



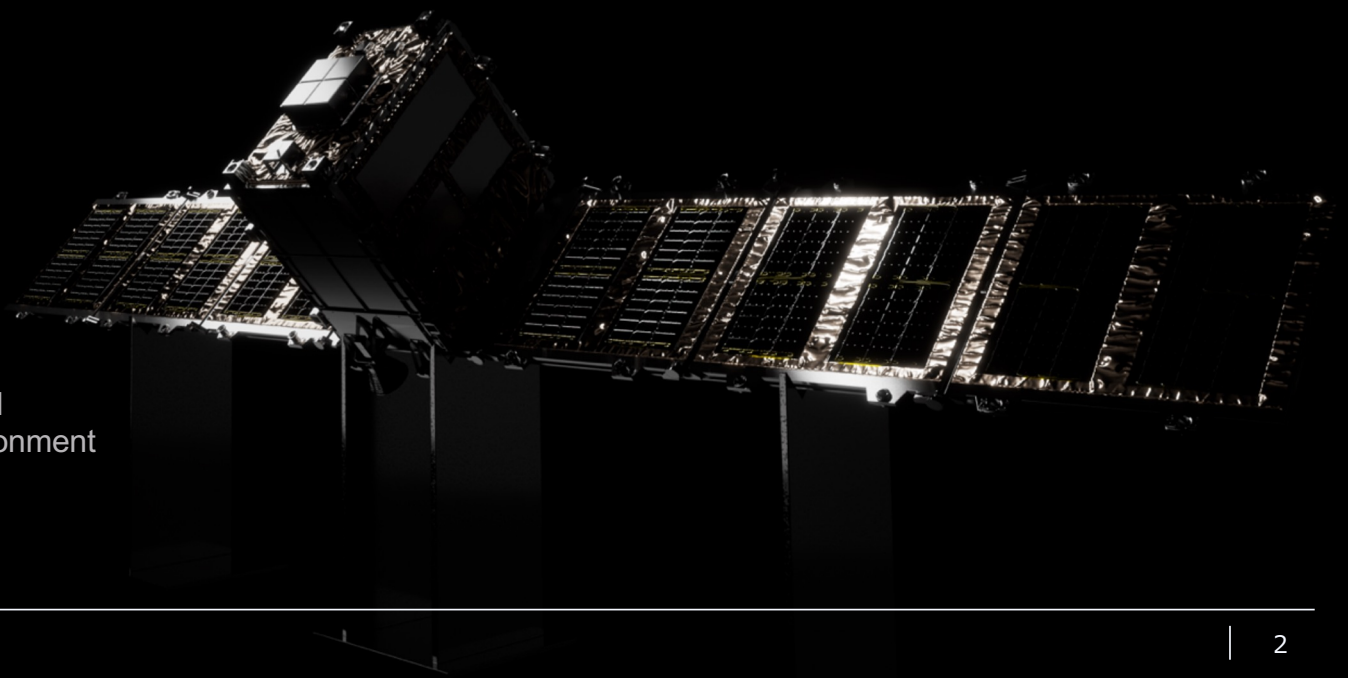
Financial Results for the 2nd Quarter of Fiscal Year Ending December 31, 2025

August 14, 2025

1. Highlights
2. Business Updates
3. 2Q YTD of FY2025 Financial Results
4. FY2025 Full-year Forecast

Appendix :

Company Overview & Business Model
Market Growth and Competitive Environment
Business Plan



The following updates have been made in “2. Business Updates” and the Appendix compared to the previous financial results presentation materials:

		Slide Title	Updates
P.8	2. Business Updates	Major Contracts/projects with Domestic Ministries and Agencies and Their Recording Periods	• Updated order backlog as of the end of June 2025 • Added the Ministry of Defense Information Headquarters tender project (timely disclosure dated August)
P. 10		Prospects for the Ministry of Defense's Constellation Construction Program	Updated “Planned Timeline” etc., based on the latest tender notice
P. 11		Business Progress in the U.S.	Provided updates on certain business activities of the U.S. subsidiaries
P. 12		Progress in Solutions Business: Launch of New Service	Introduced newly launched solution services
P. 13		Activity Highlights: Achievements and Advancements with StriX SAR Satellites	Provided updates on key business activities
P. 14		Satellite Manufacturing and Launch Plan	Updated status of launch contracts with the latest information
P. 15		Yamato Technology Center: Small SAR Satellite Mass Production Facility	Introduced initiatives at the mass production facility
P. 16		5th Series Stock Acquisition Rights: Use of Proceeds and Outlook	Provided an explanation of the new share subscription rights announced on July 28
P. 29	Appendix	Company Overview	Updated capital stock and the number of employees with the latest figures
P. 33		Strong relationship with the Japanese government	Updated cumulative contract amounts for government agency projects
P. 35		Solution examples driving business expansion	Added newly launched solution services
P. 39		Stable Operation of Satellites ⁽²⁾ and Synspecative's Track Record	Updated operational periods with the latest information
P. 40		Our Global Partner Network	Updates with the latest information
P. 41		Other Major Pipelines	New slide added: Included important projects not reflected in P.8 “Major Contracts/Projects and Recognition Pipeline with Domestic Government Agencies”
P. 46		Resolution of our StriX satellites	Added information on Long Stripmap Mode in accordance with product guide updates
P. 55		Mid-to long-term workforce planning	Updates with the latest information

