



Supplementary Explanatory Material for Acquisition of Shares of Global Gear.,Ltd.

Sun\* Inc. | Ticker Code: 4053

June 25, 2025

## Executive Summary

### Overview of the Transaction

- Acquisition of 100% of the outstanding shares of Global Gear Co., Ltd., which plans, develops, and operates smartphone game applications, from KLab Inc. for JPY 1.1 billion, thereby making it a consolidated subsidiary.

### Purpose and Objectives

- Entering the casual-gaming segment.
- Establishing a new revenue base by strengthening our position in the entertainment sector.

### Expected Synergies

- Mutual effective utilization of human resources.
- Sharing of game development know-how and related expertise.
- Leveraging extensive industry knowledge and experience in the entertainment field.

## Table of Contents

1. Overview of Global Gear
2. Overview of the Transaction
3. Growth Strategy of the Group
4. Expected Synergies
5. Appendix

# 1. Overview of Global Gear

Primarily targeting the domestic market, Global Gear plans, develops, and operates smartphone game applications. The company focuses on casual games that anyone can enjoy in their spare time and has released more than 170 apps to date.

Overview of Global Gear Co., Ltd.

Target Company	Global Gear Co., Ltd.
Headquarters	Nishitetsu Watanabe-dori Building, 2-9-22 Watanabe-dori, Chuo-ku, Fukuoka City, Fukuoka
Title and name of representative	Representative Director Yuji Tahara
Business	Planning, development and operation of game applications for smartphones
Capital Stock	3 million yen
Date of Establishment	January 23, 2013

Performance Trends Over the Past Three Years

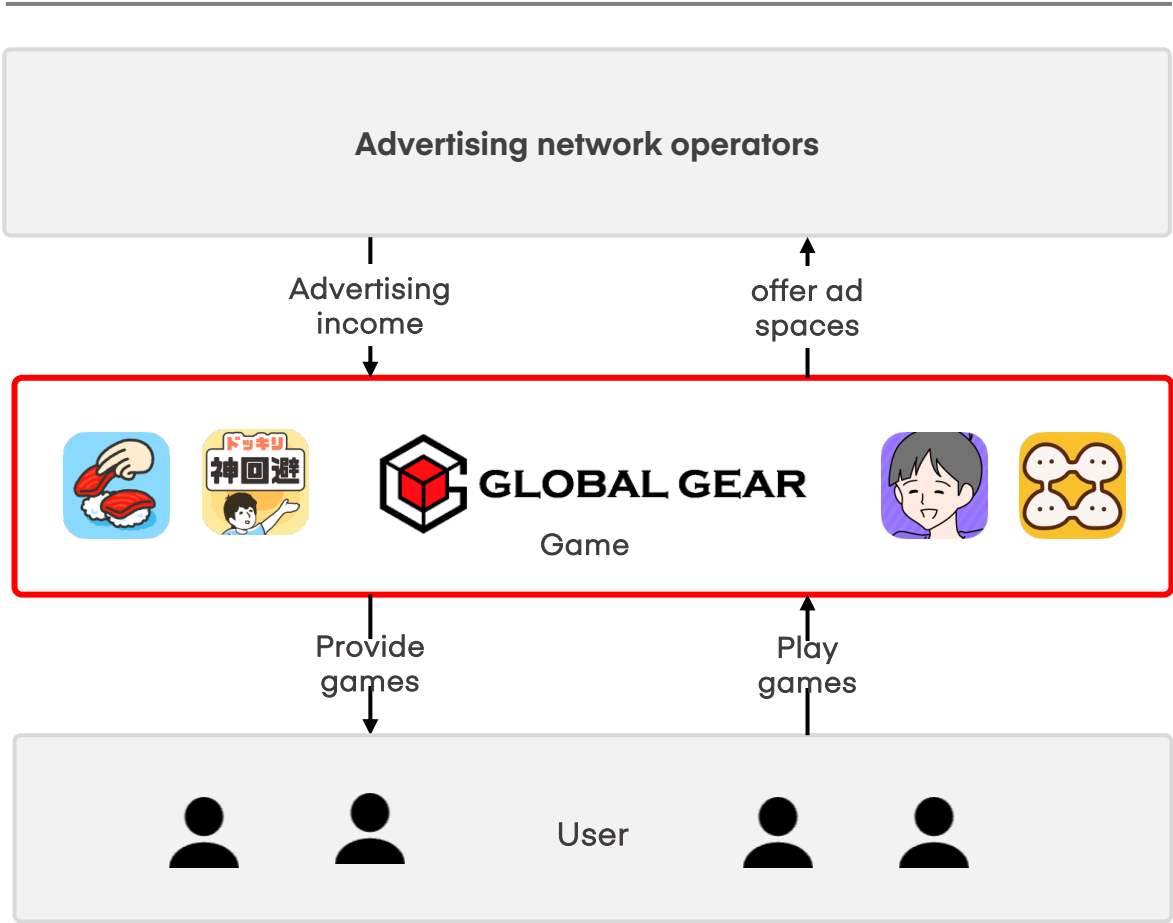
Financial Results (Unit: Millions of JPY)	Financial Results for the Fiscal Year Ended December 31, 2022 (1)	Financial Results for the Fiscal Year Ended December 31, 2023 (2)	Financial Results for the Fiscal Year Ended December 31, 2024 (3)
Net sales	493	584	490
Operating income	245	351	242
Operating income Margin	49.8%	60.1%	49.5%
Ordinary income	302	362	248
Net Income	182	230	169

