



Financial Results Explanatory Materials for the  
2<sup>nd</sup> quarter of the Fiscal Year Ended December 2024

**Sun Asterisk Inc. | Securities code : 4053**

August 14, 2024



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**1**

**Business Summary**



**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.

# Company Profile

Company		Management		Financial (Previous period)		KPIs	
Founded	<b>2013</b>	CEO	Taihei Kobayashi	Sales (2)	<b>12.5</b> Billion	Stock-type Client (5)	<b>127</b> Clients
		Co-founder, Director	Makoto Hirai				
		Director	Yusuke Hattori	Operating Income (2)	<b>1.77</b> Billion	ARPU (6)	<b>5.08</b> million
Employees (1)	<b>2,100+</b>	Director	Takuya Umeda				
	Sun Asterisk : 415+	Director: an Audit and Supervisory Committee member	Ken Nihonyanagi	EBITDA (2) (3)	<b>1.96</b> Billion	Churn Rate (7)	<b>3.60</b> %
	Sun Asterisk Vietnam : 1,405+	Outside director	Toshihiro Ozawa				
	Sun Asterisk Software Development : 50+	Outside director	Eriko Ishii	Sales CAGR (4)	<b>39.7</b> %		
	Sun terras : 100+	Outside director	MAKIKO ISHIWATARI				
	NEWh : 20+						
	Trys : 110+						

(1) As of JUN, 2024 (including temporary hirings)

(2) FY12/2023

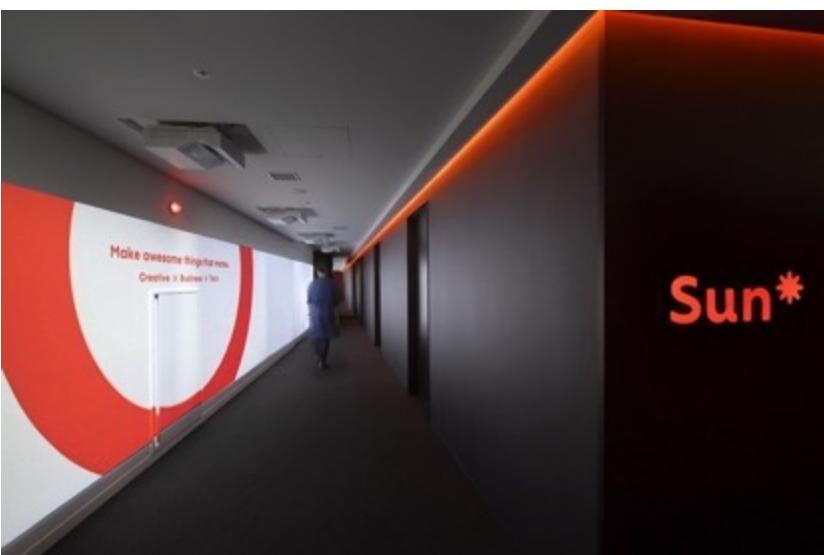
(3) EBITDA : Operating income + Depreciation and amortization  
+ Amortization of goodwill

(4) Average Annual Growth Rate from 2/2016 to FY2023

(5) 6/2024

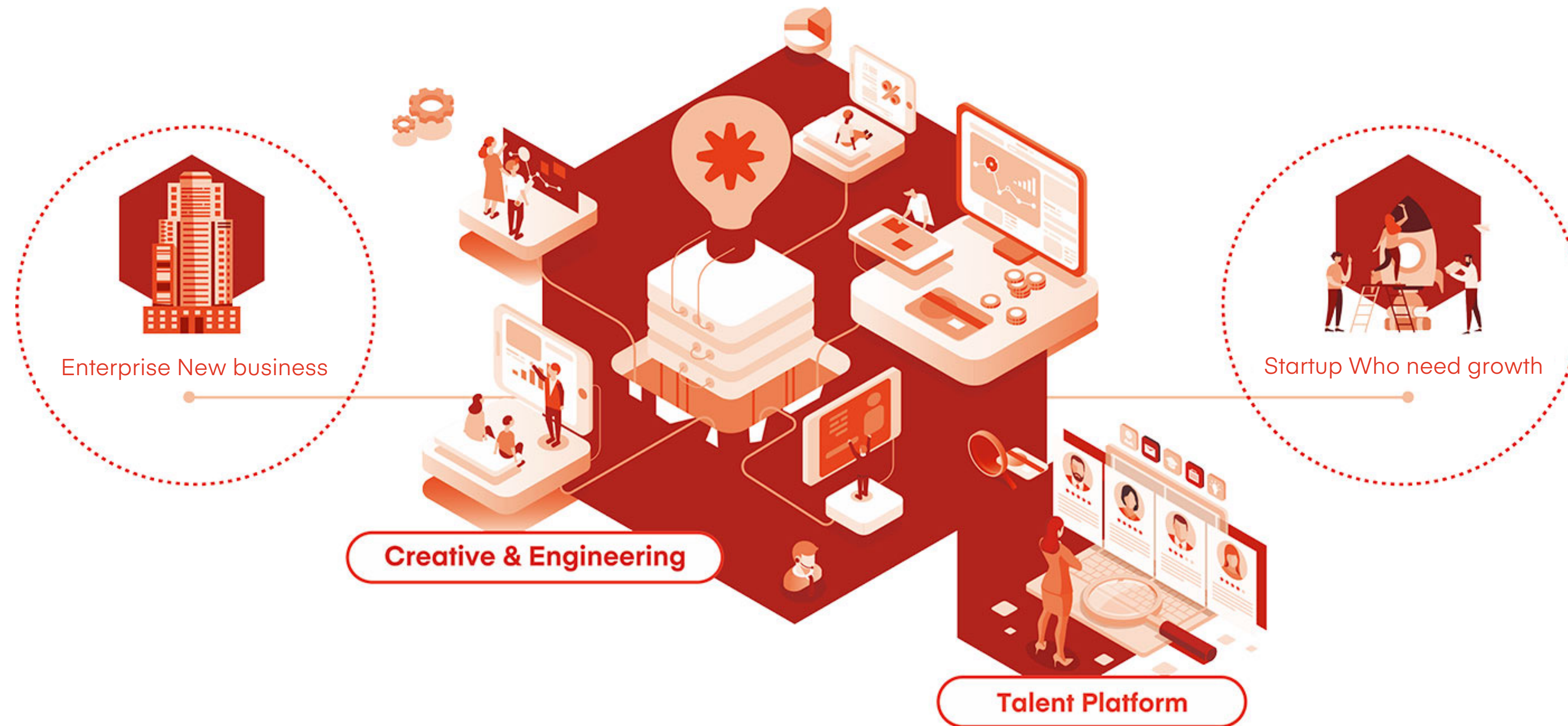
(6) 6/2024

(7) Calculated based on Jan. 2015 to JUN, 2024, 114 month average. # of churn clients/ existing clients average



# 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.

# Business Summary

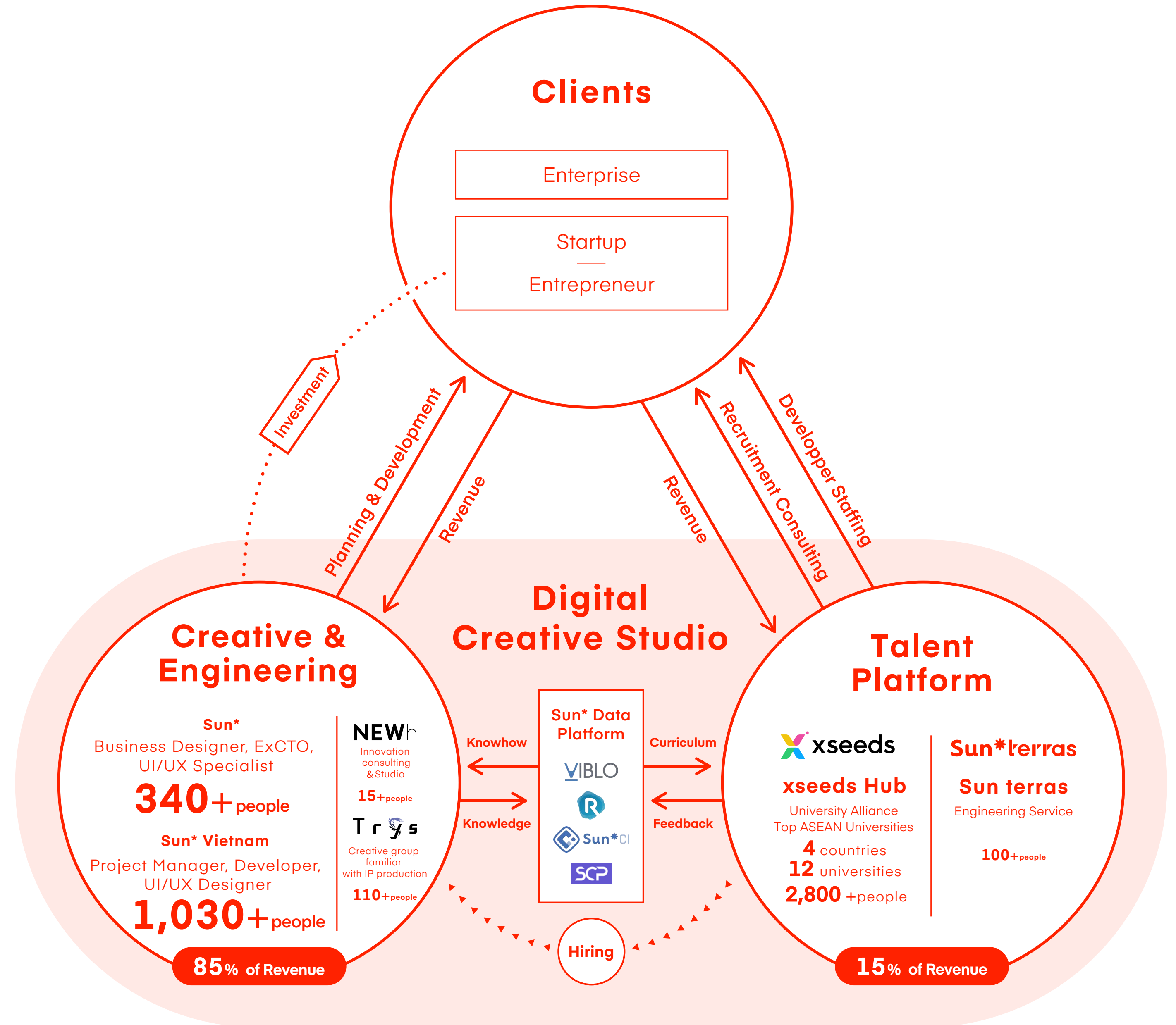
## Supporting from business creation to service growth.

### 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



# Functions of the Digital Creative Studio

A team of B, T, C professionals with multinational and diverse backgrounds  
Co-creating businesses with clients by utilizing value-creating methods and know-how


A large number of professionals from diverse backgrounds



Professional

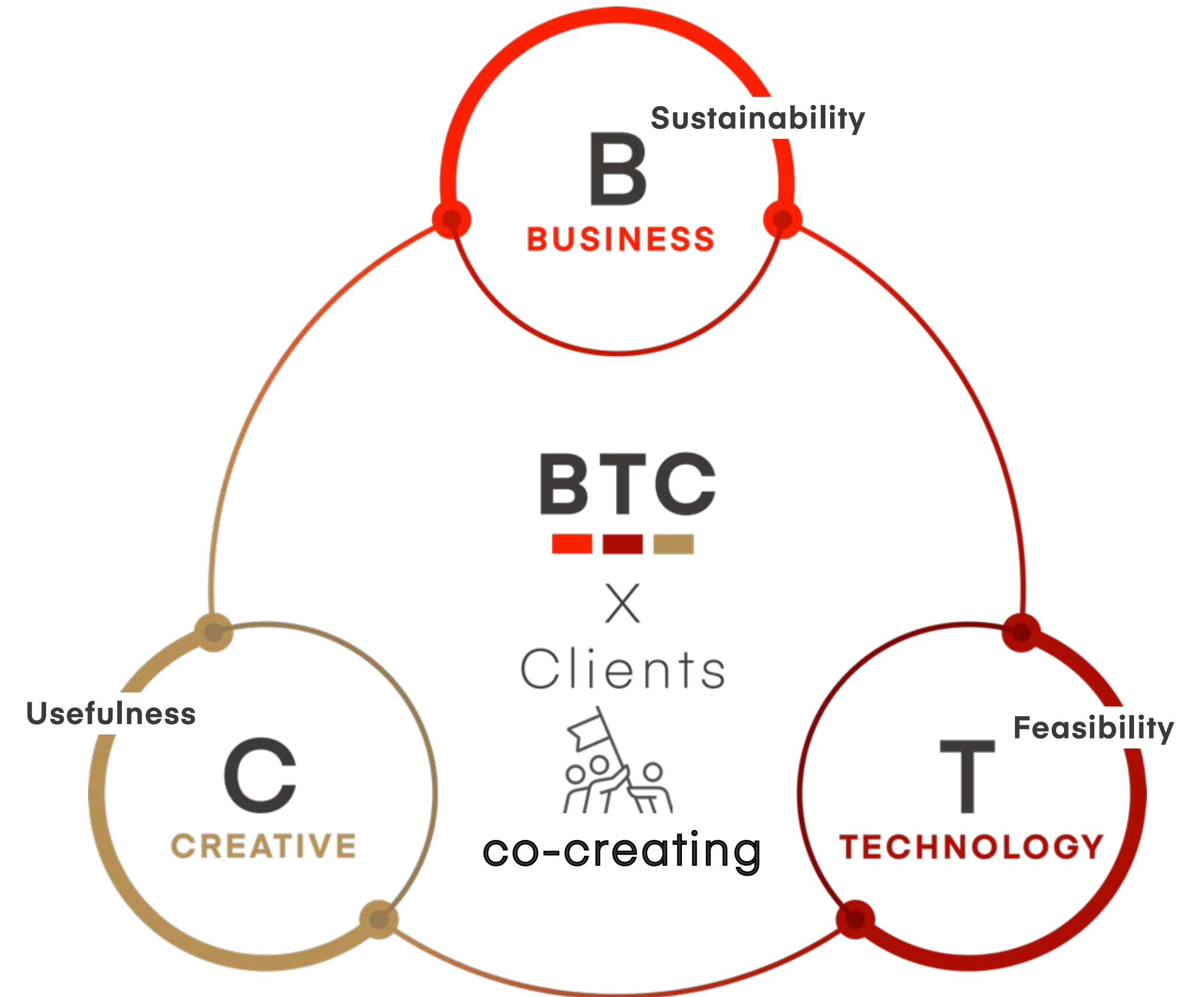
Business Consultant	Director of Business Development	Business Designer
UI/UX Designer	UI Planner	Art Director
CTO	Project Manager	Full Stack Engineer

Methods and know-how accumulated from our extensive experience



Methods Know-How

Design Thinking	Lean Startup	User-Centered Design
Agile	DevOps	CI/CD
AI	Blockchain	NFT





