,410 shares 4 Company Executive Officers: 25,808 shares 22 Company Employees: 72,050 shares
(6) Other	The New Share Issuance is subject to the securities registration statement coming into effect, in accordance with the Financial Instruments and Exchange Act.

2. Purpose and Reason for Issuance

At a meeting of the Company's Board of Directors held on February 13, 2020, it was resolved to introduce a new restricted stock-based compensation plan (the "Plan") for the Company's Directors (the "Eligible Directors") to provide them with incentives to continuously improve the Company's corporate value and to encourage greater shared value with shareholders. In addition, at the 7th Ordinary General Meeting of Shareholders held on March 25, 2020, it was approved that the total amount of monetary compensation claims to be paid to the Eligible Directors as compensation for the grant of transfer-restricted stock under the Plan, in addition to the existing monetary compensation limit, shall be 100 million yen or less per year (including 10 million yen for Outside Directors). Subsequently, at the 8th Ordinary General Meeting of Shareholders held on March 25, 2021, it was approved to revise the total amount of these monetary compensation claims to no more than 500 million yen per year (including 50 million yen for Outside Directors).

The following provides an overview of the Plan.

Plan Overview

The grant of transfer-restricted stock under the Plan shall be made by way of issuance or disposal of shares of common stock of the Company in exchange for contribution in kind of all monetary compensation claims paid to the Eligible Directors.

The total number of shares of the Company's common stock to be issued or disposed of under the Plan shall not exceed 57,000 shares per year (including 5,700 shares for Outside Directors).

(Note) As the Company conducted a 5-for-1 stock split of shares of common stock on April 1, 2021, the total number of the Company's common stock to be issued or disposed of has been changed so as to not exceed 285,000 shares per year (including 28,500 shares for Outside Directors), from 57,000 shares per year (including 5,700 shares for Outside Directors).

In addition, upon the issuance or disposal of shares of the Company's common stock under the Plan, the Company shall execute a restricted stock allotment agreement between the Company and the Eligible Director to receive the allotment, which shall include the following items.

- ① The Eligible Director shall not transfer, create a security interest in, or otherwise dispose of the shares of common stock of the Company allotted to him/her under the restricted stock allotment agreement for a period of three (3) years or longer as determined by the Board of Directors, or for a period from the date of delivery of said shares until the date the Eligible Director retires or resigns from his/her position as a Director of the Company or other position determined by the Board of Directors of the Company.
- ② The Company may acquire, without consideration, the shares of common stock upon the occurrence of certain events.

On this basis, the Company hereby announces that its Board of Directors has resolved at a meeting held on April 14, 2022 to approve a resolution to issue 209,044 shares of Company common stock (including 21,721 shares for Outside Directors; the "Allotted Shares") to five (5) Directors, two (2) Senior Executive Officers, four (4) executive officers (collectively, the "Eligible Officers") and 22 employees (the "Eligible Employees"; together with the Eligible Officers, the "Eligible Personnel"). Issuance shall be in exchange for the contribution in kind of monetary compensation claims or monetary claims totaling 97,205,460 yen (including 10,100,265 yen for Outside Directors) and shall be in consideration of the purpose of this plan, the scope of each Eligible Personnel's responsibilities and various other circumstances.

Restricted Stock Allotment Agreement Overview

In connection with the New Share Issuance, the Company shall enter into a restricted stock allotment agreement with each of the Eligible Officers, a summary of which is as follows.

(1) Transfer Restriction Period

The Eligible Officers shall not transfer, create a security interest in, or otherwise dispose of the Allotted Shares during the period from May 12, 2022 (the payment date) to May 11, 2025.

The Eligible Employees shall not transfer, create a security interest in, or otherwise dispose of the Allotted Shares granted from May 12, 2022 (the payment date) during the following periods for the following amounts: for one-third of the Allotted Shares, by May 11, 2023; for the following one-third, before May 11, 2024; and for the remaining portion, before May 11, 2025.

