

Company name: TerraSky Co., Ltd.
Name of representative: Hideya Sato, Representative Director
Executive President & CEO
(Securities code: 3915; TSE Prime Market)
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Notice of Absorption Merger (Short Form Merger) of Wholly Owned Subsidiary

TerraSky Co., Ltd., ("TerraSky") hereby announces that it has resolved, at a meeting of the Board of Directors held on March 24, 2025, to merge with its wholly owned subsidiary, Enoki Inc.("ENOKI"). Since this merger is a short-form merger of a wholly owned subsidiary, some of the details disclosed are omitted.

1. Purpose of the Merge

Enoki is engaged in the development and implementation consulting business of the conversational AI platform "ENOKI," and by absorbing TerraSky, Enoki aims to improve the efficiency of its management resources. The conversational AI platform "ENOKI" will continue to be provided by TerraSky.

2. Summary of the Merger

(1) Schedule

(1)	Date of board resolution	March 24, 2025
(2)	Date of agreement signing	March 24, 2025
(3)	Date of the Merger	June 1, 2025 (Tentative)

(2) Method

The merger will be an absorption merger, with TerraSky as the surviving company, and ENOKI will be dissolved.

(3) Details of the allotment relating to the merger

As this is a merger with a wholly owned subsidiary, no new shares will be issued, and no monetary payment will be made.

(4) Handling of share options and share option-type liabilities of the dissolving company

Not applicable.

3. Outline of the two companies (as of February 28, 2024)

	Surviving company	Dissolving company
(1) Name	TerraSky Co., Ltd.,	ENOKI Inc.
(2) Address	2-11-2 Nihonbashi, Chuo-ku, Tokyo	2-11-2 Nihonbashi, Chuo-ku, Tokyo
(3) Title and Name of Representative	Hideya Sato Representative Director & Chief Executive Officer	Junichi Ito Chief Executive Officer
(4) Description of Business	Provision of cloud implementation and operation support for platforms including Salesforce, AWS, and CCP.	Consulting services for the development and implementation of "ENOKI", a conversational AI platform.
(5) Capital (¥ in thousands)	1, 256,892	24,950
(6) Date of Establishment	March 2006	July 2012
(7) Number of Outstanding Shares	12,866,380 shares	236shares
(8) Financial year-end	End of February	End of February
(9) Number of Employees	609 (Non-Consolidated)	1 (Non-Consolidated)
(10) Major Shareholders and Share Ownership Ratio	Hideya Sato 28.4% NTT TechnoCross Corp. 10.8%	TerraSky Co., Ltd., 71.2%* Junichi Ito 14.8%
(11) Operating results and financial positions for recent fiscal years		
Year Ended	February 28, 2022 (Consolidated)	February 28, 2022 (Non-Consolidated)
	(¥ in millions, except per share data)	
Net Assets	12,533	51
Total Assets	18,446	67
Net Assets per Share	863.53 yen	216,560 yen
Net Sales	19,137	41
Operating Profit	522	(0.6)
Ordinary Profit	655	(0.1)
Net Income	300	(0.05)
Net Income per Share	23.35 yen	(214) yen
Dividends per Share	0.00 yen	0.00 yen

*As of March 24, 2025, TerraSky holds 100% of Enoki's outstanding shares.

4. Situation after the Merger

Following the merger, TerraSky's trade name, business activities, head office location, representative, capital, and fiscal year-end will remain unchanged.

5. Outlook

The merger is expected to have a negligible impact on TerraSky's earnings for the current fiscal year. Any future developments requiring disclosure will be announced promptly.