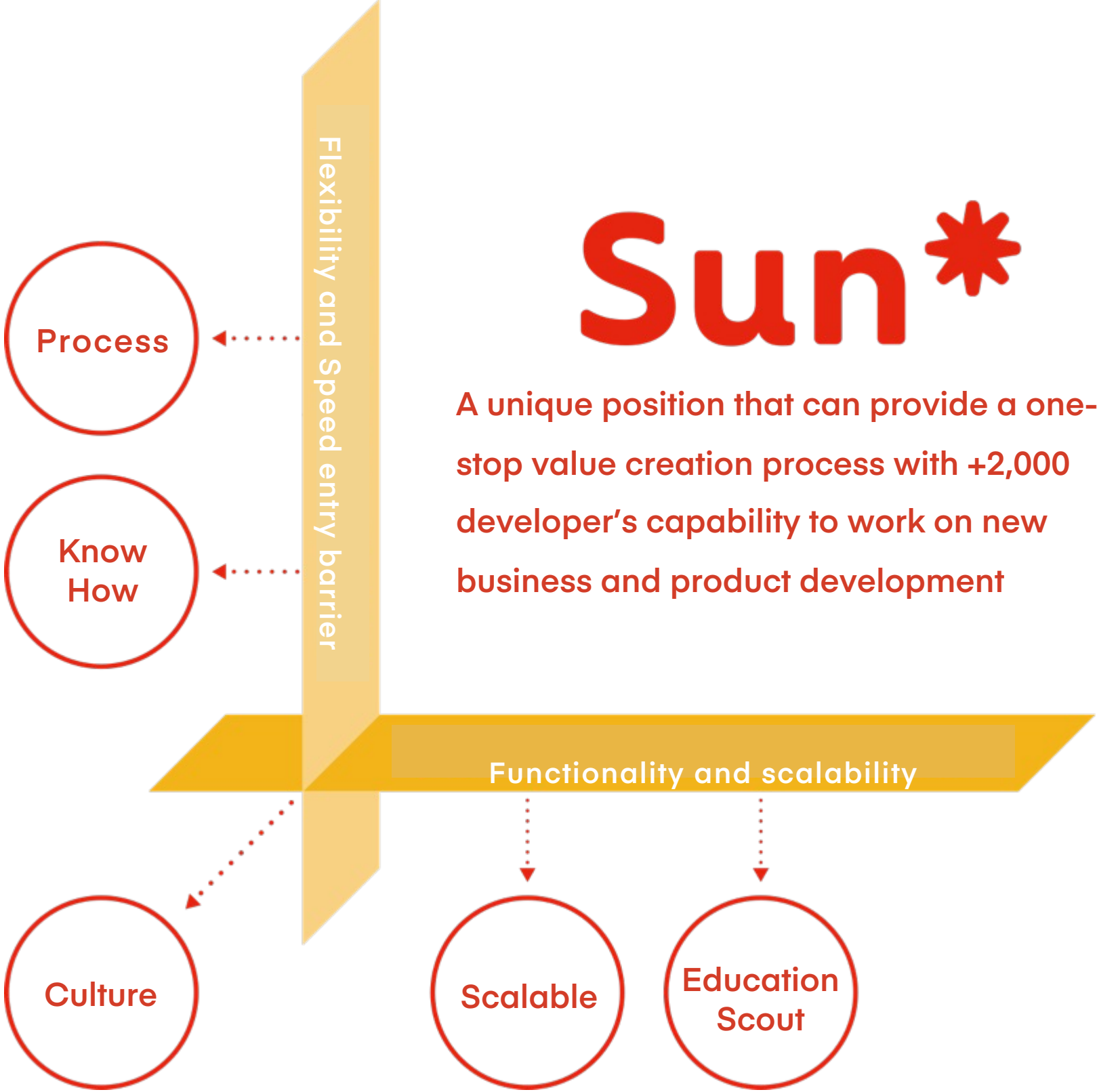
# The Two Types of DX Proposed by Sun\*

The two types of digital transformation and the method to reach the target

Classification	<b>Digitization</b>	<b>Digitalization</b>
Target	<b>Digitize the business process</b> Improve business efficiency Such as renewing the core system	<b>Digitalize the business</b> The growth of revenue Update and change into a digital company
Requirement	<b>Stability and Quality</b>	<b>Flexibility and Speed</b>
Method	<b>Problem solving</b> Identify problems, organize business flow, design a system of requirement definition, apply a system of Waterfall development, and maintain, measure, improve effectiveness	<b>Value creation</b> Use design thinking to create new ideas. Lean startup, MVP development, Agile development. High speed DevOps system and Operation

# Sun\* Uniqueness in DX Market

## Unique position to provide one-stop new business/product development



### Process · Know-how

Value creation processes that have been repeatedly refined through development using design thinking, Lean Startup, and agile approaches, and reproducibility through a data platform that has accumulated know-how from more than 400 development projects, mainly for new businesses and products.

### Culture

Accelerate collaboration with people, products, and things that seriously tackle social issues, and create an open and strong culture where people can immerse themselves in value creation.

### Scalability

More than 1,500 B, T, and C professionals in our organization. Ability to identify and develop human resources by leveraging value creation processes and know-how, and building training ecosystems in collaboration with educational institutions.

## Case Study : Timee, Inc.



A pioneer in the spot work market, where people work in their spare time

### Notable unicorn company envisions the engineering organization of the future that will drive growth

At the end of July 2024, Timee went public with a market capitalization of over 100 billion yen. The birth of a unicorn company for the first time in about three years was bright news in the startup world. For the growth of SaaS services, building an engineering organization is a major management issue. It would be difficult to expand from an engineering organization of 100 people before the IPO to an organization of 400 people within the country alone, so they consulted Sun\*, saying, "We want the best team that understands Timee as a long-term partner."

Development & Implementation    Scrum Development    DevOps

Startup    Job Offering

**ISSUE**

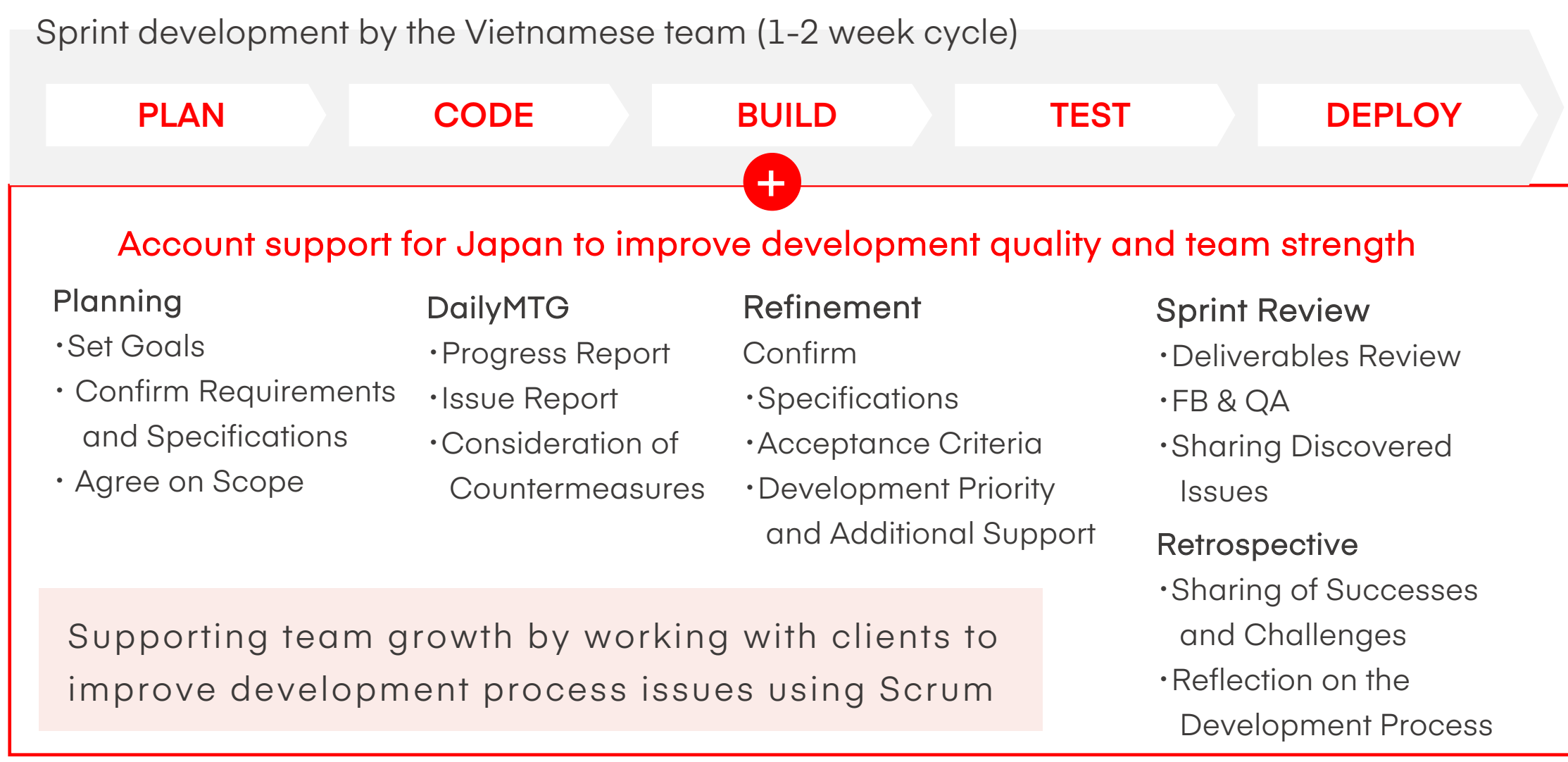
Timee needs to increase the number of engineers. As there is a limit to what can be done domestically, they would like to consider increasing staff overseas as well. As a first step, they would like to consult with Sun\*, taking into account the success of Money Forward, which has used a development base in Vietnam.

**Why? Sun\***

During the inspection in Hanoi, the VPoE evaluated the technical capabilities, QA quality, and development style of Sun\*'s engineers. In addition, the company gained trust through interviews with Money Forward and other clients who develop with Sun\*.



\*1 [調査方法] デスクリサーチ及びヒアリング調査 [調査期間] 2021年2月8日-22日 [調査概要] スキマバイトアプリサービスの実態調査 [調査対象] 2020年12月までにサービスを開始しているスキマバイトアプリ10サービス [調査実施] 株式会社ショッパーズアイ \*2 [出典] AppStoreライフスタイルカテゴリーランキング (2021年5月時点)



# Case Study : DAIKIN INDUSTRIES, LTD.



The 2024 logistics problem: DX to improve driver waiting times and working conditions

## Support for systematization to complement WMS and TMS functions to realize PULL-type logistics

As truck drivers will be subject to a 960-hour limit on overtime work from April 2024, and the revised improvement standards notification will come into effect, raising concerns about the "Logistics 2024 Problem." At DAIKIN INDUSTRIES' distribution center, drivers were wasting time waiting for cargo to be sorted and for berths to open. To resolve this issue, Sun\* assisted in the development of a schedule management system that balances the workload inside the warehouse with reducing driver waiting time.



- Basic Design
- Development & Implementation
- RPA
- AWS
- Agile Development
- DevOps

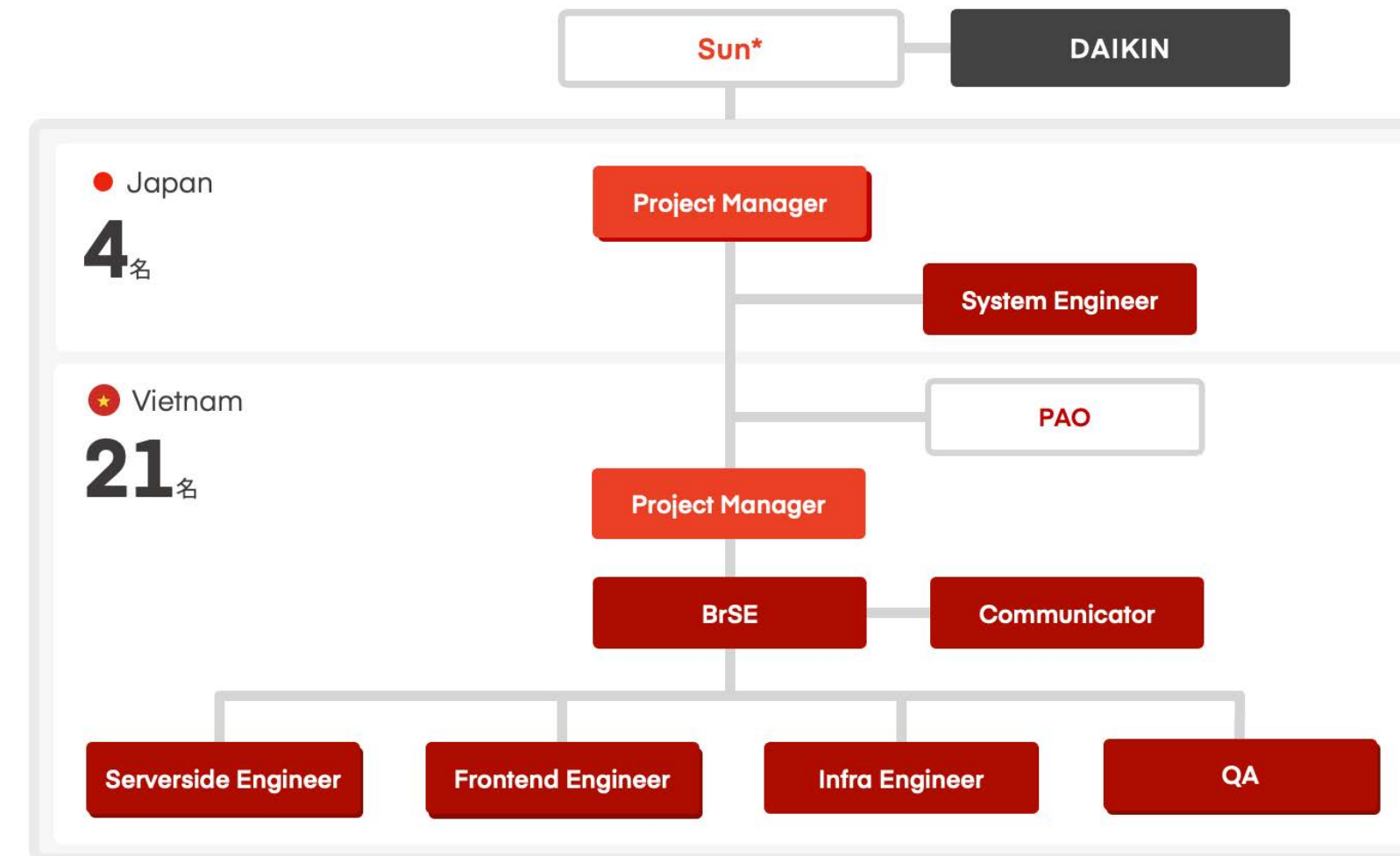
- Enterprise
- Logistics

### Why? Sun\*

We had a track record of supporting the design, development, and business establishment of systems using agile development. In addition, they had members with experience in system development in the logistics industry and who were familiar with logistics work and operations, so they were able to make high-resolution, forward-looking proposals.