(1) Non-operating income such as foreign exchange gains caused ordinary income to significantly exceed operating income.  
(2) Some titles gained popularity through video sharing platforms, leading to a temporary increase in new users and sales.  
(3) While sales and operating income remained at the same level as fiscal year ended December 2022 (FY2022), ordinary income declined due to exchange rate fluctuations.

# 1. Overview of Global Gear : Business model and Market size

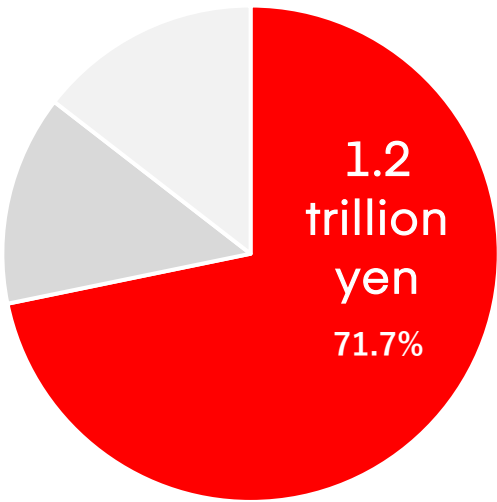
Main revenue source is advertising income earned by offering in-game ad spaces to advertisers through ad networks.  
In 2023, the domestic online gaming content market was valued at approximately JPY 1.2 trillion.  
Game apps accounted for 71.7% of the total.

Business Model



The size of the domestic online gaming content market in 2023

■ Game apps ■ PC ■ console games



\*Source: Famitsu Game White Paper 2024 by Kadokawa ASCII Research Laboratories, Inc.

