

Translation

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Non-consolidated Financial Results for the Nine Months of the Fiscal Year Ending February 28, 2026 (Under Japanese GAAP)

January 14, 2026

Company name:	BASE FOOD, Inc.
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	2936
URL:	https://basefood.co.jp/ir/
Representative:	Shun Hashimoto, Representative DirectorCEO
Contact:	Keiichiro Kawanami, Executive Officer COO
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Scheduled date for dividend payment:	None
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

(Amounts of less than one million yen are rounded down.)

1. Non-consolidated Financial Results for the Nine Months of the Fiscal Year Ending February 28, 2026 (from March 01, 2025 to November 30, 2025)

(1) Operating results (Cumulative)

(Percentage indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended November 30, 2025	11,438	(1.2)	42	-	38	-	43	-
November 30, 2024	11,579	0.1	(244)	-	(254)	-	(275)	-
	Basic earnings per share		Diluted earnings per share					
	Yen		Yen					
Nine months ended November 30, 2025	0.82		0.81					
November 30, 2024	(5.26)		-					

(Note) For the third quarter of the fiscal year ending February 2025, although there are potential shares, diluted earnings per share is not stated because there was a net loss per share for the quarter.

(2) Financial positions

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2025	3,871	1,136	29.4
February 28, 2025	3,851	1,036	26.9

(Reference) Owner's equity As of the third quarter of the fiscal year ending February 2026: 1,136 million yen As of the fiscal year ended February 2025: 1,036 million yen

2. Cash dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	-	0.00	-	0.00	0.00
Fiscal year ending February 28, 2026	-	0.00	-		
Fiscal year ending February 28, 2026 (Forecast)				0.00	0.00

(Note) Presence or absence of revisions from the most recently announced dividend forecast: None

3. Non-consolidated Earnings Forecasts for the Fiscal Year Ending February 28, 2026 (from March 01, 2025 to February 28, 2026)

(Percentages indicate YoY changes)

	Net sales		Operating profit	
	Million yen	%	Million yen	%
Fiscal year ending February 28, 2026	15,301	0.4	193	41.8

(Note) 1. Correction of financial forecast from the most recent financial forecast: Yes

2. Regarding the forecasts for the fiscal year ending February 2026, only "Net sales" and "Operating profit" are disclosed.

* Notes

(1) Application of specific accounting treatments unique to the preparation of quarterly financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, restatement of prior period financial statements

(i) Changes in accounting policies based on revisions of accounting standard: None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates : None

(iv) Restatement of prior period financial statements : None

(3) Number of shares issued (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of November 30, 2025	54,752,100 shares
As of February 28, 2025	54,351,300 shares

(ii) Number of treasury shares at the end of the period

As of November 30, 2025	1,358,034 shares
As of February 28, 2025	1,358,030 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2025	53,289,842 shares
Nine months ended November 30, 2024	52,439,080 shares

* Quarterly financial statements attached have not been reviewed by certified public accountants or audit firms.

Note: Explanation regarding the appropriate use of forecasts and other special notes

(Cautionary Statement Regarding Forward-Looking Statements)

1. The full-year forecasts announced on April 14, 2025 have been revised.

2. The forward-looking statements such as performance forecasts contained in this document are based on information currently available to the Company and on certain assumptions that are deemed reasonable. They are not intended as a guarantee of achievement by the Company. Actual results may differ significantly due to various factors. For the conditions underlying the forecasts and notes regarding the use of forecasts, please refer to the attached document on P.3, "1. Overview of operating results, etc. (3) Explanation regarding forward-looking information such as forecasts."

(How to obtain supplementary materials for financial results)

We plan to hold a company information session for institutional investors and analysts on January 14, 2026. The materials used in this session will be disclosed via TDnet and posted on our website.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the quarter

Our company has set forth the mission of 'Innovating staple foods and making health the norm,' and aims to establish BASE FOOD, Inc.® as a 'nutrition infrastructure.'

In order to realize our mission, we are engaged in the development and improvement of the BASE FOOD, Inc.® series, which focuses on staple foods with complete nutrition (Note 1), through research and development activities. These products are sold mainly through three channels: "Own EC" (direct sales to customers without intermediaries such as wholesalers), "Other EC" (sales through third-party EC platforms), and "Wholesale" (sales through convenience stores, drugstores, etc.). Through proactive research and development activities, we pursue the deliciousness of our merchandise, and by releasing new merchandise and renewing existing merchandise, we aim to expand our customer base and improve retention rates, thereby achieving growth.

