

**Fiscal Year Ending March 31, 2022
2nd Quarter**

Financial Results Briefing

**November 11, 2021
geechs inc.
1st Section of TSE: 7060**

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Corporate Profile

1



[geek x tech]

Having technical groups as partners who have outstanding and deep knowledge in the IT and Internet fields.

Supporting the work styles of all those involved and providing various values through our technologies.

Grand Vision

*Make the biggest impression
in the 21st century*

Our Grand Vision is **“Make the biggest impression in the 21st century”.**

Regardless of changes in the business environment, always “challenge” difficult issues and “enjoy” the process, link it to “growth”, and by repeating these processes, we will create a lot of “impressions” to the world.

We will further accelerate the growth of our IT Freelance Matching Business, which is one of the Group’s strengths, and leverage our ability to respond to changes.

Through the creation and evolution of our services, we will develop a portfolio management centered on the IT and Internet fields.

We are aiming to continuously increase our corporate value.

Group Corporate Profile

Our Group Companies

Name geechs inc. (TSE 1st Section : 7060)

Management President & CEO Naruhito Sonehara

Foundation August, 2007

Location Shibuya-ku, Tokyo, Japan

Capital Stock 1,096 (in JPY MM)

Business Activities IT Freelance Matching Business
Game Business
x-Tech Business
Seed Tech Business

Employee 384 (As of September, 2021)

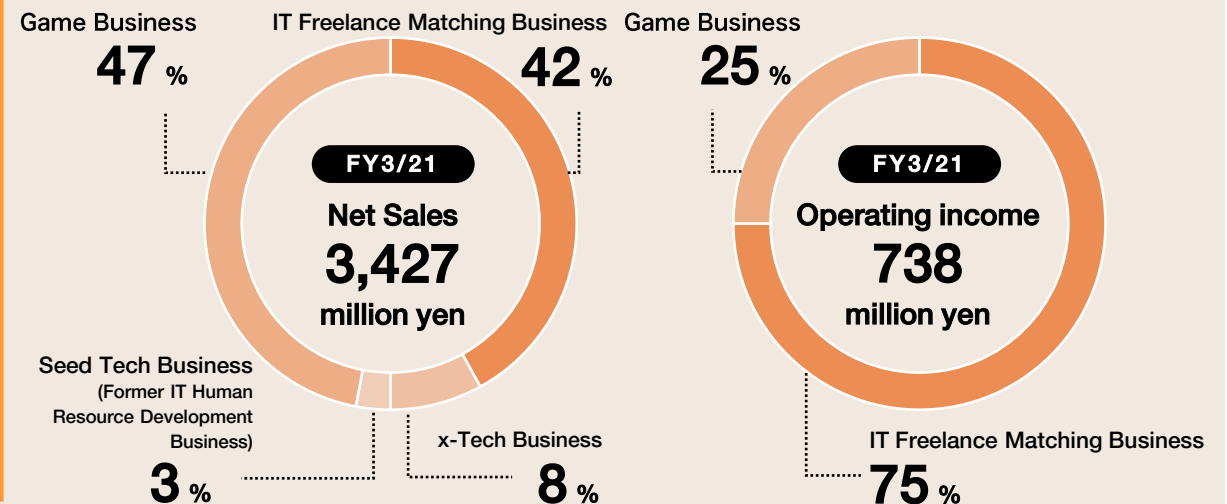
Bases Tokyo Head Office
Osaka Branch
Fukuoka Branch
Nagoya Satellite Office



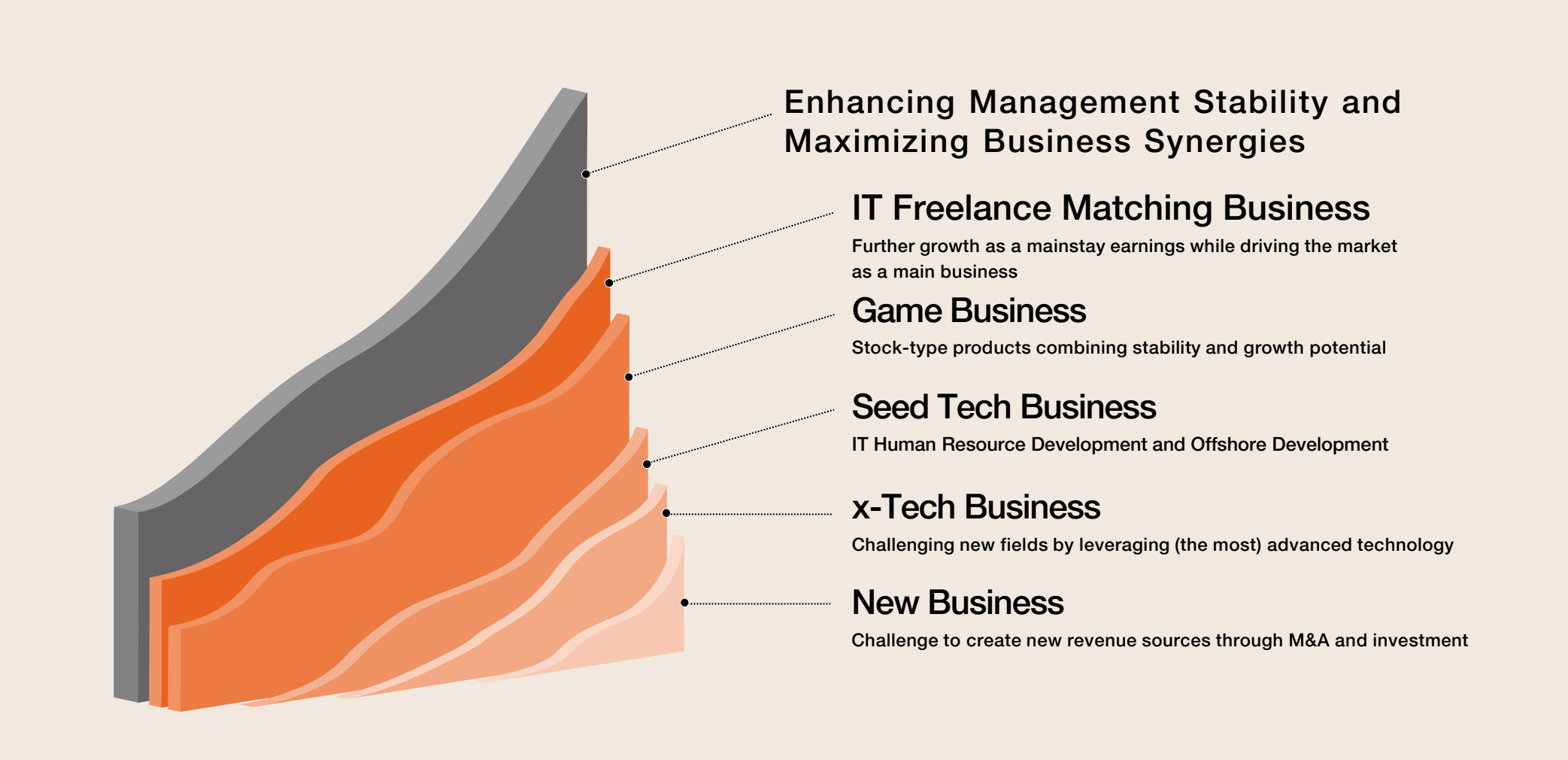
IT Freelance Matching Business x-Tech Business



Segmentation



Portfolio Management to Enhance Growth and Stability



Financial Results

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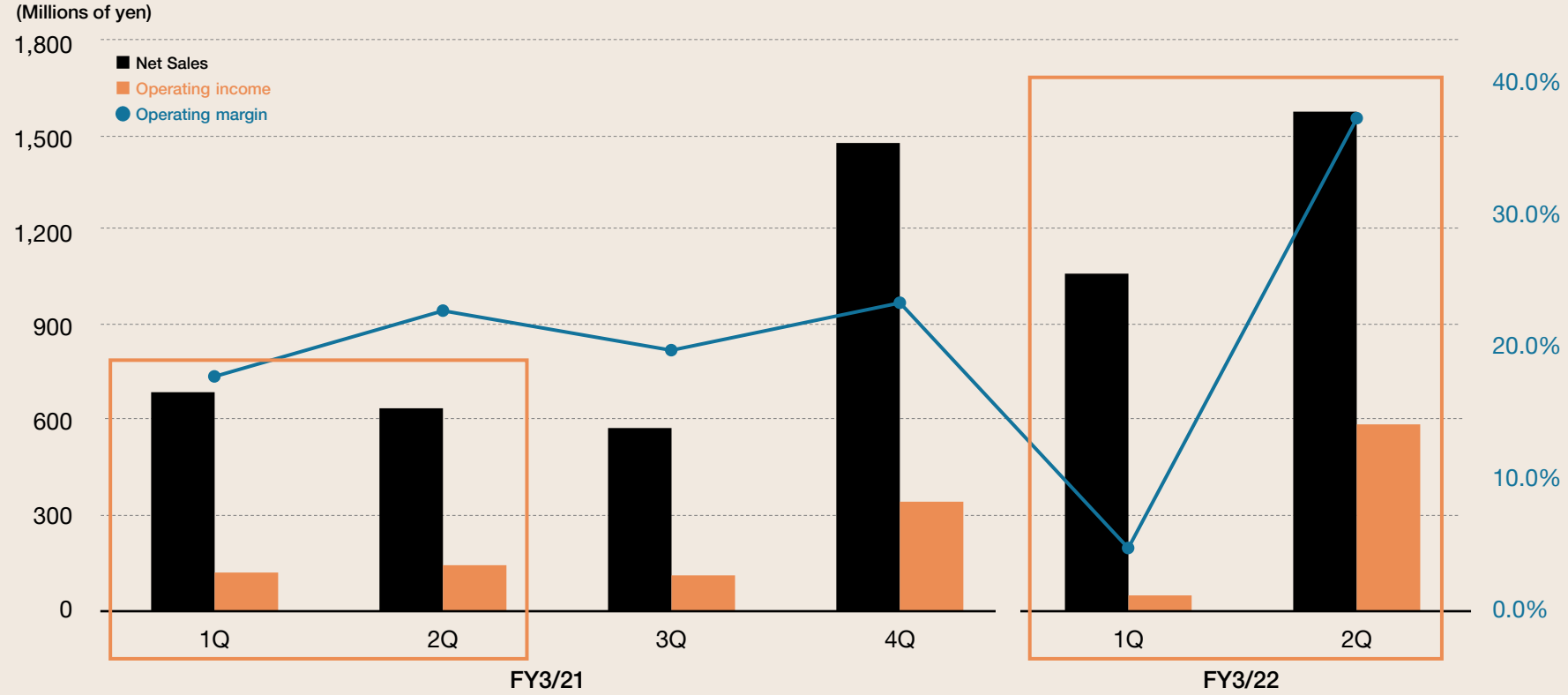
Executive Summary FY3 / 2022 2Q

