*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.*

April 8, 2025

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# Notice Regarding Expansion to On-orbit Demonstration and Additional Increase in Contract Amount for APS-R

Astroscale Holdings Inc. ("Company" or "we") hereby announces that Astroscale U.S. Inc. ("Astroscale U.S."), our U.S. subsidiary, has executed an additional modification to the APS-R project contract for an increase in the contract amount. This change executes reserved scope to transition APS-R, the Astroscale U.S. Refueler, to full mission development and operational demonstration. The contract amount was increased from $29.4 million (¥4.24 billion[*1]) to $41.2 million (¥6.01 billion[*2]). In the "Notice Regarding Increase in Contract Amount for APS-R" published on July 30, 2024 and the "Notice Regarding Additional Increase in Contract Amount for APS-R" published on October 3, 2024, we had announced that the contract amount for this project had been increased. This contract further increases the amount in addition to the increase announced then. This pipeline corresponds to "Defense C" on page 32 of the financial results presentation for the third quarter of the fiscal year ending April 2025 published on March 14, 2025. Please see the appendix for the latest pipeline status.

APS-R is a project that initially aims to develop a prototype satellite to refuel satellites on orbit. Astroscale U.S. was awarded this project by the United States Space Force in September 2023. This project is being expanded for the first-ever refueling of a United States Space Force asset. Astroscale U.S. will conduct two refueling operations in GEO, opening new options for added agility and operational flexibility for dynamic space operations.

In response to the increasing defense-related demands in various countries, APS-R is a pioneering project for our group. In addition, this is a strategically important project for our group, enabling us to capture early demand for refueling services, to establish refueling technologies, and to expand the aperture of on-orbit services.

1. Contract Summary

| | |
|---|---|
| Customer: | United States Space Force, Space Systems Command |
| Contracting Party: | National Security Technology Accelerator (NSTXL) |
| Project Name: | APS-R |
| Scope of Work: | Expanded from development of a prototype refueling satellite to two refueling operations in GEO |
| Contract Amount: | Changed from $29.4 million (¥4.24 billion[*1]) to $41.2 million (¥6.01 billion[*2]) |
| Contract Period: | Changed from up to September 2025 to up to February 2027 |

This modification was agreed today and will be executed on April 8, 2025 (U.S. time) at the earliest.

2. Mission Summary

Astroscale U.S. will conduct two refueling operations of a U.S. Department of Defense (DoD) satellite in geostationary orbit (GEO) for the United States Space Force (USSF). This mission will demonstrate the ability of commercial Servicing, Mobility and Logistics providers to deliver on-orbit capabilities. APS-R is manifested to launch in the fiscal year ending

April 2027.

APS-R will be the first spacecraft to conduct hydrazine refueling operations above GEO and will be the first-ever on-orbit refueling mission supporting a DoD asset. Designed for maneuverability, the 300-kilogram spacecraft will carry a refillable hydrazine tank, supporting refueling for a client spacecraft during two planned operations and enabling an end-to-end refueling ecosystem with a client, servicer and depot in space.

This mission will establish space heritage for scalable refueling services, a critical step toward enabling sustained maneuverability. Astroscale U.S. selected the Southwest Research Institute (SwRI) to build the bus and Orbit Fab's refueling interfaces; APS-R is part of a growing commercial ecosystem supporting dynamic space operations and enhanced options for mission planning, resilience and responsiveness.

3. Impact on Financial Results

The consolidated financial forecast for the fiscal year ending April 2025 includes income expected from the previous contract amount of $29.4 million, converted at our plan rate ($1 = ¥140), but does not include the effect of the increase of $11.7 million (¥1.71 billion*2) from the previous contract amount. We expect income from this project to be recorded over the period through the fiscal year ending April 2027. We will promptly disclose information on any further events that require disclosure.

*1 Converted at the exchange rate as of October 2, 2024 ($1 = ¥143.93).

