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February 27, 2025

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Notice Regarding a Significant Contract with Japan's Ministry of Defense for Development of a Responsive Space System Demonstration Satellite Prototype

Astroscale Holdings Inc. ("we") hereby announces that Astroscale Japan Inc. ("ASJP"), our Japanese subsidiary, has been awarded a significant contract with the Japan's Ministry of Defense ("JMoD") for development of a responsive space system demonstration satellite prototype. The contract amount is ¥6,609 million (excluding tax) and the contract period is for approximately three years.

The contract award was a result of JMoD's strong evaluation of and confidence in ASJP's technical capabilities. This project is a groundbreaking milestone for our full-scale entry into the Japanese security and defense-related market.

1. Contract Summary

Customer:	Japan's Ministry of Defense (JMoD)
Contract Amount:	¥6,609 million (excluding tax)
Contract Period:	Up to March 2028
Service:	In-situ Space Situational Awareness (ISSA)

The Board of Directors of ASJP resolved to enter into the contract on February 18, 2025. We were unable to disclose the contract at that time since approval for disclosure could only be obtained after contract signing. The contract was executed on February 25, 2025, and we are releasing this information at this time as the disclosure authorization was obtained from JMoD today.

2. Project Overview

The objective of this project is to conduct in-orbit demonstrations of technologies required to improve space surveillance, such as space domain awareness (SDA[*1]), intelligence gathering, and space operations capabilities in geostationary orbit in the future. The project includes the development and testing of a proto-flight model (PFM[*2]) for a small geostationary demonstration satellite.

Designed for RPO (Rendezvous and Proximity Operations) and observation in geostationary orbit, this project will leverage our RPO technologies that have been demonstrated and acquired to date in the design and development of the prototype. This prototype satellite is unique for being highly maneuverable, compact, and can also demonstrate additional capability such as optical communications. Optical communication technology will serve as an on-orbit infrastructure, enabling precise remote operations, high-speed data transmission and stable communications. In demonstrating optical communications capability, this satellite will serve as a counterpart to an optical relay satellite which is part of JMoD's broader initiative to demonstrate optical communication links between geostationary satellites.

The scope of this contract includes up to the assembly of a prototype demonstration satellite. The launch and operations phases will be managed under a separate contract.

(*1) Space Domain Awareness (SDA) refers to identifying the operations and utilization of a spacecraft as well as its intentions and capabilities, in addition to its position and orbit.
(*2) Proto-Flight Model (PFM) refers to a model that combines the features of a prototype model and a flight model.

Working with multiple countries and sectors is essential to ensuring the safety and sustainability of space. In particular, as nations seek to enhance their capabilities to monitor threats and deter adversaries in space, defense sectors worldwide are increasingly recognizing the value of on-orbit servicing leveraging RPO technology in securing satellite operations, making them more efficient and effective. In this project, by developing a responsive space system prototype and conducting future on-orbit demonstration, we aim to enhance autonomous and agile satellite operations and space environment monitoring capabilities, thereby strengthening the SDA capabilities of JMoD and the Japan Air Self-Defense Force while bolstering to the safety and sustainability of Japan's space operations.

3. Impact on Financial Results

This project has not been included in the assumptions for our consolidated financial forecast for the fiscal year ending April 2025. At this point, the impact of this contract on the consolidated financial forecast for the fiscal year ending April 2025 is expected to be minimal. Project income from this project is expected to be recognized over the contract period and to contribute to the consolidated financial results for the fiscal year ending April 2026 and thereafter.

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