Record-high quarterly and half-year results

	Net Sales	Operating income	Ordinary income	Net income
2Q (YoY)	1,594 million yen (+145.9%)	596 million yen (+304.4%)	597 million yen (+315.2%)	390 million yen (+434.0%)
2Q Cumulative (YoY)	2,672 million yen (+98.2%)	648 million yen (+138.2%)	652 million yen (+158.9%)	419 million yen (+214.2%)

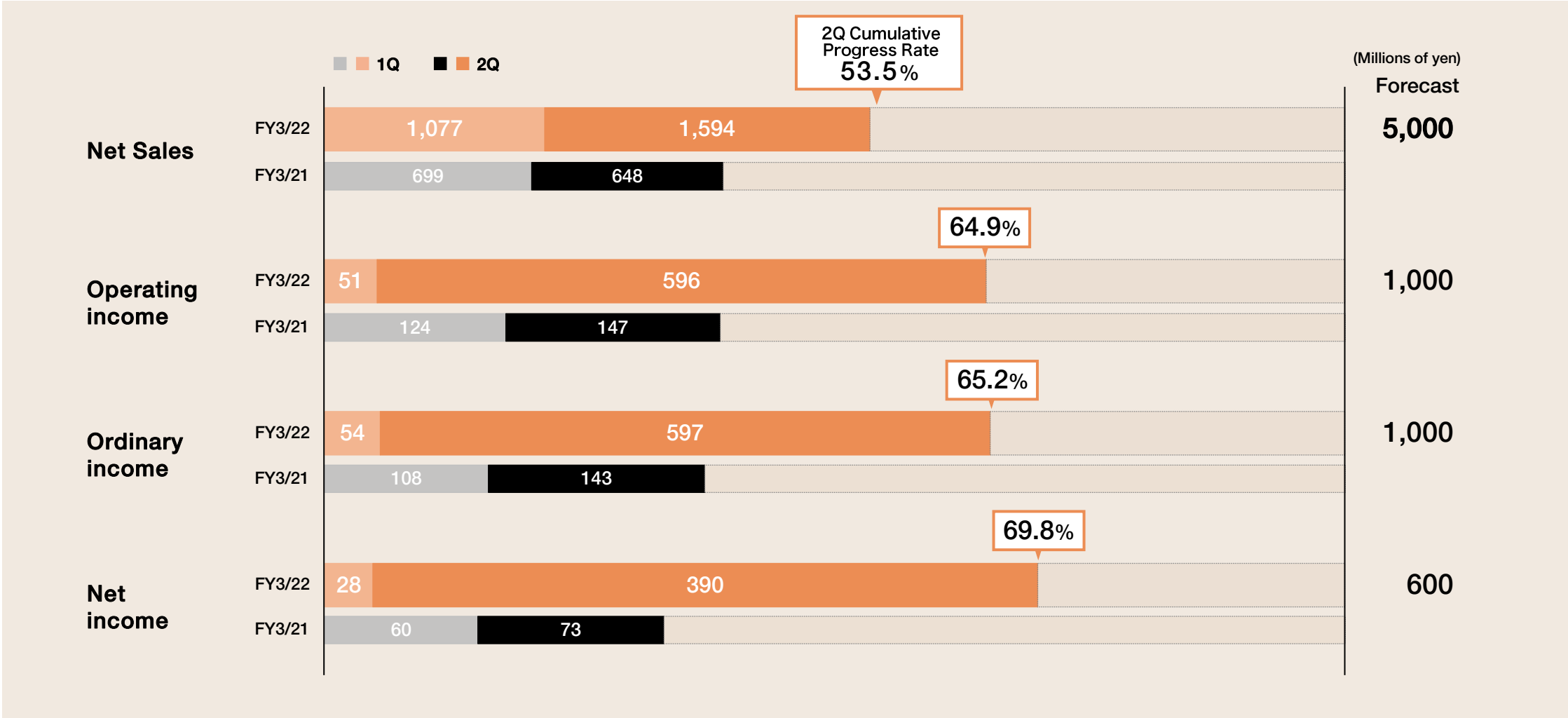
Gross Sales and Operating Profit

- Strong start as the first year of medium-term management plan "G100"
- The main IT Freelance Matching & Game Business performed well, and cumulative 2nd Quarter sales grew significantly by +98% YoY and operating income by +138% YoY
- Operating income margin also rose sharply, reaching a record of 37.4% in 2nd Quarter



Progress of Full-year Performance Forecast

- Both indicators significantly outperformed the same period of the previous fiscal year and achieved a high rate of progress against the full-year forecast due to a significant contribution from 2nd Quarter results



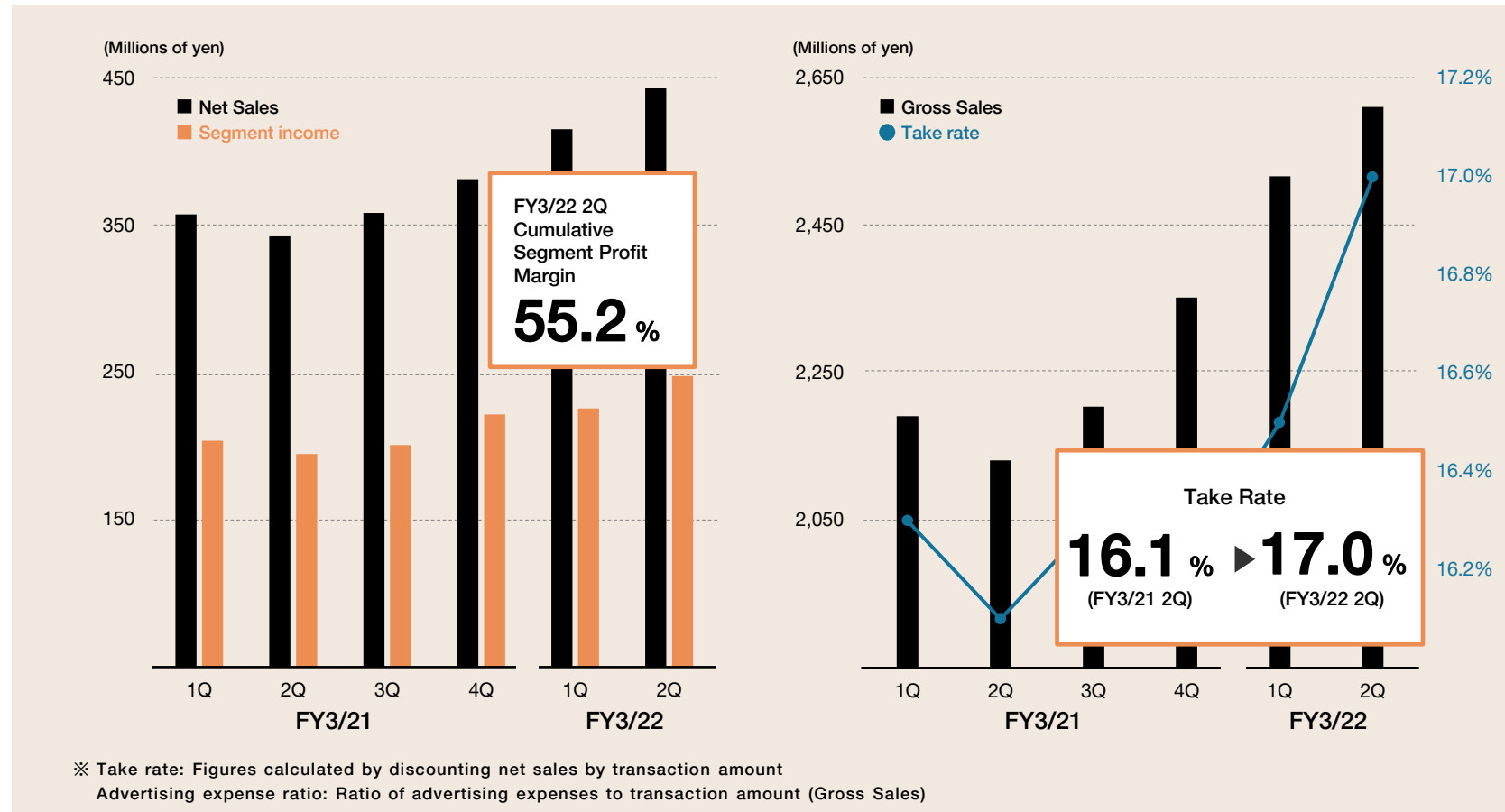
Segment Information FY3 / 2022 2Q

- IT Freelance Matching Business : High levels of growth due to strong demand from customers, the penetration of remoteness, and an increase in projects across bases, and all-time highs for both sales and profits
- Game Business : In addition to smash hits from newly operated title,, one more title recorded One-time-fee sales, resulting in a significant increase in both sales and profits, which was a record high
- x-Tech Business : Sales increased 8.5% year on year due to strong sales of support for media creation and marketing support by golf-related companies
- Seed Tech Business : Continued to be profitable from the previous quarter due to the strong performance of the on-demand programming school, etc., resulting in a year-on-year increase in revenues and turning a profit

(Millions of yen)		Results		Full-year Plan		Previous fiscal year	
		2Q Cumulative	2Q	Plan value	Progress Rate	2Q Cumulative	YoY
By Segment							
IT Freelance Matching	Sales	860	444	1,680	51.2%	701	+22.7%
	Profit	475	248	850	55.9%	399	+18.9%
Game	Sales	1,598	1,042	2,900	55.1%	459	+247.5%
	Profit	381	440	625	61.1%	37	+912.6%
x-Tech	Sales	142	70	300	47.4%	130	+8.5%
	Profit	0	-1	0	-	0	-
Seed Tech	Sales	71	37	120	59.7%	58	+23.0%
	Profit	8	4	0	-	-3	-
Common expense		-216	-95	-475	45.5%	-160	-
Consolidated							
	Net Sales	2,672	1,594	5,000	53.5%	1,348	+98.2%
	Operating income	648	596	1,000	64.9%	272	+138.2%