(2) Conditions for Lifting of Transfer Restrictions

The restriction on transfer of all of the Allotted Shares shall be lifted on the expiration date of the restriction period, provided that the Eligible Officer has continuously held the position of Director, Senior Executive Officer, Executive Officer, employee or advisor of the Company or any of its subsidiaries during the restriction period. In addition, the restriction on transfer shall be lifted for the Allotted Shares related to each of the restriction periods in (1) above on the condition that the Eligible Employee, during the corresponding restriction periods, has continuously held the position of Director, Senior Executive Officer, Executive Officer, employee or advisor of the Company or any of its subsidiaries. However, in the event that an Eligible Officer loses their position as a Director, Senior Executive Officer, Executive Officer, employee or advisor of the Company or any of its subsidiaries due to the expiration of their term of office, death, or any other reason deemed justifiable by the Board of Directors of the Company during a transfer restriction period, as of the time of such loss of position, restrictions on transfer shall be lifted for the number of shares calculated by dividing the number of months from and including the month following the payment date up to and including the month where the loss of position falls by 36, multiplied by the number of shares of Allotted Stock (any fractional shares arising from this calculation shall be truncated). In addition, in the event that an Eligible Employee loses their position as a Director, Senior Executive Officer, Executive Officer, employee or advisor of the Company or any of its subsidiaries to the expiration of their term of employment (however, for those re-employed after retirement at the mandatory age, this shall be the expiration of their term of re-employment), death, or any other reason deemed justifiable by

the Board of Directors of the Company during a transfer restriction period, as of the time of such loss of position, restrictions on transfer shall be lifted for the Allotted Shares at an amount reasonably adjusted in accordance with the period until the loss of position.

(3) **Gratis Acquisition by the Company**

The Company shall naturally acquire the Allotted Shares for which transfer restrictions have not been lifted without consideration at the expiration of the restriction period or immediately after the Eligible Personnel loses their position as a Director, Senior Executive Officer, Executive Officer, employee or advisor of the Company or any of its subsidiaries during the restriction period.

(4) **Management of Stock**

The Allotted Stock are managed in a dedicated account for transfer-restricted stock opened by Eligible Personnel at SMBC Nikko Securities Inc. during the Restriction Period to ensure shares cannot be transferred, granted as a security interest, or otherwise disposed of during the restriction period.

(5) **Treatment for Reorganization, Etc.**

If, during the restriction period, the Company's General Meeting of Shareholders (or Company's Board of Directors if approval by the Company's General Meeting of Shareholders is not required for the reorganization, etc. in question) approves a merger agreement in which the Company is the dissolved company, a stock transfer agreement in which the company becomes a wholly owned subsidiary, or stock transfer plan or other organizational restructuring, etc., then, by resolution of the Board of Directors, transfer restrictions shall be lifted for Allotted Shares immediately preceding the business day before the effective date of the reorganization, etc. as follows: for Eligible Officers, the number of shares calculated by dividing the number of months from and including the month following the payment date up to and including the month where the day of the approval of the reorganization, etc. falls by 36, multiplied by the number of shares of Allotted Stock held at the time (any fractional shares arising from this calculation shall be truncated); for Eligible Employees, the number of Allotted Shares at an amount reasonably adjusted in accordance with the period from and including the month following the payment date until the day of the approval of the reorganization, etc.

3. Basis for Calculation of Payment Amount and Details Thereof

The New Share Issuance is made using monetary compensation claims paid to the Planned Allottees under the Plan as contributory assets. Here, in order to ensure a non-arbitrary price, the payment amount shall be 465 yen, the closing price of the Company's common stock on the Tokyo Stock Exchange on April 13, 2022 (the business day immediately preceding the date of resolution of the Board of Directors). As the market share price immediately prior to the date of the Board of Directors' resolution, in the absence of special circumstances indicating that the most recent share price cannot be relied upon, we believe that this is a reasonable price that appropriately reflects the Company's corporate value and does not constitute a particularly favorable price for the Eligible Officers.

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