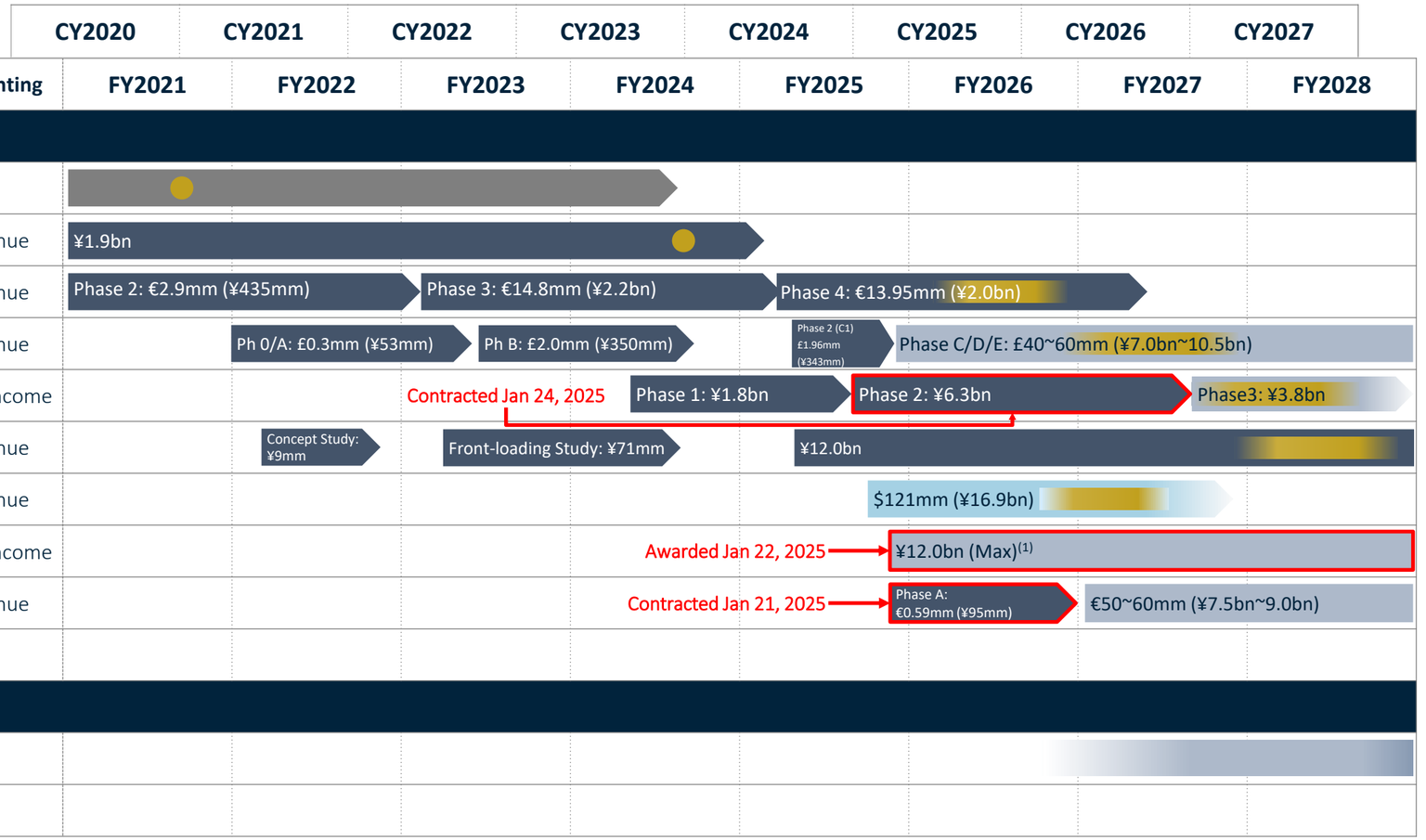
*2 Converted at the exchange rate as of April 7, 2025 ($1 = ¥145.78).

