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.

September 13, 2024

Company Name: Astroscale Holdings Inc.
Representative: Mitsunobu Okada
Representative Director, President and CEO
(Securities Code: 186A; Tokyo Stock Exchange Growth Market)
Contact: Nobuhiro Matsuyama
Director and CFO
(Tel. +81 3-3626-0085)

Notice Regarding Recording of Provision for Loss on Order Received for ELSA-M Phase 4

Astroscale Holdings Inc. ("Company" or "we") hereby announces that a provision for loss on order received of ¥3,204 million has been recorded for the three months ended July 31, 2024 (from May 1, 2024 to July 31, 2024) in connection with the contract award for ELSA-M Phase 4. In the "Notice Regarding Contract Signing for ELSA-M Final Phase (Phase 4)" published on July 19, 2024, we had announced that such provision is expected to be recorded during the three months ending July 31, 2024.

1. Details of Provision for Loss on Order Received

The Company has recorded a provision for loss on order received of ¥3,204 million under cost of sales for the three months ended July 31, 2024 (from May 1, 2024 to July 31, 2024) in connection with the contract award for ELSA-M Phase 4.

This project is an ongoing "partially funded*" project, and the Company had announced that a provision for loss on order received of approximately ¥3,500 million could be recorded in connection with the contract award for ELSA-M Phase 4 in the "Notice of Our Financial Information in Connection with Listing on the Tokyo Stock Exchange Growth Market**" published on June 5, 2024. The actual amount recorded was ¥3,204 million, as a result of reviewed calculations based on the final contractual details with the contracting party.

(*) A "partially funded" mission or project is one for which, at the outset of the mission or project, we expect that the customer contract amount or project-specific government grant amount will cover less than the full amount of the anticipated mission or project expenses within the scope of our proposal based on our current cost estimates.
(**) This document is only available in Japanese.

2. Impact on Financial Results

The above provision for loss on order received is reflected in the "Consolidated Financial Results for the Three Months Ended July 31, 2024 (Under IFRS)" published today.

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