

Note: This document is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.

Security Code: 186A
July 11, 2025 (Start date of electronic
provision measures: July 8, 2025)

Dear Shareholders,

4-17-1, Kinshi, Sumida-ku, Tokyo
Astroscale Holdings Inc.
Representative Director Mitsunobu Okada

Notice of Convocation of the 7th Annual General Meeting of Shareholders

You are cordially invited to attend the 7th Annual General Meeting of Shareholders (the “AGM”) of Astroscale Holdings Inc. (the “Company”) as outlined below.

The Company has adopted electronic provision measures for this meeting. The documents subject to electronic provision are available on our website below:

Company Website: <https://astroscale.com/ir/library/meeting/>

These documents are also accessible via the Tokyo Stock Exchange (TSE) website. Please access the TSE Listed Company Information Service and search for “アストロスケールホールディングス” in the company name field or enter “186A” in the code field. Then select “Basic Information” and “Disclosure Documents / PR Information.”

TSE Website (TSE Listed Company Information Service):
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

If you are unable to attend the meeting, you may exercise your voting rights via the Internet or by paper ballot. We kindly ask you to review the Reference Documents for the AGM below and exercise your voting rights **by no later than 5:00 p.m. on Tuesday, July 29, 2025 (Japan Standard Time)**. Thank you very much for your cooperation.

1. Date 3:00 p.m., Wednesday, July 30, 2025 (venue opening at 2:00 p.m.)
2. Location **Tobu Hotel Levant Tokyo 4F “Nishiki” 1-2-2, kinshi, Sumida-ku, Tokyo**
3. Meeting Agenda:
Reports:
 1. Reports on the contents of Business Report, Consolidated Financial Statements, and the Results of the Audit thereof by the Accounting Auditor and the Audit & Supervisory Board for the 7th Term (from May 1, 2024 to April 30, 2025).
 2. Reports on the contents of Non-consolidated Financial Statements for the 7th Term (from May 1, 2024 to April 30, 2025).
4. Resolutions:
Proposed Resolution 1: Reduction of Capital and Legal Capital Surplus, and Appropriation of Surplus
Proposed Resolution 2: Election of Seven (7) Members of the Board of Directors
Proposed Resolution 3: Election of Four (4) Members of the Audit & Supervisory Board
5. Decisions Regarding the Convocation (Guidance on the Exercise of Voting Rights, etc.)
 - (1) To vote via the Internet, please follow the instructions on the designated voting website.
 - (2) To vote by mail, please indicate your approval or disapproval on the enclosed voting form and return it so that it arrives by 5:00 p.m. on Tuesday, July 29, 2025.
 - (3) To vote in person at the meeting, please bring this convocation notice and submit the voting form at the reception desk at the venue.
 - (4) If no indication is made on the voting form, your vote will be deemed as approval.

- (5) The enclosed documents also serve as statutory documents provided in accordance with the request for document delivery under electronic provision measures.
- (6) Pursuant to laws and Article 18 of the Company's Articles of Incorporation, the printed documents provided to shareholders who requested delivery do not include the following items:
 - Matters related to stock acquisition rights
 - Notes to the Consolidated Financial Statements
 - Notes to the Non-Consolidated Financial Statements

Notice of Corrections

If there are any corrections to the matters subject to electronic provision, such corrections, including both pre- and post-correction details, will be posted on the Company and TSE websites. The results of the AGM resolutions will also be announced on the Company website.

<https://astroscale.com/ir/library/meeting/>

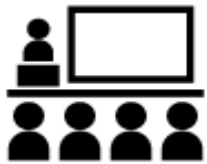


Business Presentation for Shareholders

Following the conclusion of the AGM, a business presentation for shareholders will be held at the same venue. All shareholders are welcome to attend. The session, including a Q&A portion, is expected to last approximately 40 minutes.

Guide to Exercising Voting Rights

Please review the Reference Documents for the General Meeting provided via electronic provision and exercise your voting rights accordingly.

There are three ways to exercise your voting rights:

 <p>Voting in Person on the Day of the Meeting</p> <p>Please submit the enclosed voting form at the reception desk of the venue.</p> <p>Date and Time of the General Meeting</p>	 <p>Voting by Mail</p> <p>Please indicate your approval or disapproval for each proposal on the enclosed voting form and return it so that it arrives by the deadline. If no indication is made, your vote will be deemed as approval.</p> <p>Deadline (Must arrive)</p>	 <p>Voting via the Internet</p> <p>Please vote on this website: https://evote.tr.mufg.jp/</p> <p>Deadline</p>
<p>2025 / 7 / 30 (Wed) 3:00 p.m.</p> <p>※If you attend the meeting in person, there is no need to vote by mail or online.</p>	<p>2025 / 7 / 29 (Tue) 5:00 p.m.</p>	<p>2025 / 7 / 29 (Tue) 5:00 p.m.</p>

If you vote both by mail and via the Internet, the Internet vote will be considered valid. If multiple votes are cast via the Internet, the last vote will be considered valid.

【The 7th Annual General Meeting of Shareholders】

The Agenda for the General Meeting of Shareholders

Resolution 1: Reduction of Capital and Legal Capital Surplus, and Appropriation of Surplus

As of April 30, 2025, the Company has recorded an accumulated deficit of ¥23,408,254,357 in retained earnings.

In order to offset this deficit and strengthen the Company's financial base, it is proposed that the Company reduce its capital and capital reserve, and appropriate surplus as follows.

Specifically, in accordance with Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act of Japan, the amounts of capital and capital reserve will be reduced and transferred to other capital surplus.

Subsequently, pursuant to Article 452 of the Companies Act, a portion of the increased other capital surplus will be transferred to retained earnings brought forward to offset the accumulated deficit.

This reduction will be carried out as a gratuitous reduction of capital, meaning that no funds will be distributed to shareholders.

The total number of issued shares will remain unchanged, and there will be no change in the number of shares held by each shareholder.

Furthermore, this reduction will not affect the Company's net assets or the total number of issued shares, and therefore will not impact on the net asset value per share.

1. Details of Capital Reduction

i. Amount of Capital Reduction

In accordance with Article 447, Paragraph 1 of the Companies Act, the stated capital as of April 30, 2025 (¥10,297,486,074) will be reduced by ¥6,675,691,948 to ¥3,621,794,126. The entire amount of the reduction will be transferred to other capital surplus.

ii. Effective Date of Capital Reduction

Scheduled for September 1, 2025.

2. Details of Capital Reserve Reduction

i. Amount of Capital Reserve Reduction

In accordance with Article 448, Paragraph 1 of the Companies Act, the capital reserve as of April 30, 2025 (¥16,732,562,409) will be reduced in full to ¥0. The entire amount will be transferred to other capital surplus.

ii. Effective Date of Capital Reserve Reduction

Scheduled for September 1, 2025.

3. Details of Appropriation of Surplus

Subject to the effectiveness of the above capital and capital reserve reductions, pursuant to Article 452 of the Companies Act, a portion of the transferred other capital surplus amounting to ¥23,408,254,357 will be transferred to retained earnings brought forward to offset accumulated losses.

i. Surplus Account to be Decreased and Amount

Other Capital Surplus: ¥23,408,254,357

ii. Surplus Account to be Increased and Amount

Retained Earnings Brought Forward: ¥23,408,254,357

Resolution 2: Election of Seven (7) Members of the Board of Directors

With the expiration of the term of office of all six (6) current Directors upon adjournment of the 7th Annual General Meeting of Shareholders (AGM), we hereby propose seven (7) candidates , including new appointments, to be elected as members of the Board in order to enhance the structure of the Board, particularly through the addition of Outside Directors.

The candidates for Director are as follows.

Candidate No.	Name (Date of birth)	Career	Shares owned
1	Mitsunobu Okada (March 27, 1973) Tenure of office: 6 years and 7 months	<p>Apr 1997 Joined the Ministry of Finance</p> <p>Jul 2001 Joined McKinsey & Company</p> <p>Aug 2004 Appointed as Director & CFO of TurboLinux Inc.</p> <p>Apr 2006 Appointed as Director of KAZAKA Financial Group, Inc.</p> <p>Feb 2007 Appointed as Representative Director of KAZAKA Commodity Inc.</p> <p>Mar 2007 Appointed as Corporate Auditor of TurboLinux Inc.</p> <p>Aug 2008 Joined Bain Capital LLC</p> <p>Aug 2009 Appointed as CEO of SUGAO PTE. LTD.</p> <p>Aug 2012 Appointed as Director of MIKAWAYA21 Inc.</p> <p>May2013 Appointed as CEO of ASTROSCALE PTE. LTD.</p> <p>Feb 2015 Appointed as Representative Director of Astroscale Japan Inc.</p> <p>Mar 2017 Appointed as Director of Astroscale Ltd (present)</p> <p>Aug 2017 Appointed as Director of Astroscale Japan Inc. (present)</p> <p>May 2018 Appointed as Fellow of the Royal Aeronautical Society (FRAeS) (present)</p> <p>Nov 2018 Appointed as Director of Astroscale Singapore Pte. Ltd. (present)</p> <p>Dec 2018 Appointed as Representative Director and President & CEO of the Company (present)</p> <p>Mar 2019 Appointed as Director of Astroscale U.S. Inc.</p> <p>May2019 Appointed as Advisory Board of The Space Generation Advisory Council (SGAC) (present)</p> <p>Oct 2019 Appointed as co-chair of the World Economic Forum (Davos Conference) Space Council</p> <p>Oct 2020 Appointed as Vice President of International Astronautical Federation (IAF)</p> <p>Apr 2021 Appointed as Director of the Satellite Systems Technology Promotion Organization (present)</p> <p>Jan 2023 Appointed as Director of the Impact Start-up Association (present)</p> <p>Sep 2023 Appointed as Director of Astroscale France SAS</p> <p>Oct 2023 Appointed as Honorary Ambassador of International Astronautical Federation (IAF) (present)</p>	24,840,300

