



November 10, 2022

Company Name : GEECHS Inc.  
Representative : Naruhito Sonehara, President & CEO  
Securities Code : 7060, TSE Prime Market  
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## Notice Regarding Acquisition of Shares of Launch Group Holdings Pty Ltd

GEECHS Inc. hereby announces that at the Board of Directors meeting held today, the Company has resolved to acquire 70% of the shares of Launch Group Holdings Pty Ltd (hereinafter referred to as “Launch”), a company engaged in IT human resource services in Australia, and to make Launch and its subsidiary Launch Recruitment Pty Ltd a consolidated subsidiary of the Company.

### 1. Reason for acquisition of shares

GEECHS Inc. has a grand vision to make the biggest impression in the 21st century. Toward that aim, we are developing the Company as a technology resource sharing agent in the IT freelance field, and for our Group companies, as a digital transformation/IT freelance development business.

Furthermore, in our G100 medium-term management plan (FY3/22–FY3/25) formulated in the fiscal year ended March 2022, we declared that mergers and acquisitions aimed at creating business synergies were an important strategy in terms of achieving medium- to long-term growth.

Established in 2006, Launch operates an IT human resource services using casual employment and freelancers. Launch is also a management service provider, offering a comprehensive management system for the whole process from talent procurement through to management for clients in Australia. Launch has an extended track record dealing with major companies, experiencing growth with an increasing number of clients.

In light of the business, the Group believes that this share acquisition will enable cross-border matching and development in the IT freelance development business in the Asia-Pacific region. From this, we expect to be able to further accelerate business expansion. GEECHS Inc. has decided to acquire the shares as the M&A is in line with the Group’s strategy of expanding and evolving technical resource sharing agents centered on the IT freelance domain, helping to improve the Group’s corporate value.

## 2. Overview of new subsidiary

(1) Launch Group Holdings Pty Ltd (holding company)

(2) Launch Recruitment Pty Ltd (100% subsidiary)

(1) Launch (holding company)

Company name	Launch Group Holdings Pty Ltd					
Head office	Level 23, 9-13 Castlereagh Street, Sydney NSW 2000 Australia					
Representative	Rebecca Jane Wallace, Director					
Business description	Holding company					
Capital	10 AUD (950 JPY)					
Established	August 24, 2017					
Major shareholders and equity ratio	Wallace Group Pty Ltd ACN 606 234 664 as the trustee for The Wallace Family Trust: 10 ordinary shares (100%)					
Relationship between listed company and company concerned	Capital ties	N/A				
	Human ties	N/A				
	Business ties	N/A				
Consolidated operating results and financial position for the last three years						
Accounting period	FY6/20		FY6/21		FY6/22	
	(thousand AUD)	(million JPY)	(thousand AUD)	(million JPY)	(thousand AUD)	(million JPY)
Consolidated net assets	2,442	232	3,833	364	5,398	512
Consolidated total assets	11,491	1,091	12,498	1,187	13,484	1,281
Consolidated net assets per share	244,258 (AUD)	23,204,501 (JPY)	383,311 (AUD)	36,414,564 (JPY)	539,856 (AUD)	51,286,292 (JPY)
Consolidated sales	70,711	6,717	104,832	9,959	109,856	10,436
Consolidated income before tax	1,792	170	3,600	342	3,601	342
Profit attributable to owners of parent	1,269	120	2,390	227	2,463	234
Net income per share	126,922 (AUD)	12,057,628 (JPY)	239,053 (AUD)	22,710,064 (JPY)	246,332 (AUD)	23,401,502 (JPY)

Note: Converted at 95.00 yen per Australian dollar. Same below.

(2) Launch Recruitment Pty Ltd

Company name	Launch Recruitment Pty Ltd					
Head office	Level 23, 9-13 Castlereagh Street, Sydney NSW 2000 Australia					
Representative	Rebecca Jane Wallace, Director					
Business description	Temporary staffing/Recruitment agency/ MSP business					
Capital	2 AUD (190 JPY)					
Established	April 5, 2006					
Major shareholders and equity ratio	Launch Group Holdings Pty Ltd: 2 ordinary shares (100%)					

Relationship between listed company and company concerned	Capital ties		N/A			
	Human ties		N/A			
	Business ties		N/A			
Operating results and financial condition for the last three years						
Accounting period	FY6/20		FY6/21		FY6/22	
	(thousand AUD)	(million JPY)	(thousand AUD)	(million JPY)	(thousand AUD)	(million JPY)
Net assets	5,087	483	2,384	226	2,167	205
Total assets	10,793	1,025	10,867	1,032	10,253	974
Net assets per share	5,396,733 (AUD)	241,672,828 (JPY)	5,433,696 (AUD)	113,284,698 (JPY)	5,126,508 (AUD)	102,964,563 (JPY)
Sales	70,723	6,718	104,866	9,962	109,903	10,440
Income before tax	1,793	170	3,507	333	3,602	342
Profit attributable to owners of parent	1,269	120	2,297	218	2,463	234
Net income per share	634,893 (AUD)	60,314,788 (JPY)	1,148,547 (AUD)	109,111,918 (JPY)	1,231,948 (AUD)	117,035,060 (JPY)

### 3. Overview of counterparty to acquire shares

Company name	Wallace Group Pty Ltd ACN 606 234 664 as the trustee for The Wallace Family Trust * A trust under Australian law with Rebecca Jane Wallace (representative) and Lucas John Davidson (spouse of representative) as settlors and beneficiaries and Wallace Group Pty Ltd as trustee.
Address	Level 23, 9-13 Castlereagh Street, Sydney NSW 2000 Australia
Relationship between listed company and company concerned	There are no capital, human, or business relationships that need to be stated between GEECHS Inc. and the company concerned. Moreover, there are no capital, human, or business relationships of note between related parties or affiliated companies of GEECHS Inc. and the company concerned.

### 4. Number of acquired shares and status of owned shares before and after acquisition

Number of shares owned before acquisition	0 shares (percentage of voting rights held: 0%)
Number of shares acquired	7 shares
Acquisition amount	Common stock (approximate) 18,887,000 AUD (1,794 million JPY) Advisory fees, etc. (approximate) 118 million JPY Total (approximate) 1,912 million JPY
Number of shares owned after acquisition	7 shares (percentage of voting rights held: 70%)

## 5. Schedule

Board resolution date	November 10, 2022
Contract date	November 10, 2022 (scheduled)
Share acquisition date	Early January 2023 (scheduled)

## 6. Future outlook

Should the share acquisition take place as planned, Launch Group Holdings Pty Ltd will become a consolidated subsidiary of GEECHS Inc. However, for the fiscal year ending March 2023, only its December 2022 balance sheet will be subject to consolidation. Please refer to the Notice of Revisions to Earnings Forecasts disclosed today on the impact the advisory expenses and other fees for this acquisition have on the consolidated results for the fiscal year ending March 31, 2023.

Furthermore, the Company's income statement is scheduled to be consolidated from the first quarter of the fiscal year ending March 2024. The consolidated earnings forecast for the fiscal year ending March 2024, which incorporates the Company's business results, will be disclosed in the financial results for the fiscal year ending March 2023 scheduled to be announced in early May 2023.

Should there be any other matters that need to be announced in the future, these will be disclosed promptly.