IT Freelance Matching Business (1/3)

- Achieved all-time highs for Gross Sales, Net Sales, and Segment Profit
- 2nd Quarter Sales Growth Rate (YoY) +29.3% Achieved a Record High, and Gross Sales is expected to exceed 5bn yen and exceed 10bn yen for the Full Year
- The take rate on uptrend is also growing significantly and it is setting the highest record so far



2Q (YoY)

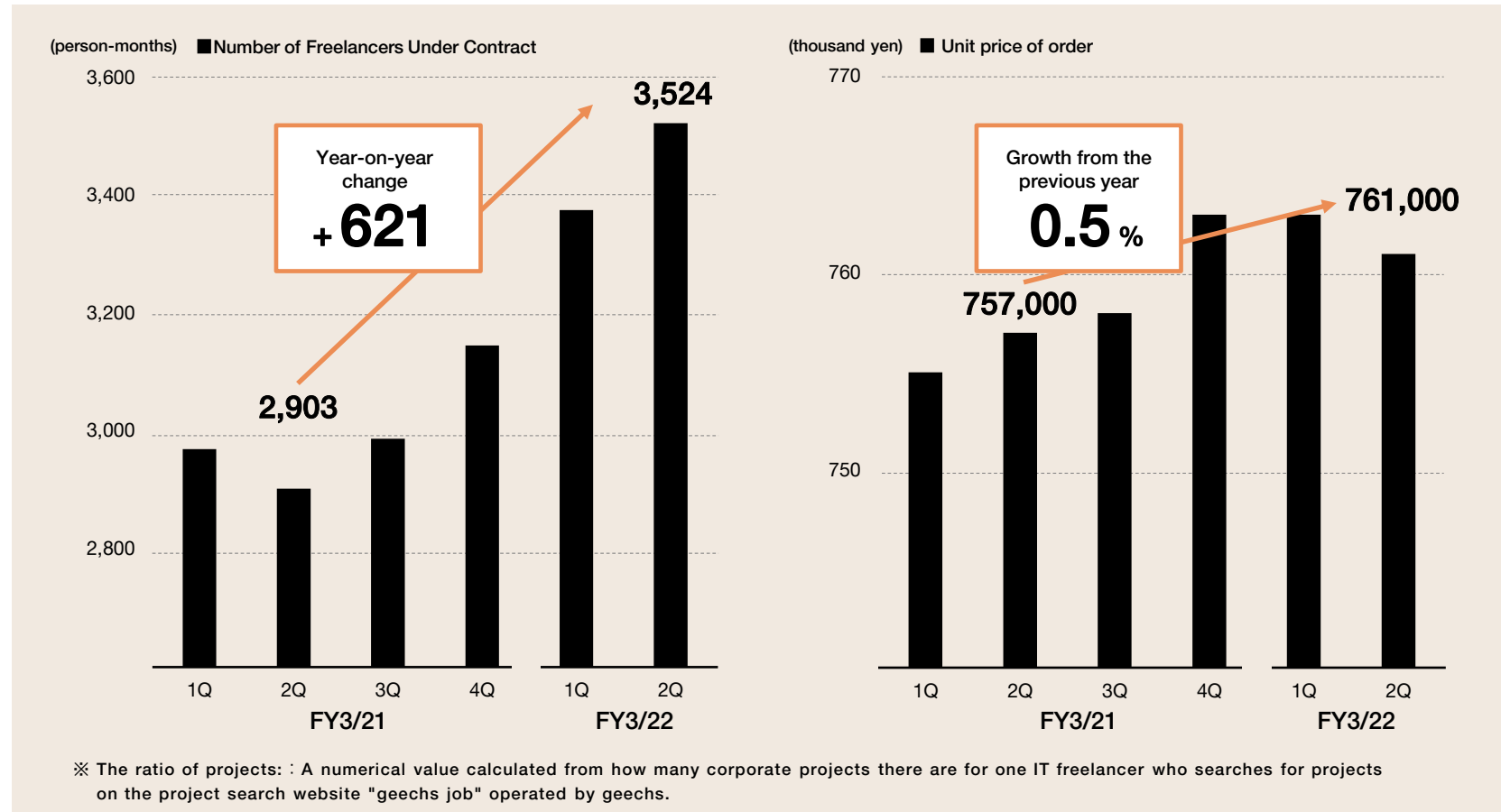
Gross Sales **2,612** million yen (+22.5%)
 Net Sales **444** million yen (+29.3%)
 Segment income **248** million yen (+27.6%)
 Advertising Expense Ratio **1.3** %

2Q Cumulative (YoY)

Gross Sales **5,131** million yen (+18.6%)
 Net Sales **860** million yen (+22.7%)
 Segment income **475** million yen (+18.9%)
 Advertising Expense Ratio **1.3** %

IT Freelance Matching Business (2/3)

- The number of active IT Freelancer months exceeds a record high of 3,500 person-months, a record high, and Matching between the metropolitan area and local bases is also increasing due to the promotion of remote work
- The cumulative number of IT Freelancers Under Contract in 2nd Quarter reached 6,900 per month, exceeding 1,200 per month on a monthly basis, and the unit price of IT Freelancer Orders remained at a high level
- The ratio of projects, which indicates the supply-demand balance in the IT Freelancers Market, increased significantly in 2nd Quarter to 10.95 times, and rose 50.6% year on year, partly due to the increase in demand



2Q (YoY)

Number of Freelancers Under Contract

3,524 person-months (+21.4%)

Unit price of order

761,000 yen (+0.5%)

2Q Cumulative (YoY)

Number of Freelancers Under Contract

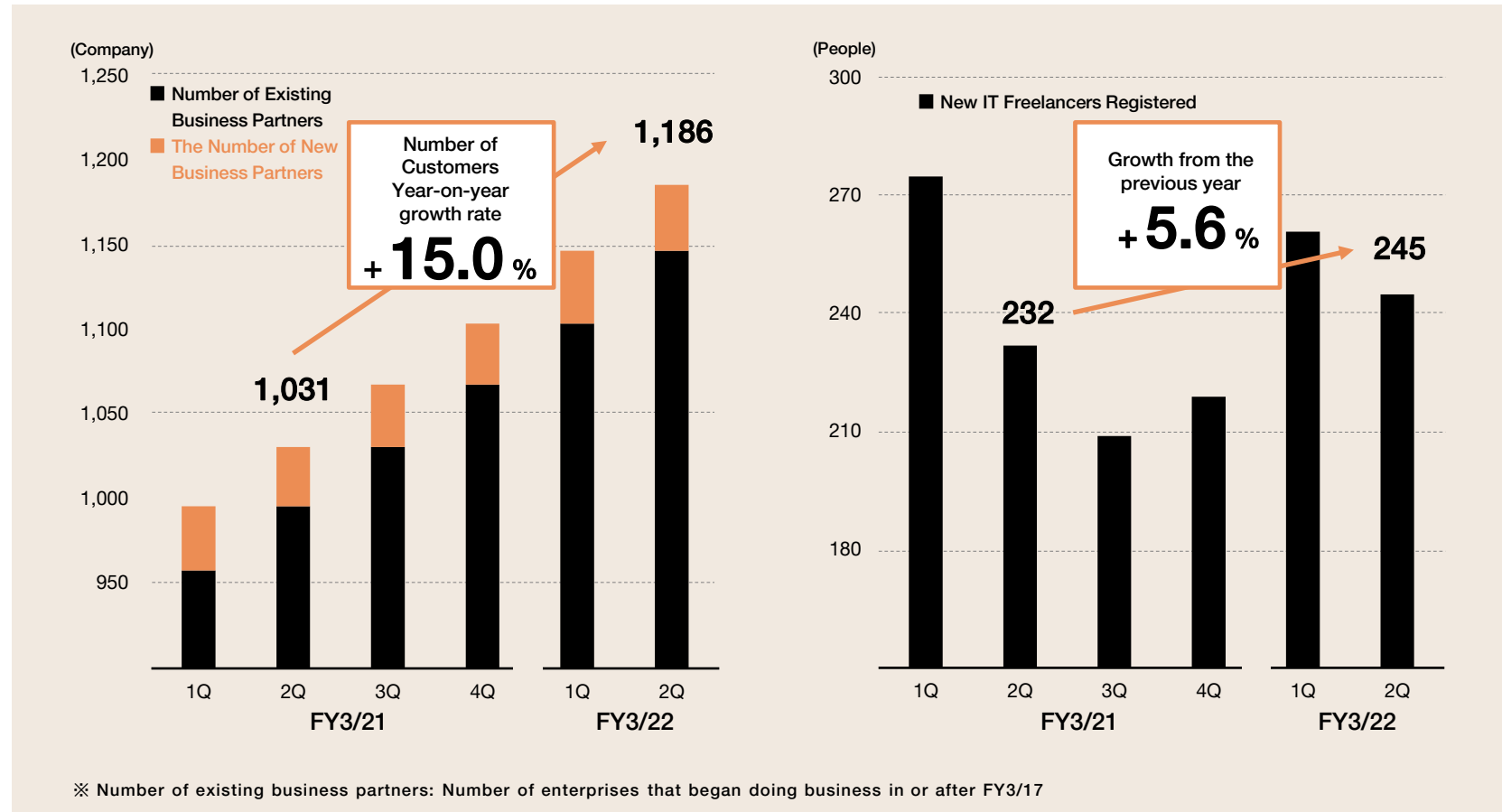
6,900 person-months (+17.5%)

Unit price of order

762,000 yen (+0.8%)

IT Freelance Matching Business (3/3)

- In addition to investment in advertising for companies, the number of new clients has been expanding (up 11.4% year on year) as a result of strengthening sales enablement
- The number of new IT Freelance registrants is steadily increasing and is expected to be around 1,000 a year as usual



2Q (YoY)

Number of new business partners
39 companies (+11.4%)

Number of new registrants
245 person (+5.6%)

2Q Cumulative (YoY)

Number of new business partners
82 companies (+12.3%)

Number of new registrants
506 person (-0.2%)