# 1. Overview of Global Gear : Services

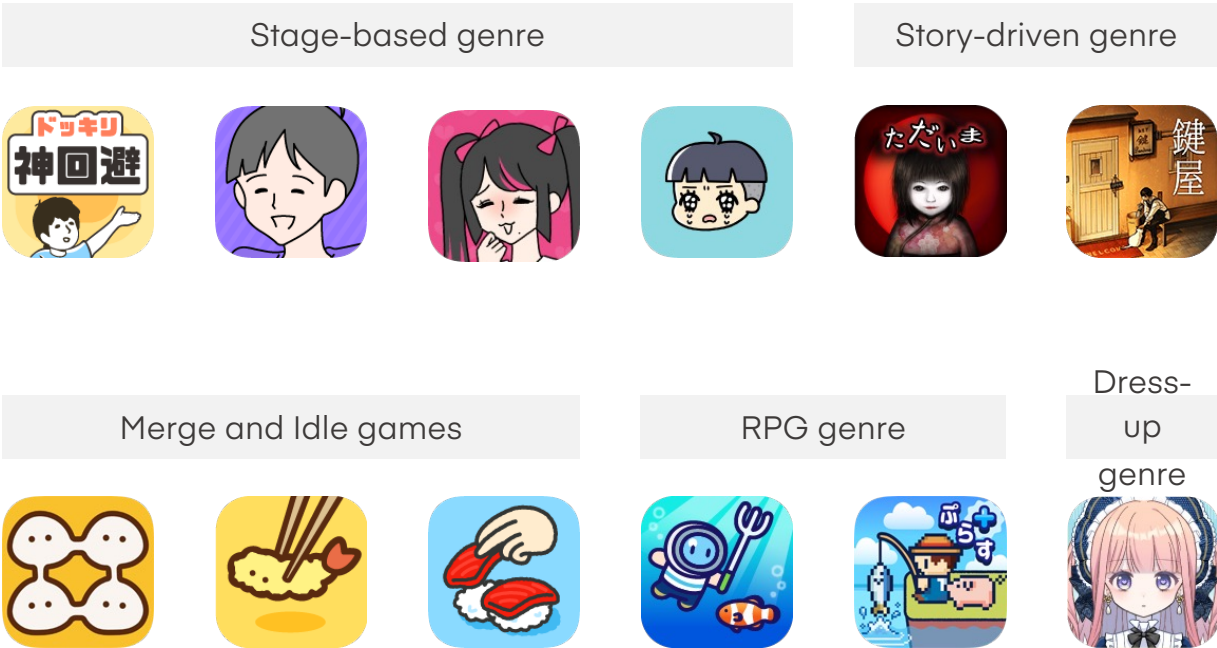
Global Gear handles all aspects of game development in-house, and its strengths lie in its development capabilities for the continuous release of new titles, as well as its planning capabilities for producing hit games.

Cumulative downloads of popular series exceed 20 million

Average app rating on App Store: 4.6 (as of June 14, 2025)

