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May 14, 2025

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Notice Concerning the Differences between Forecasts and Actual Financial Results, and Recording Extraordinary Loss and Income Taxes-Deferred (Profit).

GEECHS Inc. hereby announces that we recorded extraordinary loss and adjustments for income taxes-deferred (profit) for the fiscal year ended March 31, 2025. Consequently, there are differences between the forecasts for the fiscal year ended March 31, 2025 announced on May 10, 2024 and the actual financial results announced today, as follows.

1. Differences between the full-year consolidated earnings forecast for the fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

	Sales	EBITDA	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A)	million yen 26,300	million yen 670	million yen 550	million yen 545	million yen 336	yen 32.54
Results (B)	25,162	625	495	494	49	4.82
Differences (B-A)	-1,137	-44	-54	-50	-286	
Percentage of change (%)	-4.3%	-6.6%	-9.9%	-9.3%	-85.2	
(Reference) Results for the previous fiscal year ended March 31, 2024	23,739	362	90	82	-1,473	-142.75

2. Recording of extraordinary loss and adjustments for income taxes-deferred (profit)

Considering signs of impairment due to a decline in profitability, we have reviewed the recoverability of fixed assets, including customer-related assets, of our consolidated subsidiary, Launch Group Holdings Pty Ltd (located in Australia, hereinafter referred to as "Launch"). As a result, an impairment loss of 540 million yen has been recognized as an

extraordinary loss in accordance with the accounting standard for impairment of fixed assets. Additionally, we have reversed the corresponding deferred tax liabilities related to the customer-related assets, resulting in an income tax adjustment (profit) of 92 million yen.

3. Reason for the differences

Regarding the full-year consolidated results for the fiscal year ending March 31, 2025, consolidated sales slightly missed expectations due to the impact of market conditions of staffing industry in Australia, which resulted in Launch sales falling below projections.

In terms of profitability, operating income and ordinary income both fell short of the forecast, primarily due to Launch incurring operating losses, which were impacted by upfront costs associated with its management and business restructuring. Additionally, as mentioned above, an impairment loss related to Launch was recognized, resulting in a significant shortfall in net income attributable to parent company shareholders compared to the original forecast.

There is no change to the fiscal year-end dividend forecast of 10 yen per share, as announced on May 10, 2024.