		Aug 2024	Appointed as Chief Advisor of the National Personnel Authority Training Institute (present)	
		Sep 2024	Appointed as Mentor at the Japan Science and Technology Agency (JST) (present)	
【Reason for the Nomination as Director】 Mr. Mitsunobu Okada founded the Company in 2013 and has since led its growth into a global enterprise with operations in five countries. In 2024, he successfully achieved the Company’s listing on the Tokyo Stock Exchange Growth Market. With his international insight into the space industry, extensive management experience, and exceptional drive, we believe he will continue to play a central role in the Company’s leadership. Accordingly, we have nominated him as a candidate for Director.				
2	Christopher Blackerby (September 3, 1973) Tenure of office: 6 years and 7 months	Oct 2002	Joined National Aeronautics and Space Administration (NASA) Head Office	
		Aug 2012	Appointed as Head of Asia Representative Office of National Aeronautics and Space Administration (NASA) at the U.S. Embassy in Tokyo	
		Aug 2017	Appointed as COO of ASTROSCALE PTE. LTD. Appointed as Representative Director of Astroscale Japan Inc. Appointed as Director of Astroscale Ltd (present)	
		Nov 2018	Appointed as Director of Astroscale Singapore Pte.Ltd. (present)	2,000
		Dec 2018	Appointed as Director & COO of the Company (present)	
		Mar 2019	Appointed as Director of Astroscale U.S. Inc.	
		Feb 2021	Appointed as Director of Astroscale. Japan Inc.	
		May2022	Appointed as Representative Director of Astroscale Japan Inc.	
		Jan 2023	Appointed as Director of Astroscale Japan Inc. (present)	
		Sep 2023	Appointed as Director of Astroscale France SAS	
【Reason for the Nomination as Director】 Mr. Christopher Blackerby has served as COO of the Company Group since 2017, leading strategic planning and organizational development. He brings valuable experience from his time at NASA Headquarters, where he led international space cooperation strategies, and also served as the NASA Representative in Asia, facilitating collaboration with countries including Japan. With his deep international knowledge of the space industry, industry connections and strong execution capabilities, we believe he will continue to make significant contributions to the global expansion of our space business. Accordingly, we have nominated him as a candidate for Director.				
3	Nobuhiro Matsuyama (July 22, 1986) Tenure of office: 2 years	Apr 2009	Joined Merrill Lynch Japan Securities Inc.	
		Jun 2012	Joined Barclays Securities Japan Inc.	
		Apr 2014	Joined Goldman Sachs Japan Securities Inc.	
		Sep 2016	Joined Goldman, Sachs & Co.	
		Sep 2017	Joined Goldman Sachs Japan Securities Inc.	
		Dec 2021	Appointed as Executive Officer and CFO of the Company	
		May2022	Appointed as Director of Astroscale Japan Inc. (present)	
		Jan 2023	Appointed as co-chair of the World Economic Forum (Davos Conference) Space Council	13,300

		Jul 2023	Appointed as Director & CFO of the Company (present)	
		Sep 2023	Appointed as Director of Astroscale France SAS	
	【Reason for the Nomination as Director】 Mr. Nobuhiro Matsuyama has extensive global financial experience, including in investment banking at Goldman Sachs, and has served as CFO of the Company Group since 2021, leading financial strategy and capital policy. With his strong execution capabilities in supporting the financial foundation of a growing company in the space industry and his international perspective, we believe he will continue to make significant contributions to the Company’s sustainable growth and the enhancement of corporate governance. Accordingly, we have nominated him as a candidate for Director.			
4	Yuko Noguchi (October 15, 1972) Tenure of office: 3 years and 5 months	Apr 1998	Joined Mori Sogo Law Offices (currently Mori Hamada & Matsumoto Law Offices)	—
		Jan 2008	Appointed as Partner of Intellectual Property Group of Mori Hamada & Matsumoto Law Offices	
		Dec 2013	Appointed as Executive Officer and General Counsel, Google Japan G.K. (present)	
		Feb 2022	Appointed as Director of the Company (present)	
	【Reason for the Nomination as External Director and Overview of Expected Role】 Ms. Yuko Noguchi is an accomplished attorney with deep expertise in intellectual property, international disputes, and cross-border transactions. Based on her extensive professional knowledge and experience as a pioneer in intellectual property at a global IT company, we have determined that she is well-suited to serve as an outside director of our company. We expect her to continue contributing to the effective enhancement of our Board of Directors’ decision-making and supervisory functions.			
5	Jan Wörner (July 18, 1954) Tenure of office: 3 years and 5 months	Oct 1979	Joined Köing und Heunisch	—
		Oct 1990	Appointed as Professor, Technical University Darmstadt	
		Jul 1995	Appointed as President, Technical University Darmstadt	
		Feb 2007	Appointed as Chair of Executive Board of German Aerospace Center	
		Jul 2015	Appointed as Director General of the European Space Agency (ESA)	
		Mar 2021	Appointed as President of German Academy of Science and Engineering (present)	
		Feb 2022	Appointed as Director of the Company (present)	
	【Reason for the Nomination as External Director and Overview of Expected Role】 Mr. Jan Wörner is the former Director General of the European Space Agency (ESA) has built a distinguished career in the space industry over many years and possesses a broad network of professional connections. Given his extensive management experience, deep insights into legal and regulatory frameworks, and particularly his strong track record in the European space sector, we believe he is well qualified serve as an External Director of the Company. We expect him to continue contributing to the enhancement of our corporate value.			
6	Gayle Sheppard (December 8, 1953) Tenure of office: 2 years	Mar 1991	Joined J.D. Edwards Company, Inc.	—
		Jan 1996	Appointed as President of J.D. Edwards Japan Inc.	
		Sep 2000	Appointed as CEO & President of MarketMile LLC.	
		Jul 2002	Appointed as Vice President & Managing Director of PeopleSoft, Inc.	

		<div>Feb 2006 Appointed as Director of Saffron Technology Inc.</div> <div>Jan 2013 Appointed as CEO & Chair of Saffron Technology Inc.</div> <div>Oct 2015 Appointed as Vice President & General Manager, Saffron AI Group of Intel Corporation</div> <div>Apr 2019 Appointed as Corporate Vice President of Microsoft Corporation</div> <div>Sep 2019 Appointed as Corporate Vice President & CTO for Microsoft Asia of Microsoft Corporation</div> <div>Jan 2022 Appointed as Director of Nutanix, Inc. (present)</div> <div>Oct 2022 Appointed as CEO of Bright Machines</div> <div>Jul 2023 Appointed as Director of the Company (present)</div>	
<div>【Reason for the Nomination as External Director and Overview of Expected Role】</div> <div>Ms. Gayle Sheppard has extensive management experience across a wide range of industries and company sizes, including leadership roles at global companies such as Intel and Microsoft. Based on her diverse background and expertise, we believe she is well qualified to serve as an External Director of the Company, Given her ability to provide appropriate advice aligned with our business growth and corporate scale, we expect her to continue contributing to the enhancement of our corporate value.</div>			
7	<div>Ronald Pasek</div> <div>(November 30, 1960)</div> <div>New Candidate</div>	<div>Jul 1991 Joined Sun Microsystems</div> <div>Jul 2001 Appointed as Vice President Finance & Planning – US Field Finance at Sun Microsystems</div> <div>Aug 2003 Appointed as Vice President Finance – Worldwide Manufacturing at Sun Microsystems</div> <div>Sep 2005 Appointed as Vice President Finance – Worldwide Field Finance at Sun Microsystems</div> <div>Sep 2008 Appointed as Vice President – Corporate Treasurer at Sun Microsystems</div> <div>Dec 2009 Appointed as Senior Vice President – CFO at Altera Corporation</div> <div>Aug 2015 Appointed as Chairman of The Board & Audit Committee Chair at Spectra 7</div> <div>Apr 2016 Appointed as Executive Vice President & CFO at NetApp</div> <div>Mar 2022 Appointed as Board Member & Chair of Audit Committee at Sada Systems</div> <div>Aug 2022 Appointed as Board Member (Member of Audit Committee & Nominating & Governance Committee) at Zendesk</div> <div>Feb 2023 Appointed as Board Member & Chair of Audit Committee at Sun Power (present)</div>	
<div>【Reason for the Nomination as External Director and Overview of Expected Role】</div> <div>Mr. Ronald Pasek is a global executive who has served as CFO at publicly listed companies such as NetApp and Altera, where he led initiatives to enhance corporate value and drive financial transformation. With his extensive experience in M&A and a strong track record on audit committees, we believe he is well qualified to serve as an External Director of the Company and expect him to make significant contributions to strengthening our corporate governance.</div>			

Notes:

1. No conflict of interest exists between Board candidates and the Company.
2. Ms. Yuko Noguchi, Mr. Jan Wörner, Ms. Gayle Sheppard, and Mr. Ronald Pasek are the candidates for External Director of the Company.
3. The Company has designated Ms. Yuko Noguchi, Mr. Jan Wörner, Ms. Gayle Sheppard, and Mr. Ronald Pasek as Independent Officers pursuant to the rules of the Tokyo Stock Exchange.
4. The Company has, pursuant to the provisions of Article 427-1 of the Companies Act, entered into the Limitation of Liability Agreement (the “Agreement”) with Ms. Yuko Noguchi, Mr. Jan Wörner, and Ms. Gayle Sheppard for the purpose of setting a limit on the scope of Liability for Damages stipulated in Article 423-1 of the Companies Act. If the election of Ms. Yuko Noguchi, Mr. Jan Wörner, and Ms. Gayle Sheppard, is approved, the Company plans to continue the Agreement with each of them. If the election of Mr. Ronald Pasek is approved, the Company plans to newly enter into such Agreement with him.
5. The Company is enrolled in the Liability Insurance Plan (the “Plan”) offered by an insurance company to provide liability coverage for any damages caused by Officers as prescribed in Article 430-3-(1) of the Companies Act for the purpose of ensuring that the insured (all Directors and Corporate Auditors of the Company and its Subsidiaries, including those who have retired from office or newly appointed) may be compensated for any claims and damages or litigation expenses incurred by any acts (whether intentional or unintentional) of Officers in performance of their duties. If the proposed agenda is approved by the Board, all candidates shall be eligible to enroll in the Plan as insured. The premium for this Plan is paid by the Company for all insured persons. The term of the Plan shall be renewable on the same conditions during the term of office.
6. Ms. Yuko Noguchi is registered under the name Yuko Suzuki in the family register.