Over 170 games released in various genres

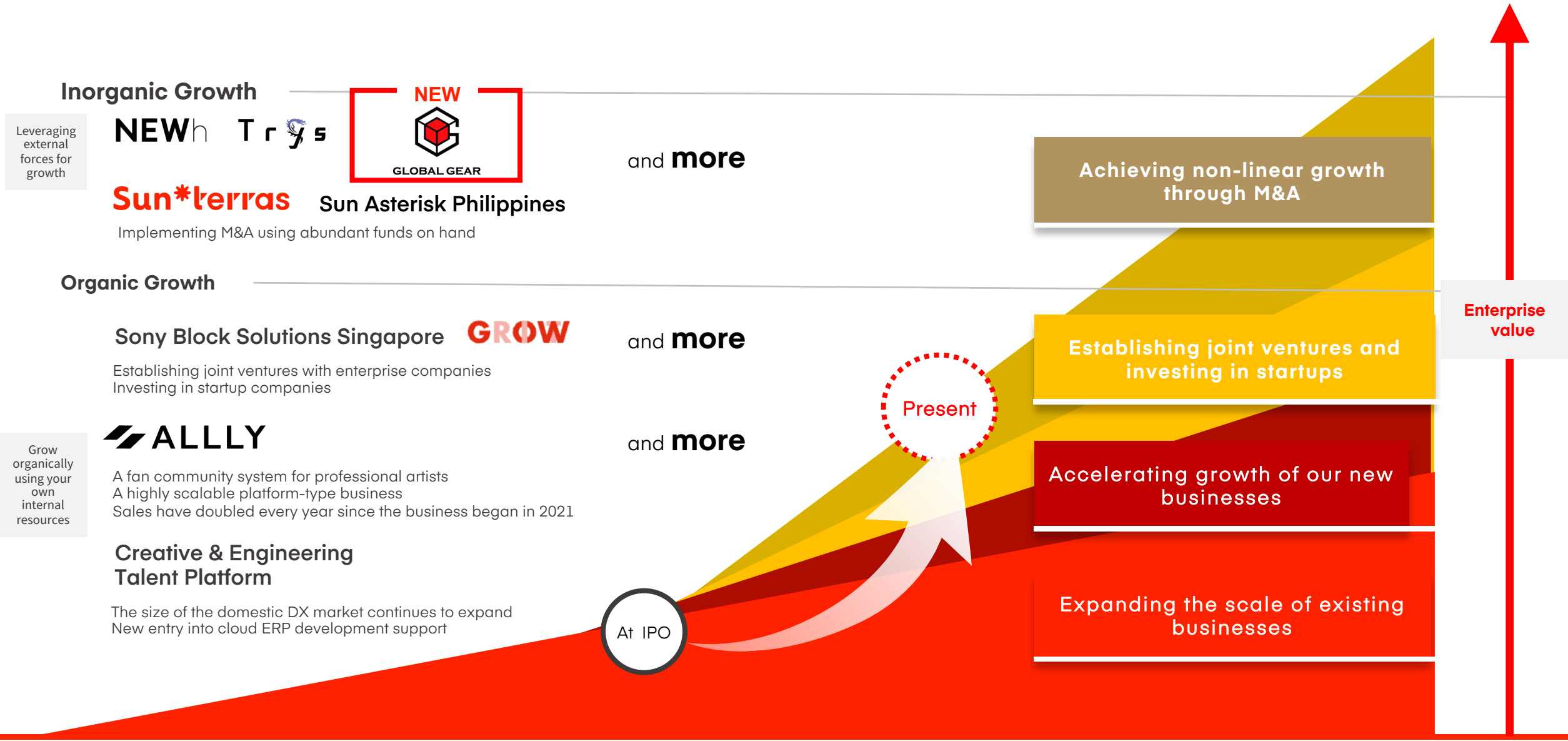
## Key Titles



## 2. Overview of the transaction

Overview of the transaction	Acquisition of 100% of the outstanding shares of Global Gear Co., Ltd.
Shares to be Acquired	60 shares of common stock (100%)
Seller	KLab Inc.
Acquisition Price	JPY 1.1billion
Funding Method for the Acquisition	Cash on hand and planned borrowings from financial institutions
Scheduled Date of Share Acquisition	Scheduled for July 1, 2025
Future Outlook	The impact on our consolidated financial results for the fiscal year ending December 31, 2025 is currently under review. We plan to include the acquired company's results in our consolidated financials starting from the third quarter of FY2025.

### 3. Growth Strategy of the Group





### 3. Growth Strategy of the Group : Group Service Lines and Positioning of Global Gear

Starting from the fiscal year ending December 2025, Sun\*'s Digital Creative Studio operates under three lines: Creative & Engineering, Incubation, Talent Platform. Global Gear will be positioned under the Incubation line.

#### Creative & Engineering

End-to-end support from business concept creation to product design, development, and growth



Business Strategy  
Concept Design



UX/UI Design  
Creatives



App and System  
Development /  
Technical  
Implementation

#### Incubation

Providing entertainment services utilizing talent and expertise from Creative & Engineering



GLOBAL GEAR

Planning, development and operation of  
game applications for smartphones



A group company engaged in  
game development, illustration,  
and manga production



Fan club app management  
system for professional artists

#### Talent Platform

Supporting continuous product growth through recruitment and organizational development

Sun\*terras

IT staffing and  
placement, and  
talent  
development

xseedsHub

Support for the  
recruitment of  
overseas new  
graduate  
engineers



Hands-on  
recruitment  
support

## 4. Expected Synergies

Through mutual sharing of human resources, game production know-how, and industry expertise, we aim to establish a new revenue base and achieve business expansion.

	Short-term	Mid-term	long-term
Sun* Group	<p><b>Utilization of Trys's Resources:</b></p> <p>There is a demand for creative talent for the game titles developed by GG. By leveraging Trys's abundant pool of creative professionals, we expect to improve utilization rates and increase revenue.</p>	<p><b>Build new production structure</b></p> <p>Leverage GG's planning capabilities to produce hit titles.</p> <p>Establish production system within Sun* to improve utilization rates and increase revenue.</p>	<p><b>Establishing a New Revenue Base</b></p> <p>In the entertainment domain, we aim to position the casual gaming business as a core pillar.</p> <p>By expanding our business portfolio, we intend to build a new and sustainable revenue foundation.</p>
Global Gear (GG)	<p><b>Leverage Sun*'s production know-how</b></p> <p>Sun* has prior game development experience and expertise.</p> <p>Sharing this with Global Gear enhances technical capabilities through the use of the latest technologies.</p>	<p><b>Strengthening Production Capabilities</b></p> <p>Sun* possesses abundant human resources.</p> <p>By utilizing Sun*'s personnel and expanding the workforce through recruitment support from TPF, we aim to strengthen our production capabilities.</p>	



## 5.Appendix



# MAKE AWESOME THINGS THAT MATTER

## Our Vision

Create a world where everyone has the freedom to make awesome things that matter.