1. Highlights

Business

- In addition to continuously winning and executing contracts for the public sector, we have also achieved results mainly in solutions for the private sector. The order backlog⁽¹⁾ as of the end of June 2025 amounted to 21.77 billion yen, showing a significant increase of 16.41 billion yen compared to the end of December 2024, greatly expanding our pipeline.
 - For the Space Strategic Fund, the grant amount for the initial subsidy period (through March 2027) was approved to be 16.46 billion yen ⁽²⁾, securing funding for the construction of satellite constellations.
 - Satellite constellation budget of 283.2 billion yen proposed by the Ministry of Defense was passed by the National Diet. Its policy of limiting the eligibility to domestically produced satellites has added clarity to our sales forecasts.
- Established subsidiaries in the United States (March 2025), marking a steady start toward new revenue streams.

Development, manufacturing, and launch

- Currently operating four satellites in orbit; the first two demonstration units have completed operations. Conducting various tests ahead of two satellite launches in the second half of this fiscal year.
- Yamato Technology Center, a plant for mass production of small SAR satellites, is operating smoothly, with consistent progress in efforts aligned with increased production.
- Signed a ride-share agreement with SpaceX for three satellites; together with Rocket Lab, secured launch contracts for 14 satellites.
 - Signed a multi-launch agreement with Germany-based Exolaunch to launch 10 SAR satellites; it also arranged one launch with SpaceX.
 - Making it more certain that a full constellation of over 30 small SAR satellites will be built on/after 2028.

Finance

- Decided to undertake financing by issuing stock acquisition rights to secure upfront financing, aiming to meet not only the demands of the Japanese government but also those from foreign governments and the private sector (announced on July 28, 2025).

(1) The order backlog is calculated including unrecorded subsidy income.

(2) The subsidy amounts for April 2027 and beyond will be announced at the next grant approval.

Six-Month Financial Results

- Total revenue⁽¹⁾ amounted to 1.36 billion yen, achieved 31.9% growth year on year.
 - Sales rose significantly year on year, driven by the completion of delivery for FY2024 and partial sales recognition for FY2025 under the Cabinet Office's demonstration project, as well as the space demonstration of small SAR satellites suitable for security purposes promoted by the Ministry of Defense.⁽²⁾
 - In addition, subsidy income from METI SBIR and MLIT SBIR was recorded.⁽³⁾
- Operating losses were recorded as expected, due to prior investment related to satellite constellations for the manufacturing and launching of satellites.

Full-year Financial Results Forecasts

- The progress of net sales was 57.2%, showing steady advancement toward the achievement of the full-year forecast. (Due to the second-half weighting of subsidy income, the progress rate for total revenue was 22.4%.)
- Unchanged from February forecasts, with public sector projects and subsidy income recorded as expected.

(1) Total Revenue: a Non-GAAP measure. This is a financial measure that we believe is useful to investors in evaluating the performance of our group. Total revenues are calculated by adding government subsidy revenues to net sales.

(2) The Cabinet Office's demonstration project, "Fiscal 2024 Demonstration for Expanding the Use of Small SAR Satellite Constellations" promoted by the Cabinet Office's Space Development Strategy Promotion Office; the Ministry of Defense's demonstration project, Space demonstration of small SAR satellites suitable for security purposes, promoted by the Ministry of Defense

(3) SBIR, or Small/Startup Business Innovation Research, promoted by the Ministry of Economy, Trade and Industry.

2. Business Updates

We have established a track record of contracts primarily with the domestic government, and the order backlog at the end of June 2025 was 21.77 billion yen⁽¹⁾

We anticipate reaching profitability once our operational constellation includes around 10 satellites. As the constellation expands further, we intend to boost data sales to foreign governmental agencies.