Resolution 3: Election of Four (4) Members of the Audit & Supervisory Board

With the expiration of the term of office of all three (3) current Audit & Supervisory Board Members upon adjournment of the 7th Annual General Meeting of Shareholders (AGM), we hereby propose four (4) candidates, including new appointments, to be elected as Audit & Supervisory Board Members in order to strengthen the audit structure.

This proposal has been approved by the Audit & Supervisory Board.

The candidates for Audit & Supervisory Board Member are as follows.

Candidate No.	Name (Date of birth)	Career	Shares owned
1	Takayuki Suzuki (November 8, 1952) Tenure of office: 6 years and 7 months	Apr 1975 Joined IBM Japan, Inc. Dec 1998 Appointed as Director of Display Technology Inc. Sep 2002 Appointed as Representative Director of Display Technology Inc. Jun 2014 Appointed as Corporate Auditor of Proto Corporation Nov 2018 Appointed as External Corporate Auditor of Prime Strategy Inc. Dec 2018 Appointed as Full-time Corporate Auditor of the Company (present) Feb 2021 Appointed as Corporate Auditor of Astroscale Japan Inc. Aug 2022 Appointed as External Director (Audit and Supervisory Committee Member) of Prime Strategy Inc. (present)	—
		【Reason for the Nomination as External Audit & Supervisory Board Member】 Mr. Takayuki Suzuki has extensive knowledge and broad insight gained through his experience in business operations and management in the manufacturing industry, as well as his service as an Audit & Supervisory Board Member and Audit and Supervisory Committee Member at multiple companies. Based on these qualifications, we believe he is well suited to serve as an External Audit & Supervisory Board Member of the Company.	
2	Hisako Matsuda (February 3, 1955) Tenure of office: 6 years and 6 months	Jul 1995 Joined Hastings & Co. Aug 1997 Registered as a Lawyer in Hong Kong May 1999 Registered as a Lawyer in England and Wales Oct 1999 Joined Oh-Ebashi Law Offices (currently Oh-Ebashi LPC & Partners) (present) Jan 2004 Registered as a Foreign Lawyer (Hong Kong Law, United Kingdom Law) Jun 2013 Appointed as External Corporate Auditor of Sunstar Inc. Jun 2013 Appointed as External Corporate Auditor of Sunstar Engineering Inc. Apr 2018 Appointed as Visiting Lecturer at Chuo University Law School Jan 2019 Appointed as External Corporate Auditor of the Company (present) Apr 2019 Appointed as Lecturer at Doshisha University Faculty of Law and Graduate School of Law Apr 2022 Appointed as Visiting Professor at Chuo University Law School	—
		【Reason for the Nomination as External Audit & Supervisory Board Member】 Ms. Hisako Matsuda is qualified as a Registered Foreign Lawyer (admitted in Hong Kong and England & Wales, registered with the Dai-Ichi Tokyo Bar Association), and is also a solicitor in England & Wales and Hong Kong. Given her extensive legal expertise and experience, we believe she is well qualified to serve as an External Audit & Supervisory Board Member of the Company, from whom	

	we can expect valuable insights and opinions.		
3	<p>Haruka Ikeda (January 1, 1959) Tenure of office: 6 years</p>	<p>Apr 1982 Joined Japan Associated Finance Co., Ltd. (currently JAFCO Group Co., Ltd.)</p> <p>Oct 1997 Appointed as Public Relations General Manager of JAFCO Inc. (currently JAFCO Group Co., Ltd.)</p> <p>Jan 2019 Joined Asian Bridge Inc.</p> <p>Jun 2019 Appointed as Full-time Corporate Auditor of Asian Bridge Inc.</p> <p>Jul 2019 Appointed as External Corporate Auditor of the Company (present)</p> <p>Mar 2021 Appointed as External Director (Audit and Supervisory Committee Member) of ValueCommerce Co., Ltd. (present)</p> <p>Mar 2023 Appointed as Full-time Corporate Auditor of paiza Inc. (present)</p>	—
	<p>【Reason for the Nomination as External Audit & Supervisory Board Member】</p> <p>Ms. Haruka Ikeda has extensive experience in public relations and administrative departments, and has also served as an Audit & Supervisory Board Member and Audit and Supervisory Committee Member at multiple companies. Based on her background, we believe she is well qualified to serve as an External Audit & Supervisory Board Member of the Company, from whom we can expect objective and constructive opinions on our management.</p>		
4	<p>Shinji Oshige (July 4, 1964) New Candidate</p>	<p>Apr 1988 Joined Nippon Life Insurance Company</p> <p>Jun 1998 Joined The Boston Consulting Group Inc.</p> <p>Mar 2004 Appointed as Executive Officer of Dream Incubator Inc.</p> <p>Sep 2012 Appointed as Executive Officer and Managing Director, Co-Head of the Venture and Growth Investment Group at Innovation Network Corporation of Japan (currently INCJ, Ltd.)</p> <p>Oct 2013 Appointed as Director of Smart Insight Inc.</p> <p>Feb 2014 Appointed as Director of SQUSE Inc.</p> <p>Feb 2014 Appointed as Director of Material Concept Inc.</p> <p>Jul 2014 Appointed as Director of WHILL Inc.</p> <p>Sep 2014 Appointed as Director of SCIVAX Inc.</p> <p>Aug 2015 Appointed as Director of INNOPHYS Inc.</p> <p>Aug 2015 Appointed as Director of SmartDrive Inc.</p> <p>Mar 2016 Appointed as Director of ASTROSCALE Pte. Ltd.</p> <p>Sep 2017 Appointed as Director of Elephantech Inc.</p> <p>Jan 2018 Appointed as Director of SOINN Inc.</p> <p>May 2018 Appointed as Director of WHILL Inc.</p> <p>Dec 2018 Appointed as Director of the Company</p> <p>Aug 2019 Appointed as Director of Cloudian Holdings Inc.</p> <p>Sep 2019 Appointed as Director of Floadia Inc.</p> <p>Jul 2020 Appointed as Deputy Group Leader and Managing Director of the Venture and Growth Investment Group at INCJ, Inc.</p>	—

		Oct 2020 Appointed as Director of Land Data Bank Inc.	
		Jul 2022 Appointed as Director of the Company	
	<p>【Reason for the Nomination as Audit & Supervisory Board Member】</p> <p>Mr. Shinji Oshige previously served as an External Director of the Company and was actively involved in its management. Through this experience, he has gained a deep understanding of the Company’ s business. In addition, he possesses extensive knowledge based on his experience as a director at many companies. For these reasons, we believe he is well qualified to serve as an External Audit & Supervisory Board Member of the Company, as he is expected to provide appropriate advice from both a management and objective perspective.</p>		

Notes:

1. No conflict of interest exists between Audit & Supervisory Board Member candidates and the Company.
2. Mr. Takayuki Suzuki, Ms. Hisako Matsuda, and Ms. Haruka Ikeda are the candidates for External Audit & Supervisory Board Member of the Company.
3. The Company has designated Mr. Takayuki Suzuki, Ms. Hisako Matsuda, and Ms. Haruka Ikeda as Independent Officers pursuant to the rules of the Tokyo Stock Exchange.
4. The Company has, pursuant to the provisions of Article 427-1 of the Companies Act, entered into the Limitation of Liability Agreement (the “Agreement”) with Mr. Takayuki Suzuki, Ms. Hisako Matsuda, and Ms. Haruka Ikeda for the purpose of setting a limit on the scope of Liability for Damages stipulated in Article 423-1 of the Companies Act. If the election of Mr. Takayuki Suzuki, Ms. Hisako Matsuda, and Ms. Haruka Ikeda is approved, the Company plans to continue the Agreement with each of them. If the election of Mr. Shinji Oshige is approved, the Company plans to newly enter into such Agreement with him.
5. The Company is enrolled in the Liability Insurance Plan (the “Plan”) offered by an insurance company to provide liability coverage for any damages caused by Officers as prescribed in Article 430-3-(1) of the Companies Act for the purpose of ensuring that the insured (all Directors, Executive Officers, and Audit & Supervisory Board Members of the Company and its Subsidiaries, including those who have retired from office or newly appointed) may be compensated for any claims and damages or litigation expenses incurred by any acts (including omissions) of Officers in performance of their duties. If the proposed agenda is approved by the Board, all candidates shall be eligible to enroll in the Plan as insured. The premium for this Plan is paid by the Company for all insured persons. The term of the Plan is renewable on the same conditions during the term of office.

(Exhibit)

Business Report

(From May 1, 2024
To April 30, 2025)

1. Matters Pertaining to the Current State of the Company

(1) Developments and Results of the Business

According to a publication in January 2025 by Novaspace, global government space-related spending grew 10% in 2024 to \$135 billion, with a notable increase in defense-related spending of approximately 24% over the previous year to \$72 billion. In Japan, the Space Strategy Fund, which is estimated to be worth ¥1 trillion in total, has started to request for proposals on several themes from July 2024. In March 2025, the Cabinet Office released a new implementation policy regarding the goals and contents of each technology development theme as the second phase of the Space Strategy Fund. Of the total budget of ¥300 billion, about ¥46.5 billion will be allocated to on-orbit servicing (OOS) as the creation of new services, and it also clearly stated that investment in OOS will be accelerated among the key technologies positioned in the Space Technology Strategy. In addition, the Space Force Doctrine Document 1, a U.S. Space Force policy document released in April 2025, redefines the space domain, emphasizes the importance of space superiority, focuses on stronger partnerships with commercial providers and the integration of commercial space solutions, and outlines the potential for future utilization of OOS. We expect further expansion in our business through these initiatives.