In the third quarter, the collaboration campaign with the popular character "Sumikko Gurashi," which was announced in the previous quarter (from October 1, 2025 to December 17, 2025), as well as the "BASE YAKISOBA Tom Yum Mazesoba" released on September 24, 2025, and the "BASE RAMEN" series released on October 22, 2025, all performed well. In addition, during the period, we launched the authentic sweets series "BASE Pound Cake Earl Grey" on November 12 and "BASE BREAD® Strawberry" on November 24. Furthermore, "BASE YAKISOBA Shio Yakisoba," which was launched this fiscal year, received high praise from external organizations, such as winning the "Best Buy of the Year" award in the Gourmet Awards 2025 by the magazine 'MONOQLO.' Through these initiatives, we are enhancing the quality of "simple, delicious, and healthy" meals and providing richer dining experiences, thereby accelerating R&D activities to realize our vision of "making health the norm."

Overall, compared to the same period of the previous year, which benefited from the immediate positive impact of price revisions, and due to the flexible control of advertising expenses in response to the surge in customer acquisition cost (CPA) in the advertising market, net sales were below the level of the previous year. On the other hand, through ongoing reductions in fixed costs and maintaining a high gross profit margin, we achieved operating profit of 42 million yen for the nine months ended September 30.

In our own e-commerce business, although the number of new customer acquisitions fell short of the plan due to restrained advertising, the number of subscription members remained solid at 232,000 (an increase of 3,000 from the previous quarter). For existing customers, both the retention rate and LTV (lifetime value) remained at record-high levels, further strengthening our customer base. As a result, net sales from our own e-commerce business were 7,544,892 thousand yen (up 2.1% YoY).

The transition in the number of subscription members is as follows.

	2025 Fiscal year ending February First quarter	2025 Fiscal year ending February Second quarter	2025 Fiscal year ending February Third quarter	2025 Fiscal year ending February Fourth quarter	2026 Fiscal year ending February First quarter	2026 Fiscal year ending February Second quarter	2026 Fiscal year ending February Third quarter
Subscription Trends in Membership Numbers (ten thousand persons) (Note 2)	21.7	22.4	22.3	21.7	23.2	22.9	23.2

(Note 2) As of the end of each quarter

In the wholesale business, due to environmental changes such as changes in shelf placement resulting from the adoption of our products as regular items at convenience stores, net sales were 2,976,914 thousand yen (down 11.5% YoY). However, the progress in becoming a regular item signifies the stabilization of our distribution base and the establishment of entry barriers, thereby reducing future downside risk. Recently, new merchandise and the aforementioned collaboration initiatives have been successful, resulting in a 7.4% increase in net sales compared to the previous quarter, marking a turnaround.

The trends in the number of stores and Net sales per store are as follows.

	2025 Fiscal year ending February First quarter	2025 Fiscal year ending February Second quarter	2025 Fiscal year ending February Third quarter	2025 Fiscal year ending February Fourth quarter	2026 Fiscal year ending February First quarter	2026 Fiscal year ending February Second quarter	2026 Fiscal year ending February Third quarter
Changes in the number of stores (stores) (Note 3)	50,808	50,530	51,676	50,717	50,113	49,098	49,500
Net sales per store (Note 4)	6,950	7,630	7,190	7,175	6,590	6,400	6,810

(Note 3) As of the end of each quarter

(Note 4) Average for the quarter. Monthly sales per store = total monthly sales in the retail channel (wholesale) / number of stores operated

In other companies' e-commerce, net sales remained strong at 714,071 thousand yen (up 5.8% YoY), supported by sales campaigns on major platforms.

In the overseas business, test sales in Hong Kong and improvements to the user experience of our own e-commerce site are progressing smoothly. As a result, total net sales of the overseas business were 176,803 thousand yen (up 27.6% YoY).

As a result, for the nine months ended September 30, 2024, net sales were 11,438,094 thousand yen (down 1.2% YoY), operating profit was 42,000 thousand yen (compared to an operating loss of 244,120 thousand yen in the same period of the previous year), ordinary profit was 38,131 thousand yen (compared to an ordinary loss of 254,081 thousand yen in the same period of the previous year), and profit was 43,586 thousand yen (compared to a net loss of 275,776 thousand yen in the same period of the previous year).