### SOLUTION

The function of connecting with the core system to send and receive data was temporarily realized using an RPA tool, with API integration being implemented in a later step. In addition, the system was built in close cooperation with the information systems department to meet the security requirements for the cloud architecture.



### Client Voice

"The reason we chose Sun\* as our partner was because of their UI technology, development track record, and speed. They caught up quickly and got the project moving forward, even within our limited schedule. They also quickly proposed improvements that were suited to our business, and we have come to trust them as a partner."

# Case Study : Seven Bank, Ltd.



Cultivating employee awareness and changing culture for the "second growth"

## Supporting business creation to foster an "adventure-minded" mindset among employees

Seven Bank provides a safe, secure and convenient ATM platform service with over 27,000 ATMs used by approximately 2.5 million customers per day. The bank is focusing on changing the mindset of its employees and developing human resources to foster an innovative mindset among all employees, and is working on activities such as learning new business creation methods in its culture transformation project "SEVENBANK Academia." Sun\* supports the company's business creation program.

- Service Design
- Design Prototype
- Enterprise
- Retail
- Finance

**ISSUE**

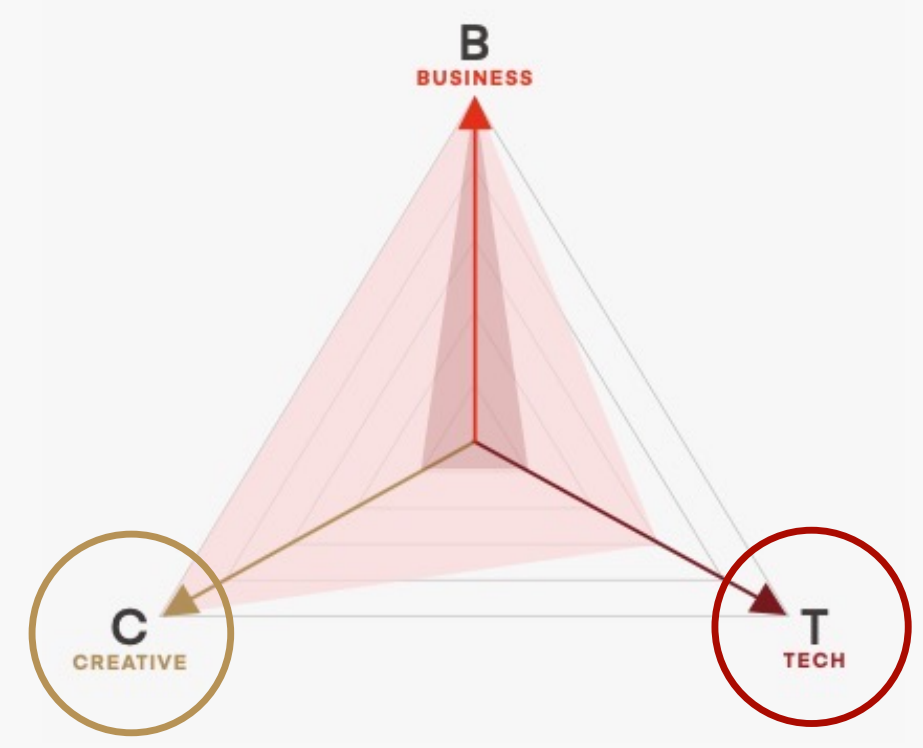
Previous support for idea hypothesis review and initial verification had not led to any output. Another issue was the limited number of participants at the time of entry, and the lack of in-house designers and engineers who could be dedicated to new business activities, making it difficult to build a verification system.

**SOLUTION**

Phase 1: In addition to workshops to accelerate the initiative, we provided ideation support using ChatGPT before entry and weekly bounce-back sessions with participants.  
 Phase 2: Provide service design support to academia graduates (passed proposals) and quickly conduct various verifications leading to a decision on MVP development.

### Sun\*'s Incubation/Acceleration Program 2.0

By incorporating both tech and creative perspectives, possible to quickly verify specific details, not just update the business plan

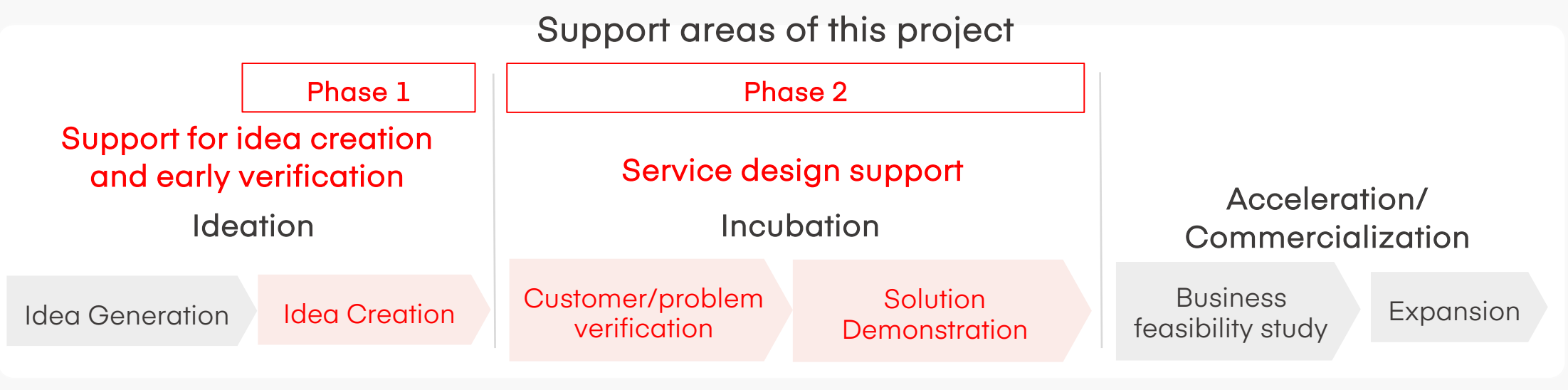


コンセプト (主眼は事業)		特長 (主眼は事業)		収益 (主眼は会社)	
マクロ	ミクロ	課題性	自強性	持続可能性	収益モデル
「中身の強さ(強さ)」ユーザーセグメントの拡大	「強さ(強さ)」ヘルソナの活用	競合代替品に代わって	活動機軸仕込みが実現する	事業継続により継続されるもの	支払い得意となる仕組み
「自強性(強さ)」最大公約数的な課題を解決するための	「強さ(強さ)」経営者の課題を解決するための	「強さ(強さ)」選ばれる理由	自社リソース	成長強化するもの	収益モデルが収入である
「持続性(強さ)」手法	「強さ(強さ)」手続	「強さ(強さ)」選ばれる理由	パートナーリソース	コスト	コストが収入である
「強さ(強さ)」最大公約数的な課題を解決するための	「強さ(強さ)」経営者の課題を解決するための	「強さ(強さ)」選ばれる理由	チャネル/提供手段		毎月発生/固定経費の削減による収益の向上

Sun\*'s unique business framework Value Design Syntax

- Benefits of adding C and T
- Refined brush-up of the concept
  - Verification of practical acceptability, not just theoretical
  - Consider the best MVP for the next phase

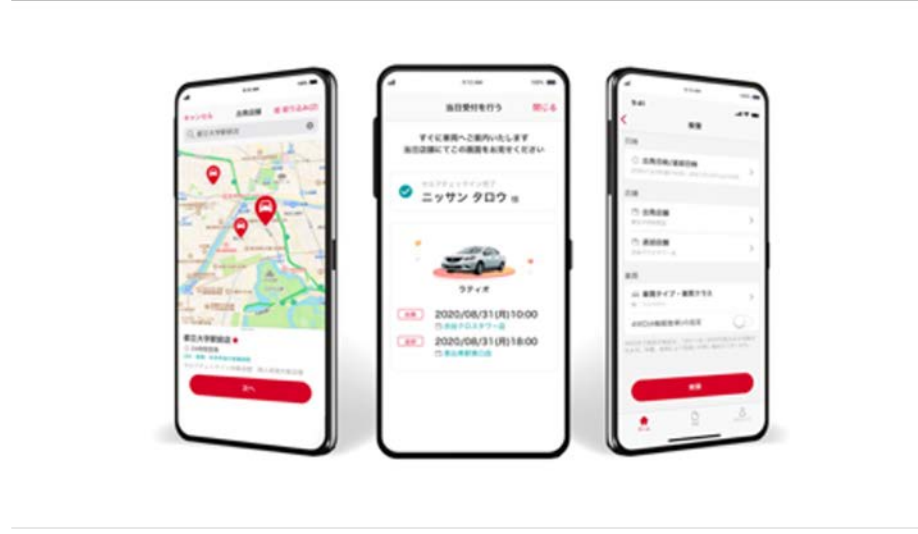
Verify user experience and usability by mocking up concepts



# Case Study of DX Promotion and New Business Development



膝栗毛 (HIZAKURIGE)  
MITSUBISHI ESTATE CO., LTD.



Nissan Rent a Car Official Application  
NISSAN CAR RENTAL SOLUTIONS CO., LTD.



GLP ALFALINK Official Application  
GLP Japan Inc. / Monoful Inc.



elgana  
NTT business Solutions corporation.



Official Online Store  
Siroca Inc.



MeeTruck  
SoftBank Corp./MeeTruck K. K.



Smart League  
SSK CORPORATION



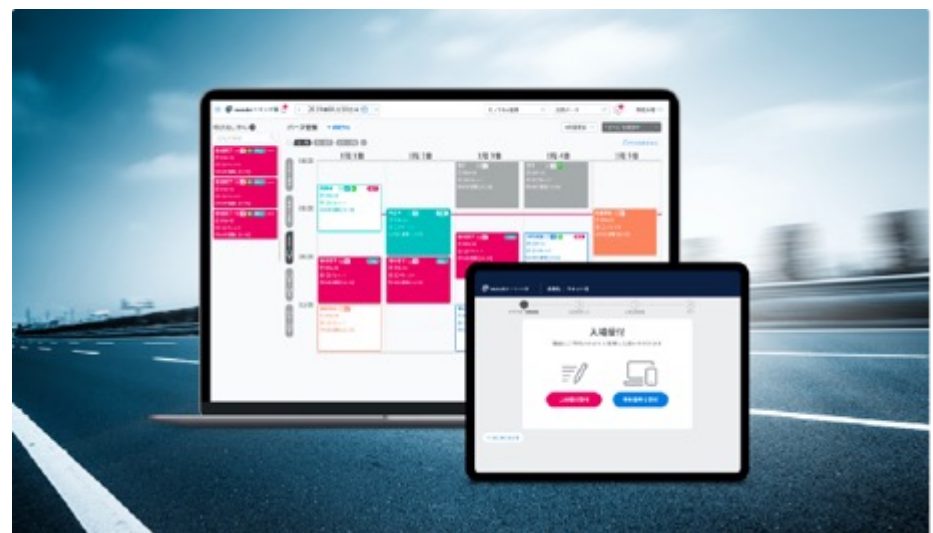
SAAI Wonder Working Community  
Mitsubishi Estate Company CO., LTD.



Web Internal Newsletter Tool  
Ourly Inc.



ENAGEED GEAR  
Enageed Co., Ltd.



Truckbook / dplus  
Monoful Inc.



TOKYO-UENO WONDERER PASS  
UENO Cultural Park/  
LINE Pay Corporation



Todokun  
NPO Bridge for Smile



BI tools, RPA implementation support  
LAWSON, INC.



Update on the website  
<https://sun-asterisk.com/works/>



**2**

**FY2024-2Q Financial Highlights**

## Financial Results Summary

Although sales from certain large flow projects in the mainstay Creative & Engineering have run their course, sales increased YoY

Decrease due to higher SG&A expenses resulting from lower utilization ratio and the impact of yen depreciation  
 Ordinary income also decreased due to lower interest income resulting from lower interest rates in Vietnam and higher foreign exchange losses

Unit : Million Yen	FY2023 1H	FY2024 1H	Rate of Change	Financial Forecast	Progress Rate
<b>Sales</b>	6,121	6,517	6.5%	15,061	43.3%
<b>Gross profit</b>	3,172	3,432	8.2%	7,970	43.1%
<b>Gross profit margin</b>	51.8%	52.6%	—	52.9%	—
<b>EBITDA (1)</b>	952	825	(13.3%)	2,367	34.9%
<b>Operating income</b>	861	727	(15.6%)	2,162	33.6%
<b>Operating margin</b>	14.1%	11.2%	—	14.4%	—
<b>Ordinary income</b>	1,021	697	(31.7%)	2,299	30.3%
<b>Net income</b>	716	468	(34.6%)	1,780	26.3%

Average exchange rate  
(per 1 Vietnamese Dong)

0.00573yen

0.00610yen

0.00600yen

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



## Key Points 1

### Creative & Engineer sales

- Sales declined QoQ due to the expected completion of certain large flow projects that had been driving revenue growth
- Sales increased YoY due to steady growth in stock-type sales

### Talent Platform sales

- Domestic staffing and recruiting agency businesses performed well, with sales up year-on-year
- Orders for overseas IT staffing remained sluggish, and SES operations at Sun terrace also declined

### Gross profit margin

- Cost of sales ratio increased due to reduction of certain highly profitable large flow projects
- High gross profit margin in the previous quarter was due to large and highly profitable specific flow projects

### Operating income

- Personnel expenses in SG&A increased due to a temporary decline in capacity utilization
- In addition, recruiting expenses increased due to ongoing headcount expansion
- Operating income margin decreased from the same period of the previous year

### Impact of Foreign Exchange

- The exchange rate during the period was 0.00610 yen/VND, a level weaker than the forecast
- The depreciation of the yen resulted in a foreign exchange loss of 111 million yen
- Foreign exchange losses increased by 44 million yen year-on-year, while interest income decreased by 119 million yen due to lower interest rates in Vietnam, etc