The Group has made steady progress in advancing RPO (Rendezvous and Proximity Operations) technology, which is essential for OOS. Through the Commercial Removal of Debris Demonstration (CRD2) mission “ADRAS-J,” we successfully approached to a distance of approximately 15 meters from a piece of debris and completed the contract with the Japan Aerospace Exploration Agency (JAXA). This world's first success as a private company is a significant development for the Group in terms of demonstrating RPO technology. In addition to this important development, the Group has also made progress in the development of COSMIC (Cleaning Outer Space Mission through Innovative Capture), a solution for the UK debris removal mission led by the UK Space Agency (UKSA), with completion of the mid-term review of the current contract phase (Phase 2) in February 2025, and the completion of the final review in May 2025.

Reflecting these efforts, the Group is creating an OOS market and steadily capturing growing demand. The total bookings and awards for the fiscal year ended April 2025 were 20 contracts valued at ¥41,613 million, and the key projects were as follows.

(Civil/Commercial projects)

- July 2024: Signed a contract for the final phase (Phase 4) of ELSA-M.
- August 2024: Signed a significant contract with JAXA for CRD2 Phase II.
- September 2024: Signed a contract with the UKSA for COSMIC Phase 2.
- January 2025: Signed a contract with European Space Agency (ESA) for CAT-IOD Phase A.
- January 2025: Selected as a contractor for the research and development (R&D) concept for "Refueling Technology Contributing to Satellite Life Extension" under Key and Advanced Technology R&D through Cross Community Collaboration Program (K Program).
- January 2025: Received a notification of grant decision for Phase 2 of ISSA-J1.
- March 2025: Signed the first large-scale commercial contract with Airbus Constellations Satellites SAS for over 100 units of our second-generation docking plates.

(Defense-related projects)

- January 2025: Signed a contract with BAE Systems plc for Orpheus mission.
- February 2025: Signed a significant contract with Japan Ministry of Defense.
- April 2025: Signed an extension contract with the U.S. Space Command to extend APS-R to launch and on-orbit demonstration.

We position these contracts as important missions that will contribute to the development and commercialization of OOS in the future. We lead the on-orbit service industry in terms of contracts awarded, with multiple projects secured in various countries. Having successfully demonstrated core RPO technology twice, we continue to maintain our pioneering position as a leading company in the field of OOS.

Amid growing global momentum to promote policies driving demand for space-related spending and OOS from both governments and private companies, the Group continues to aggressively pursue business alliances and enhancing technical development in order to expand business opportunities for OOS. In August 2024, our U.K. subsidiary Astroscale Ltd signed a Memorandum of Understanding (MOU) with Airbus Defence and Space for potential collaboration in OOS and debris removal. In March 2025, our Japanese subsidiary Astroscale Japan Inc. signed MOUs with three local Indian companies (Digantara, Bellatrix Aerospace, and MEMCO Associates (India) Private Limited) to establish cooperative relationships for the Indian market and third country markets in the areas of space situational awareness (SSA) and OOS.

As a result, for the fiscal year ended April 30, 2025, revenue was ¥2,456,956 thousand, operating loss was ¥18,755,004 thousand, loss before income tax was ¥21,550,288 thousand and loss attributable to owners of the parent was ¥21,551,603 thousand.

For reference, project income* for the fiscal year ended April 30, 2025 was ¥6,088,555 thousand, of which, government subsidy income was ¥3,631,599 thousand.

(*) We present above project income, which includes revenue from customers and government subsidy income only related to grants for which use is tied to specific projects. We believe project income provides investors with additional information in relation to the sources of income derived from our project-related activities, as we pursue a wide range of project activities regardless of the funding scheme. Management monitors project income as the primary indicator of income of project-related activities. Project income is not a financial measure prescribed by IFRS but is a supplemental financial measure that we believe is useful for investors to assess income derived from projects and their funding sources. However, non-IFRS measures have a number of important limitations and should not be viewed as a substitute for financial information prepared in accordance with IFRS. Due to the limitations inherent in non-IFRS measures, investors should not solely rely on non-IFRS measures in assessing our performance and financial condition.

(2) Capital Expenditures

The corporate group made capital investments totaling ¥835 million during the fiscal year ended April 30, 2025. These investments were primarily directed toward machinery and equipment, reflecting a strategic enhancement of manufacturing-related facilities.

(3) Financing

1. Issuance of New Shares in Connection with Initial Public Offering

On June 5, 2024, the Company was listed on the Growth Market of the Tokyo Stock Exchange. In connection with this listing, the Company raised a total of ¥20,070 million through the issuance of 22,169,200 shares of common stock via a public offering and an additional 3,124,900 shares through a third-party allotment related to the over-allotment option.

2. Execution of Commitment Line Agreement

In March 2025, the Company entered into a bilateral commitment line agreement with Resona Bank, Limited, with a maximum principal amount of ¥3,000 million. As of the end of the fiscal year ended April 30, 2025, the full amount under this facility had been drawn.

In April 2025, the Company made an early repayment of ¥3,000 million under a ¥5,000 million term loan agreement with MUFG Bank, Ltd., originally scheduled to mature on September 30, 2025. This early repayment was made to ease the repayment burden and reduce interest expenses.

(4) Issues to be Addressed

Although the Group has steadily accumulated orders ahead of the global market, the OOS market remains in its early stages, and the environment surrounding the Group continues to be characterized by high uncertainty. Furthermore, space-related businesses inherently require long lead times for research and development, customer acquisition, satellite design and manufacturing, launch, and operations

Since 2020, public awareness of the need to address the deterioration of the space environment and ensure the sustainable use of outer space has grown rapidly. In May 2023, the G7 Foreign Ministers' Meeting, the Science and Technology Ministers' Meeting, and the G7 Hiroshima Summit addressed the issue of space debris. The official communiqué emphasized that the sustainable use of outer space is an urgent issue and highlighted the need for both debris mitigation and remediation. The communiqué of the G7 Apulia Summit in June 2024 further outlined efforts to establish standards and regulations for space sustainability, presenting more concrete measures for debris reduction. Additionally, at the United Nations Summit of the Future held in September 2024, the "Pact for the Future" was unanimously adopted by the UN General Assembly with participation from all 193 member states. Action Goal 56 of the pact stipulates the enhancement of international cooperation in the exploration and use of outer space, recognizing the critical role of space sustainability in achieving the SDGs. It also calls for discussions at the UN Committee on the Peaceful Uses of Outer Space (COPUOS) on new frameworks for space debris and space traffic management, and encourages the involvement of stakeholders, including the private sector, in intergovernmental processes to improve space safety and sustainability.

As such, the sustainable use of outer space is now recognized as a global priority, and concrete actions are being demanded from governments worldwide.

In response to this evolving landscape, companies around the world have announced their intention to enter the OOS market. Amidst this trend, the Group has established its position as a pioneering technology development company. With competition expected to intensify further, the Group recognizes the critical importance of continuing to advance technology development, accelerate commercialization, influence the establishment of relevant laws and regulations, and generate stable cash flow.

To address these challenges and achieve sustainable growth over the medium to long term, the Group is pursuing the following initiatives:

Technology Development

The development, launch, and operation of satellites used in OOS involve extremely complex processes. During the development phase, various tests are conducted on the ground to simulate the space environment before launching into outer space. However, there is a risk of unexpected failures occurring in outer space, which could affect the entire system and jeopardize the success of the mission. Additionally, constraints related to cost, schedule, government licensing, and public offering requirements further complicate the advancement of cutting-edge technology.

In light of these challenges, the Group has established a review system based on development milestones, formulated quality and reliability management standards, and thoroughly documented the development process to adopt reproducible and improvable development methods.

Among the technologies required by the Group, core technologies such as RPO technology for non-cooperative objects are designed and developed in-house, enabling continuous improvement. This allows the Group to offer satellite operators new options for OOS utilizing RPO technology for non-cooperative objects. To ensure the superiority of its in-house technologies, the Group regularly updates its long-term technology roadmap and aims to strengthen its research and development capabilities and intellectual property portfolio through various business opportunities.

Business Development

To capture business opportunities from governments and space agencies, it is essential to have bases in key regions of the world in the space industry and to establish close relationships with governments, space agencies, and the space industry in each country and region.

In the space industry, governments, space agencies, and private companies formulate policies and business plans on a multi-year to multi-decade basis. The Group engages in discussions with potential customers from a medium- to long-term perspective to understand customer needs for its core RPO technology and the timing of service provision for services such as ISSA, LEX, ADR, and EOL.

In the nascent OOS market, the Group has steadily accumulated orders ahead of the global market. The Group aims to accelerate its business by ensuring the execution of acquired business opportunities and stimulating new demand while embodying the value it provides on a global scale. Additionally, the Group allocates resources to discussions on the creation of laws and regulations, contributing globally to revitalize OOS and quickly realize its mission of sustainable use of space.

Influencing Policy

The creation of laws and regulations necessary for debris removal can be divided into two aspects: "rulemaking" and "standardization". The Group defines rulemaking as the development of a framework consisting of national space law policies and international bilateral and multilateral cooperation that contributes to the sustainable use of space. Standardization is defined as the establishment of standards for the design and operation of spacecraft that contribute to the sustainable use of space.

a. Rulemaking

Rulemaking involves not only creating domestic rules and legislation to mitigate the increase of space debris and promote debris removal but also fostering international cooperation between countries to achieve global debris removal.

For example, nations can implement regulations to prevent further increase in debris by enforcing domestic rules and legislation on mission and spectrum licenses. Nations can also create policies that provide roadmaps for future action pertaining to existing debris, leading to actual debris reduction and removal.

Since the 2000s, debris reduction has been discussed by international organizations such as the Inter-Agency Space Debris Coordination Committee (IADC) and UN COPUOS. The United States, Europe, Japan, and other countries have been discussing further measures to reduce debris, and the Group participates in these discussions as much as possible.

In the United States, in light of the worsening debris problem, the FCC issued a notice of proposed rulemaking for spectrum licensing that aims to revise orbital debris mitigation guidelines initially issued in 2004. The Group brought together seven companies in the United States and issued a combined comment from a total of eight companies in February 2019. The joint comment was widely referenced among stakeholders in the United States and was mentioned in the revised notice of proposed rulemaking issued by the FCC in April 2020. FCC declared the shortening of the so-called "25-year rule" to 5 years in September 2022 which became effective in September 2024. Furthermore, the FCC issued a draft public notice of proposed legislation on a framework for OOS authorization in January 2024.

