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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.