## Key Points 2

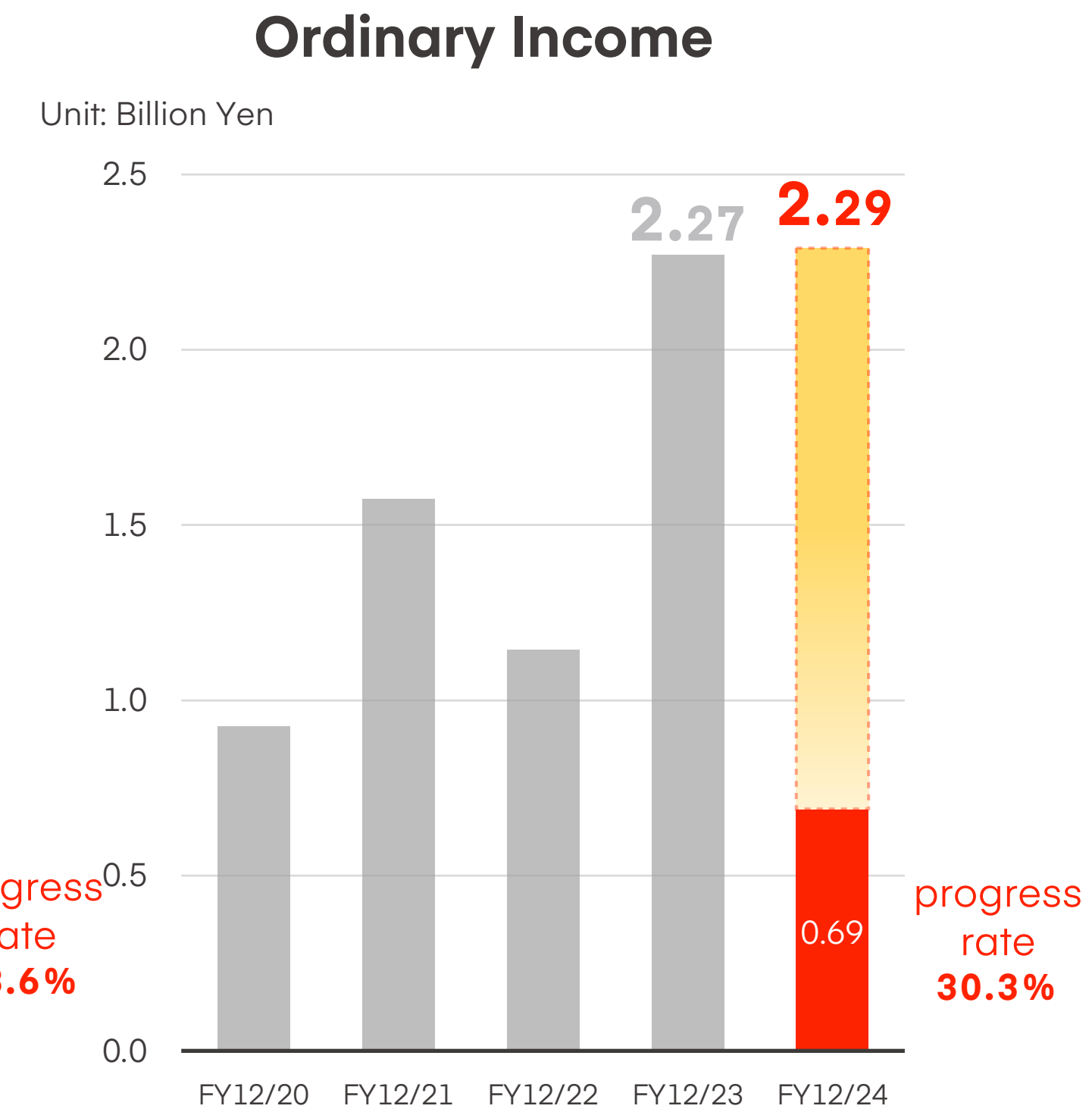
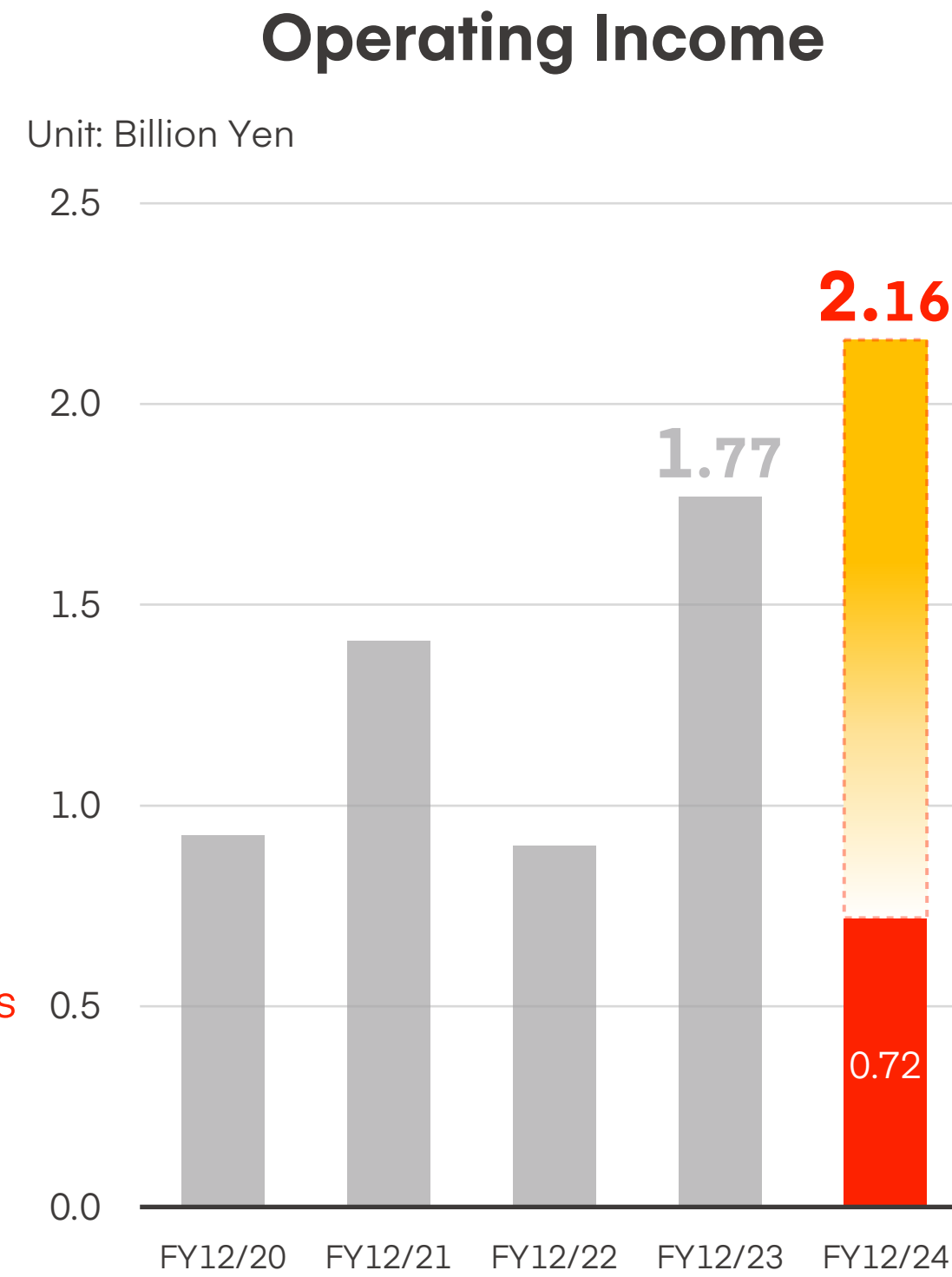
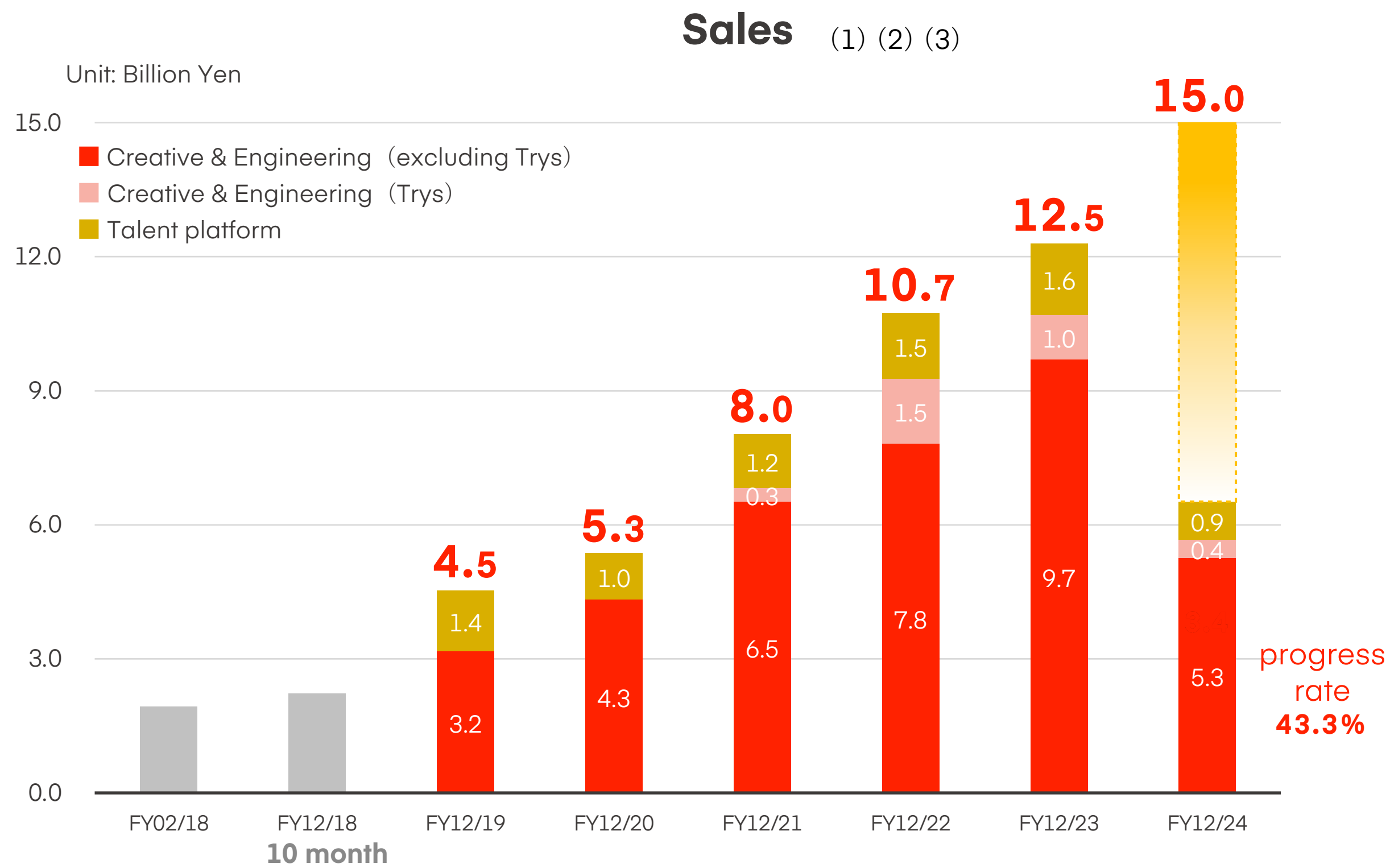
Personnel expenses, which account for about 70% of SG&A expenses, increased significantly due to a temporary decline in capacity utilization  
 Increased hiring expenses and continued headcount expansion for growth

Unit : Million Yen

	2023.1H		2024.1H			Point
	Result	Composition ratio	Result	Composition ratio	YoY Change	
personnel expense	1,626	70.4%	1,995	73.8%	22.7%	Temporary increase due to lower utilization ratio (Costs of unutilized personnel are recorded in SG&A expenses)
recruiting expenses	78	3.4%	148	5.5%	90.2%	Continued aggressive recruitment
Outsourcing expenses	98	4.3%	100	3.7%	2.1%	
Sales activity expenses (excluding recruiting expenses)	75	3.3%	87	3.2%	3.2%	Increase in advertising and other expenses
Facility expenses	239	10.4%	283	10.5%	18.2%	Increase in system costs and other costs
Other SG&A	191	8.3%	88	3.3%	-54.0%	
<b>Total</b>	<b>2,311</b>		<b>2,704</b>		<b>17.0%</b>	

# Changes in Sales and Net Income

Although progress against the full-year forecast is lagging, the company aims to achieve the forecast by acquiring new customers and increasing orders for new projects through changes in the sales department structure and a review of activities



(1) FY 12/2018 is 10 month fiscal year period due to change in accounting period

(2) Sales history presents non-consolidated before FY2/2018

(3) Merged GROOVE GEAR Inc in 2018/12, it reflects FY12/2019, before internal transaction, GROOVE GEAR revenue is 1.144 billion yen and net income is 60 million yen

\* The figures before the fiscal year ending February 2018 have not been audited by an audit corporation.

# Sales (quarterly change)

Sales in FY24-Q2  
**3.10 billion Yen (YoY 0.9%)**

**Creative and Engineering (excluding Trys)**  
 4.2% YoY

**Talent Platform**  
 (2.0%) YoY

**Trys**  
 (23.5%) YoY

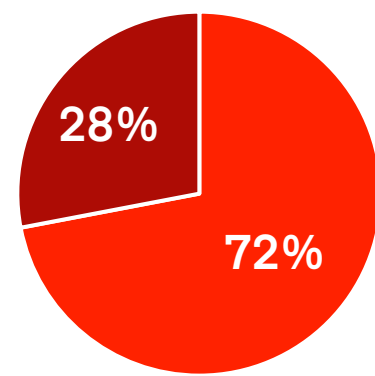
※ Decrease in sales due to the transition to a contracted game development model after the transfer of game titles.

**Creative & Engineering**

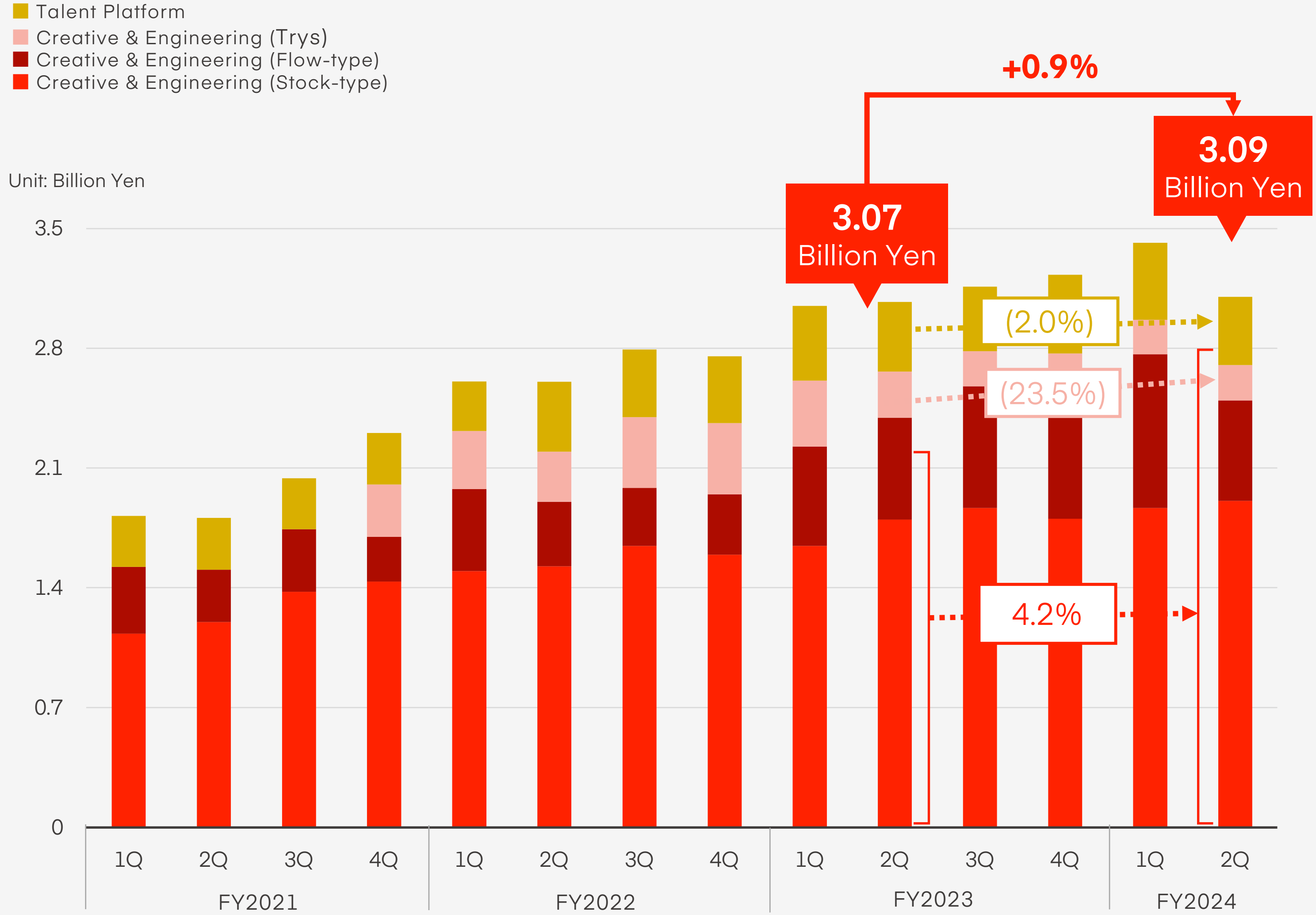
**Stock-type**  
 Sales of quasi-contracts that are expected to last more than 3 months and for a long period of time