Profitability of IT Freelance Matching Business

- Unit Economics is a highly profitable business with a high return on investment of 5.5 (+33.3% YoY)
- Return on investment in 3 months after acquisition of IT Freelance, and monetize thereafter

KPI	Definition	FY3/21	FY3/22 2Q
Unit Economics	Return on IT Freelance Acquisition Cost (= LTV divided by CAC)	4.1	5.5
LTV (thousand yen)	One IT Freelance Generates Under Contract Average Gross Margin (= ARPU × Average Duration)	1,948	2,001
ARPU (thousand yen)	Average Monthly Price (Gross Margin) per IT Freelance	119	122
Average duration (months)	Average IT Freelance Duration per IT Freelance ^{*1}	16.4	16.4
CAC (thousand yen)	Average acquisition cost per IT Freelance (Advertising expenses + Personnel expenses)	510	366

*1 Average of the total operating period including project changes

Comparison with Similar Companies in IT Freelance Matching Business

- We outperform comparable companies in terms of key performance indicators

Key Performance Indicators for Each Company's Major Segment

	Our IT Freelance Matching Business	Branding Engineer Co.,Ltd. [7352] (Midworks Business)	Mirai Works Inc.*1 [6563]	Circulations Co.,Ltd.*1 [7379]
Target Fiscal Year-End	FY3/22 1st-2nd Quarter (Apr-Sep)	FY8/21 3rd-4th Quarter (Mar-Aug)	FY9/21 2nd-3rd Quarter (Jan-Jun)	FY7/21 3rd-4th Quarter (Feb-Jul)
Gross Sales (Millions of yen) ^{*2}	5,131	1,930	2,563	3,009
Segment income/Operating income (Millions of yen)	475	189	156	260
Number of IT Freelancers Under Contract	6,900	2,892	^{*3} 2,383	^{*4} 6,195
Targets of IT Freelancers Under Contract	IT Freelance	① Freelance IT Engineers ② Employee engineers ③ IT engineer of an external partner company ^{*5}	Professional Human Resources	Professional Human Resources

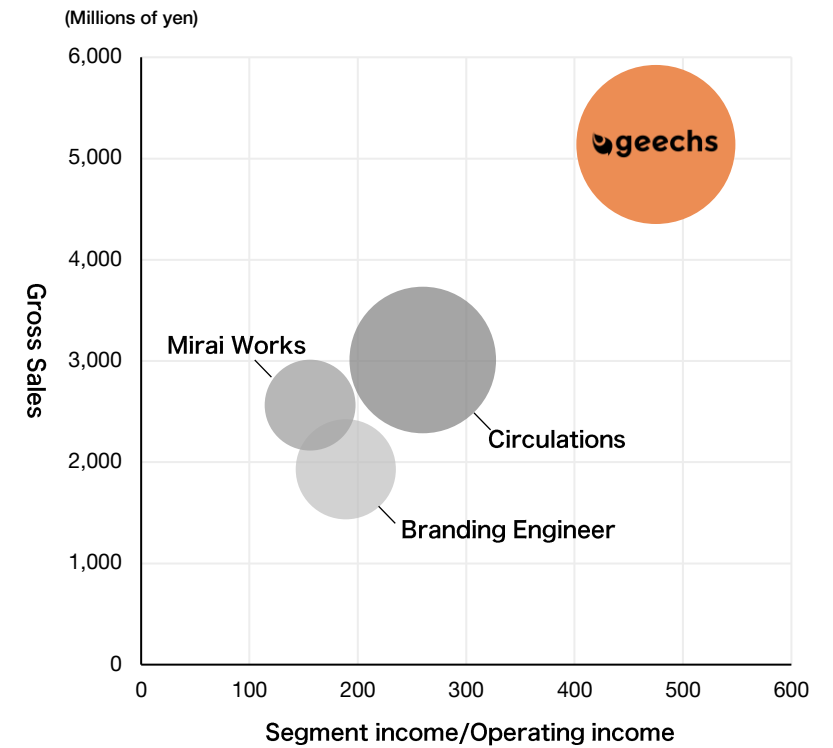
Sources: Each company's Financial Results Briefing, Financial Results, Annual Securities Report, Quarterly Report, and Security Research Center's Hotline Corporate Report.

*1 Company-wide figures are used for a single segment *2 Same as our "Gross Sales" *3 The number of contract

*4 Average monthly number of operations for each of 3rd and 4th Quarter × 3 *5 IT Engineer who is employed at the company as a regular employee

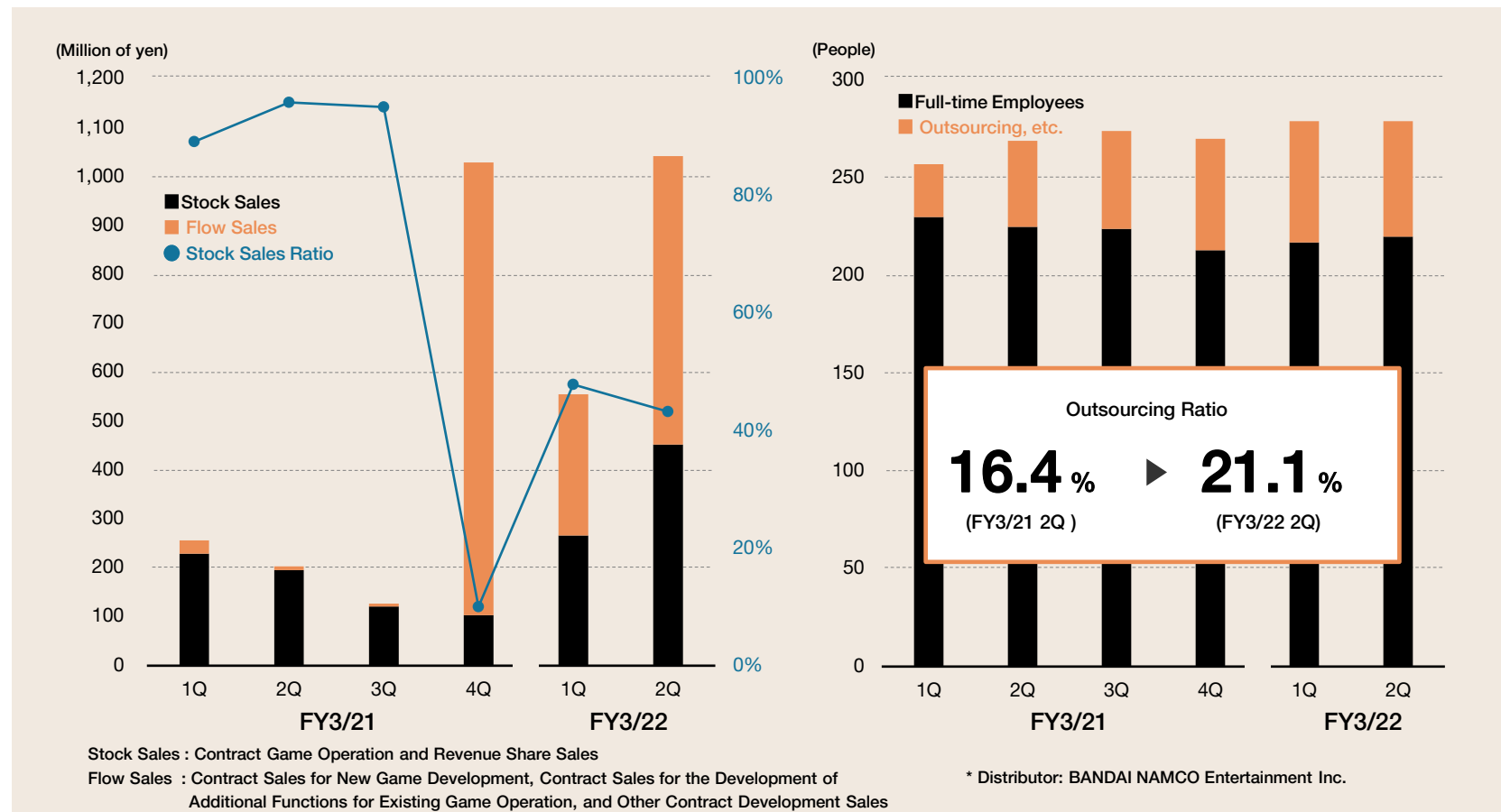
*6 Bubble Size: The Number of IT Engineers Under Contract

Positioning of Major Segments of Each Company (Comparison of Gross Sales, Segment Profit, and Number of Contracts*6)



Game Business

- Net Sales and Segment Profit Record Highs
- With one new title booking one-time-fee revenue and a title under management "My Hero Academia ULTRA IMPACT"*Substantial growth in stock sales due to contribution of revenue share from smash hit
- From 3rd Quarter onward, stock sales are expected to expand further due to an increase of one operated title



2Q (YoY)

Net Sales **1,042** million yen (+411.7%)

Segment income **440** million yen (+1783.8%)

2Q Cumulative (YoY)

Net Sales **1,598** million yen (+247.5%)

Segment income **381** million yen (+912.6%)

Operating Game Titles **4** Titles

Under development **4** Titles

Employee (End of 2Q) **279**
(220 full-time , 59 outsourcing)

Differences between Developer and Publisher

**As for the future strategy of the Game Business
Aiming to be a developer of global distribution titles**

	Developers (Our company)	Publisher
Main Roles	planning, development, and operation of titles	planning, distribution and promotion of titles
Revenue Model	<ul style="list-style-type: none"> ● Planning and Development Sales from Publishers (Flow Sales) ● Publisher Sales (Stock Sales, Fixed) ● RS*¹ Sales Based on Billing for Titles (Stock Sales, Variable*²) 	<ul style="list-style-type: none"> ● In-app billing ● Advertising App
Risk/Return	Low Risk, Middle to High Return	High-risk, High-return
Business Characteristics	<ul style="list-style-type: none"> ● Fixed and stable revenues, regardless of whether a title is a hit or not ● The Upside is limited, but the return on a hit is large ● Low-volatility recurring-fee business model 	<ul style="list-style-type: none"> ● If a title is a hit, there are high expectations for the Upside ● If it doesn't, a business model that is difficult to recover costs and risky and has high volatility

