



December, 16, 2025

Company name: Terra Drone Co., Ltd.

Name of representative: Toru Tokushige, Representative Director and President

(Securities code: 278A; Growth Market)

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## Notice Regarding Fire at Indonesian subsidiary (Third Report)

Tokyo, December 16, 2025 – A fire broke out at PT. Terra Drone Indonesia(hereinafter referred to as Indonesian subsidiary), Terra Drone’ s subsidiary in Indonesia, at around 12:10 p.m. (local time) on Tuesday, December 9, 2025.

As a result of the fire, we have received the information that 22 local employees of an Indonesian subsidiary have lost their lives. We extend our deepest condolences to those who have passed away, and our heartfelt sympathies to their bereaved families. Furthermore, we are committed to responding sincerely and appropriately to those who were injured.

Regarding this fire, the situation confirmed as of now is as follows. Some of the details overlap with what we have previously disclosed. We will disclose additional information as further details of the accident become clear.

### 1. Overview of the Affected Subsidiary

- (1) Name: PT. Terra Drone Indonesia
- (2) Location: Indonesia
- (3) Business description: Provision of surveying, inspection, and agricultural services using drones in Southeast Asia
- (4) Equity interest: 99.9% owned consolidated subsidiary

### 2. Data and Time of Occurrence

Around 12:10 p.m. (local time) on Tuesday, December 9, 2025

### 3. Place of Occurrence

Jakarta head office of the subsidiary

### 4. Cause of the Fire

The fire is regarded as having been caused in part by ignition from a battery stored by an Indonesian subsidiary. We are actively cooperating with the authorities and conducting our own internal investigation. Once the cause is confirmed , we will provide an update promptly.

Neither our company nor our Indonesian subsidiary manufactures the batteries considered to have caused the fire. Those batteries were used only for project purposes by our Indonesian subsidiary. The batteries that our company and Indonesian subsidiary distribute to customers are different from those. We are closely working with the manufacturer to verify the quality and specifics of the batteries. We realized post-incident that the building did not comply with the safety standards. The fire safety measures in the building are described in the lease agreement as the lessor’ s obligation (*Note 1*), stating that “It is the Lessor’ s obligation to maintain the Building in a condition fit for its ordinary use.,” and we recognize this as the lessor’ s duty.

Going forward, we will also conduct our own fact-finding, including interviews with employees and on-site verification, to determine the cause of the fire.

5. Status of Damage

Fatalities: 22 local employees those we lost (7 men, 15 women)

Injuries: 15 local employees who were injured

*Note 1:* Excerpt from the contract (Indonesian): “bahwa pihak kedua dapat menempati dengan aman di bangunan itu tanpa tuntutan dari pihak manapun.”