**Flow-type**  
 Net sales other than the above stock-type sales (quasi-contract/contracting, etc.)

Sales Composition Ratio



■ Stock-type ■ Flow-type



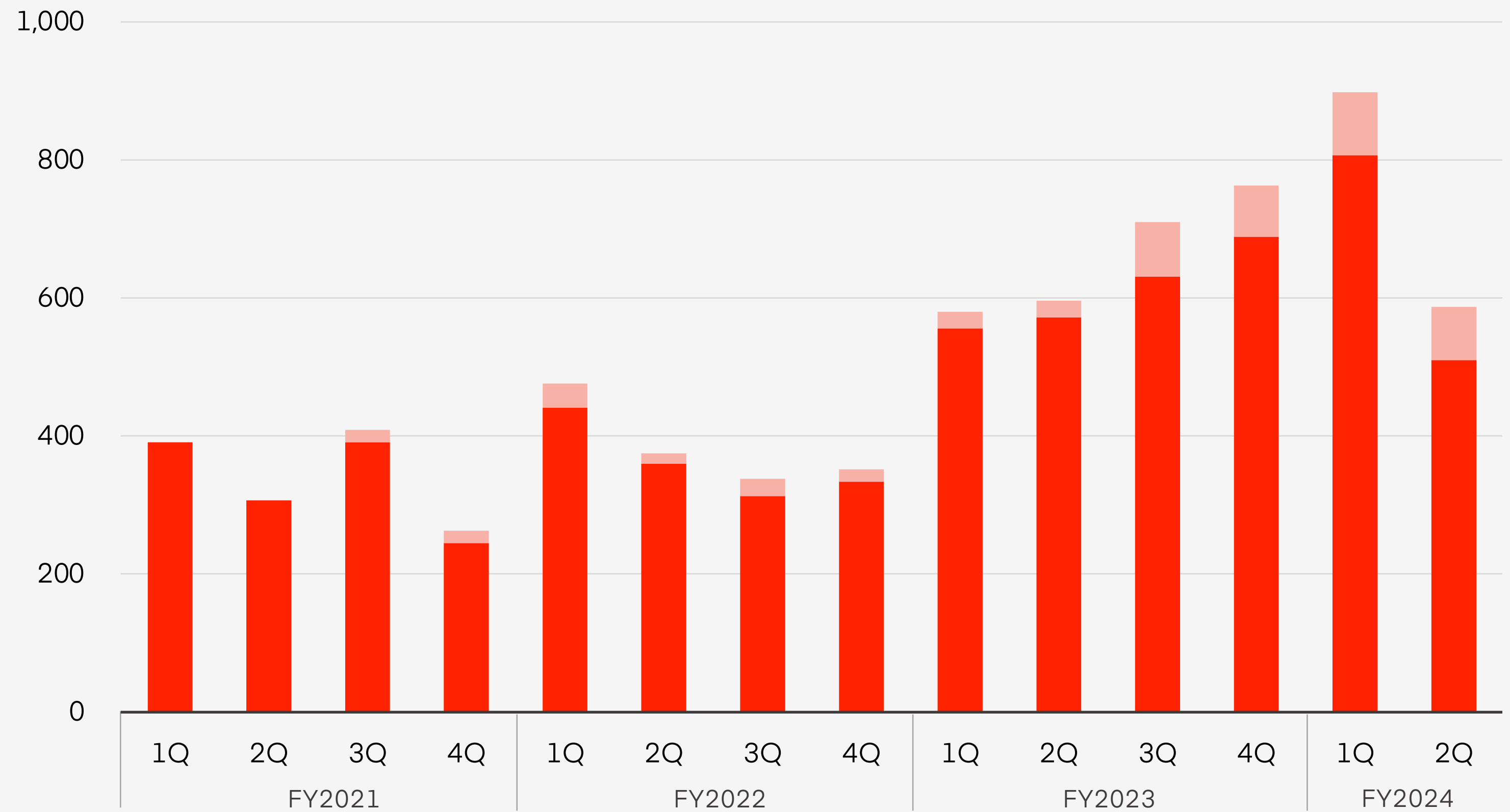
## Flow-type sales (quarterly)

Flow-type sales declined 1.5% YoY and 34.6% QoQ in 2Q FY 024 due to the reduction of large projects by enterprise customers

- (1) Other Flow-type: Sales other than contracted business such as ALLLY
- (2) Flow-type(contract development): Sales from quasi-contracts of less than 3 months and subcontracts

Other Flow-type sales  
Flow-type(entrusted development) sales

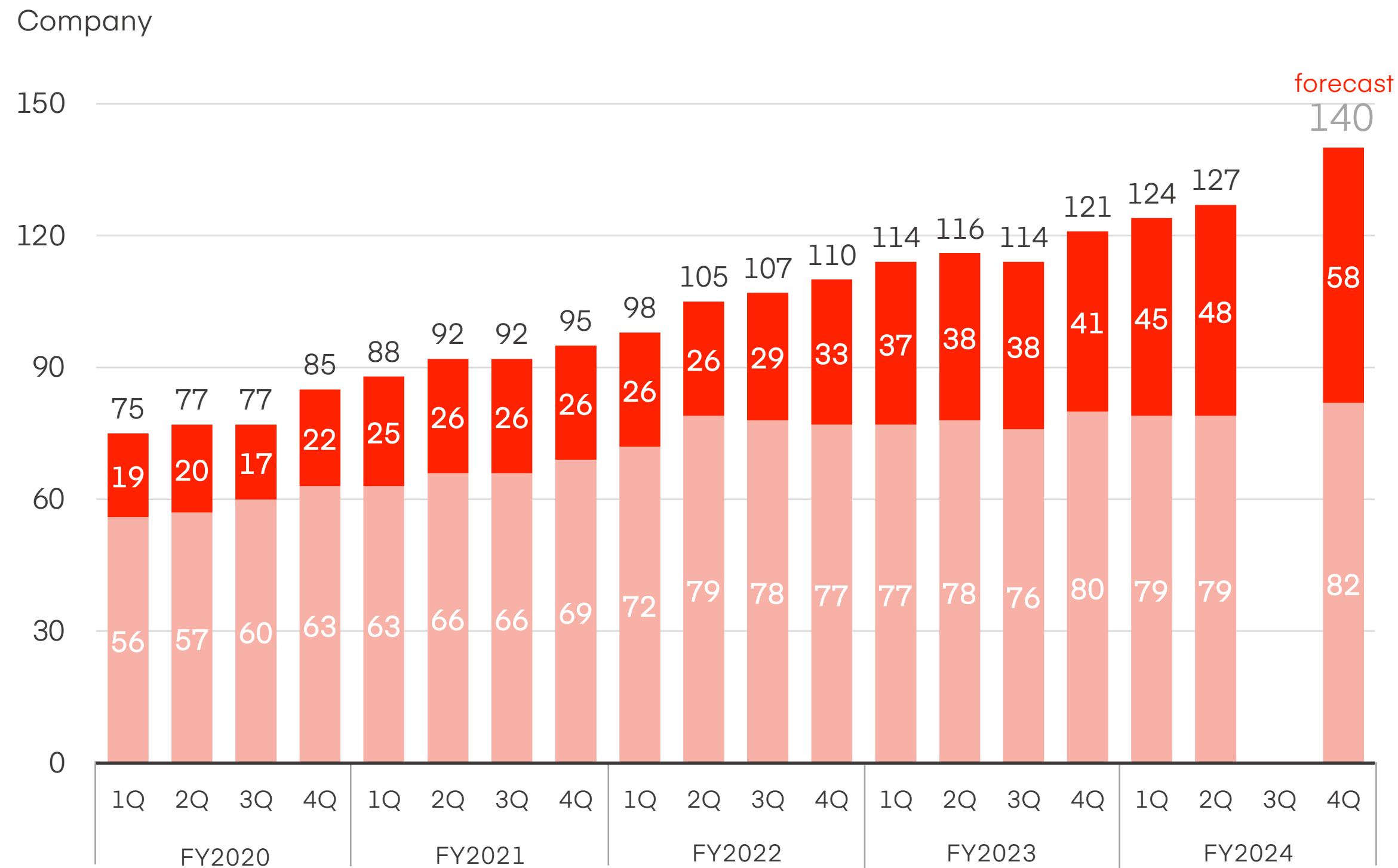
Unit : million yen



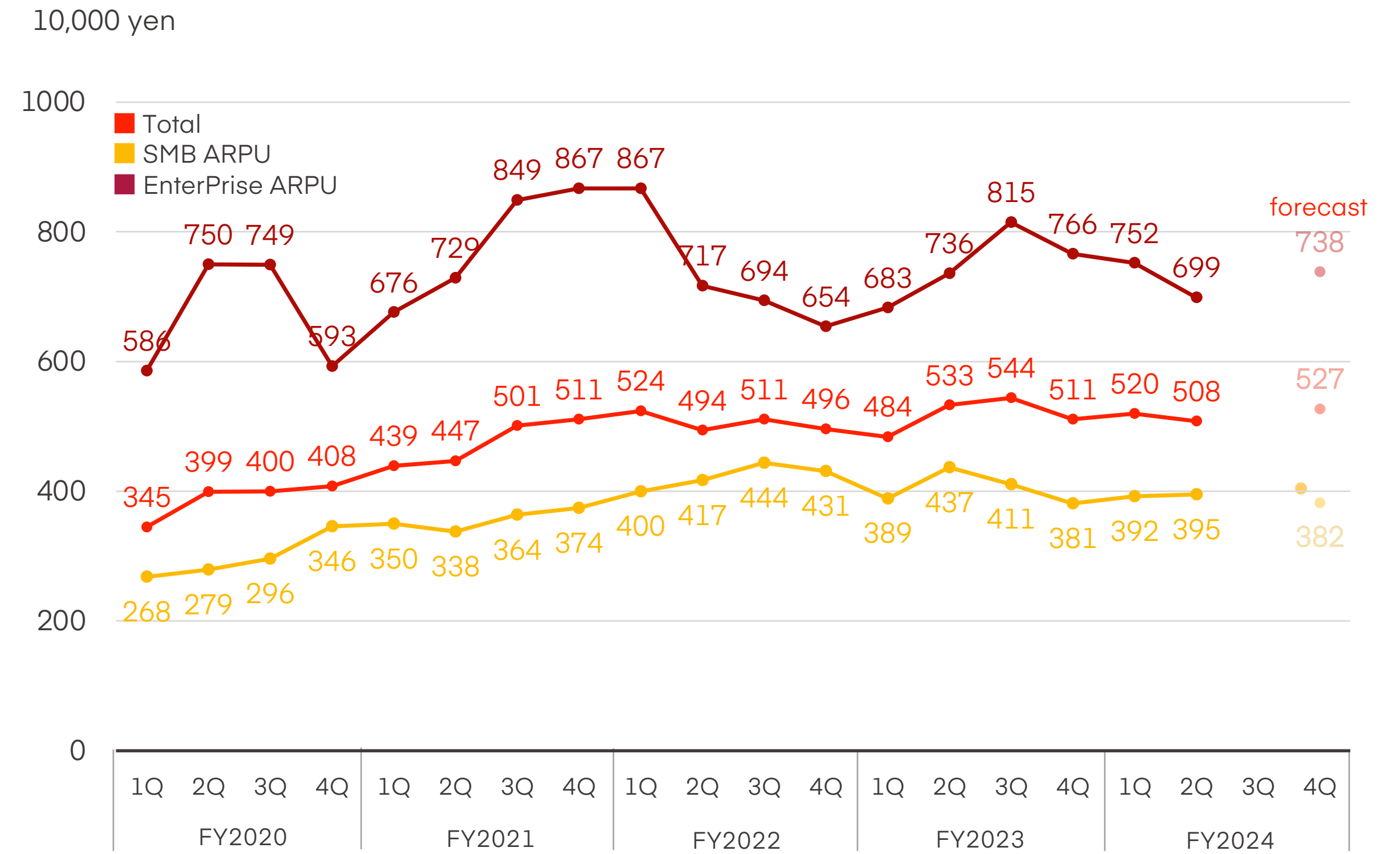
## Changes in Important KPIs (quarterly)

The number of stock-type customers increased by 3 companies from the end of the previous quarter, and the average ARPU of all customers remained stable

