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June 24, 2025

To whom it may concern:

Company name	Segue Group Co., Ltd.
Representative	Yasuyuki Aisu, President and CEO
Securities code	3968 (Prime Market of TSE)
Inquiries	Yasuhiro Fukuda, CFO (Tel. +81-3-6228-3822)

Notice Regarding Absorption-type Merger (Simplified Merger/Short-form Merger) of Wholly Owned Subsidiary

At a meeting of the Board of Directors held today, we resolved to merge our wholly owned subsidiary, J's Solution Co., Ltd. (hereinafter referred to as 'J's Solution'), effective 1 August 2025 (hereinafter referred to as 'the Merger'). We hereby notify you of this resolution.

Please note that as this Merger is a simplified merger involving a wholly owned subsidiary, certain disclosure items and details have been omitted.

1. Purpose of the Merger

J's Solution was established in May 2001 as a subsidiary engaged in the sale and rental of infrastructure and security products, as well as the provision of network security services and cloud services within our group. However, in order to consolidate management resources and achieve efficient business operations through the streamlining of duplicate functions within the group, we have gradually transferred the company's operations to J's Technology Co., Ltd. Now that the transfer has been fully completed and the company has fulfilled its role, we have decided to absorb J's Solution into our company through a merger.

2. Summary of the Merger

(1) Merger Schedule

Board of Directors Resolution Date	24 June 2025
Merger Agreement Signing Date	24 June 2025
Implementation Date (Effective Date)	1 August 2025 (planned)



(Note) This merger qualifies as a simplified absorption-type merger under Article 796, Paragraph 2 of the Companies Act for our company, the surviving company, and as a summary absorption-type merger under Article 784, Paragraph 1 of the same Act for J's Solution, the dissolving company. Therefore, no shareholders' meeting will be held to approve the merger agreement.

(2) Merger Method

This will be an absorption-type merger with our company as the surviving company, and J's Solution, the dissolving company, will be dissolved.

(3) Details of Allotment Related to the Merger

As this merger is with a wholly owned subsidiary of our company, there will be no issuance of new shares or payment of cash or other consideration as a result of the merger.

(4) Treatment of Stock Options and Stock Option-Attached Bonds Related to the Merger

There are no applicable matters.

3. Overview of the Parties to the Merger (as of 24 June 2025)

	Surviving Company in Absorption-Type Merger	Dissolving Company in the Absorption-type Merger
(1) Company Name	Segue Group Co., Ltd.	J's Solution Co., Ltd.
(2) Location	1-16-3 Shinkawa, Chuo-ku, Tokyo	5-5-15 Nishinakajima, Yodogawa-ku, Osaka
(3) Name and Title of Representative	Yasuyuki Aisu, President and CEO	Tatsuya Uemura, President and CEO
(4) Business Description	Management and support of group companies, and related business activities	Sales and rental of infrastructure and security products, provision of network security services and cloud services
(5) Capital	533 million yen	40 million yen
(6) Date of Establishment	1 December 2014	7 May 2001
(7) Number of Shares Issued	32,564,077 shares	800 shares
(8) Fiscal Year-End	December 31	December 31



(9) Major Shareholders and Shareholding Ratios	Yasuyuki Aisu	31.97%	Segue Group Co., Ltd.	100%
	ADC Co., Ltd.	8.37%		
	SegueGroupEmployeeStock Ownership Association	1.84%		
	Obic Co., Ltd.	1.78%		
	Custody Bank of Japan, Ltd. (Trust Account E)	1.71%		
	(10) Operating Results and Financial Condition for the Most Recent Fiscal Year			
Fiscal Year End	December 2024 (Consolidated)		December 2024 (Stand-alone)	
Net Assets	3,193,028 thousand yen		93,597 thousand yen	
Total Assets	13,633,110 thousand yen		138,885 thousand yen	
Net Assets per Share	94.22 yen		117.00 yen	
Revenue	18,717,665 thousand yen		173,898 thousand yen	
Operating profit	720,213 thousand yen		16,888 thousand yen	
Ordinary profit	1,060,377 thousand yen		23,609 thousand yen	
Net profit attributable to parent company shareholders	507,691 thousand yen		15,328 thousand yen	
Net income per share	15.73 yen		19.16 yen	

4. Post-merger situation

There will be no changes to our company name, location, representative's title and name, business activities, capital, or fiscal year-end as a result of this merger.

5. Impact on performance

As this merger is a merger with a wholly owned subsidiary, there will be no impact on our consolidated performance.