*1 Revenue share *2 Determined according to the contract for each title

Other Business

Topics

x-Tech Business

- Released its own AR app "Fantasy Lens" in 3rd Quarter, aiming to convert existing businesses to DX using AR technology
- Golf-related companies continued to perform well in media production support and SNS operations due to the impact of the burgeoning golf market
- From 3rd Quarter onward, we will further strengthen digital marketing support using YouTube and develop DX support for the sport field

Seed Tech Business

- In the on-demand programming learning service, sales grew due to a significant increase in needs for corporate training in addition to individuals against the backdrop of an increase in the re-learning of adults
- Sales increased due to the launch of an IT Human Resource Development Program at Anchor Kobe in collaboration with Kobe City and Kobe Shimbun
- Segment income, which had been in the balance of income and expenditure plan, significantly exceeded targets

x-Tech Business

2Q	(YoY)
Net Sales	70 million yen (-10.2%)
Segment income	-1 million yen

Seed Tech Business

2Q	(YoY)
Net Sales	37 million yen (+65.7%)
Segment income	4 million yen

2Q Cumulative

2Q Cumulative	(YoY)
Net Sales	142 million yen (+8.5%)
Segment income	0 million yen

2Q Cumulative

2Q Cumulative	(YoY)
Net Sales	71 million yen (+23.0%)
Segment income	8 million yen

Consolidated Balance Sheet & Cash Flow Statement

- Due to a change in accounting standards under the new revenue recognition standard, work in process and contractual liabilities* decreased substantially in the BS
- Operating CF was down year-on-year due to an increase in corporate tax and consumption tax payments
- CF from investing activities decreased due to office relocation expenses, and CF from financing activities decreased due to dividend payment

Balance Sheet

	FY3/21	FY3/22 2Q	Change
Current assets	5,915	5,058	▲857
Cash and deposits	3,149	2,880	▲269
Accounts Receivable and Contract Assets	1,518	2,015	+496
Work in process	1,117	4	▲1,113
Fixed assets	570	474	▲96
Property, plant and equipment	82	21	▲60
Investment securities	109	109	0
Total assets	6,486	5,532	▲953
Liabilities	2,655	1,382	▲1,273
Accounts Payable	858	917	+59
Contract Liabilities*	1,125	50	▲1,074
Net assets	3,830	4,150	+319
Total liabilities and net assets	6,486	5,532	▲953

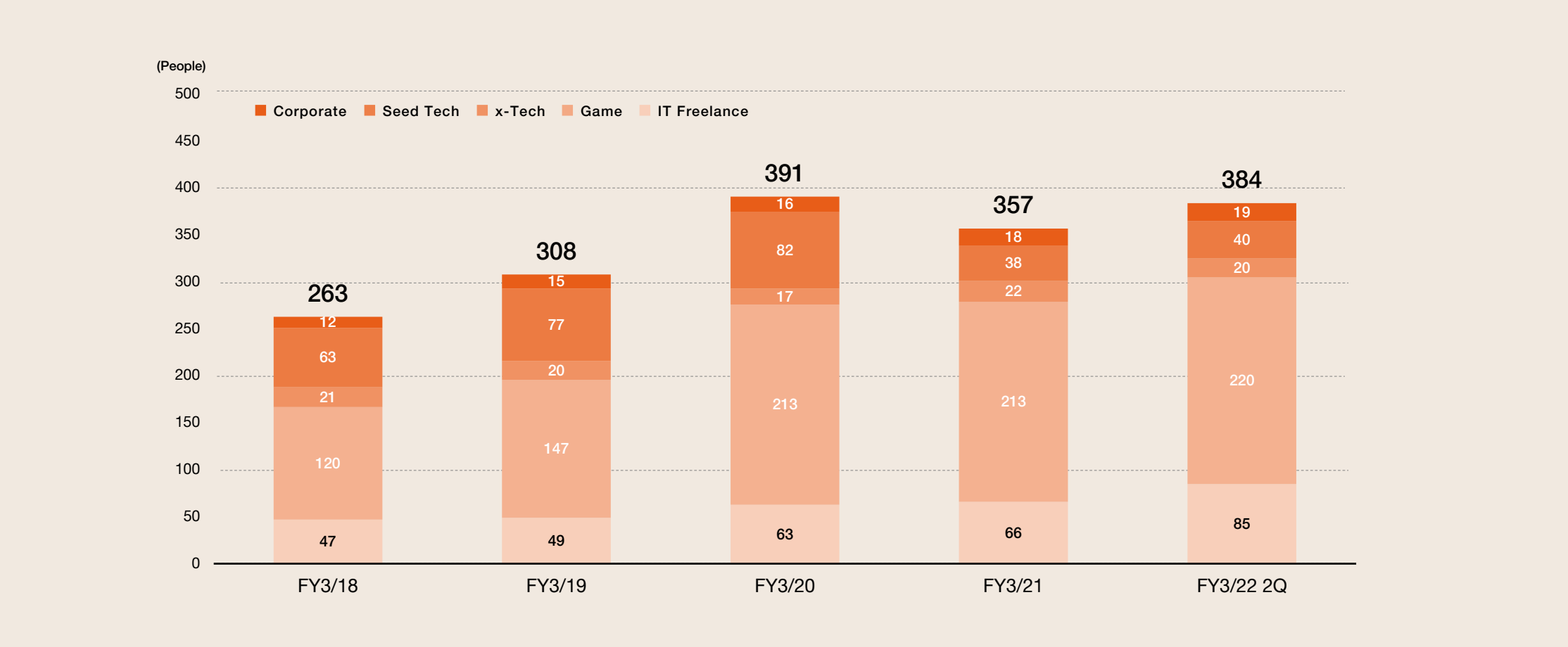
*Same as Advance Received and Unearned revenue Up to the Previous Fiscal Year

Cash Flow

	FY3/21 2Q	FY3/22 2Q	Change
Operating CF	390	-55	▲445
Increase (decrease) in accrued consumption taxes	33	-110	▲143
Income taxes paid	-75	-312	▲237
CF from Investing Activities	-72	-108	▲36
Payment of lease and guarantee deposits	-1	-56	▲55
Fulfillment of asset retirement obligations	0	-39	▲39
FCF	318	-163	▲481
CF from Financing Activities	-22	-103	▲80
Dividend	0	-104	▲104
Cash and deposits	3,149	2,880	▲269

Changes in the Number of Employees

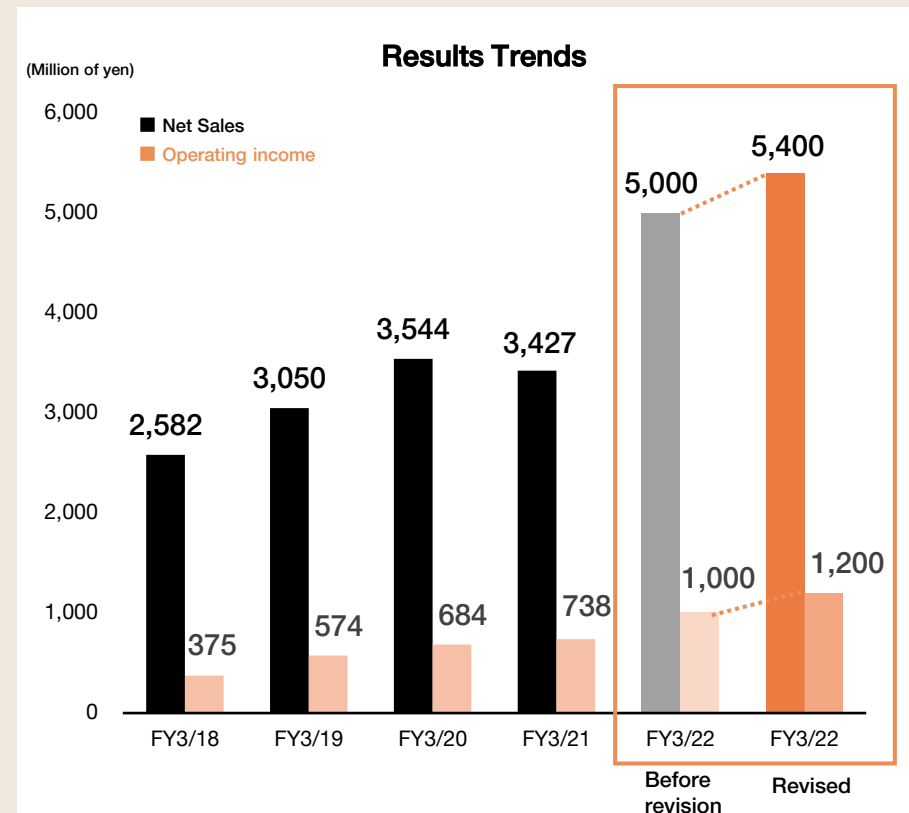
- In the IT Freelance Matching Business, there was an increase of 19 employees from the end of the previous fiscal year due to an increase in mid-career hires resulting from the strengthening of systems in each division, in addition to new graduates
- In the Game Business, the number of titles is increasing, but by strengthening partner relations, the ratio of outsourcing has been increased to 21.1% (up 4.7% from the previous fiscal year), promoting flexible resource control with 220 full-time employees compared to the total number of department employees of 279



Revision of Full-year Performance Forecast (Consolidated)

- Mainstay IT Freelance Matching & Game Business is performing well, and this trend is expected to continue in the second half of the fiscal year, so we have made an upward revision
- EPS forecast was revised upward by ¥13.24 (+23.1%) from ¥57.29 to ¥70.53

(Million of yen)	Before revision	Full-year Plan		Previous fiscal year	
		Revised	Change	Full year	YoY
Net Sales	5,000	5,400	+400	3,427	+57.5%
Operating income	1,000	1,200	+200	738	+62.5%
Ordinary income	1,000	1,200	+200	713	+68.1%
Net income	600	740	+140	457	+61.7%