■ Major contracts up to the Expansion Stage and their anticipated P/L recording periods

 Expected recording period based on contract details and other factors

 Recording period estimated by our company based on public information

Contract Project Name		Accounting category	2024	2025	2026	2027	2028	2029	2030
Contracts/Approved Projects	1. Space Demonstration of SAR Satellite ⁽²⁾	Net sales	¥1.05bn ⁽¹⁾						
	2. FY2024 Cabinet Office Demonstration ⁽³⁾	Net sales	¥1.28bn ⁽¹⁾						
	3. METI SBIR ⁽⁴⁾	Subsidy income		¥4.10bn ⁽¹⁾					
	4. Space Strategy Fund Phase 1 ⁽⁵⁾	Subsidy income		¥16.5bn for Initial Subsidy Period	Undisclosed total subsidy amount				
	5. FY2025 Cabinet Office Demonstration ⁽³⁾			¥1.06bn ⁽¹⁾					
	6. FY2025 Cabinet Office Demonstration ⁽⁶⁾	Net sales		¥0.26bn					
Projects expected to be acquired in the future	7. FY2026 Cabinet Office Demonstration ⁽³⁾	Net sales			TBD				
	8. Ministry of Defense Satellite Constellation ⁽⁷⁾	Net sales			portion of ¥283.2bn ⁽⁹⁾				
	9. Space Strategy Fund Phase 2 ~	Subsidy income/ Net sales			portion of approximately ¥700.0bn				
Number of operational units at the end of the period			4 units	6 units	11 units	>30 units			

(1) The order backlog (of the contract amount, as of June 30, 2025, the amount that is expected to be recorded in the future) is amounts to 3.9 billion yen for 3, 16.5 billion yen for 4, and 1.1 billion yen for 5, and etc.

(2) Space demonstration of SAR satellites suitable for security purposes (Ministry of Defense)

(3) Demonstration for expanding the use of small SAR satellite constellations (Cabinet Office)

(4) Small and Medium Enterprise Innovation Promotion Project (METI)

(5) Space Strategy Fund / Acceleration of Commercial Satellite Constellation Development (METI)

(6) Acquisition of Image Data (No. 12-1) and Verification Study Regarding Image Processing, released on August 8, 2025 (MOD, DIH)

(7) Construction of a satellite constellation from the end of FY2025 to acquire detection and tracking capabilities necessary for stand-off defense capabilities (Ministry of Defense). a budget of 283.2 billion yen to acquire images from the satellite constellation will be confirmed in March 2025, following the approval of the FY2025 budget in both House of the Representatives and the House of Councillors. For details, see P10

In November 2024, the Space Strategy Fund (total budget of 95.0 billion yen) selected Synspecative as one of four companies for the “Accelerating the Construction of Commercial Satellite Constellations” initiative. Synspecative received an initial subsidy of 16.46 billion yen to support satellite mass production and service development.⁽¹⁾

■ Selected for the Technical Development Proposal:

“Mass Production, Launch and Stepwise Performance Improvement of Small SAR Satellite”⁽²⁾

A constellation and mass production system

Establishing a manufacturing system capable of producing 12 satellites per year, enabling rapid deployment of a satellite constellation exceeding 30 satellites.

Demonstration for immediate response

On-board data processing and inter-satellite communications to perform in-orbit demonstrations and deliver immediate response services.

Development of internationally competitive high-frequency interferometric SAR technology

Developing high-frequency interferometric SAR technology to enhance the solutions business and overseas expansion.

Expected project results

- ✓ Establish a stable revenue base through subsidy income
- ✓ Deliver services and increase sales growth by responding to Japanese government demand

⁽¹⁾ The Space Strategy Fund is a fund established by JAXA as a nexus between industry, academia, and government (totaling 1 trillion yen) to support startups, private companies, universities, etc. to boldly engage in research and development over multiple years (up to 10 years). The first phase was implemented in the 2024 supplementary budget. The outline of the second period was announced as the 2025 supplementary budget. <https://fund.jaxa.jp/>

⁽²⁾ Granted ¥16.5 Bn (toward March 31, 2027) on March 6, 2025 <https://contents.xj-storage.jp/xcontents/AS04951/b6d7a3de/c34f/4d9d/b32e/dd5a84955118/140120250306589324.pdf>

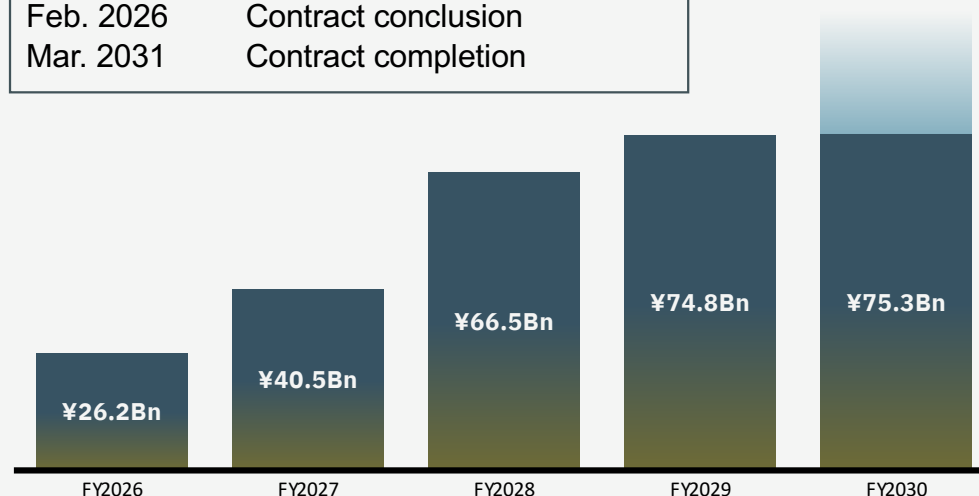
⁽³⁾ The technical development proposal is the plan at the time of proposal and may change during future stage gate reviews