## Our Mission

Create radical products and businesses with people who actually care about what they do.

About Sun\* : Company Profile

Company		Management		Financial Results for FY2024		KPIs	
Founded	2,013	CEO	Taihei Kobayashi	Sales <sup>(2)</sup>	13.5Billion	Unique Client <sup>(5)</sup>	272Clients
Employees <sup>(1)</sup>	2,011	Co-founder, Director	Makoto Hirai	Operating Income <sup>(2)</sup>	1.44Billion	ARPU <sup>(6)</sup>	5.12million
Sun Asterisk	437	Director	Yusuke Hattori	EBITDA <sup>(2)(3)</sup>	1.65Billion	Monthly average transaction continuation rate <sup>(7)</sup>	92.7%
Sun Asterisk Vietnam	1,301	Director: an Audit and Supervisory Committee member	Ken Nihonyanagi	Sales CAGR <sup>(4)</sup>	35.9%		
Sun Asterisk SoftwareDevelopment	47	Outside director	Toshihiro Ozawa				
Sun terras	114	Outside director	Eriko Ishii				
NEWh	24	Outside director	Makiko Ishiwatari				
Trys	88						

(1) As of Mar, 2025 (including temporary hirings)

(2) As of Mar, 2025

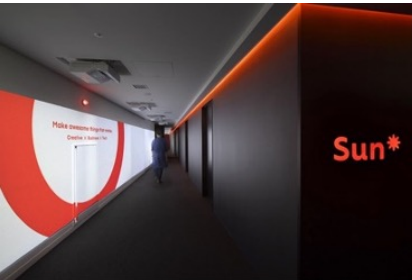
(3) EBITDA : Operating income + Depreciation and amortization + Amortization of goodwill

(4) Average Annual Growth Rate from 2/2016 to FY2024

(5) Actual number of customers conducted transactions in FY2024

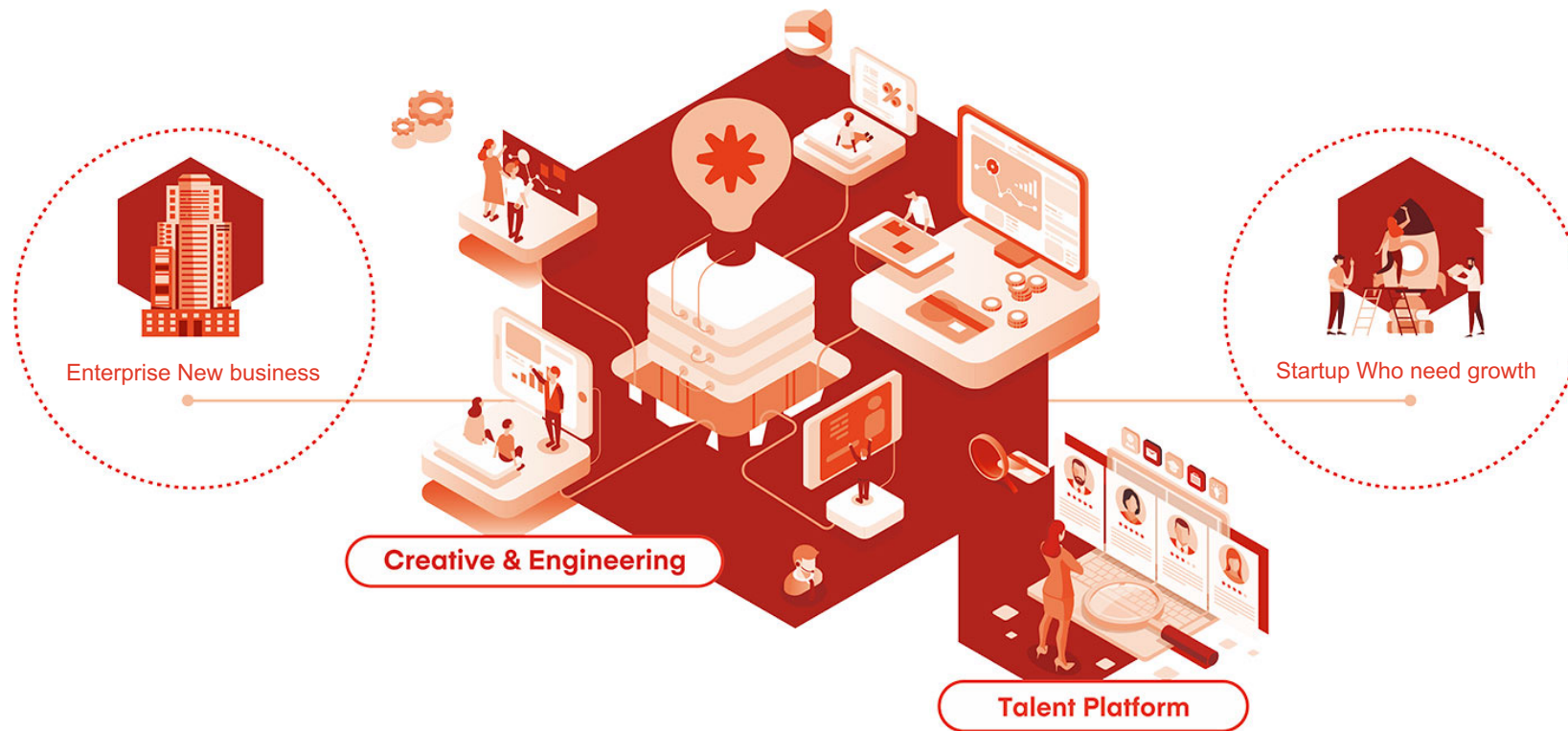
(6) FY2024 total sales / total number of trading customers