### # of stock-type clients



### ARPU



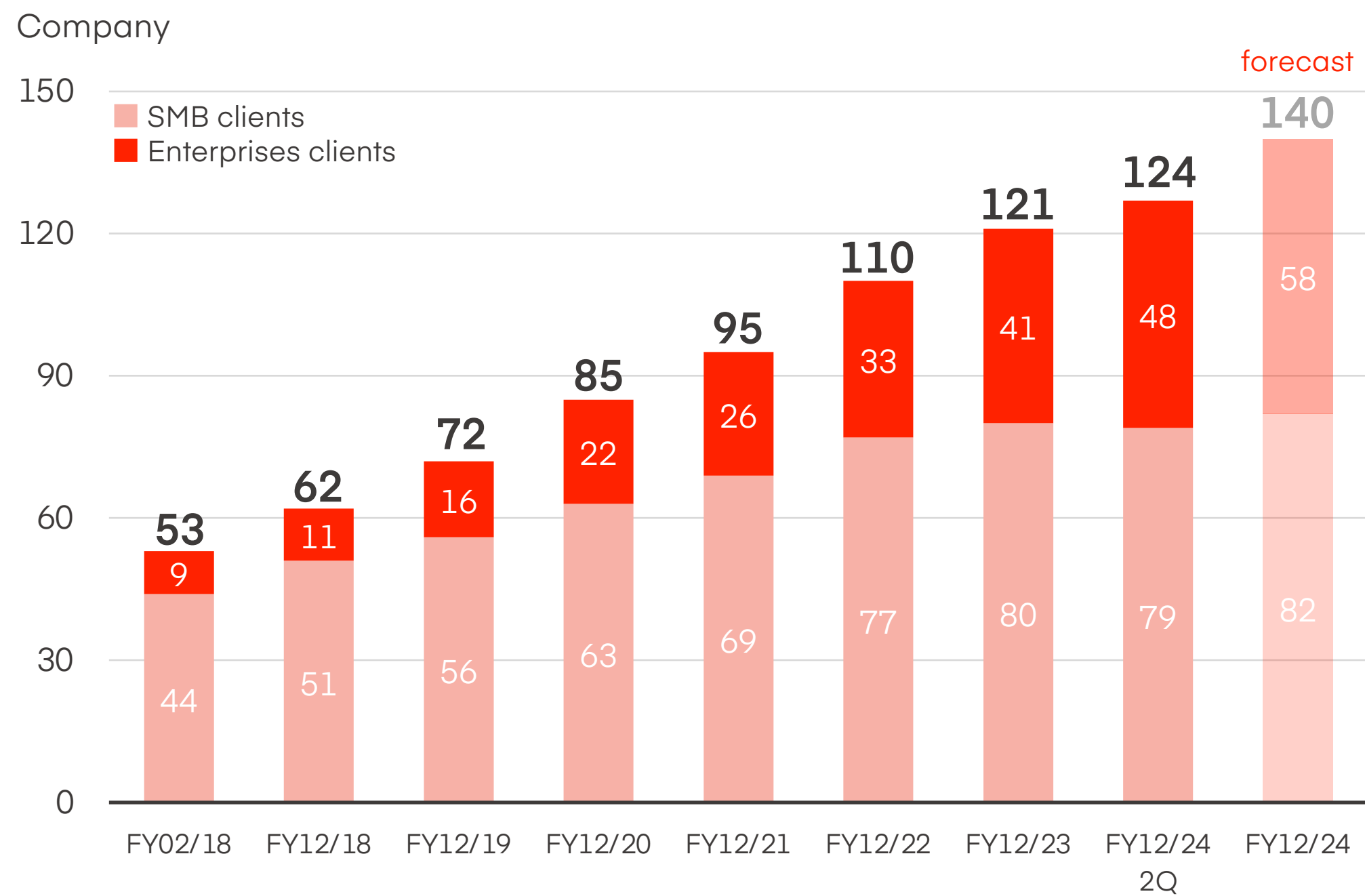
**Enterprise:** Listed companies that are included in the Nikkei 225, Nikkei 400, or Nikkei 500, or companies in the same group or companies with market capitalization, sales, or number of employees equivalent to the above companies.

**SMB:** Abbreviation for Small and Midsize Business. All companies other than those we define as Enterprise.

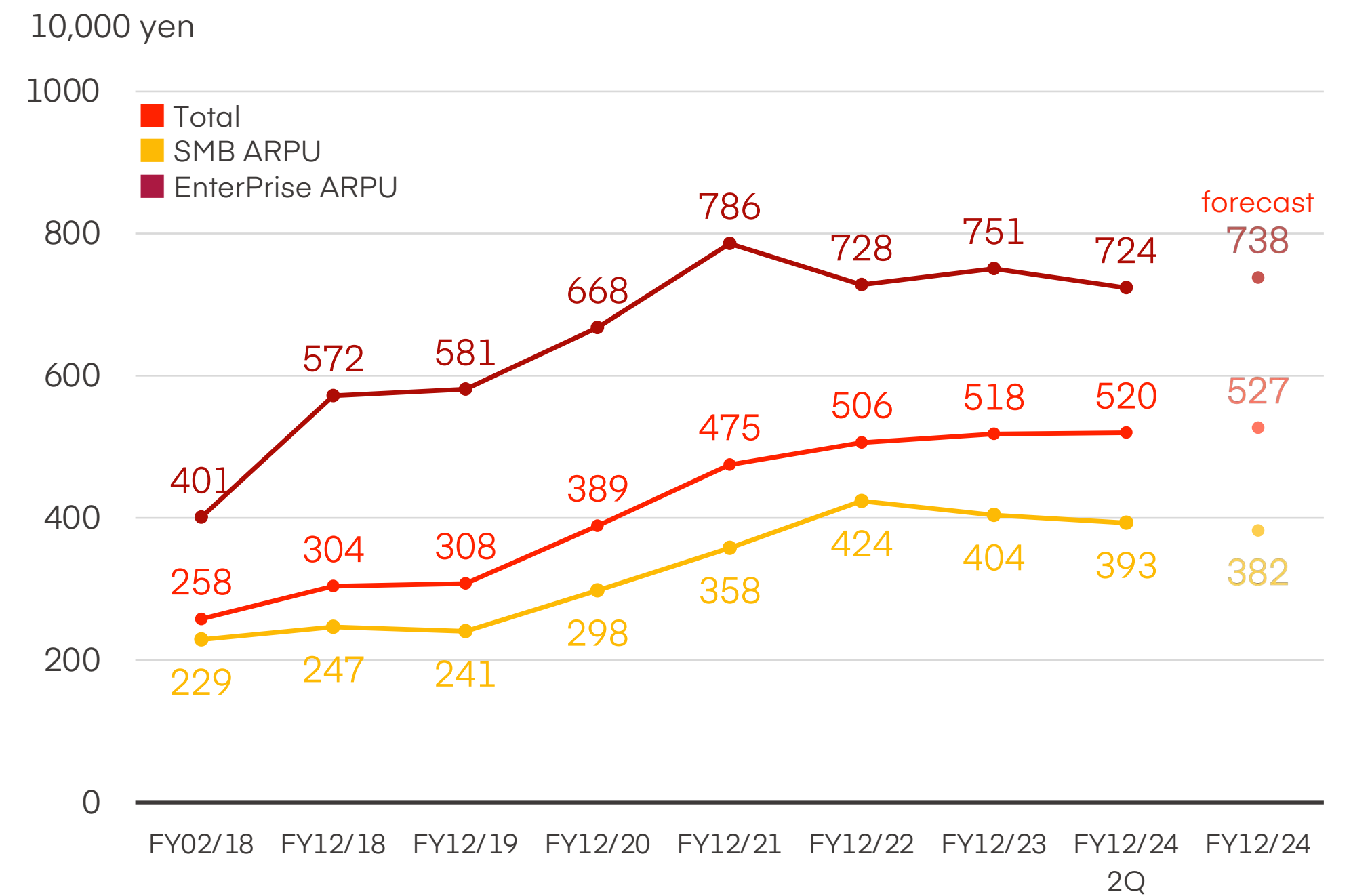
## Changes in Important KPIs (fiscal year)

The number of stock-type customers, mainly enterprise customers, increased  
ARPU also remained stable

### # of stock-type clients



### ARPU



**Enterprise:** Listed companies that are included in the Nikkei 225, Nikkei 400, or Nikkei 500, or companies in the same group or companies with market capitalization, sales, or number of employees equivalent to the above companies.

**SMB:** Abbreviation for Small and Midsize Business. All companies other than those we define as Enterprise.

## Status of important KPIs

### Stock-type clients

- The number of stock-type clients as of the end of June 2024 was 127, an increase of 6 from the end of the previous year
- Gradual increase due to the shift of projects to stock, mainly by enterprise customers

### ARPU

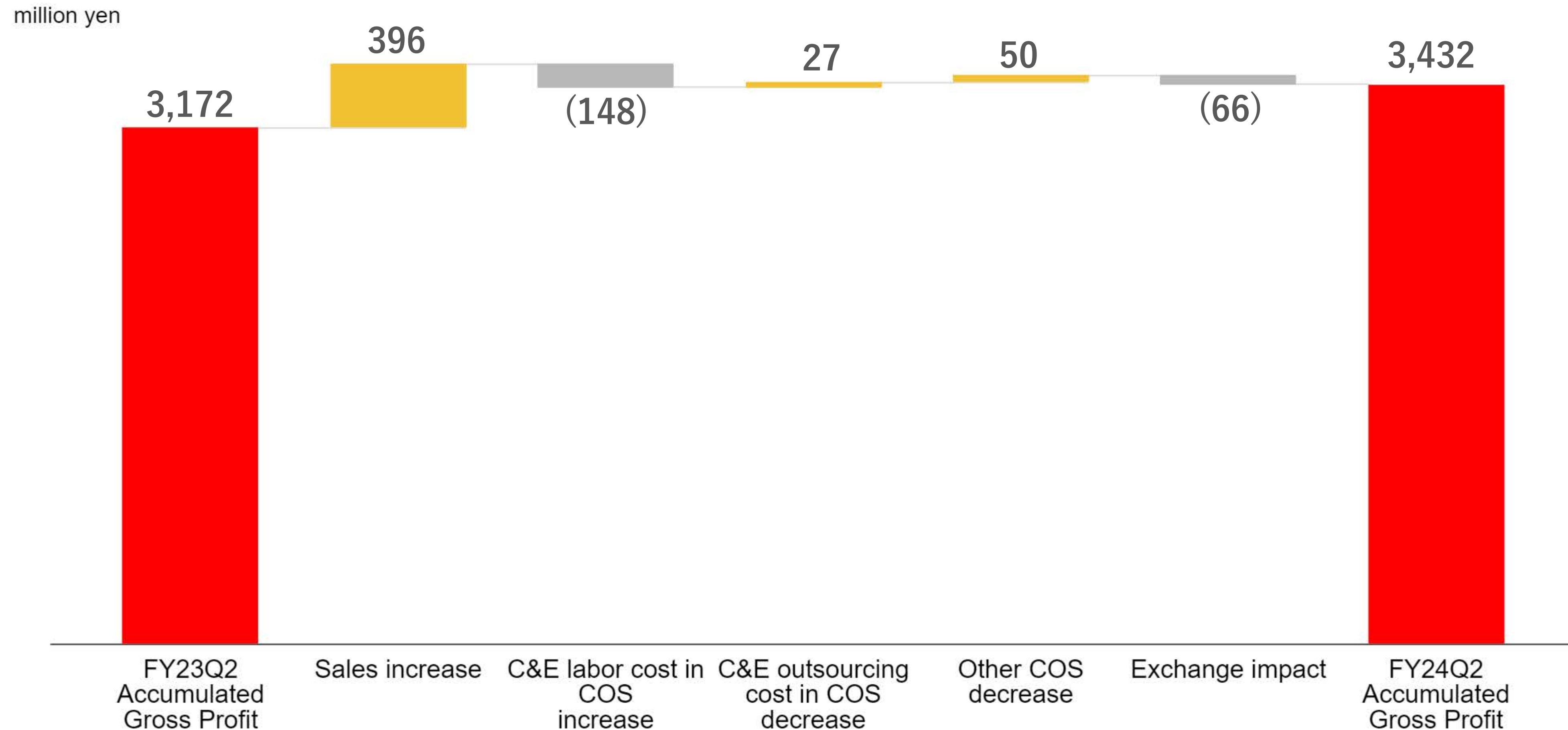
- The average ARPU of all customers remained stable



## Factors of Gross Profit Increase/Decrease (YoY)

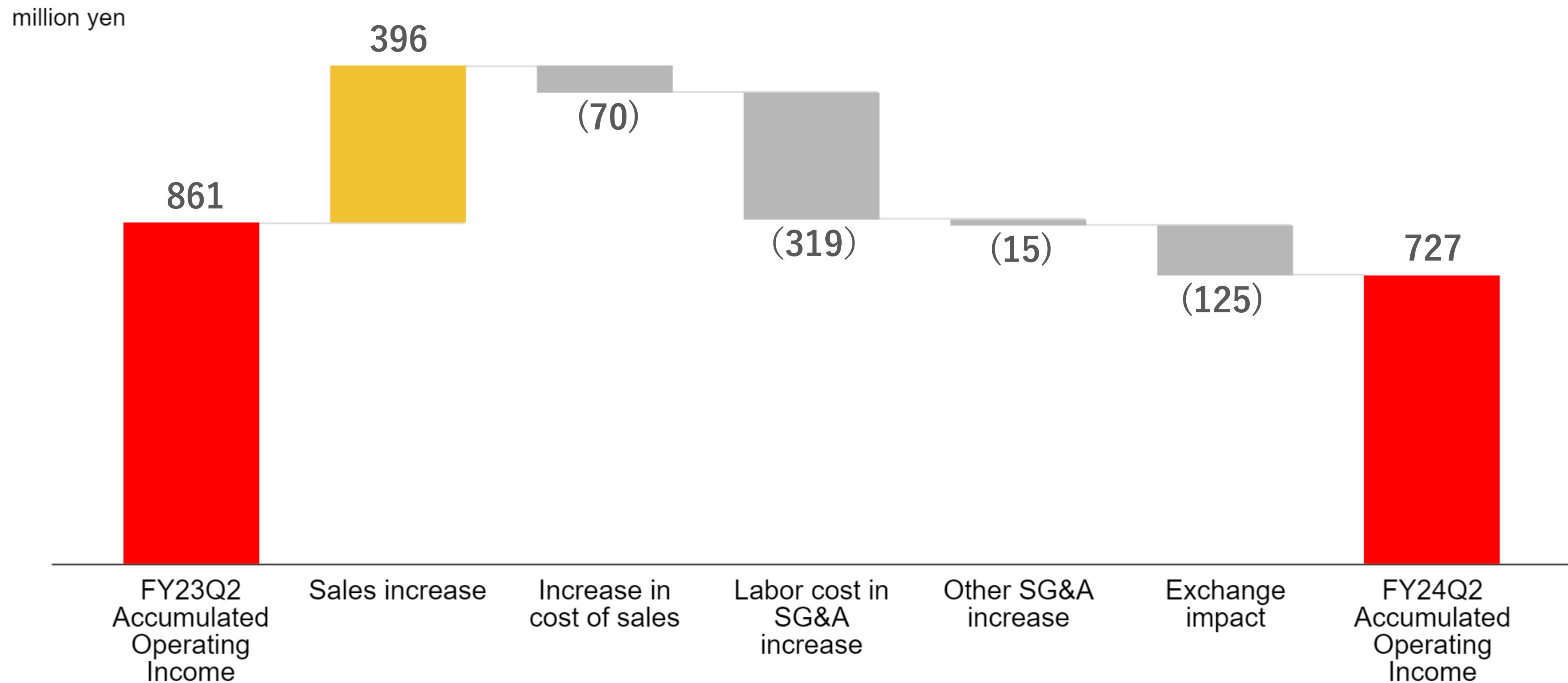
Despite the completion of certain large flow projects, sales increased due to an increase in orders in Creative & Engineering and other factors

Despite the impact of yen depreciation, income increased by 259 million yen year-on-year



## Factors of Operating income Increase/Decrease (YoY)

Personnel expenses in SG&A expenses increased due to weak occupancy rates  
 In addition, the impact of yen depreciation could not be offset by the effect of increased sales,  
 resulting in a 134 million yen decrease in income.