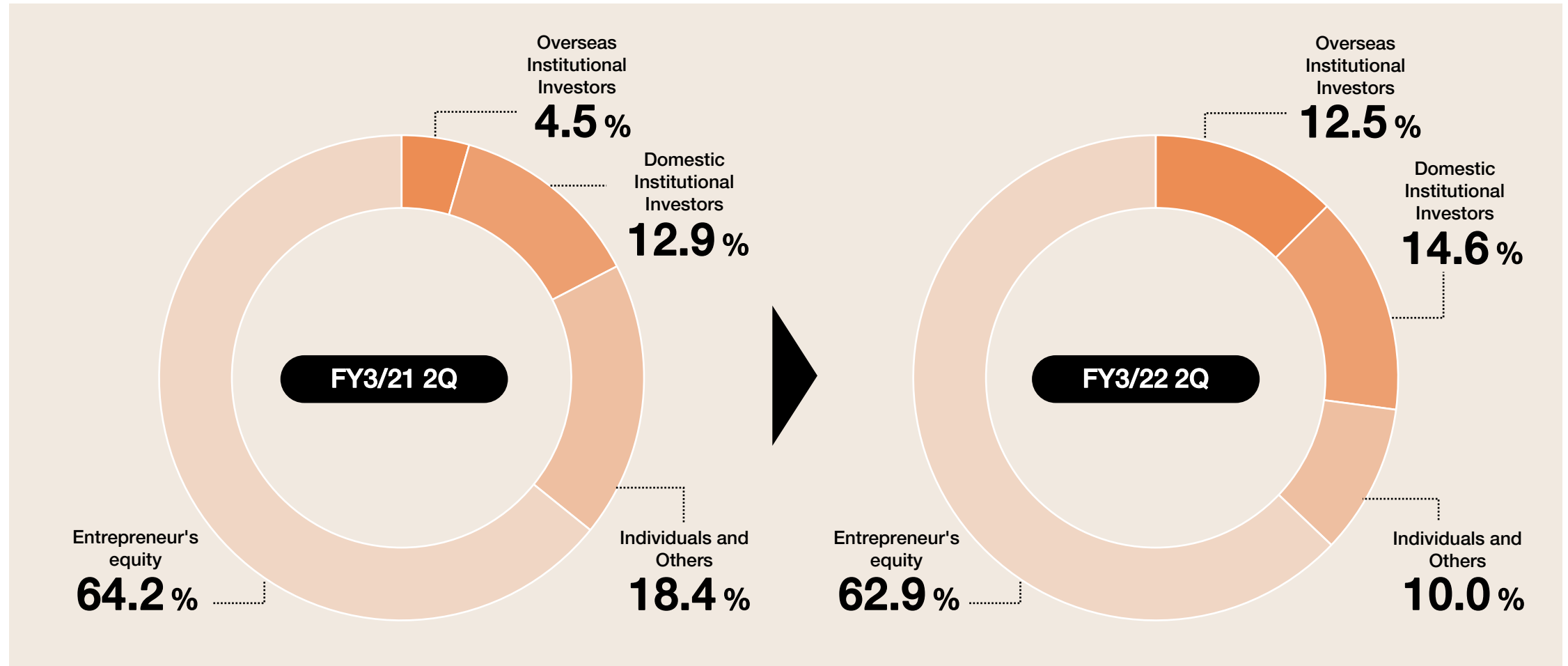
Revision of Full-year Performance Forecast (by Segment)

- IT Freelance Matching Business : Both sales and profits are forecast to be revised upward because the high growth trajectory in 1st half year is expected to continue in 2nd half year
- Game Business :Newly managed titles are performing well, and we anticipate continued flow sales that exceed our forecast, and we have made significant upward revisions to both sales and profits.
- Seed Tech Business :As a new service for the next fiscal year, we plans to invest in the upfront development of SaaS-type services for companies, so it expects to post a segment loss of ▲50mn

(Million of yen)		Before revision	Full-year Plan		Previous fiscal year	
			Revised	Change	Full year	YoY
IT Freelance Matching	Sales	1,680	1,755	+75	1,444	+21.5%
	Profit	850	935	+85	823	+13.5%
Game	Sales	2,900	3,215	+315	1,616	+98.9%
	Profit	625	790	+165	270	+192.5%
x-Tech	Sales	300	300	0	266	+12.7%
	Profit	0	0	0	-12	-
Seed Tech	Sales	120	130	+10	103	+25.5%
	Profit	0	-50	-50	-15	-
Common expense		-475	-475	0	-327	-

Shareholder Composition

- Institutional investors increased significantly from the previous year, and the ratio of institutional investors rose by 9.7%, from 17.4% to 27.1%
- In particular, the ratio of non-Japanese shareholders rose by 8.0%, from 4.5% to 12.5%.

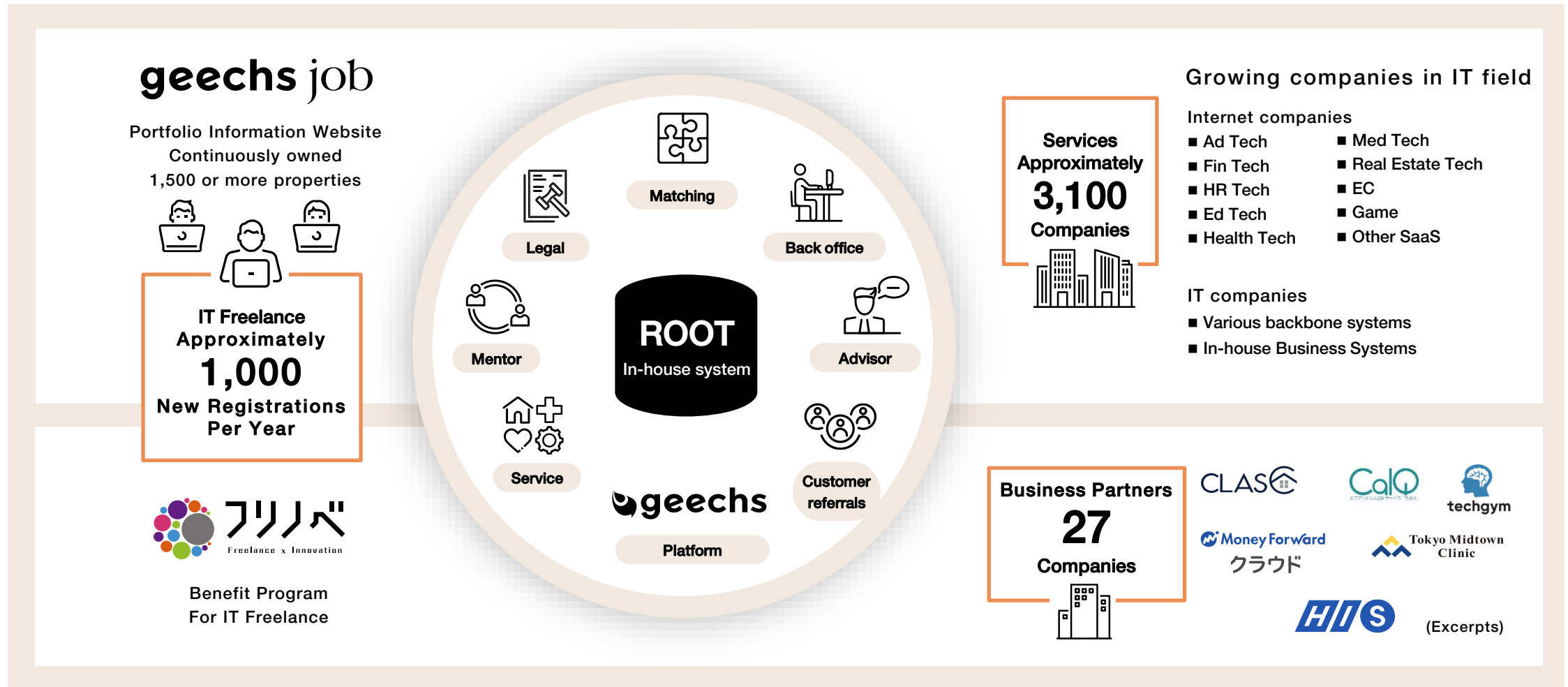


Appendix

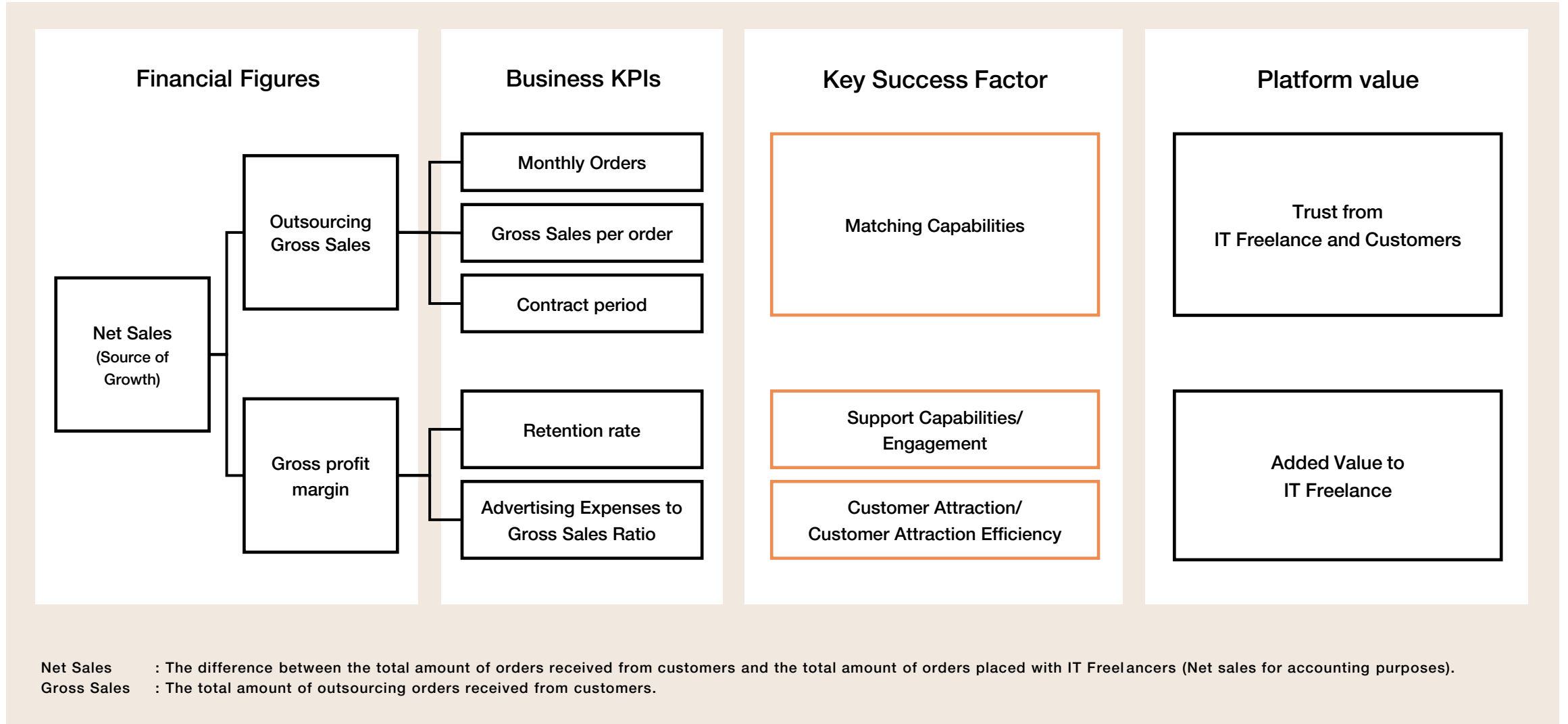
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IT Freelance Matching Business

