



August 27, 2024

Company Name: Pole To Win Holdings, Inc.
Representative: President & CEO Teppei Tachibana
(Stock code: 3657, Tokyo Stock Exchange, Prime Market)
Contact Person: Director & CFO Joji Yamauchi
(Tel: +81-3-5909-7911)

Notice of Business Acquisition by Consolidated Subsidiary

PTW America, Inc. (“PTW America”), a consolidated subsidiary of the Company, resolved at its board of directors meeting held on August 26, 2024 (U.S. local time) to take over the game development outsourcing service business of Ghostpunch Games, LLC (“Ghostpunch”), as outlined below.

1. Reason for business acquisition

The Group is engaged in the Service Life Cycle Solutions Business, including quality consulting, game testing, third-party software verification, system infrastructure setup and transition support, monitoring, customer support, anti-fraud, and BPR support throughout the planning, development, release, operation, and enhancement of clients’ services and product life cycles. These services are divided into three segments: Domestic Solutions, Overseas Solutions, and Media Contents.

PTW America is one of the Group’s overseas subsidiaries overseeing Overseas Solutions operations. The company is primarily involved in managing and selling overseas solutions, offering services such as voice recording and player support.

Ghostpunch is a Florida-based company in the U.S. that offers outsourcing services for game development. Its services include engineering, technical design, art, animation, and production, catering to game development companies. Since its establishment in 2015, the company has consistently grown its sales, contributed to the development of numerous renowned titles, and earned high marks from its clients.

Incorporating Ghostpunch’s game development outsourcing services into our Overseas Solutions operations will enable us to offer not only the services associated with traditional game development but also the outsourcing of game development itself and build a system that can address the diverse needs of client companies through a comprehensive one-stop service. At the same time, we will offer Ghostpunch’s clients the localization, QA testing, and user support services the Group provides, aiming to increase sales through mutual client referrals.

2. Overview of the acquired business

(1)	Description of the acquired business	Outsourcing services related to game development provided by Ghostpunch
(2)	Financial results of the acquired business	Net sales of 989 million yen (FY12/2023)*
(3)	Items and amounts of assets and liabilities to be acquired	The specific details and amounts of the assets and liabilities to be acquired will be finalized within a designated period following the conclusion of the business transfer agreement.
(4)	Acquisition price	13.15 million USD (estimate) (*1,906 million yen)
(5)	Transaction method	Bank transfer

*Based on an exchange rate of 145 yen to the dollar.

3. Overview of the other party in the business acquisition

(1)	Name	Ghostpunch Games, LLC
(2)	Address	14201 W. Sunrise Blvd., Suite 202, Sunrise, FL 33323, USA
(3)	Names and titles of representatives	Director of Operations, Richard E. Daniels Executive Producer, Hugh Falk Director of Technology, Alejandro Garcia-Tunon Animation Director, Devon G. Browne
(4)	Business description	Outsourcing services related to game development
(5)	Investment in capital	100 USD (14,000 yen)
(6)	Established	May 13, 2015
(7)	Net assets	75 million yen (FY12/2023)
(8)	Total assets	95 million yen (FY12/2023)
(9)	Capital subscribers and equity	Richard E. Daniels 25% Hugh Falk 25% Alejandro Garcia-Tunon 25% Devon G. Browne 25%
(10)	Relationships between the listed company and the Company	Capital relationship There is no capital relationship between the Company and the company in question that requires disclosure. In addition, there are no noteworthy capital relationships between the Company and its affiliates and the company in question and its affiliates that require disclosure.
		Personal relationships There are no personal relationships between the Company and the company in question that require disclosure. In addition, there are no personal relationships between the Company and its affiliates and the company in question and its affiliates that require disclosure.
		Trade relationship There is no trade relationship between the Company and the company in question that requires disclosure.
		Status as related parties The company in question does not fall under the category of a related party to the Company. In addition, the company in question and its affiliates do not fall under the category of a related party to the Company.
(11)	Note	Calculations are based on an exchange rate of 145 yen to the dollar.

4. Overview of the subsidiary (PTW America) acquiring the business

(1)	Name	PTW America, Inc.
(2)	Address	1042 Princeton Drive, Suite B, Marina del Rey, CA 90292, USA
(3)	Names and titles of representatives	CEO, Deborah Lynn Kirkham
(4)	Business description	Voice recording and player support
(5)	Capital	8.5 million USD (*1,232 million yen)
(6)	Established	May 8, 2009
(7)	Main shareholder(s) and shareholding ratio(s)	PTW International Holdings Limited: 100%

*Based on an exchange rate of 145 yen to the dollar.

5. Schedule

(1)	Decision by Board of Directors	August 26, 2024
(2)	Contract signing date	September 1, 2024 (planned)
(3)	Date of business acquisition	September 1, 2024 (planned)

*All dates are local U.S. time

6. Summary of accounting treatment

The business acquisition is expected to be classified as an “acquisition” under the Accounting Standard for Business Combinations. The amount of goodwill and other items to be recorded as a result of this process is currently under examination but is expected to be minimal.

7. Outlook

The impact of this matter on consolidated business results is currently under review. If any matters requiring disclosure arise in the future, we will promptly provide the necessary information.

Reference: Consolidated Earnings Forecasts (Announced on March 12, 2024) and Previous Year's Consolidated Results

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
	million yen	million yen	million yen	million yen
Consolidated earnings forecasts (FY1/2025)	52,028	2,212	2,201	246
Previous year's consolidated results (FY1/2024)	46,980	404	509	(1,967)