



September 25, 2023

Company name CrowdWorks, Inc.
Representative Koichiro Yoshida
President and CEO
(TSE Growth Code: 3900)
Contact Takatsugu Tsukii
Director

Notice of Acquisition of Shares (Making Subsidiary) of YU-CRE Co., Ltd

We hereby announce that our Board of Directors has resolved at a meeting held on September 25, 2023, to acquire 51% of the outstanding shares of "YU-CRE Co., Ltd" and to make "YU-CRE" a consolidated subsidiary.

1. Reason for acquisition of shares

With the mission of "becoming an infrastructure for individuals," we have been striving to expand our human resource matching platform that connects companies and individuals online in order to provide society with new work options. Currently, the number of client companies registered on our platform has exceeded 917,000 and registered workers 5.75 million, establishing our position as a leading company in the human resource matching market.

YU-CRE's mission is to "energize society through creators." Since its establishment in 1984, YU-CRE has been engaged in the permanent staffing business, and has more than 30,000 of professional designers/creators, has more than 20,000 orders so far, and done business with more than 5,000 companies.

By welcoming YU-CRE as a group company, we will have the human resource assets to meet the needs for permanent staffing in the engineer/designer field, which accounts for approximately 50% of our company-wide GMV, and we will be able to secure more comprehensive human resource proposal opportunities. In addition, we will accelerate the growth of our matching business by increasing the total number of matching clients and workers by sending them to each other.

2. Details of Transfer of Shares

The company will acquire 51% of the voting rights from the existing shareholders of YU-CRE.

3. Outline of the subsidiary to be transferred (YU-CRE)

(1) Name	YU-CRE Co.,Ltd
(2) Head office	7F Marues First Building, 1-55-7 Sasazuka, Shibuya-ku, Tokyo
(3) Representative	Naomichi Takahashi, President and Representative Director
(4) Main business	- Recruitment support for creators - Outsourcing - Human resource education support - e-Sports
(5) Capital	50 million yen
(6) Established	1984
(7) Main shareholders and shareholding ratio	Non-disclosure will be based on the confidentiality agreement between the parties.

(8)	Relationship with the company	Capital	Not applicable	
		Personal	Not applicable	
		Business	Not applicable	
(9) Operating results and financial position of YU-CRE for the past three years				
	(million yen)	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Net assets	192	177	158
	Total assets	494	497	474
	Net assets per share	—	—	—
	Revenue	1,127	1,189	1,255
	Operating loss	(24)	(19)	(39)
	Ordinary loss	13	(16)	(17)
	Net income/loss	8	(11)	(16)
	Net loss per share	—	—	—
	Dividend per share	—	—	—

4. Outline of the counterparty to the share acquisition

The company has acquired shares from one corporation, which is not disclosed due to a confidentiality obligation. There are no capital, personal, or business relationships between the listed company and the counterparty. The company is not a related party to the listed company.

5. Number of shares to be acquired, acquisition price, and shares held before and after the acquisition

(1)	Number of shares before the transfer	0 (No. of voting rights: 0) (Percentage of voting rights: 0%)
(2)	Number of shares to be acquired (Number of shares after the acquisition)	1,317 (No. of voting rights: 1,317) (Percentage of voting rights: 51.0%)
(3)	Acquisition price	The amount is undisclosed due to the request of the counterparty, but it was acquired at a price considered fair and reasonable after appropriate due diligence was conducted.

6. Schedule

(1)	Resolution by the Board of Directors	September 25, 2023
(2)	Date of Contract	September 25, 2023
(3)	Execution of share transfer	October 2, 2023 (scheduled)

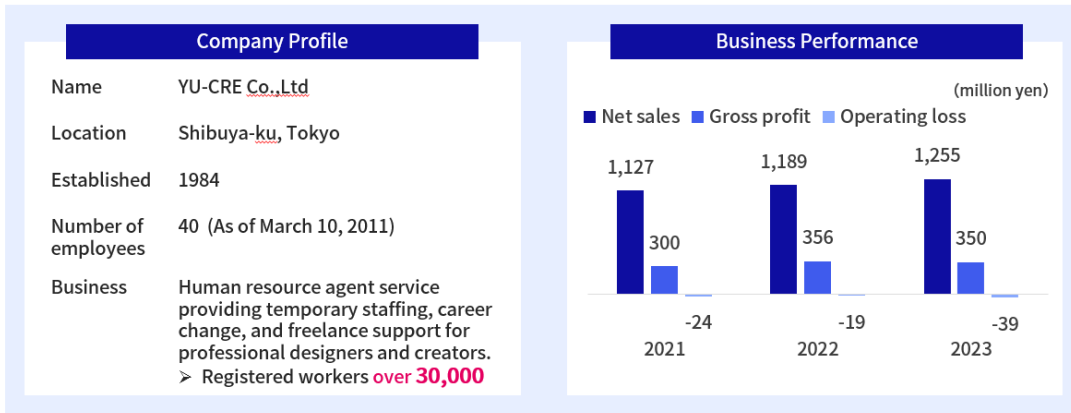
7. Future Outlook

The inclusion of YU-CRE as a consolidated subsidiary in our consolidated results will start in the first quarter of the fiscal year ending September 30, 2024. As for the operating loss, as stated in our M&A policy, we are well within our ability to achieve operating income surplus after goodwill within 36 months.

We will announce the forecast of financial results after the inclusion of YU-CRE in the financial results for the full fiscal year ending September 30, 2023, which will be disclosed on November 9, 2023.

Overview of Subject Company

YU-CRE, a temporary staffing and placement business specializing in designers and creators in the Engineer/designer field.

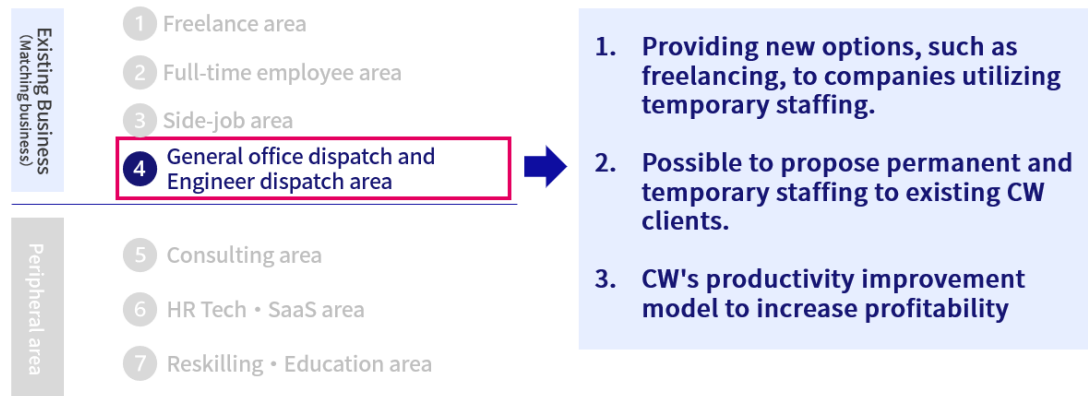


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Purpose of the group-in

Freelance No.1 × Leading designer dispatch company
Increase profitability by cross-selling and up-selling to client resources on both sides

< M&A Focus Areas >



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