As the ratio of the 'Nutritionally complete food business' in our reportable segments is extremely high and the descriptions for the entire business above are considered to be generally the same, segment-by-segment disclosures have been omitted.

(Note 1) 1 serving (2 packs for BASE BREAD, 4 packs for BASE Cookies, 2 packs for BASE YAKISOBA, 2 packs for BASE RAMEN, BASE

Nutritional information (when prepared using one bag of Pancake Mix, one medium-sized egg, and 100ml of whole milk)

Based on the reference values, one-third of the daily reference value is provided for all nutrients except for lipids, saturated fatty acids, carbohydrates, and sodium.

Including the above.

(2) Overview of financial positions for the quarter

(Assets)

Total assets at the end of the third quarter were 3,871,165 thousand yen, an increase of 19,855 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease in cash and deposits by 228,228 thousand yen, while merchandise increased by 88,230 thousand yen, accounts receivable - other increased by 10,212 thousand yen, property, plant and equipment increased by 31,799 thousand yen, and guarantee deposits increased by 56,893 thousand yen due to the expansion of production in response to demand trends and the leasing of office buildings.

(Liabilities)

Liabilities as of the end of the third quarter amounted to 2,734,404 thousand yen, a decrease of 80,046 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase of 232,268 thousand yen in accounts payable - other resulting from advertising and promotional activities, while income taxes payable decreased by 64,402 thousand yen due to tax payments, other current liabilities decreased by 73,415 thousand yen mainly due to consumption tax payments, provision for bonuses decreased by 22,555 thousand yen due to the payment of bonuses, and long-term borrowings decreased by 124,992 thousand yen due to loan repayments.

(Net assets)

Net assets as of the end of the third quarter were 1,136,760 thousand yen, an increase of 99,902 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase in share capital by 28,199 thousand yen and legal capital surplus by 28,152 thousand yen as a result of the exercise of share acquisition rights, as well as an increase in retained earnings by 43,586 thousand yen due to the recording of profit.

(3) Explanation regarding forecasts and other forward-looking statements

Taking into account recent business trends and future outlook, we have revised the Forecasts announced on April 14, 2025. For details, please refer to the "Notice Regarding Revision of Full-Year Forecasts" announced today (January 14, 2026).

2. Quarterly Financial Statements and Significant Notes Thereto (1) Quarterly Balance Sheets

(Unit: Thousands of yen)

	Previous fiscal year (February 28, 2025)	For the third quarter (November 30, 2025)
Assets		
Current assets		
Cash and deposits	1,983,167	1,754,939
Accounts receivable - trade	775,373	744,885
Merchandise	190,757	278,988
Raw materials and supplies	39,192	48,179
Accounts receivable - other	149,722	159,934
Prepaid expenses	115,148	141,069
Others	21,338	68,905
Total current assets	3,274,701	3,196,903
Non-current assets		
Property, plant and equipment	168,712	200,511
Intangible assets	4,522	8,392
Investments and other assets	403,373	465,357
Total non-current assets	576,608	674,261
Total assets	3,851,309	3,871,165
Liabilities		
Current liabilities		
Accounts payable - trade	545,131	540,457
Short-term borrowings	400,000	400,000
Current portion of long-term borrowings	166,656	166,656
Accounts payable - other	651,111	883,380
Lease liabilities	1,384	1,411
Accrued expenses	161,759	141,808
Income taxes payable	69,324	4,921
Deposits received	51,374	37,941
Provision for bonuses	22,555	-
Provision for point card certificates	12,749	11,878
Contract liabilities	375,492	388,457
Other	80,574	7,159
Total current liabilities	2,538,115	2,584,072
Non-current liabilities		
Long-term borrowings	236,128	111,136
Lease liabilities	5,520	4,458
Asset retirement obligations	34,687	34,737
Total non-current liabilities	276,336	150,332
Total liabilities	2,814,451	2,734,404
Net assets		
Shareholders' equity		
Share capital	1,174,857	38,199
Capital surplus	2,112,839	1,082,278
Retained earnings	(2,223,569)	43,586
Treasury shares	(27,583)	(27,585)
Total shareholders' equity	1,036,543	1,136,479
Share acquisition rights	315	281
Total net assets	1,036,858	1,136,760
Total liabilities and net assets	3,851,309	3,871,165