In Europe, ESA published its Zero Debris Approach in 2022, aiming to halt debris generation in Earth and lunar orbit by 2030. In November 2023, ESA reviewed and published the ESA Space Debris Mitigation Requirements, a set of technical guidelines that set forth requirements for debris mitigation. ESA also led the publication of the Zero Debris Charter, jointly developed by 40 organizations, including private companies. The Charter defines the basic principles and targets for achieving zero debris generation by 2030.

In the UK, His Majesty King Charles III published the Astra Carta in June 2023, aiming to create a framework to promote sustainability in space.

At the Radiocommunication Assembly of the International Telecommunication Union (ITU) in November 2023, it was resolved to study guidance on safe and efficient deorbit and/or disposal strategies and methodologies for satellites in low earth orbit, taking into account new technologies such as in-orbit services, including debris removal (Resolution ITU-R 74).

As exemplified by the communiqués from the G7 Hiroshima Summit in 2023 and the G7 Apulia Summit in 2024, as well as the “Pact for the Future” adopted by the United Nations General Assembly in 2024, global awareness of the need for the sustainable use of outer space has significantly expanded.

Efforts by major countries and international organizations to address the debris problem for the sustainable use of space have moved from the proposal and consideration stage to the implementation stage.

b. Standardization

Discussions on international standardization of satellite design and operations encompass a wide range of topics such as collision avoidance, post-mission disposal, passivation, debris mitigation, launch service selection, debris removal service, cyber security, and RPO safety measures and information sharing. These topics are discussed at various forms such as international bodies, governments, NPOs, etc.

As a company with cutting-edge technology, standardization is one of the highest priorities for the Group. We have a global policy team in Japan, the United States, the United Kingdom, and France that actively participates in key groups leading standardization discussions. Through our leadership positions in select groups, we have established a unique position in the industry. We aim to contribute to a well-balanced solution based on global discussions and trends and create industry best practices by reflecting such advanced discussions into the missions of the Group.

One of the standardization groups in which the Group actively participates is the Consortium for Execution of Rendezvous and Servicing Operations (CONFERS). This industry-led initiative was originally established with seed funding from the Defense Advanced Research Projects Agency (DARPA) of the United States Department of Defense, although it is now operated independently without financial support from DARPA. CONFERS formulates the best practices for Rendezvous and Proximity Operations (RPO) based on voluntary consensus. These best practices are expected to be adopted by international standardization bodies such as ISO, contributing to the safe and sustainable development of OOS. The Group has been involved with CONFERS since its inception as a key member and currently serves as an Executive Member, actively contributing to the advancement of global standards in the OOS domain.

Permits and licenses

The Group strives to obtain the necessary permits and licenses and to comply with applicable laws and regulations of each country.

Generally, a mission license is obtained by satisfying the technical, safety, and other requirements of the authorities of the country in which the company operating the satellite is located. A mission license was obtained from UKSA for ELSA-d and from the Cabinet Office for ADRAS-J. Japan is the registration country for both ELSA-d and ADRAS-J.

Necessary procedures for the use of frequencies for communication with satellites are also established in the laws and regulations of each country in accordance with the ITU regulations. In the case of Japan, based on the Radio Act, we obtain a license by applying to the Minister of Internal Affairs and Communications after so-called international frequency coordination via the Ministry of Internal Affairs and Communications to ensure that harmful interference is not caused to ground stations in other countries (or are not interfered by other countries). In addition, for the use of ground stations necessary for satellite operations, it is necessary to

obtain the necessary permission for each country where the ground station is located. The Group has obtained permission from Japan, the U.S., Canada, and several other countries for the operation of ELSA-d and ADRAS-J. Additionally, the Group has obtained other necessary export control permits and licenses for the transportation of hazardous materials, etc.

Future ISSA, LEX, ADR, and EOL missions will also be required to obtain the above permits and licenses.

In addition to obtaining such permits and licenses required by existing laws and regulations, the Group is voluntarily working to ensure transparency in the objectives and operation of its missions, given that RPO technology is an advanced technology. In addition to the submission of papers and presentations at international conferences, we disclose the objectives and details of ELSA-d and ADRAS-J missions through exhibitions, various lectures, SNS, and public relations activities through the media, and also provide necessary explanations to government officials and others. Furthermore, both satellites are equipped with a retro-reflector, which is a mechanism with laser reflection and is designed to reveal their position in orbit from the ground.

We have also contracted with the world's leading Space Situational Awareness (SSA) providers to assess the risk of potential collision between our satellites and debris and to avoid collisions.

Insurance will be handled on a mission-by-mission basis, based on how responsibility is shared with the customer and premium rates. For example, ELSA-d is a self-funded mission, and we purchased launch insurance in case of launch failure, mission insurance in case of mission failure, and third-party liability insurance in case of damage to a third party on orbit. ADRAS-J has purchased only on-orbit third-party liability insurance.

Article 6 of the so-called Outer Space Treaty stipulates that countries shall be internationally liable for their own space activities including those conducted by non-governmental organizations (companies, research institutes, etc.), and the Convention on International Liability for Damage Caused by Space Objects provides specific provisions for international liability for damage caused by space activities. However, there is no sufficient national implementation of the specifics of how responsibility should be shared among multiple launch countries, and the current situation is also unclear regarding how private entities should be responsible. Therefore, although the Group reduces these risks in advance by means of insurance, there is a possibility that the Group may be held liable in the future for damages unforeseen at the time of the mission, despite the insurance arrangements.

Fundraising

The Group has been engaged in research and development of satellites and space equipment that require substantial upfront investment and long development lead times. As a result, the Group has recorded negative free cash flow consistently since the fiscal year ended April 2020.

To accelerate the development of satellites for OOS and expand the application of its technologies to meet the growing and diverse demand for such services, the Group recognizes the need to continue making strategic upfront investments and securing necessary funding.

In pursuit of this objective, the Company listed its shares on the Growth Market of the Tokyo Stock Exchange in June 2024 and raised ¥20.1 billion between June and July through the issuance of new shares. Subsequently, in March 2025, the Company secured an additional ¥3 billion through a commitment line with Resona Bank, Limited. In May 2025, in response to the emergence of defense-related demand and the rapid increase in interest in life extension services for commercial satellites—both of which were not evident at the time of listing—the Company raised a further ¥10.9 billion through an overseas public offering of new shares to ensure the capture of these business opportunities and enhance its competitive advantage.

Based on the investments already made using previously raised capital, the Group aims to further accelerate business progress and achieve an early break-even point as well as a positive free cash flow. While the Group currently has no plans for additional fundraising—excluding refinancing of existing borrowings—it remains

committed to diversifying its funding sources. Should attractive investment opportunities arise in the future, the Group intends to respond flexibly and promptly to secure the necessary capital.

Recruiting

The Group engages in the research and development of advanced technologies required for OOS, designing, manufacturing, and testing of satellites, and operating satellites in-house. Therefore, in order to advance our development of multiple service lines through satellite development and expansion of technology application, we need to secure appropriate human resources.

We seek to further enhance our brand recognition through listing of our stock and other means, and pursue aggressive recruiting activities, both for new graduates and mid-career hires. In addition, to secure long-term employment, we intend to develop human resources by enhancing education and training in-house.

Generating Stable Cash Flow

The Group aims to focus on OOS by leveraging our advanced technologies such as the RPO technology towards multiple services. We seek to generate stable cash flow by maximizing the potential of our developed technology to provide cost-effective solutions for space debris and active satellites.

The Group aims to address challenges in its operating environment while securing stable cash flow through OOS, including space debris removal. Leveraging this stable cash flow, the Group seeks to achieve both disciplined growth investments and continuous enhancement of shareholder value.

(5) Assets and profit/loss

	4th period Fiscal Year ended April 2022	5th period Fiscal Year ended April 2023	6th period Fiscal Year ended April 2024	(Current) 7th period Fiscal Year ended April 2025
Revenue (thousand yen)	910,368	1,792,991	2,852,561	2,456,956
Operating profit (thousand yen)	(6,404,277)	(9,665,628)	(11,555,724)	(18,755,004)
Profit (thousand yen)	(5,484,122)	(9,264,266)	(9,181,329)	(21,551,603)
Basic earnings per share (yen)	(73.66)	(111.16)	(101.45)	(188.91)
Total assets (thousand yen)	20,125,497	30,437,660	24,990,809	33,625,291
Total equity (thousand yen)	14,091,753	14,890,596	5,401,357	6,126,355
Equity attributable to owners of parent per share (yen)	172.04	(379.46)	59.45	52.13

Note: The Company prepared consolidated financial statements in accordance with IFRS starting from this consolidated accounting year. Figures for the previous term that comply with IFRS are included for reference.

(6) Significant Parent Company and Subsidiaries

(i) Relationship with Parent Company

Not applicable.

(ii) Significant Subsidiaries

Company Name	Location	Share Capital	Investment Ratio	Major Businesses
Astroscale Japan Inc.	Sumida Ward, Tokyo	10,000 thousand yen	Direct 100.00%	On-orbit servicing business
Astroscale Ltd	Oxfordshire, UK	57,000 thousand GBP	Direct 100.00%	On-orbit servicing business
Astroscale U.S. Inc.	Colorado, US	100 USD	Direct 100.00%	On-orbit servicing business
Astroscale France SAS	Toulouse, France	100,000 EUR	Direct 100.00%	On-orbit servicing business
Astroscale Israel Ltd.	Tel Aviv, Israel	100 ILS-	Indirect 100.00%	On-orbit servicing business

Note: The Singapore subsidiary Astroscale Singapore Pte. Ltd. is dormant.

(7) Major Businesses

On-orbit servicing business

(8) Main Offices

1. The Company

Name	Location
Headquarters	Sumida Ward, Tokyo

2. Subsidiaries

Please refer to "(6) (ii) Significant Subsidiaries".

(9) Consolidated Employees (as of April 30, 2025)

Number of employees	Change from the end of the previous period
577 persons	Increase of 83 persons

Note 1: The number of employees stated herein refers to the number of personnel employed by the Group, excluding those seconded from the Group to entities outside the Group and including those seconded from entities outside the Group to the Group. Temporary employees, including part-time and casual staff, are not included in this count. Employees dispatched from staffing agencies are also excluded.