## Balance Sheet Comparison

Equity ratio is high, maintaining a strong financial base

Unit: Million Yen

	12/2023	6/2024	Amount of change	Main Factors
<b>Current Asset</b>	10,047	13,110	3,063	Increase in cash and bank deposits
<b>Cash &amp; Bank</b>	7,946	11,069	3,122	Profit recognition and increase in short-term borrowings
<b>Fixed Assets</b>	1,811	1,751	-60	
<b>Total Assets</b>	11,859	14,862	3,013	Increase in cash and bank deposits
<b>Current Liabilities</b>	2,035	4,186	2,150	Increase in short-term borrowings
<b>Fixed Liabilities</b>	324	375	51	
<b>Net Asset</b>	9,499	10,300	801	Profit recognition
<b>Total Liabilities and Equity</b>	11,859	14,862	3,013	Profit recognition and increase in short-term borrowings
<b>Equity Ratio</b>	80.1%	69.3%	—	



**3**

**FY2024 Earnings Forecast**

## Review of 1H Results

Business Area	Problem	Detail	Measure
Creative & Engineering	Delays in acquiring new customers	<ul style="list-style-type: none"> <li>Although the number of stock customers is increasing, the acquisition of new customers and the number of orders received are sluggish, resulting in insufficient sales growth</li> </ul>	<ul style="list-style-type: none"> <li>Sales Department Structure Changed               <ul style="list-style-type: none"> <li>Reorganized to focus on sales and marketing operations</li> <li>Concentrate manager and professional resources on key projects and provide support at the field level</li> </ul> </li> <li>Strengthened monitoring of sales activities by reviewing and segmenting KPIs</li> </ul>
		<ul style="list-style-type: none"> <li>Sales from certain large flow projects ran their course as expected, but there were not enough new projects to offset the decline in sales</li> </ul>	
Talent Platform	Stagnation of sales activities	<ul style="list-style-type: none"> <li>Sales growth stagnated due to inadequate sales structure in domestic SES and overseas IT recruiting</li> </ul>	<ul style="list-style-type: none"> <li>Optimize personnel allocation in the sales organization</li> <li>Enhancement of sales activity monitoring system</li> </ul>
Other	Exchange Rate Trends	<ul style="list-style-type: none"> <li>Foreign exchange loss of 111 million yen was recorded due to the weaker yen against the Vietnamese dong than planned at the beginning of the fiscal year</li> </ul>	<ul style="list-style-type: none"> <li>Currently, the yen's depreciation is easing due to changes in the macro environment</li> </ul>

## Earnings Forecast

Promoting various measures to achieve full-year forecast

Unit : Million Yen	FY2023 1H	FY2024 1H	Rate of Change	Financial Forecast	Progress Rate
<b>Sales</b>	6,121	6,517	6.5%	15,061	43.3%
<b>Gross profit</b>	3,172	3,432	8.2%	7,970	43.1%
<b>Gross profit margin</b>	51.8%	52.6%	—	52.9%	—
<b>EBITDA (1)</b>	952	825	(13.3%)	2,367	34.9%
<b>Operating income</b>	861	727	(15.6%)	2,162	33.6%
<b>Operating margin</b>	14.1%	11.2%	—	14.4%	—
<b>Ordinary income</b>	1,021	697	(31.7%)	2,299	30.3%
<b>Net income</b>	716	468	(34.6%)	1,780	26.3%

Average exchange rate  
(per 1 Vietnamese Dong)

0.00573yen

0.00610yen

0.00600yen

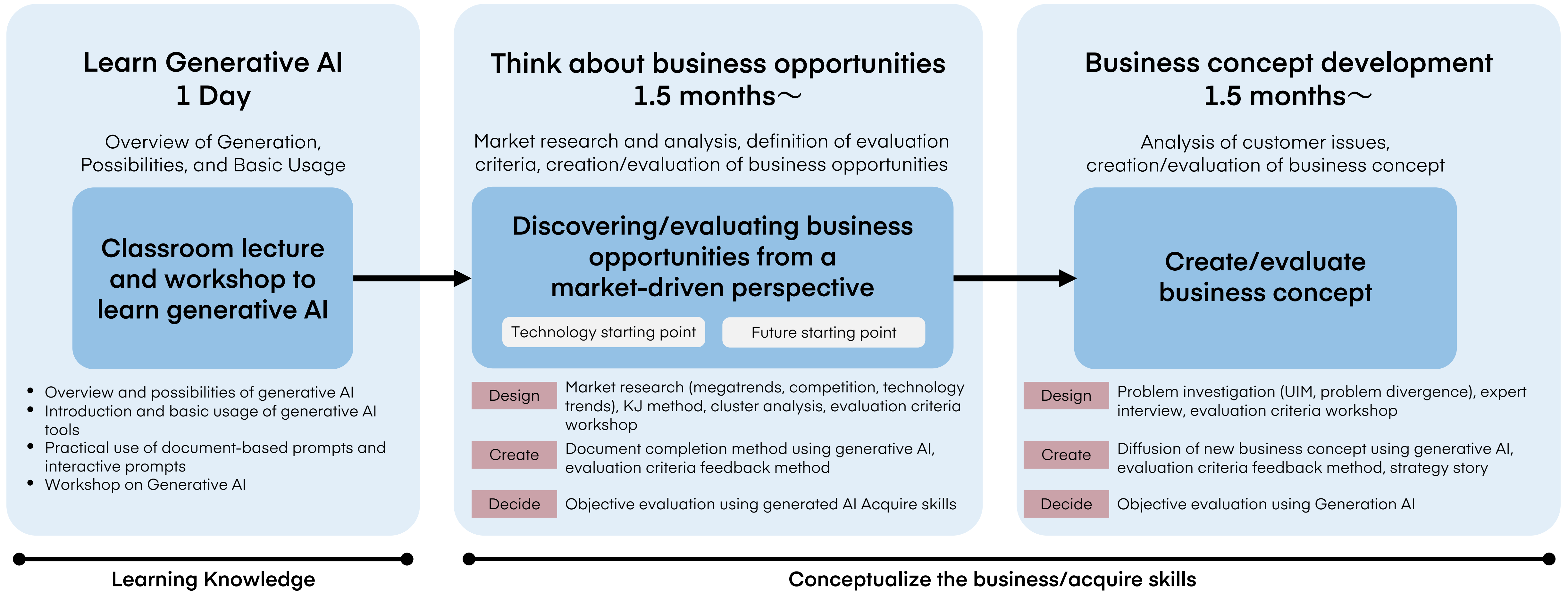
(1) **EBITDA** : Operating income + Depreciation and amortization + Amortization of goodwill



**4**

**Growth Strategy Topics**

# Group company NEWh launches "New Business AI Utilization Human Resource Development Sprint" to provide practical training in the skills of utilizing generative AI.



The New Business AI Human Resource Development Sprint is a program for practically learning how to utilize generative AI through new business concepts. The program aims to develop human resources with skills in generative AI, which many companies are seeking to utilize, and apply them to a variety of activities to contribute to the enhancement of corporate value. This program not only supports the development of human resources who can utilize generative AI, but also enables participants to utilize the know-how of new business development in major companies and business ideas generated by using generative AI in their own companies.



# Launched the beta version of "AI\* deation App," a support application using generative AI

## AI application specialized for new business creation, supporting from idea generation to materialization

This service is a web application version of AI\*deation released in July 2023. It solves various issues faced in the new business creation process through support by co-creation between humans and AI. In addition, the use of AI makes it possible to offer the service at a lower price point than conventional accompaniment support, making it easier for more companies to use it, thereby lowering the threshold for new businesses and accelerating the realization of Sun\*'s vision of "a world where anyone can be absorbed in value creation."



### Examples of Service Applications



Enter "Company Information," "Strengths to Leverage," and "Trends"



Ideas are generated in large quantities



Ideas are arranged in order of overall score



Weighting of evaluation items is also possible



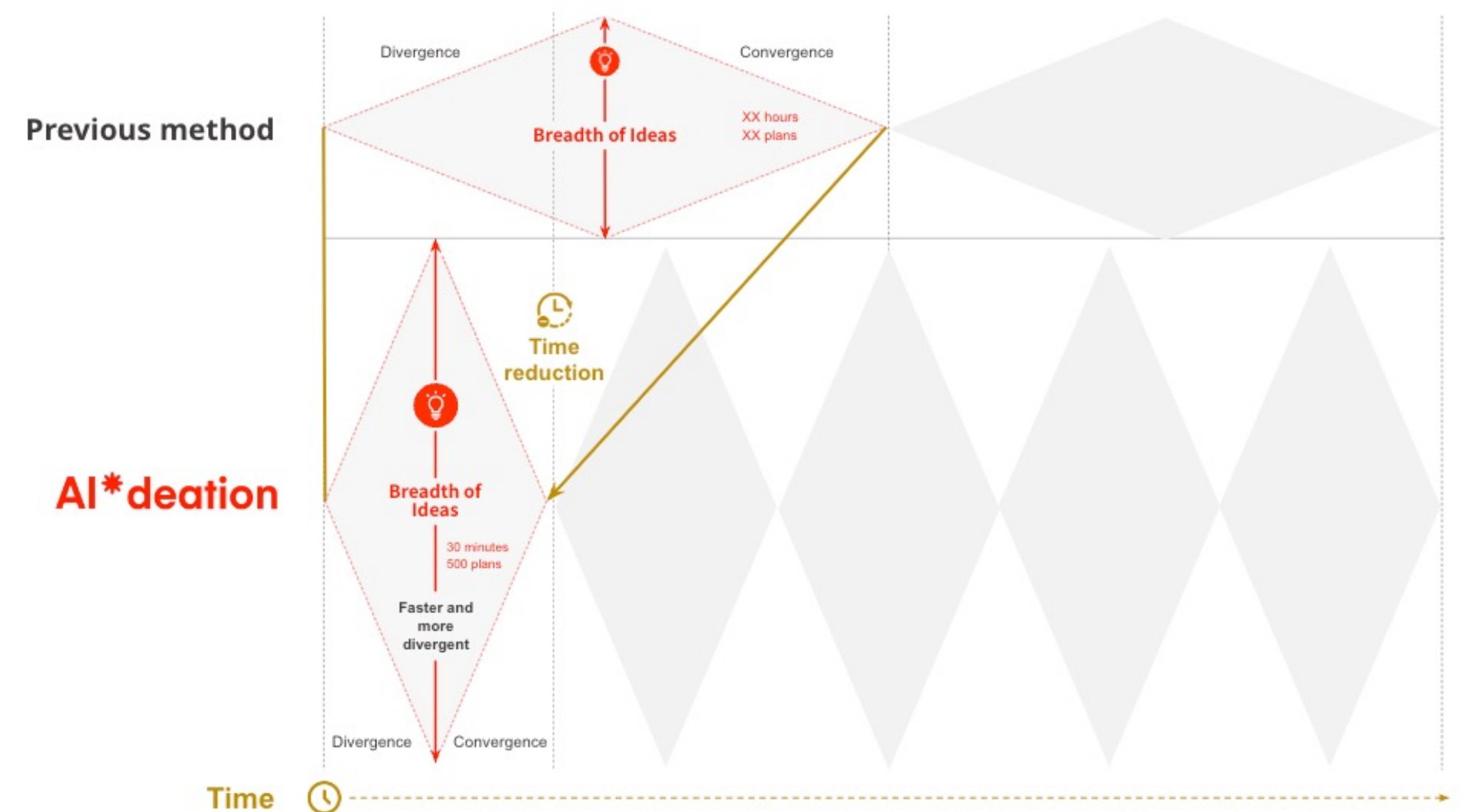
Sun\* proprietary business framework Generate Value Design Syntax

サービスコンセプト		競争優位性		利益構造	
ミクロ	マクロ	強み	弱み	強み	弱み
独自のプラットフォーム	業界全体のデジタル化	独自のデータ分析能力	競争相手の参入障壁	サブスクリプションモデル	顧客ロイヤリティの構築
AIを活用した顧客体験	グローバル展開	高度なセキュリティ	柔軟な価格設定	エコシステム構築	パートナーシップの拡大

Based on Value Design Syntax Team validation and brushing up of ideas

### Advantages of using AI\*deation

Shorter time and a wider range of ideas can be diverted to business creation



# Ayumi Hamasaki's official application "TeamAyu" introduces blockchain technology



Providing new fan experiences through digital x real event linkage to strengthen fan engagement and community

Ayumi Hamasaki's official fan community application "TeamAyu" implements a function linked to SNS and real events that introduces blockchain technology. This function provides a place where artists and fans can maintain a high level of engagement, and aims to create a self-sustaining fan community by activating communication.

## Examples of Functions Provided



### Introduction of blockchain

For each member, 1wallet is generated and given an NFT that functions as a digital membership card. Account Abstraction is used for wallet generation, and the history of the member's guess activity is recorded on the blockchain



### Linkage of fan clubs and real events

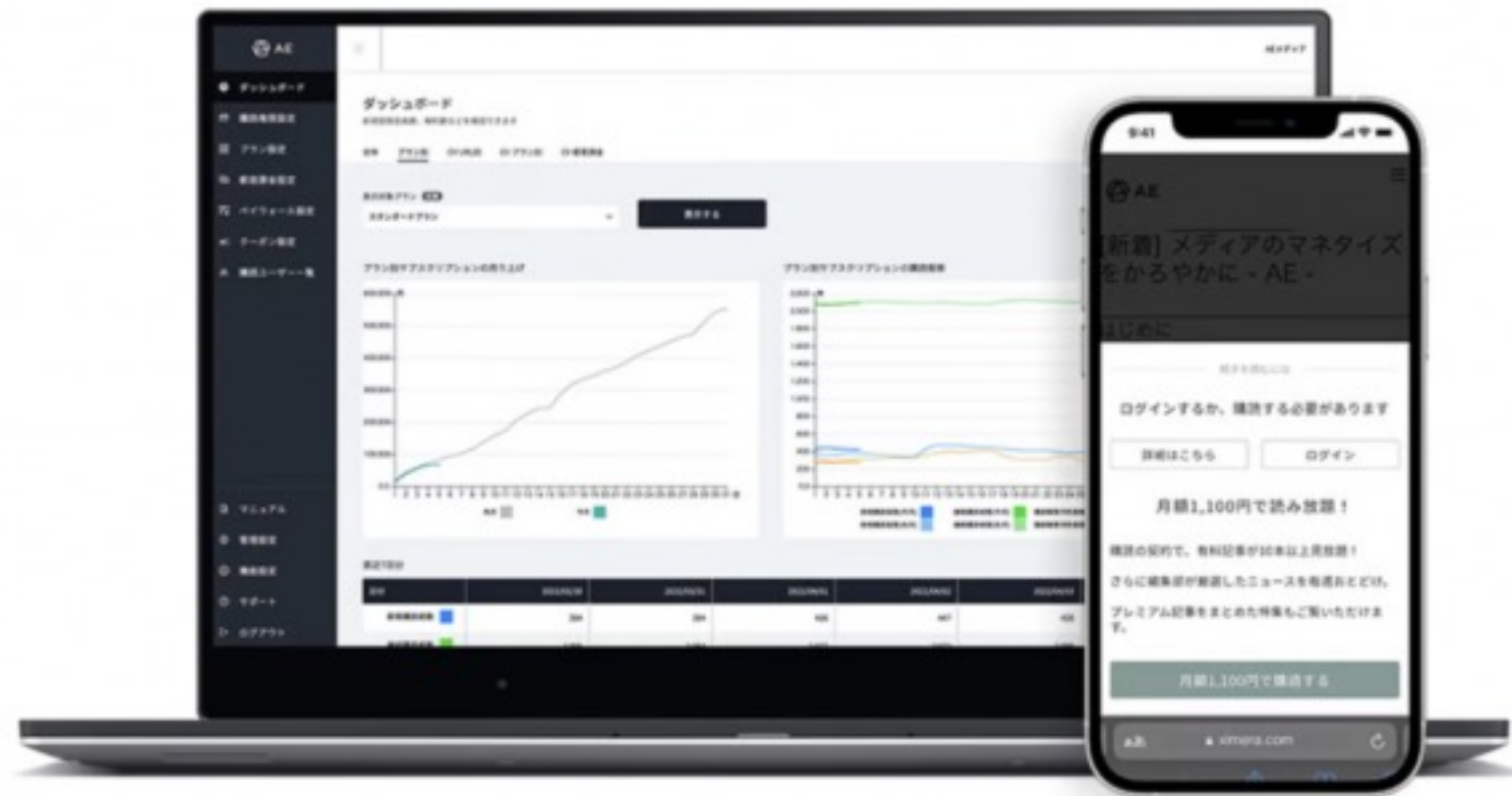
Through physical goods linkage using NFC technology and NFT distribution at LIVE events, fans can enjoy a new entertainment experience that transcends the boundaries between digital and real life.