(7) 100% - (Number of customers who canceled in the current month / Number of customers in the previous month), average value for 63 months from January 2020 to March 2025



## About Digital Creative Studio : What is a Digital Creative Studio?

### Digital Creative Studio



A service that creates optimal teams that can utilize digital technology and creativity, promotes digitalization in all industries, and creates value that updates society.

Supporting from  
business creation  
to service growth.

Creative &Engineering

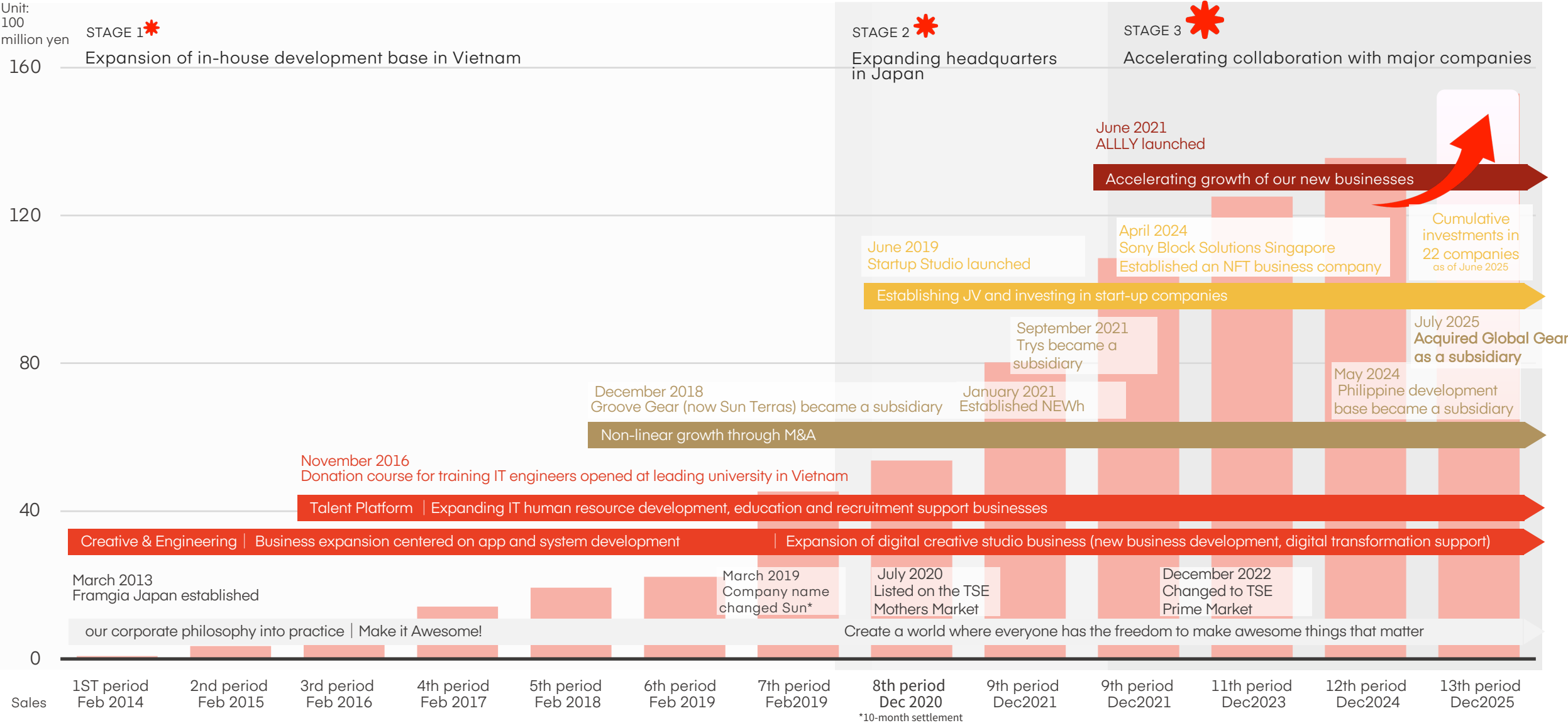
Tech, Design, Business Professional  
team creates and supports new  
business and product development