(10) Major Lenders

Lender	Balance of borrowings
MUFG Bank, Ltd.	4,690 million yen
Mizuho Bank, Ltd.	2,736 million yen
Resona Bank, Limited	3,000 million yen

Note 1: The Company has a term loan agreement with MUFG Bank, Ltd. for the purpose of securing funds for business operations. The agreement provides for a maximum principal amount of ¥5,000 million and a maturity date of September 30, 2025. As of the end of the current consolidated fiscal year, ¥3,000 million remained undrawn under this facility.

Note 2: The Company has a special overdraft facility agreement with Mizuho Bank, Ltd. for the purpose of securing working capital. The agreement provides for a maximum principal amount of ¥3,000 million and a facility period from May 1, 2023 to June 30, 2026. As of the end of the current consolidated fiscal year, ¥264 million remained undrawn under this facility.

Note 3: The Company has a revolving credit facility agreement with MUFG Bank, Ltd. for the purpose of securing working capital. The agreement provides for a maximum principal amount of ¥5,000 million and a commitment period from May 1, 2024 to April 30, 2027. As of the end of the current consolidated fiscal year, ¥4,310 million remained undrawn under this facility.

Note 4: The Company has a subordinated loan agreement with MUFG Bank, Ltd. for the purpose of securing funds for research and development. The loan was executed in the amount of ¥2,000 million and is scheduled to mature on March 27, 2029.

Note 5: The Company has entered into a bilateral commitment line agreement with Resona Bank, Limited for the purpose of securing working capital. The agreement provides for a maximum principal amount of ¥3,000 million and a contract period through March 31, 2028. As of the end of the fiscal year ended April 30, 2025, the full amount under this facility had been drawn.

(11) Other important matters pertaining to the current state of the Company

Not applicable.

2. Matters Relating to Shares of the Company (as of April 30, 2025)

- (1) Total number of shares authorized to be issued

Common share 320,000,000 shares

- (2) Total number of shares issued and outstanding

Common share 117,517,800 shares

- (3) Number of shareholders

39,715

- (4) Major Shareholders (Top 10)

Shareholder's Name	Number of shares held (shares)	Shareholding ratio (%)
Mitsunobu Okada	24,840,300	21.14
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,680,000	3.98
The Custody Bank of Japan, Ltd. (Trust Account)	4,584,400	3.90
JAFCO SV4 Investment Limited Partnership	4,263,600	3.63
Goonies Co., Ltd.	3,827,933	3.26
Hulic Co., Ltd.	3,671,400	3.12
AS aSTART 1 Limited Partnership	2,950,200	2.51
Mitsubishi Electric Corporation	2,649,700	2.25
Space aSTART 1 Limited Partnership	2,597,000	2.21
Japan Growth Capital Investment Corporation	2,523,700	2.15

- (5) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year under review

Not applicable.

- (6) Other important matters relating to shares of the Company

Not applicable.

3. Matters pertaining to Directors and Corporate Auditors of the Company

(1) Names, etc. of Directors and Corporate Auditors (as of April 30, 2025)

Position and Responsibilities	Name	Important Concurrent Positions
Representative Director, President and CEO	Mitsunobu Okada	Director of Astroscale Japan Inc. Director of Astroscale Ltd Director of Astroscale Singapore Pte. Ltd.
Director and COO	Christopher Blackerby	Director of Astroscale Japan Inc. Director of Astroscale Ltd Director of Astroscale Singapore Pte. Ltd.
Director and CFO	Nobuhiro Matsuyama	Director of Astroscale Japan Inc.
Director	Yuko Noguchi	Officer and General Counsel, Google Japan G.K.
Director	Jan Wörner	President of German Academy of Science and Engineering
Director	Gayle Sheppard	Director of Nutanix, Inc.
Full-time Corporate Auditor	Takayuki Suzuki	Corporate Auditor of Astroscale Japan Inc. Outside Director (Audit and Supervisory Committee Member) of Prime Strategy Co., Ltd.
Corporate Auditor	Hisako Matsuda	Registered Foreign Lawyer at Oh-Ebashi LPC & Partners
Corporate Auditor	Haruka Ikeda	Outside Director (Audit and Supervisory Committee Member) of ValueCommerce Co., Ltd. Full-time Corporate Auditor of Paiza, Inc.

Note:

1. Yuko Noguchi, Jan Wörner and Gayle Sheppard are Outside Directors.
2. Takayuki Suzuki, Hisako Matsuda and Haruka Ikeda are Outside Corporate Auditors.
3. Corporate Auditor Hisako Matsuda is well versed in corporate legal affairs as a registered foreign lawyer and has sufficient knowledge to audit corporate governance.
4. The Company has designated Yuko Noguchi, Jan Wörner, and Gayle Sheppard, who serve as Directors, as well as Takayuki Suzuki, Hisako Matsuda, and Haruka Ikeda, who serve as Corporate Auditors, as Independent Officers pursuant to the rules of the Tokyo Stock Exchange, and has filed such designation with the Exchange.
5. There are no material relationships between the Company and the corporations or other entities at which the outside officers concurrently hold positions.
6. Executive officers and management who do not concurrently serve as Directors are as follows.

Position and Responsibilities	Name
Chief Engineer	Gene Fujii
Chief Technology Officer	Mike Lindsay
General Counsel	Kaoru Kodama

(2) Summary of the contents of the liability limitation agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company's Articles of Incorporation stipulate that the Company may enter into liability limitation contracts with Directors (excluding those who are Executive Directors, etc.) and Corporate Auditors to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the same law. Based on this provision, the Company has entered into such contracts with all Outside Directors and Corporate Auditors.

The maximum amount of liability for damages under such contracts is the amount stipulated by law.

(3) Summary of indemnity agreement

Not applicable.

(4) Matters pertaining to Directors' and Corporate Auditors' Liability Insurance Contracts

The Company has entered into a Directors' and Corporate Auditors' Liability Insurance policy with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, to indemnify the insured for damages and dispute expenses incurred by the insured as a result of claims for damages arising from acts including omissions committed by the insured in the course of their duties as Directors or Corporate Auditors of the Company. The insured includes all Directors and Corporate Auditors of the Company and its subsidiaries, including those who have already retired and those who have been newly appointed. Under the policy, the Company pays all premiums for all insured parties. The Company plans to renew the insurance policy in the middle of the term of office with the same terms and conditions.

(5) Amount of remuneration paid to Directors and Corporate Auditors for the current fiscal year

(i) Matters pertaining to the policy for determining the details of remuneration, etc. of individual Directors and Corporate Auditors

Remuneration for Directors and Corporate Auditors is determined within the limits of the respective remuneration limits for Directors and Corporate Auditors set by a resolution of the General Meeting of Shareholders. The amount of remuneration for each Director and each Corporate Auditor is determined based on comprehensive consideration of each officer's duties, performance and achievements. Remuneration for Directors is determined by a resolution of the Board of Directors, and that for Corporate Auditors is determined by the Board of Corporate Auditors based on discussions among the Corporate Auditors.

(ii) Matters pertaining to resolutions of the General Meeting of Shareholders regarding remuneration, etc. of Directors and Corporate Auditors

At the Annual General Meeting of Shareholders held on July 29, 2022, it was decided that the total amount of remuneration, etc. for Directors shall be within 200 million yen per year, and at the Extraordinary General Meeting of Shareholders held on December 20, 2018, it was decided that the total amount of remuneration, etc. for Corporate Auditors shall be within 20 million yen per year, respectively. The Directors subject to this resolution are the six Directors who are in office as of the time of the resolution at the General Meeting of Shareholders.

(iii) Matters pertaining to delegation of authority to determine the details of remuneration, etc. of individual Directors

At the Extraordinary General Meeting of Shareholders held on December 20, 2018, the Board of Directors decided to leave the specific amount of compensation for each Director to the Board of Directors.

(iv) Total amount, etc. of remuneration, etc. of Directors and Corporate Auditors

Position	The number of persons (persons)	Amounts by type of compensation (million yen)			Total (million yen)
		Base Remuneration	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors (Of which, Outside Directors)	6 (3)	110 (15)	— (—)	— (—)	110 (15)
Corporate Auditors (Of which, Outside Corporate Auditors)	3 (3)	12 (12)	— (—)	— (—)	12 (12)
Total	9	123	—	—	123

(6) Matters pertaining to Outside Directors and Outside Corporate Auditors

(i) Relations between the Company and other companies at which the Directors and Corporate Auditors hold important concurrent positions

The relations between the Company and other corporations at which the Directors and Corporate Auditors hold important concurrent positions are as described in "3. Matters pertaining to Directors and Corporate Auditors of the Company (1) Names, etc. of Directors and Corporate Auditors".

(ii) Relations with specified related parties, such as major business partners

There is nothing to report.

(iii) Major activities during the current fiscal year

Position	Name	Summary of major activities and expected roles of Outside Directors
Outside Director	Yuko Noguchi	She attended 16 out of 16 meetings of the Board of Directors (excluding written resolutions) held during the fiscal year under review and made necessary statements on resolutions, deliberations, etc. based on the extensive knowledge and experience gained as an attorney with legal expertise and as an executive officer of a global business company.
Outside Director	Jan Wörner	He attended 15 out of 16 meetings of the Board of Directors (excluding written resolutions) held during the fiscal year under review and made necessary statements on resolutions, deliberations, etc. based on broad insight into global space policy and the space industry gained from his experience as Director General of the European Space Agency (ESA).

