



September 17, 2026

Company name: PKSHA Technology Inc.
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(Securities code: 3993, TSE Prime Market)
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Notice Concerning the Absorption-Type Merger of Two Consolidated Subsidiaries

PKSHA Technology Inc. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held today, to conduct an absorption-type merger (the "Merger") of PKSHA Associates Inc. (hereinafter "PKSHA Associates") and PKSHA Infinity Inc. (hereinafter "PKSHA Infinity"), with an effective date of January 1, 2027 (scheduled). The details are described below.

1. Purpose of the Merger

PKSHA Associates and PKSHA Infinity, the absorbed companies, are consolidated subsidiaries of the Company. In order to maximize the utilization of management resources, improve management efficiency, and expedite decision-making, the Company has decided to conduct this Merger, with the Company as the surviving company and PKSHA Associates and PKSHA Infinity as the absorbed companies. The Company will continue to engage in the AI SaaS business that PKSHA Associates and PKSHA Infinity have been developing.

2. Summary of the Merger

(1) Schedule of the Merger

Date of Board of Directors resolution	September 17, 2026
Date of conclusion of agreement	September 17, 2026
Date of General Meeting of Shareholders resolution	December 22, 2026 (Scheduled)
Scheduled date of implementation (effective date)	January 1, 2027 (Scheduled)

(2) Method of the Merger

It is an absorption-type merger with the Company as the surviving company, and PKSHA Associates and PKSHA Infinity will be dissolved.

(3) Details of Allotment in the Merger

Since PKSHA Associates is a wholly-owned subsidiary of the Company, there will be no issuance of new shares or delivery of money, etc. upon this Merger.

Regarding PKSHA Infinity, as consideration for the minority shareholders remaining at the time of the Merger, 100.83 shares of PKSHA Technology stock will be delivered for each share of PKSHA Infinity stock. Note that the total number of common shares of the Company to be allotted through this Merger is 7,864 shares, and since the allotment will be made using treasury shares held by the Company, no new shares will be issued.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with the Merger

Not applicable.

3. Basis for Calculating the Details of Allotment in the Merger

(1) Matters concerning calculation

① Preconditions for calculation:

In requesting the calculation organization to perform the calculation, there are no items expected to increase or decrease significantly compared to the most recent financial statements as a precondition for the calculation.

② Specific calculation method:

In order to ensure the fairness of the merger consideration in this Merger, the Company requested Plutus Consulting Co., Ltd. (hereinafter "Plutus Consulting"), an independent third-party calculation organization, to calculate the stock value of PKSHA Infinity Inc.

③ Calculation method used:

Valuation by the DCF method. Focusing on the future profitability of PKSHA Infinity, trial calculations were made based on the business plan from the fiscal year ending September 2026 to the fiscal year ending September 2031. This reflects continuous transactions with major business partners and the synergistic effects after the absorption-type merger.

The methods adopted and the calculation results are as follows:

Calculation Organization	Valuation Method Adopted	Assessed Value Per Share
Plutus Consulting Co., Ltd.	DCF method (Discounted Cash Flow method)	191,724 yen ~ 400,560 yen

(2) Relationship with the calculation organization

Plutus Consulting, the calculation organization, does not fall under the category of a related party of the Company or PKSHA Infinity, and has no material interests to be stated concerning this Merger.

4. Overview of the Parties to the Merger (As of September 17, 2026)

	Surviving Company	Absorbed Company	Absorbed Company
(1) Name	PKSHA Technology Inc.	PKSHA Associates Inc.	PKSHA Infinity Inc.
(2) Location	Hongo Segawa Bldg. 4F, 2-35-10 Hongo, Bunkyo-ku, Tokyo	Miyamasuzaka Building 205, 2-19-15 Shibuya, Shibuya-ku, Tokyo	Hanamura Bldg. 7F, 1-12-6 Hakataeki-higashi, Hakata-ku, Fukuoka-shi, Fukuoka
(3) Title and name of representative	Katsuya Uenoyama	Hiroataka Mizuno	Shingo Mori
(4) Business contents	Algorithm license business	Development of AI SaaS products	Development of AI SaaS products
(5) Capital stock	10 million yen	14 million yen	51 million yen
(6) Date of establishment	October 2012	March 2015	October 2019
(7) Number of issued shares	31,948,000 shares	104,770 shares	15,359 shares
(8) Fiscal year-end	September	September	September
(9) Major shareholders and shareholding ratio	Katsuya Uenoyama (30.40%), The Master Trust Bank of Japan, Ltd. (Trust Account) (10.14%), Naofumi Yamada (7.46%), LUCE Capital Inc. (3.56%), Toyota Motor Corporation (2.46%), Custody Bank of Japan, Ltd. (Trust Account) (2.12%), STATE STREET BANK AND TRUST COMPANY 505025	PKSHA Technology Inc. (100.00%)	PKSHA Technology Inc. (93.52%), 3 individual shareholders (6.48%)

	(1.61%), Yutaka Matsuo (1.25%), Japan Securities Finance Co., Ltd. (1.06%), HSBC- FUND SERVICES HSBC-006 MF EFM (0.98%)		
(1 0) Operating results and financial position for the most recent fiscal year			
Fiscal year	FY ended Sep 2025 (Non-consolidated)	FY ended Sep 2025 (Non-consolidated)	FY ended Sep 2025 (Non-consolidated)
Net assets	31,254	3,491	295
Total assets	40,998	4,165	800
Net assets per share (yen)	1,004.53	33,325.00	19,258.97
Net sales	5,469	1,925	905
Ordinary profit	1,008	1,042	113
Net income	3,245	717	86
Net income per share (yen)	104.60	6,850.49	5,636.27

(Unit: million yen. Unless otherwise specified.)

5 . Status After the Merger

There will be no changes to the trade name, business contents, head office location, title and name of the representative, capital stock, and fiscal year-end of the Company as the surviving company after this Merger.

6 . Future Outlook

As this Merger is to be carried out between the Company and its consolidated subsidiaries, the impact on the Company group's consolidated financial results will be minimal.