Talent Platform

Scouting, Educating, and recruiting IT  
talent in Japan and abroad



# History of Value Creation and Self-Transformation





# Topics : Sustainability Initiatives

Ten materialities were identified and grouped into five categories.

Category	Materiality	ESG
DX and business co-creation	DX promotion in all industries	Social
	Developing a value chain with various partners	
	Improve customer experience and service quality	
Human resources and teams	Finding, nurturing, and promoting the success of value-creating human resources and teams	Social
	Diversity and Inclusion promotion	
Community	Contribute to the local community and various communities	Governance
Corporate Governance	Enhancement of corporate governance and risk management	
	Thorough implementation of corporate ethics, compliance, and anti-corruption	
	Thorough privacy and information security management	
Environment	Contributing to global environmental issues such as climate change and environmental pollution	Environment

We have systematically organized our sustainability promotion activities, which had been conducted sensitively until now, and analyzed, evaluated, and determined the materiality (key issues) that will become the foundation for Sun\* to create value over the long term through its business activities from the company's and stakeholders' perspectives.



Details are available on the Sustainability Now available on our website!

<https://sun-asterisk.com/sustainability>



Outline of Group Companies

Company Name	Capital	Percentage of voting rights	Business content
Sun Asterisk Vietnam Co., Ltd.	55 Thousand USD	100%	The development base in Vietnam, where our company was founded and where we have a large number of excellent engineers through partnerships with the Hanoi University of Technology and other institutions. The largest organization in the group with a headcount of over 1,400
Sun terras	10 Million Yen	100%	Develops IT human resources training, placement, and dispatch business in Japan; company name changed from GROOVE GEAR in February 2024
NEWh	10 Million Yen	100%	Innovation Design & Studio specializing in new business and service development for large companies, established in January 2021
Trys	100 Million Yen	100%	Businesses include game development in general, illustration, manga production, and video production
Sun Asterisk Software Development Inc.	900 Thousand PHP	99.9%	Originally established by our company in 2015, this development center in the Philippines was once independent in 2019, but became a subsidiary in May 2024. Operates IT and programming education business as well as development support

- This material has been created for the sole purpose of introducing the company's business activities, and not for soliciting investments.
- The business forecasts and the future outlook described in the material is based on information currently available.
- The forecast includes uncertainties such as sudden changes, therefore actual results may differ.



Let's make awesome things that matter.