Outside Director	Gayle Sheppard	She attended 14 out of 16 meetings of the Board of Directors (excluding written resolutions) held during the fiscal year under review and made necessary statements on resolutions, deliberations, etc. as appropriate based on her extensive management experience across a wide range of industries and companies of various sizes.
Outside Corporate Auditor	Takayuki Suzuki	He attended 16 out of 16 meetings of the Board of Directors (excluding written resolutions) held during the fiscal year under review and made necessary statements on resolutions, deliberations, etc. based on extensive experience as an auditor. Similarly, he attended 13 out of 13 meetings of the Board of Corporate Auditors to exchange opinions on audit results and discuss important audit-related matters.
Outside Corporate Auditor	Hisako Matsuda	She attended 16 out of 16 meetings of the Board of Directors (excluding written resolutions) held during the fiscal year under review and made necessary statements on resolutions, deliberations, etc. based on professional insights as a Registered Foreign Lawyer. Similarly, she attended 13 out of 13 meetings of the Board of Corporate Auditors to exchange opinions on audit results and discuss important audit-related matters.
Outside Corporate Auditor	Haruka Ikeda	She attended 16 out of 16 meetings of the Board of Directors (excluding written resolutions) held during the fiscal year under review and made necessary statements on resolutions, deliberations, etc. Similarly, she attended 13 out of 13 meetings of the Board of Corporate Auditors to exchange opinions on audit results and discuss important audit-related matters.

- (iv) Other important matters pertaining to Outside Directors and Outside Corporate Auditors
Not applicable.

4. Accounting Auditor

- (1) Name of Accounting Auditor
Ernst & Young ShinNihon LLC

- (2) Amount of remuneration of Accounting Auditor for the current fiscal year
Amount of remuneration of Accounting Auditor for the current fiscal year 78 million yen
Total amount of monetary and other financial benefits payable by the Company
and its subsidiaries. 107 million yen

(Note 1) The audit contract between the Company and the Accounting Auditor does not clearly distinguish between the amounts of remuneration for audits based on the Companies Act and those for audits based on the Financial Instruments and Exchange Act, and it is not practically possible to do so, so the above amounts are the sum of these amounts.

(Note 2) Based on the "Practical Guidelines for Cooperation with Accounting Auditors" published by the Japan Corporate Auditors Association, the Board of Corporate Auditors of the Company has reviewed the actual audit time by audit item and by audit tier and the amount of remuneration in the audit plan for the past fiscal years and the status of the execution of duties by the Accounting Auditors, and has examined the appropriateness of the audit plan and amount of remuneration for the current fiscal year. As a result, the Company consents to the remuneration of the Accounting Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.

- (3) Details of non-audit services

The Company has paid 29 million yen to the accounting auditor for non-audit services, namely the preparation of domestic and overseas comfort letters, which are services other than those specified under Article 2, Paragraph 1 of the Certified Public Accountants Act.

- (4) Overview of the Details of Indemnification Agreements

Not applicable.

- (5) Policy on dismissal or non-reappointment of Accounting Auditor

The Board of Corporate Auditors decides on a proposal for dismissal or non-reappointment of the Accounting Auditor when it determines that there is a problem with the performance of duties by the Accounting Auditor or when it otherwise deems such action necessary, and the Board of Directors submits such proposal to the General Meeting of Shareholders based on such decision.

In addition, if the Board of Corporate Auditors determines that the Accounting Auditor falls under any of the items of Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors will dismiss the Accounting Auditor with the unanimous consent of the corporate auditors. In this case, the corporate auditor selected by the Board of Corporate Auditors will report the dismissal of the Accounting Auditor and the reasons for the dismissal at the first general meeting of shareholders convened after the dismissal.

5. Company System and Policies

(1) Structure to ensure the appropriateness of business operations

The Company has established the following basic policy for a system to ensure the appropriateness of business operations (internal control system). The Company is currently developing and operating an internal control system based on this basic policy. The outline of the system is as follows.

(i) System to ensure that the execution of duties by directors and employees complies with laws and regulations and the Articles of Incorporation

- a. The Company shall ensure that all directors and employees comply with laws, regulations, the Articles of Incorporation, and social norms and act with high ethical standards by repeatedly communicating the Company's Code of Conduct to ensure that all employees are fully aware of it.
- b. In addition to establishing "Risk Management Policy", the Company has established a Risk Management Committee chaired by the CEO to establish and maintain a compliance system.
- c. The Company shall hold compliance-related education and training sessions as appropriate to maintain and raise awareness of compliance.
- d. The Company shall establish an internal reporting system for the entire Group, both internally and externally, to ensure early detection and prevention of legal violations or potential violations by ensuring anonymity and strive to take appropriate and prompt action.
- e. For the sake of integrity in corporate management, the Group will never associate with antisocial forces and resolutely reject any unreasonable demands.
- f. In order to ensure that the execution of duties complies with laws and regulations and the Articles of Incorporation, the CEO shall be responsible for conducting internal audit, management, and supervision.

(ii) System for storage and management of information related to the execution of duties by Directors

- a. The Company shall strive to appropriately store and manage information related to the execution of duties by directors in accordance with laws, regulations, and document management rules, etc.
- b. The Company shall maintain documents and other information available for inspection at all times in case a request is made by a director or auditor.

(iii) Regulations and other systems for managing risk of loss

- a. The Company shall establish a system to manage business operations in accordance with the division of duties and authority as stipulated in internal regulations, etc., and each director and employee shall take responsibility for risk management in accordance with his or her own division of duties and authority.
- b. Directors and employees shall share information on important management risks, as necessary, and take prompt and appropriate actions, and the Representative Director and President shall report such risks to the Board of Directors.
- c. The Company shall establish regulations for risk management, designate organizations and responsible persons for various risks that may be assumed in the Company's business activities and strive to build an appropriate evaluation and management system.
- d. The Risk Management Committee has been established to strengthen the system for preventing and mitigating various risks in business activities.
- e. In the event of an emergency situation, we shall establish a countermeasures headquarters, etc., and strive to respond appropriately and promptly to the crisis, including appropriate communication of information internally and externally.

(iv) System to ensure the efficient execution of duties by Directors

- a. In accordance with applicable laws and regulations, the principles of business judgment, and the duty of care of a good manager, decisions on important management matters shall be made promptly, and each Director shall report the status of the execution of his/her duties as appropriate.

- b. The Company shall establish the Board (Association) of Directors Policy, the Allocation of Duties Regulations, the Regulations for Official Authority, etc., to clarify the duties, authority, and responsibilities of the Directors and to ensure efficient execution of operations.
- c. In principle, the Board of Directors shall hold a regular meeting once a month, and extraordinary Board of Directors meetings shall be held as necessary.
- (v) System to ensure the appropriateness of the Company's business operations
 - a. The Board of Directors shall resolve the Company's medium-term business plan, annual budget, etc., report and verify the progress of the plan and budget at monthly meetings of the Board of Directors, and take measures to ensure appropriate and efficient execution of business operations.
 - b. The internal auditor shall conduct internal audits of the Company and report the results to the CEO.
- (vi) System to ensure the appropriateness of business operations within the corporate group
 - a. The Company shall appropriately conduct transactions with the Company and its affiliated companies, etc., in accordance with laws and regulations, and shall establish a system for timely and appropriate reporting to the Company in accordance with the Affiliated Companies Management Policy stipulated by the Company and shall cooperate with the Company in this regard.
 - b. The Company shall establish internal regulations in accordance with the Company's internal policies and establish standards for the chain of command, authority, decision-making, and other organizational aspects of its affiliated companies, in accordance with the business content and scale of the affiliated companies and establish a management system.
 - c. In order to accurately monitor the management details of the affiliated companies, the Company shall request the affiliated companies to submit related materials, etc., as necessary.
 - d. The Company shall operate the Risk Management Committee, which is held by the Company, as one that also functions to appropriately recognize and evaluate group-wide business risks that may have a significant impact on management and to discuss responses to such risks.
 - e. The Company shall make appropriate and effective use of IT within the scope of effective communication of information and operations between the Company and its subsidiaries and affiliates.
 - f. In order to ensure early detection and correction of violations of laws and regulations and other compliance-related problems, the Company's corporate auditors and internal auditor shall conduct investigations of the appropriateness of the operations of affiliated companies.
- (vii) Matters related to employees who are requested by corporate auditors to assist them in the performance of their duties and matters related to the independence of such employees from directors
 - a. In order to ensure the effectiveness of audits by Corporate Auditors, Corporate Auditors shall, as necessary, determine matters related to the establishment of a system to assist Corporate Auditors in the performance of their duties (assignment of assistant employees) and matters related to the independence of such assistant employees from Directors, and request Directors or the Board of Directors to establish such a system.
- (viii) System for Directors and employees to report to Corporate Auditors and other systems for reporting to Corporate Auditors
 - a. Directors and employees shall promptly report to auditors when they find any fact that violates laws and regulations or that may cause significant damage to the Company.
 - b. The Company's Full-time Corporate Auditor shall attend meetings of the Board of Directors and other important meetings such as the Global Group Management Meeting.
 - c. Directors and employees shall promptly report to the corporate auditors when requested by them to report on matters related to business execution and other matters.
 - d. Reports made through the internal whistleblowing system, both from internal and external sources, are duly reported to Corporate Auditors.

- (ix) System to ensure that a person who makes a report to a corporate auditor is not treated disadvantageously by reason of such report
 - a. The Company shall prohibit any disadvantageous treatment of directors and employees of the Company and its affiliates who report to the corporate auditors by reason of such reporting and shall inform the directors and employees of the Company to this effect to ensure that they are fully aware of such prohibition.
- (x) Matters concerning procedures for advance payment or reimbursement of expenses incurred in connection with the execution of duties by corporate auditors and other policies concerning the treatment of expenses or liabilities incurred in connection with the execution of such duties
 - a. When Corporate Auditors request the Company for advance payment of expenses in connection with the execution of their duties, the Company shall promptly comply with such request after deliberation by the department in charge, unless it is proven that the requested expenses or liabilities are not necessary for the execution of the Corporate Auditors' duties.
- (xi) Other system to ensure that the audits of corporate auditors are conducted effectively
 - a. Corporate Auditors shall include all outside corporate auditors to ensure independence, and conduct audits based on their respective expertise to ensure fairness and transparency.
 - b. Corporate Auditors shall exchange opinions with the Representative Director and President on a regular basis to ensure mutual communication.
 - c. Corporate Auditors shall regularly exchange information with the Accounting Auditor and the internal auditor to ensure mutual collaboration.