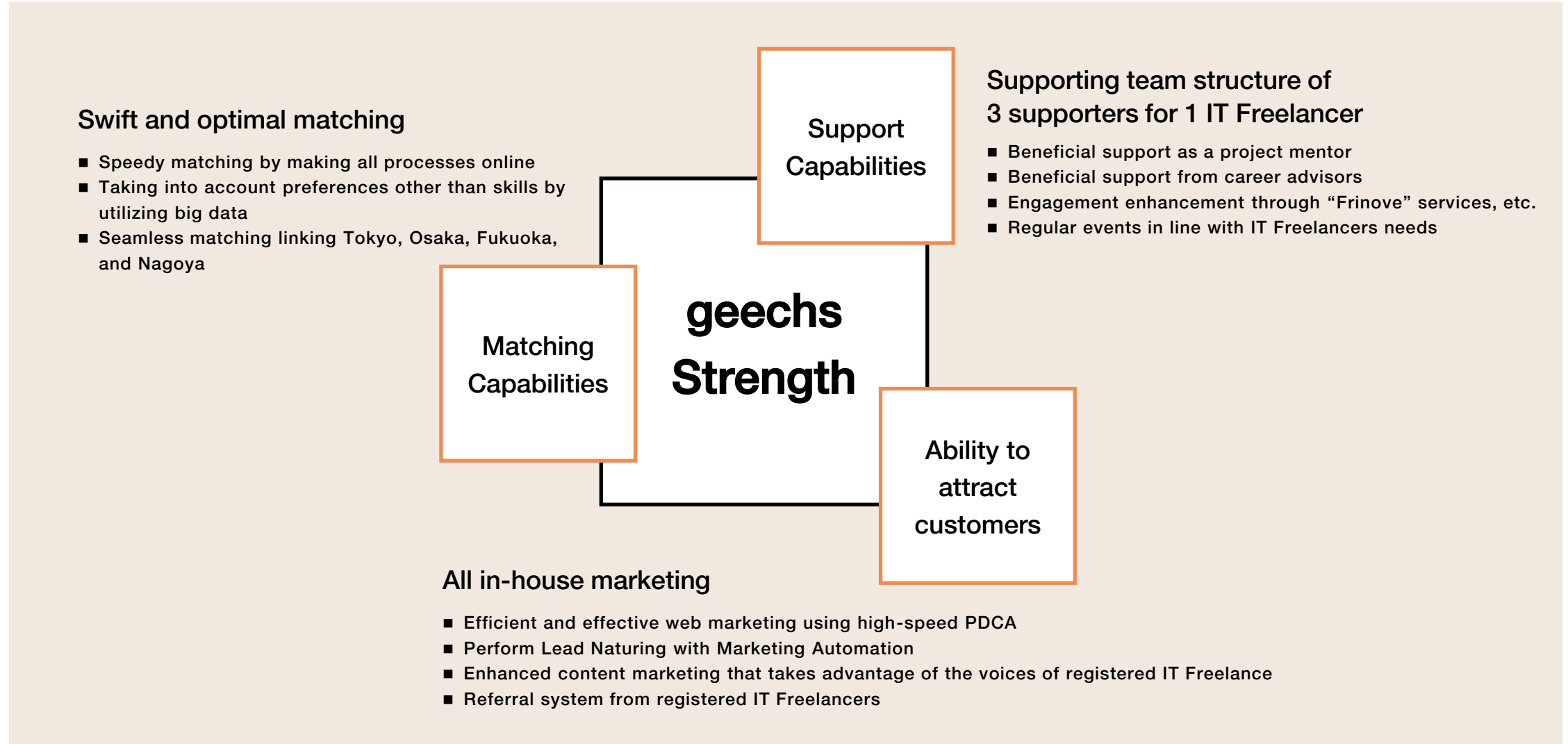
Technology Resource Sharing Platform



Source of growth

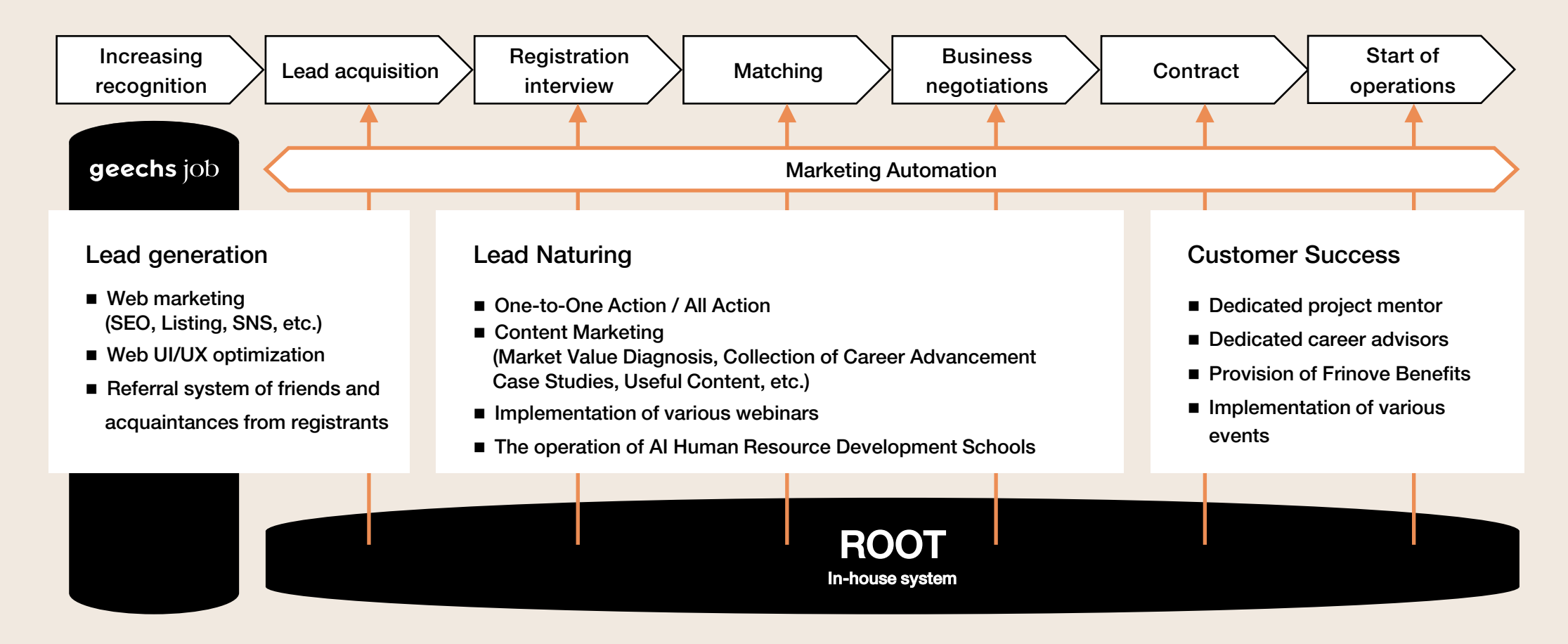


geechs Strength



Relationships with IT Freelance

Engagement enhancement by maintaining effective long-term contact with IT Freelancers



Differentiation from Similar Businesses

Developing a platform specializing in mid- to high-spec core IT Freelance

	geechs	Crowdsourcing	IT technician dispatch
Registrant	IT Freelance(Main Business)	Freelancers (Side Business/Main Business)	Dispatched worker
Major Customers	Internet Service companies	Mid-tier and Major Enterprises	Major System Integrator Companies
Contract form	Semi-Delegation Contract	Service Contract	Temporary staffing contracts
Granularity of operations	Monthly person-hours	Deliverables	Time
Contract Term	1.3.6 Months~	Single time	From 1 Month
Major Business (Projects)	Internet service development	Design Production, etc. Wide variety of low-priced projects	<ul style="list-style-type: none"> • Legacy system operations • Business system development
Employment Relationships	None	None	Job relationship with dispatching agency

Engagement

By enhancing our engagement with IT Freelance, Strengthening Continuous Partnerships to Maximize Business

We provide

38 benefits for IT Freelance

to resolve the causes of uncertainty
and can work with peace of mind for
a long time.

- Conducting seminars on the Filing of Tax Returns
- Offering discounts on accounting software
- Support -on various online learning services
- Provision of discounts for partial and full medical checkups
- Providing preferential treatment for English Study Abroad
- Providing benefits for weddings and other life events
- Provision of housing loan origination fee discounts
- Providing Affiliated Credit Cards and Incentives
- Providing AI Study Support Benefits etc



Game Business



G2 Studios

G2 Studios Inc.

For smartphone-oriented ease apps planning, development, and operations

1. Specialize in Partner Strategy

Through contract development and operations with our solid technological capabilities centered on Unity and PHP Stabilize earnings base, winning revenue share for strong-performing titles.

2. Sales Ranking Top 3rd Game Operation

The Company has a wealth of experience in a wide range of genres, including women's games utilizing our in-house developed rhythm game engines and 3D Battle RPG games.

3. Securing Development Lines through Collaboration with the IT Freelance Matching Business

Through intra-group collaboration, while utilizing our own IT Freelance, We have flexibly created development lines for each project.

Asobi Creators.

G2 Studios Inc., one of the companies of the Group specializing in the Game Business, plans, develops, and operates native app games for smartphones based on Unity in partnership with major licensors and game manufacturers.

x-Tech Business



1. Cultivating the Future with New Technology "xR"

Through the in-house developed AR app "Fantasy Lens," we will provide new added value and experience to a variety of products already in the market, thereby creating an upcycle.