### TA Passport

Selling "TA Passports," trading cards that can be used to write digital membership card information, allowing fans to register as friends by holding up other fans' cards at LIVE events, providing incentives and promoting connections between fans in real life.

# Acquired the business of AE, a subscription management platform operated by Ximera Corporation

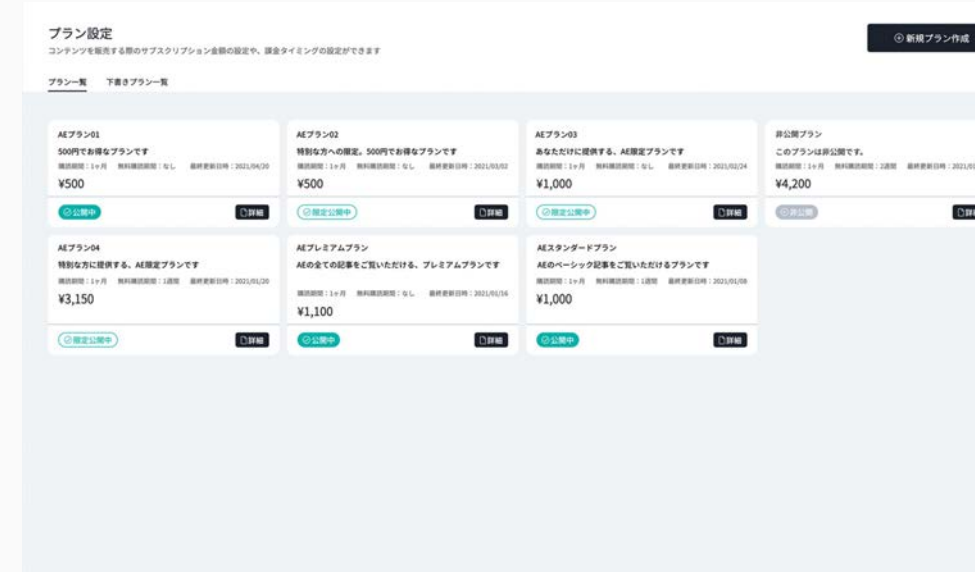


## Expanding new solutions to accelerate Digital Creative Studio business

AE, operated by Chimera, is a subscription management platform that appeals to and monetizes the value of media-produced content, based on the philosophy of "creating a world where people who create, deliver and read content are happy."

The incorporation of AE into the solutions of the Digital Creative Studio business is expected to provide a new means of monetization for the company. The decision to acquire AE was made with the expectation of creating new value through synergies between the two companies.

## Functions provided by AE



### Billing and Discounts

Monthly/yearly subscriptions and per-content billing can be easily realized. Discount coupons and free periods can be set.

### Subscription Management

Subscriber information and subscription history can be stored. Publishers can export subscription history to CSV. S subscribers can change plans and cancel subscriptions.

購読ユーザー一覧

ユーザー	メールアドレス	購読日	購読プラン
ユーザー1	user1@ximera.com	2023/04/15 13:23	スタンダードプラン
ユーザー2	user2@ximera.com	2023/04/15 13:13	スタンダードプラン
ユーザー3	user3@ximera.com	2023/05/25 15:01	スタンダードプラン
ユーザー4	user4@ximera.com	2023/05/25 15:37	スタンダードプラン
ユーザー5	user5@ximera.com	2023/05/25 15:13	スタンダードプラン
ユーザー6	user6@ximera.com	2023/05/27 13:45	スタンダードプラン
ユーザー7	user7@ximera.com	2023/05/25 15:25	スタンダードプラン
ユーザー8	user8@ximera.com	2023/05/05 15:14	スタンダードプラン
ユーザー9	user9@ximera.com	2023/05/18 13:52	スタンダードプラン
ユーザー10	user10@ximera.com	2023/05/27 13:38	スタンダードプラン
ユーザー11	user11@ximera.com	2023/06/07 15:43	スタンダードプラン
ユーザー12	user12@ximera.com	2023/06/07 15:17	スタンダードプラン
ユーザー13	user13@ximera.com	2023/06/18 13:14	スタンダードプラン
ユーザー14	user14@ximera.com	2023/05/28 15:45	スタンダードプラン
ユーザー15	user15@ximera.com	2023/06/04 15:04	スタンダードプラン



### Get an overview of subscriptions

Get an overview of the number of subscriptions and revenue at a glance on the dashboard.

## Conversation-specific educational program for xseeds students who have been offered jobs at Japanese companies.

Visualize" and "develop" speaking skills in accordance with CEFR

### Conversation-specific education program



## Acquire conversational Japanese skills that can be used in business situations through level checks based on the CEFR, a universal language proficiency index

We have developed and started offering a conversation-specific educational program to improve Japanese communication skills by incorporating PROGOS® Japanese, which is operated under contract by BABEL METHOD, Inc.



This is a conversation-specific educational program to improve Japanese communication skills, focusing on conversation in business situations, by measuring and visualizing "Japanese operational skills," mainly the ability to speak Japanese, based on the CEFR※ index, and providing training in areas that require study.

After confirming your current Japanese level, we will provide you with the necessary study program through online lessons to ensure that your answers understand the intent of the question and that you are able to carry on a conversation appropriate to the situation and purpose of the conversation.

What is CEFR (Common European Framework of Reference for Languages)?

A common indicator of language proficiency in Europe, a multilingual and multicultural society Today, it is widely used by universities and global companies as a universal indicator of language proficiency..

#### 【Reference】 Overview of CEFR Levels and Japanese Language Communication Skills

Proficient language users	C2	Able to communicate freely in almost all aspects of social life, choosing the appropriate language for the occasion.
	C1	From professional discussions in formal situations to small talk at lunch, you can communicate flexibly while being aware of your relationship with others and how they perceive you.
Autonomous language users	B2	Able to discuss a wide range of topics fluently and in detail with people inside and outside the company. I can also be aware of politeness.
	B1	If the other person speaks clearly and concisely, basic information and opinions can be exchanged about your area of responsibility and familiar issues
Basic level language users	A2	If the conversation is led primarily by a familiar person within the company, you can exchange simple words about routine business matters.
	A1	If the person you are in constant contact with at work speaks slowly and easily, you can greet them and answer simple questions.

## Future Growth Strategy

We will continue to expand the existing digital creative studio business, further improve the quantity and quality in the education and development fields and improve reproducibility by expanding the data platform and develop the social implementation of advanced technology.

Then, increasing the ratio of new businesses in Japan and overseas and committing to creating more valuable businesses and business growth will be the axis of new businesses that support the company's growth drive.

NOW

Realization of capital gain model

Realization of revenue sharing model

Further enhancement of the Talent platform

Expand Creative & Engineering



**5**

**Sustainability 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	Social
Corporate Governance	Enhancement of corporate governance and risk management	Governance
	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.



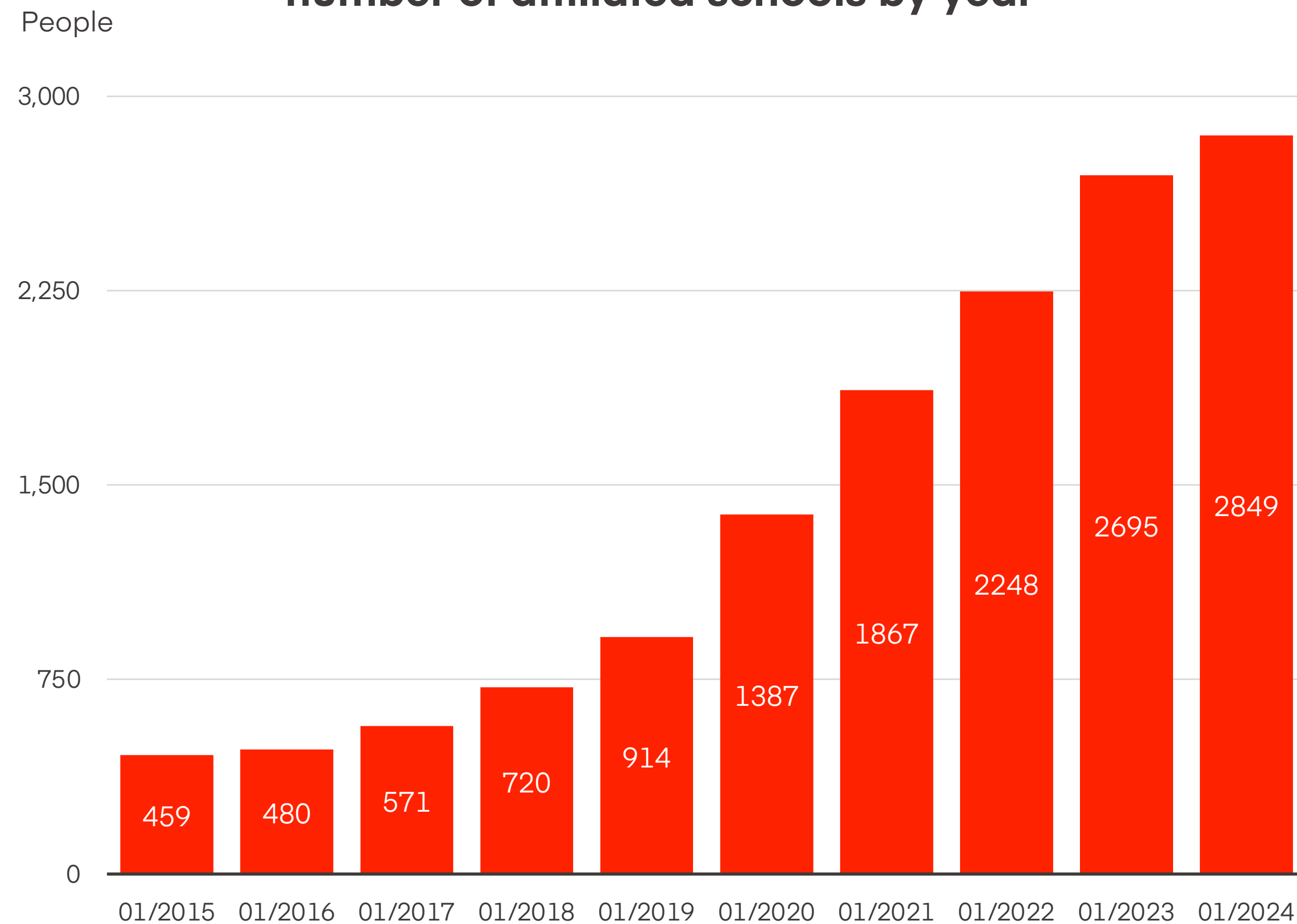
Details are available on the Sustainability Now available on our website!

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

# The Output of Innovative Human Resources Through Education and Training

Producing IT human resources who can play an active role in Japan through industry-academia collaboration centering on ASEAN countries and seeking further global expansion in the future. Currently, the program is offered to three universities in South America, with plans to expand in the future.

**Number of Sun\*'s educational program students enrolled and number of affiliated schools by year**



**9 universities**

## Partner universities

### Vietnam

1. Hanoi University of Science and Technology
2. The University of Danang-University Science and Technology
3. Vietnam National University Hanoi-University of Engineering and Technology
4. Vietnam National University HCMC-University of Engineering and Technology
5. Vietnam National University Hanoi-University of Science
6. Phenikaa University

### Indonesia

7. Gadjah Mada University
8. University of Indonesia

### Malaysia

9. Malaysia-Japan International Institute of Technology

**3 universities**

## Universities that offer the program

### Brazil

10. University of Campinas
11. Federal University of Minas Gerais
12. University of São Paulo





**6**

**Appendix**

## Outline of Group Companies

Company Name	Capital	Voting rights ratio	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

## Glossary

Terms	Meanigs
Digital transformation	By utilizing digital technologies such as IoT, AI, and big data analytics, the company will create value and establish competitive advantage through new products, services, and new business models. Abbreviated as "DX
Digitization	To digitize business processes and aim for operational efficiency and cost reduction
Digitalization	Transforming business models and creating new business value and customer experiences through the use of digital technology. We are strong in our knowledge in this area
Open innovation	Innovation methodologies that combine ideas, services, know-how, data, etc. from other companies, different industries, and different fields to create innovative business models, research results, service development, organizational reform, etc.
Design thinking	An approach for clarifying the nature of the problem, rather than how to solve it, in implementing discontinuous innovation. A method for developing innovative services by clarifying problem discovery and solution
Lean startup	Management techniques for companies and new business start-ups that enable business creation around user feedback
MVP	Minimum Viable Product. Products with the minimum required functionality and approaches that use it

Terms	Meanigs
UI/UX	UI is an abbreviation for User Interface, the design of screens used to exchange information, and UX is an abbreviation for User Experience, the experience that users gain through the use of services, products, etc.
Agile development	A development method that assumes constant change, and that involves a series of processes of formulation, development, testing, and release in a short period of time, starting with the most important functions, and improving through repetition of these processes
DevOps	Development and Operations. A development method that links development and operations to ensure speedy and stable delivery of highly reliable code
DeFi	Decentralized Finance. A financial intermediary application that does not require centralized control of financial assets
NFT	Non-Fungible Token. A unique, non-substitutable unit of data recorded on a blockchain
Web3	New decentralized web world about to be realized by blockchain technology
Metaverse	A three-dimensional virtual space or service that differs from reality and is constructed within a computer or computer network

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

Sun\* aims for world peace.

Looking around the world, there are a variety of issues ranging from the major social issues that are mentioned in the SDGs to the issues of everyday life.

We will use digital technology and creativity to solve these problems.

We aim to realize a future where solutions can be made, and a world where people can freely create the values they envision.

World peace for us is like everyone's childhood, excited about creating new value and looking forward to a new morning.

Sun\* will build the infrastructure to realize such a "world where everyone has the freedom to make awesome things that matter".



## Disclaimer

- 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.**