(2) Status of operations of the system to ensure the appropriateness of business operations

A summary of the status of operation of the system to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation and other systems to ensure the appropriateness of the Company's business operations is as follows.

- (i) Overall internal control system

The Company's internal auditor is monitoring the status of the overall internal control system of the Company and its group companies and is promoting improvements.
- (ii) Compliance

The Company is continuously making efforts to ensure that employees of the Company and its group companies comply with laws, regulations, and the Articles of Incorporation by educating them in in-house training programs and providing explanations at meetings regarding compliance required for each level of employees. In addition, the Company has established a consultation and reporting system in accordance with the Whistle-blowing policy, which is open to all group companies to improve the effectiveness of compliance.
- (iii) Risk management system

The Risk Management Committee reviewed risks reported by each department and group company to share information throughout the company and reported on the status of management of such risks.
- (iv) Internal audit

The internal auditor conducted internal audits of the Company and its group companies in accordance with the internal audit plan.

- (3) Basic Policies regarding the control of Kabushiki Kaisha
Not applicable.
- (4) Matters pertaining to transactions with parent company, etc.
Not applicable.
- (5) Matters pertaining to Specified Wholly Owned Subsidiaries
Not applicable.
- (6) Policy on determination of dividends from surplus, etc.

Although the Company regards returning profits to shareholders as one of its most important management issues, research and development of space technology requires a large initial investment, and the recovery of that investment tends to be a long-term process. Since its establishment, the Group has also continuously recorded operating losses and net losses.

Under these circumstances, the Company believes that the maximization of shareholder returns will be ultimately led by accelerating the formation of a market through aggressive development, promoting the growth of the Group, and thereby increasing its corporate value. This belief forms the basis of our policy.

It is also the Company's policy to effectively use retained earnings to strengthen the Company's financial position to ensure the long-term stability of its management base and to make investments to realize continuous business development in the future.

Based on the above policy, the Company has prioritized internal reserves without paying dividends since its establishment, and the timing of future dividend payments has not yet been determined.

The Company stipulates that matters listed in each item under Article 459, Paragraph 1 of the Companies Act may be determined by a resolution of the Board of Directors, not by a resolution of the General Meeting of Shareholders, unless otherwise provided for by law. As stipulated in the Articles of Incorporation, the Board of Directors shall be the decision-making body for dividends and that the Company may pay year-end dividends with a record date of April 30 of each year and interim dividends with a record date of October 31 of each year, as well as dividends from surplus with a record date.

Note: Amounts in this Business Report are rounded down to the indicated unit, and percentages are rounded up to the indicated unit.

Consolidated Statement of Financial Position
(As of April 30, 2025)

(Thousands of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets		Current liabilities	
Cash and cash equivalents	21,300,864	Trade and other payables	2,490,416
Trade and other receivables	1,242,053	Contract liabilities	5,379,596
Contract assets	853,007	Deferred income	2,244,380
Income taxes receivable	619,590	Loans payable	8,525,960
Other assets	2,209,195	Income taxes payable	2,945
Total current assets	26,224,713	Provisions	1,344,236
Non-current assets		Lease liabilities	279,569
Property, plant and equipment	6,025,312	Other liabilities	240,363
Intangible assets	273,879	Total current liabilities	20,507,468
Goodwill	442,432	Non-current liabilities	
Other financial assets	630,770	Loans payable	2,275,090
Other assets	28,182	Provisions	1,866,991
Total non-current assets	7,400,577	Lease liabilities	2,849,386
		Total non-current liabilities	6,991,467
		Total liabilities	27,498,936
		(Equity)	
		Equity attributable to owners of parent	
		Share capital	10,297,486
		Capital surplus	9,836,585
		Retained earnings (deficit)	(14,219,530)
		Other components of equity	211,813
		Total equity attributable to owners of parent	6,126,355
		Non-controlling interests	—
		Total equity	6,126,355
Total assets	33,625,291	Total liabilities and equity	33,625,291

Consolidated Statements of Profit or Loss

(From May 1, 2024 to April 30, 2025)

(Thousands of yen)

Description	Amount
Revenue	2,456,956
Cost of sales	(6,337,551)
Gross profit (loss)	(3,880,594)
Selling, general and administrative expenses	(19,104,897)
Other income	4,230,488
Operating profit (loss)	(18,755,004)
Finance income	49,365
Finance costs	(2,844,649)
Profit (loss) before tax	(21,550,288)
Income tax (expense) benefit	(1,315)
Profit (loss)	(21,551,603)
Profit (loss) attributable to:	
Owners of parent	(21,551,603)
Non-controlling interests	—
Profit (loss)	(21,551,603)

Consolidated Statements of Changes in Equity

(From May 1, 2024 to April 30, 2025)

(Thousands of yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Retained earnings (deficit)	Other components of equity	
				Share acquisition rights	Financial assets measured at fair value through other comprehensive income
Balance as of May 1, 2024	100,000	7,858,848	(679,294)	201,687	(14,999)
Loss			(21,551,603)		
Other comprehensive income (loss)					
Total comprehensive income (loss)	—	—	(21,551,603)	—	—
Issuance of new shares	10,035,054	10,035,054			
Deficit disposition		(8,004,085)	8,004,085		
Share-based payment transactions				309,024	
Exercise of share acquisition rights	162,431	162,431		(22,134)	
Forfeiture of share acquisition rights			7,281	(7,281)	
Share issuance costs		(215,663)			
Total transactions with owners and other transactions	10,197,486	1,977,736	8,011,367	279,608	—
Balance as of April 30, 2025	10,297,486	9,836,585	(14,219,530)	481,296	(14,999)

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance as of May 1, 2024	(2,064,884)	(1,878,196)	5,401,357	—	5,401,357
Loss			(21,551,603)		(21,551,603)
Other comprehensive income (loss)	1,810,402	1,810,402	1,810,402		1,810,402
Total comprehensive income (loss)	1,810,402	1,810,402	(19,741,201)	—	(19,741,201)
Issuance of new shares			20,070,109		20,070,109
Deficit disposition			—		—
Share-based payment transactions		309,024	309,024		309,024
Exercise of share acquisition rights		(22,134)	302,728		302,728
Forfeiture of share acquisition rights		(7,281)	—		—
Share issuance costs			(215,663)		(215,663)
Total transactions with owners and other transactions	—	279,608	20,466,199	—	20,466,199
Balance as of April 30, 2025	(254,482)	211,813	6,126,355	—	6,126,355

Non-consolidated Balance Sheet
(As of April 30, 2025)

(Thousands of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	13,497,606	Current liabilities	8,927,912
Cash and deposits	12,174,106	Accounts payable	332,725
Prepaid expenses	81,364	Accrued expenses	115,305
Short-term loans receivable from subsidiaries	5,471,073	Income taxes payable	1,210
Other	210,633	Deposits received	52,671
Allowance for doubtful accounts	(4,439,570)	Short-term borrowings	6,426,000
Non-current assets	4,431,476	Current portion of long-term borrowings	2,000,000
Investments and other assets	4,431,476	Non-current liabilities	4,898,079
Shares of subsidiaries	2,856,255	Long-term borrowings	2,000,000
Long-term loans receivable from subsidiaries	32,355,361	Long-term borrowings from subsidiaries	2,861,220
Other	31,496	Asset retirement obligations	36,859
Allowance for doubtful accounts	(30,811,637)	Total liabilities	13,825,992
		(Net assets)	
		Shareholders' equity	3,621,794
		Share capital	10,297,486
		Capital surplus	16,732,562
		Legal capital surplus	16,732,562
		Retained earnings	(23,408,254)
		Other retained earnings	—
		Retained earnings brought forward	(23,408,254)
		Share acquisition rights	481,296
		Total net assets	4,103,090
Total assets	17,929,082	Total liabilities and net assets	17,929,082

Non-consolidated Statement of Income

(From May 1, 2024 to April 30, 2025)

(Thousands of yen)

Description	Amount	
Net sales		2,467
Cost of sales		—
Gross profit		2,467
Selling, general and administrative expenses		1,928,410
Operating loss		(1,925,943)
Non-operating income		
Interest income	9,356	
Other	47	9,404
Non-operating expenses		
Interest expenses	536,485	
Foreign exchange gains	2,087,295	
Share issuance costs	70,955	
Provision of allowance for doubtful accounts	10,784,566	13,479,303
Ordinary loss		(15,395,842)
Extraordinary income		
Gain on reversal of share acquisition rights	7,281	7,281
Extraordinary losses		
Loss on valuation of shares of subsidiaries	7,041,428	
Bad debt expenses	890,813	
Impairment losses	86,242	8,018,483
Loss before income taxes		(23,407,044)
Income taxes	1,210	1,210
Net loss		(23,408,254)

Non-consolidated Statement of Changes in Equity

(From May 1, 2024 to April 30, 2025)

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	100,000	14,539,162	—	14,539,162
Changes during the fiscal year				
Issuance of new shares	10,197,486	10,197,486		10,197,486
Transfer from legal capital surplus to other capital surplus		(8,004,085)	8,004,085	—
Deficit disposition			(8,004,085)	(8,004,085)
Net loss				
Net changes in items other than shareholders' equity				
Total changes during the fiscal year	10,197,486	2,193,400	—	2,193,400
Balance at end of period	10,297,486	16,732,562	—	16,732,562

	Shareholders' equity			Share acquisition rights	Total net assets
	Retained earnings		Total shareholders' equity		
	Other retained earnings	Total retained earnings			
	Retained earnings brought forward				
Balance at beginning of period	(8,004,085)	(8,004,085)	6,635,076	201,687	6,836,764
Changes during the fiscal year					
Issuance of new shares			20,394,972		20,394,972
Transfer from legal capital surplus to other capital surplus			—		—
Deficit disposition	8,004,085	8,004,085	—		—
Net loss	(23,408,254)	(23,408,254)	(23,408,254)		(23,408,254)
Net changes in items other than shareholders' equity				279,608	279,608
Total changes during the fiscal year	(15,404,168)	(15,404,168)	(3,013,282)	279,608	(2,733,673)
Balance at end of period	(23,408,254)	(23,408,254)	3,621,794	481,296	4,103,090