(2) Quarterly Statements of Income
(Nine months ended)

(Unit: Thousands of yen)

	For the nine months ended in the previous third quarter (From March 1, 2024 until November 30, 2024	For the nine months ended From March 1, 2025 until November 30, 2025
Net sales	11,579,646	11,438,094
Cost of sales	5,278,390	4,933,811
Gross profit	6,301,255	6,504,282
Selling, general and administrative expenses	6,545,376	6,462,282
Operating profit (loss)	(244,120)	42,000
Non-operating income		
Interest income	216	2,346
Compensation income	2,156	1,884
Government grant income	-	1,603
Foreign exchange gains	1,875	-
Other	2,436	3,688
Total non-operating income	6,685	9,522
Non-operating expenses		
Interest expenses	15,636	12,529
Guarantee commission	506	257
Foreign exchange losses	-	604
Other	503	0
Total non-operating expenses	16,646	13,391
Ordinary profit (loss)	(254,081)	38,131
Extraordinary income		
Gain on sale of non-current assets	171	-
Total extraordinary income	171	-
Profit before income taxes or quarterly net loss before income taxes (-)	(253,910)	38,131
Income taxes - current	4,921	6,583
Income taxes - deferred	16,944	(12,038)
Total income taxes	21,866	(5,455)
Profit or quarterly net loss (-)	(275,776)	43,586

(3) Notes to Quarterly Financial Statements

(Notes on Segment Information, etc.)

I Previous nine months (from March 1, 2024 to November 30, 2024)

(Unit: Thousands
of yen)

	Reportable segment Nutritionally complete food business	Other (Note) 1	Total	Adjustment amount Note 3	Quarter Statement of income Recorded amount Note 2
Net sales					
Revenues from external customers	11,576,924	2,721	11,579,646	-	11,579,646
Transactions with other segments	-	-	-	-	-
Total	11,576,924	2,721	11,579,646	-	11,579,646
Segment profit (loss)	(152,000)	(1,570)	(153,571)	(90,549)	(244,120)

(Note) 1. The category of 'Others' refers to business segments that are not included in the reportable segments.

2. Segment loss (-) is consistent with operating loss in the Quarterly Statements of Income.
3. The adjustment amount consists of corporate expenses that are not allocated to each segment. Corporate expenses mainly comprise general and administrative expenses that are not attributable to any reportable segment.
- II For the nine months ended November 30, 2025

(Unit: Thousands
of yen)

	Reportable segment Nutritionally complete food business	Others (Note) 1	Total	Adjustment amount (Note) 3	Quarter Statement of income Recorded amount (Note) 2
Net sales					
Revenues from external customers	11,412,682	25,412	11,438,094	-	11,438,094
Transactions with other segments	-	-	-	-	-
Total	11,412,682	25,412	11,438,094	-	11,438,094
Segment profit	81,407	7,318	88,725	(46,725)	42,000

(Note) 1. The category of "Others" refers to business segments that are not included in the reportable segment.

2. Segment profit is consistent with Operating profit in the Quarterly Statements of Income.
3. The adjustment amount represents corporate expenses that are not allocated to each segment. Corporate expenses mainly consist of general and administrative expenses that are not attributable to any reportable segment.

(Notes When There Are Significant Changes in Amounts of Equity)

Based on the resolution of the Annual General Meeting of Shareholders held on May 28, 2025, the capital reduction became effective as of July 1, 2025. As a result, share capital decreased by 1,164,857 thousand yen and legal capital surplus decreased by 1,585,233 thousand yen, with the entire amount of the decrease transferred to other capital surplus. In addition, subject to the effectiveness of the capital reduction, other capital surplus of 2,223,569 thousand yen was transferred to retained earnings brought forward and appropriated for deficit disposition.

(Notes on Going Concern Assumption)

There are no applicable items.

(Notes on Quarterly Statement of Cash Flows)

The quarterly statement of cash flows for the nine months ended September 30 has not been prepared. Depreciation for the nine months ended September 30 (including amortization of intangible assets) is as follows.

	Previous nine months From March 1, 2024 until November 30, 2024	For the nine months ended From March 1, 2025 until November 30, 2025
Depreciation	45,703 thousand yen	41,962 thousand yen