2. Digital Marketing Support in the Sports Field

Mainly promoting golf and IT. Develop own media, build D2C,
Provision of SNS management agency, online, and offline marketing services

3. Abundant track record of production and management know-how

A golf-specific agent utilizing Youtubers and Instagramers.
Various video editing/production
Operation of the Youtube channel "Gridge Channel"
and one of Japan's largest golf media "Gridge" .

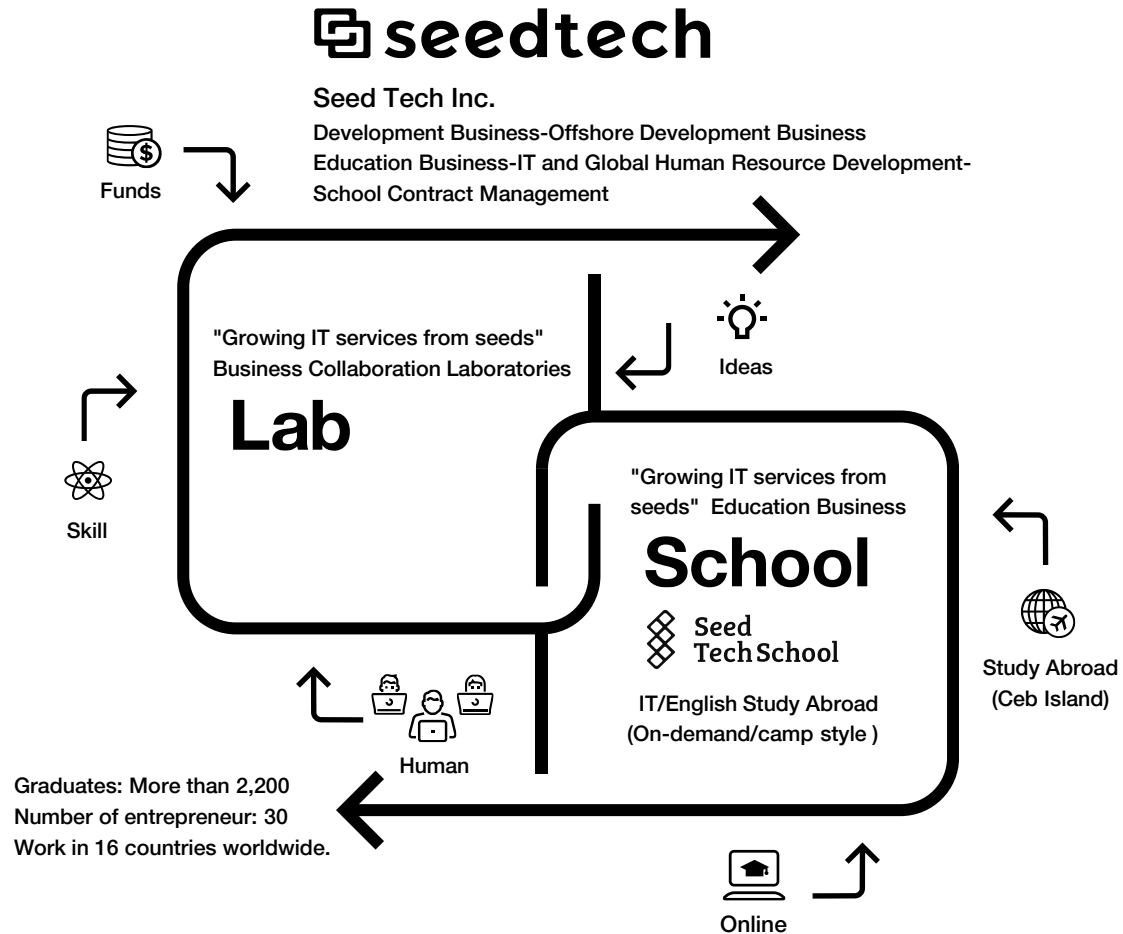
Technology Partners for Business Model Transformation

Utilizing leading-edge technologies and methods to leverage "Technology x Data" to create a business model

A technology partner for innovation, cultivating videos that utilize xR

Provide value by combining production technology and digital marketing and D2C support know-how in the sports field

Seed Tech Business



**1. Global Standard Business Collaboration
 Laboratories for Offshore Development**

To ensure success in developing new businesses and DX products, Comprehensive support from dedicated design and business teams Ideal for developing successful services.

It also develops Shopify, one of the world's largest e-commerce platforms.

2. Operation of a programming school

We operate an on-demand programming school.

Students can learn practical and advanced skills, since the school is run by a company with a proven track record in offshore development business.

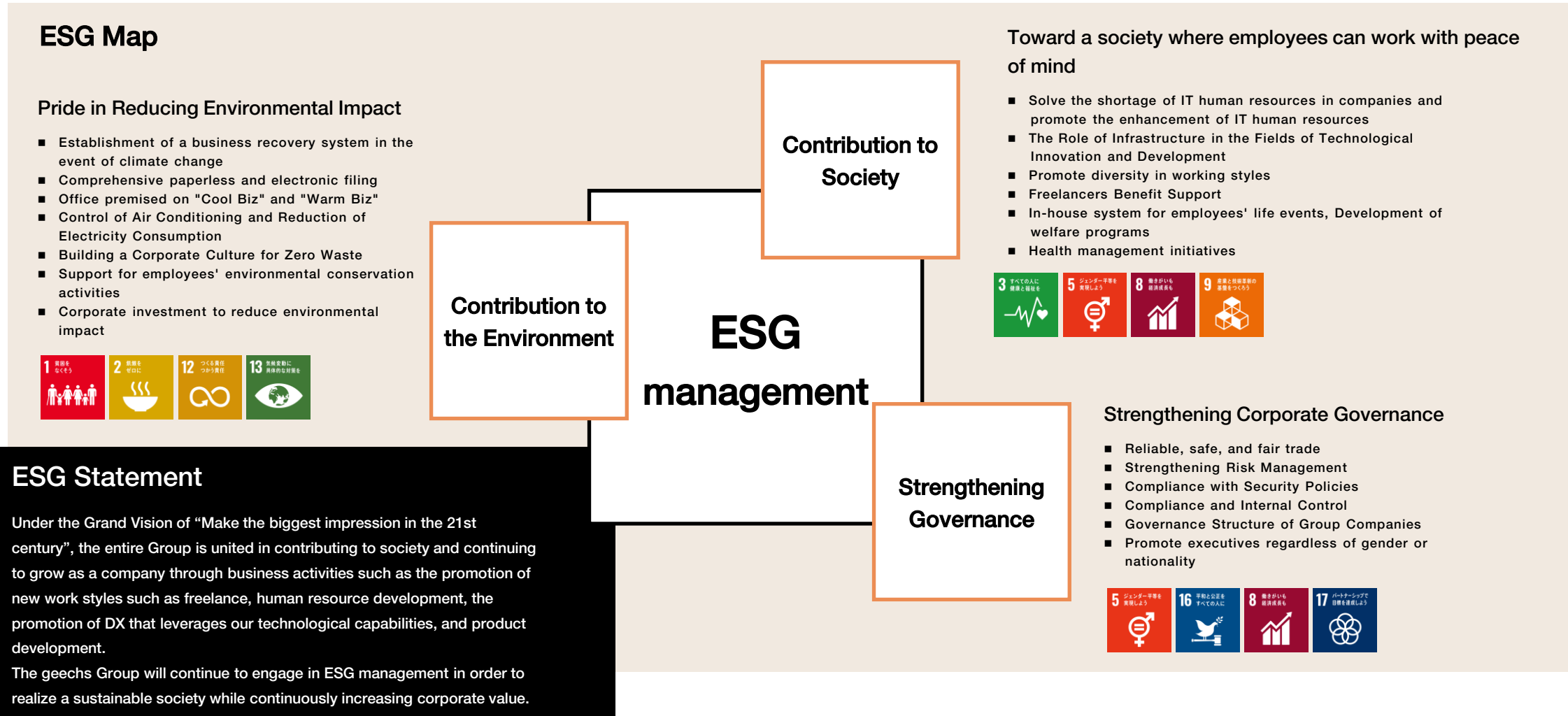
Our programming school supports the students on career change or to find their side jobs, and train them to become globally active engineers.

Leveraging Technology to Advance the World

From the two businesses of development and education, develop IT services and IT human resources from the seed stage.

ESG Statement & Map

Under way based on the ESG Statement and the ESG Map



Performance Highlights

Fiscal Year-End		FY3/19	FY3/20	FY3/21	FY3/22 2Q
Net Sales	(thousand yen)	3,050,413	3,544,309	3,427,816	2,672,834
Ordinary income	(thousand yen)	532,117	675,446	713,942	652,121
Net income attributable to owners of parent	(thousand yen)	411,610	390,651	457,755	419,080
Comprehensive income	(thousand yen)	410,322	391,102	458,020	417,422
Capital Stock	(thousand yen)	972,152	1,086,015	1,094,214	1,096,617
Net assets	(thousand yen)	2,737,377	3,356,232	3,830,496	4,150,416
Total assets	(thousand yen)	4,515,127	4,700,309	6,486,303	5,532,457
Net income per share	(Yen)	47.96	37.78	43.83	39.97
Equity Ratio	(%)	60.6	71.4	59.1	75.0
Return on Equity	(%)	21.8	12.8	12.7	-
Net cash provided by (used in) operating activities	(thousand yen)	191,429	39,949	661,718	-55,091
Net cash provided by (used in) investing activities	(thousand yen)	124,085	-77,131	-48,908	-108,657
Net cash provided by (used in) financing activities	(thousand yen)	1,058,611	-20,049	-22,588	-103,118
Cash and cash equivalents at end of year	(thousand yen)	2,615,535	2,559,268	3,149,695	2,880,235
Employee	(people)	308	391	357	384

*Make the biggest impression
in the 21st century*



www.geechs.com

Notes regarding Forward-Looking Statements

The information contained in this presentation is based on a number of assumptions. These statements are not intended to assure or guarantee the achievement of future numerical targets or measures. Please note that actual results may differ due to various factors. We do not have obligation to update or revise the forward-looking statements in this report even if there are new information or events in the future.