# Civil/Commercial Pipeline Status

(As of Apr. 8, 2025)

**Expected Project Timeline**
- Self-funded
- Civil (Contracted)
- Commercial (Contracted)
- ● / ▬ Planned Launch
- Civil (Non-contracted)
- Commercial (Non-contracted)

FX assumption:
US$1 = ¥140
€1 = ¥150
£1 = ¥175




| # | Project | Service | Customer | Entity | Funding | Payment | Accounting |
|---|---|---|---|---|---|---|---|
| **Projects contracted, awarded and under proposal** | | | | | | | |
| 1 | ELSA-d | - | - | - | Self-funded | - | - |
| 2 | ADRAS-J | ISSA | Civil | Japan | Partial | Milestone | Revenue |
| 3 | ELSA-M | EOL | Civil | UK | Partial | Milestone | Revenue |
| 4 | COSMIC | ADR | Civil | UK | Full | Milestone | Revenue |
| 5 | ISSA-J1 | ISSA | Civil | Japan | Full | Milestone | Other income |
| 6 | ADRAS-J2 | ADR | Civil | Japan | Full | Milestone | Revenue |
| 7 | LEXI-P | LEX | Commercial | US | Full | Milestone | Revenue |
| 8 | K Program | LEX | Civil | Japan | Full | Milestone | Other income |
| 9 | CAT-IOD | ADR | Civil | UK | Full | Milestone | Revenue |
| **Potential future missions under discussion** | | | | | | | |
| i | Civil A | - | Civil | - | | | |

*(1) This is the maximum budget and includes consumption tax. Details of consumption tax will be promptly disclosed at the time of contract signing.*
*Note: Project timelines and details of non-contracted projects such as amount are based on current expectations of the Company and is subject to change in the future. A "fully 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 the full amount of the then-anticipated mission or project expenses which have been proposed by us. 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 then-anticipated mission or project expenses. The actual amount of the contract or the costs incurred for these projects may differ materially from our current expectations. In particular, if we experience unexpected cost increases after the contracts are concluded, we may be required to absorb such cost increases depending on the project, resulting in our costs exceeding the funding amount to a greater extent than initially expected.*

# Defense-related Pipeline Status

(As of Apr. 8, 2025)

**Expected Project Timeline**
Self-funded ● / ▬ Planned Launch
Defense (Contracted) Defense (Non-contracted)
Commercial (Contracted) Commercial (Non-contracted)

FX assumption:
US$1 = ¥140
€1 = ¥150
£1 = ¥175

| # | Project | Service | Customer | Entity | Funding | Payment | Accounting | CY2020 | CY2021 | CY2022 | CY2023 | CY2024 | CY2025 | CY2026 | CY2027 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 |
| **Projects contracted, awarded and under proposal** | | | | | | | | | | | | | | | |
| 1 | APS-R | LEX | Defense | US | Partial | Milestone | Other income | | | Extension to be contracted soon. | | $41.2mm (¥6.0bn) | | | |
| 2 | BAE Systems Pj | ISSA | Defense | UK | Full | Milestone | Revenue | | | | Contracted Jan 13, 2025 → | £5.15 million (¥1.0 bn) | | | |
| 3 | JMoD Project | ISSA | Defense | Japan | Full | Milestone | Revenue | | | | Contracted Feb 25, 2025 → | ¥6.6bn | | | |
| **Potential future missions under discussion** | | | | | | | | | | | | | | | |
| i | MELCO (Bus)[1] | Others | Comm./Def. | Japan | | | | | | | | | | | |
| ii | Defense D | Others | Defense | N/A | | | | | | | | | | | |

*(1) Collaboration with Mitsubishi Electric Corporation to develop and produce satellite buses for Japanese national security constellations announced on February 27, 2023. Link to press release here.*
*Note: Project timelines and details of non-contracted projects such as amount are based on current expectations of the Company and is subject to change in the future. A "fully 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 the full amount of the then-anticipated mission or project expenses which have been proposed by us. 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 then-anticipated mission or project expenses. The actual amount of the contract or the costs incurred for these projects may differ materially from our current expectations. In particular, if we experience unexpected cost increases after the contracts are concluded, we may be required to absorb such cost increases depending on the project, resulting in our costs exceeding the funding amount to a greater extent than initially expected.*