July 22, 2026

To whom it may concern,

Company name: Sun* Inc.

Representative: Taihei Kobayashi

Representative Director

（Code:4053, TSE Prime Market）

Contact: Yuya Fukutomi

Executive Officer and CFO

Mail: ir@sun-asterisk.com

Notice Concerning Changes in Equity-Method Affiliates (Becoming Subsidiaries)

Sun* hereby announces that at a meeting of our Board of Directors held on July 22, 2026, we resolved to acquire Babel Method Co., Ltd. (hereinafter referred to as Babel Method) as a subsidiary by subscribing to a third-party allocation of shares issued by Babel Method, as described below.

1. Reason for making it a subsidiary

Our group's Our group offers "xseeds," a talent platform within one of our service lines, which collaborates with top universities overseas, primarily in ASEAN countries, to train IT engineers and cultivate highly skilled digital talent capable of succeeding in Japan.

Babel Method Inc. develops and operates the online Japanese speaking test "Japrise" and the online Japanese conversation training program "BABELMETHOD," providing solutions to improve the Japanese language proficiency of overseas talent.

We began working with Babel Method Inc. in October 2022 and have built a close relationship, including the introduction of "Japrise" for measuring the effectiveness of Japanese language education in our IT engineer recruitment platform, "xseeds Hub." In January 2026, we made Babel Method Inc. an equity-method affiliate to further promote our collaboration.

Based on the results of our collaboration, we have decided to make Babel Method a subsidiary to accelerate the establishment of a system that provides talent development and supply through "xseeds" and Babel Method's Japanese language proficiency improvement solutions as an integrated service, thereby streamlining decision-making and integrating management resources.

This will further strengthen the competitiveness and differentiation of our "Talent Platform" and aim to achieve our vision of "a world where everyone can become absorbed in value creation."

2. Overview of the subsidiary to be transeferred (BABEL Method Inc.)

(1)	Name	BABEL Method Inc.	
(2)	Location	4-12-6 Higashi-Shinagawa, Shinagawa-ku, Tokyo	
(3)	Job title and name of representative	Tomoko Fukai (Representative Director)	
(4)	Description of business	・Sales, development, and operation of the online Japanese speaking test "Japrise" ・Sales, development, and operation of the online Japanese conversation training program "BABELMETHOD"	
(5)	Share capital	31 million yen	
(6)	Date of establishment	June 1, 2021	
(7)	Relationship between the Company and said company	Capital relationship	Sun* holds a 40.0% stake in the company in question.
		Personnel relationship	We have dispatched one of our employees to serve as an executive officer.
		Business relationship	We have a business relationship with our "Talent Platform"
(8)	Operating results and consolidated financial positions of said company for the last three years	We will refrain from disclosing the information at the other party's request.	

3. Number of shares acquired through third-party allocation of new shares and status of share ownership before and after acquisition.

(1)	Number of shares held before the change	2,440 shares (Number of voting rights: 2,440 units) (Ratio of voting rights held: 40.0%)
(2)	Number of shares to be acquired	24,510 shares (Number of voting rights: 24,510 units)
(3)	Number of shares held after the change	26,950 shares (Number of voting rights: 26,950 units) (Ratio of voting rights held: 88.0%)

*The acquisition price was calculated by a third party and deemed reasonable.

4. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	July 22, 2026
(2)	Date of conclusion of the agreement	July 22, 2026
(3)	Date of commencement of share transfer	August 1, 2026 (scheduled)

5. Outlook

The impact of this share acquisition on the Group's consolidated financial results is expected to be minor; however, if there is a significant impact on future business results, we will promptly notify you.