In March 2025, following the approval of the FY2025 budget by both house of the Diet, a budget of 283.2 billion yen was finalized for the acquisition of images from satellite constellations. The relevant schedule and requirements were publicly announced in a tender notice⁽¹⁾, which explicitly stated that the constellation would be constructed using domestically produced satellites⁽²⁾ to acquire image data.

■ Planned timeline and budgeted amounts within each fiscal year⁽²⁾

Planned timeline	
Jul. 28, 2025	Public Notice
Oct. 14, 2025	Bid
Dec. 24, 2025	Successful bidder announced
Feb. 2026	Contract conclusion
Mar. 2031	Contract completion

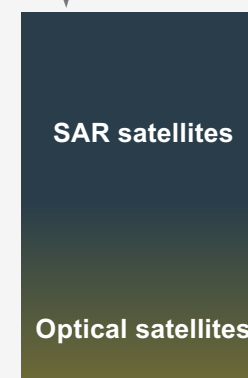
Beyond 2030, it is expected that new budgets will be structured based on the next five-year defense plan.



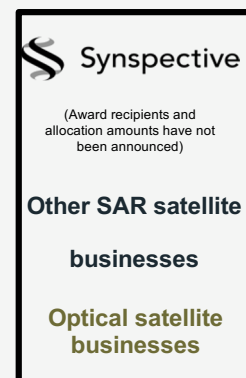
(3)

Overview of business scheme

- Composition of satellite constellations
In consideration of functionality, the constellation will be a combination of SAR and optical satellites, but mainly SAR
- Operation format, ownership
PFI, Build-Own-Operate (BOO) model⁽⁴⁾; satellites and ground facilities will be privately owned in order to utilize private-sector expertise in operation and maintenance
- Period
Six years from 2025 through 2030, in consideration of the lifespan of satellites (one year for preparation + 5-year lifespan of small satellites)



Illustrative image of distribution ⁽³⁾



Illustrative image of distribution by company type ⁽³⁾

(1) Ministry of Defense: Tender Notice Regarding Establishment and Operation of Satellite Constellation, etc. Project (published July 8, 2025: https://www.mod.go.jp/budget/release/cpf/satellite_constellation/20250708/index.html) Amounts shown in the table have been calculated by the Company using ratios indicated in the "Method for Calculating and Paying Service Fees" section of the tender notice.

(2) In the "Statement of Work Requirements" ("業務要求水準書") of the tender notice referenced in (1), a domestically produced satellite ("国産衛星") is defined as "a satellite that is primarily designed, developed, manufactured, owned, and managed in Japan by a Japanese-incorporated entity."

(3) PFI stands for Private Finance Initiative, BOO stands for Build Own Operate

Since establishing two local subsidiaries in Delaware in March 2025, the Company has been actively expanding its business in the United States and Latin America.

Entered into a subcontract agreement with NV5 Geospatial Software, Inc.

NV5 Geospatial Software, Inc., a subsidiary of a NSDAQ-listed U.S. company NV5 Global, Inc., provides geospatial software and related services that analyze remote sensing data from sources such as satellites and aerial photography, converting it into actionable information for decision-making. With a proven track record of contracts with the U.S. Space Force (USSF) and the Department of Defense (DoD), as well as participation in the LUNO project of the U.S. National Geospatial-Intelligence Agency (NGA), this agreement enables us to indirectly participate in defense, space, and government projects that traditionally have high barriers to entry. Through this contract, the Company expects to secure stable and ongoing project opportunities, as well as potential for future direct contracts, joint development, and cross-selling opportunities.



First Japanese private-sector company to register with the U.S. Space Force's "Global Data Marketplace (GDM)"

GDM is an online trading platform for buying and selling space-related data and analysis. It connects government agencies, research institutions, and private companies, facilitating access to a wide variety of information. The platform supports rapid acquisition by simplifying the contract process and eliminating complex bidding procedures, allowing for prompt agreements. Utilization of this platform enables the Company to deliver services in alignment with the needs and timing of the U.S. market, creating new business opportunities and avenues for technological dissemination.



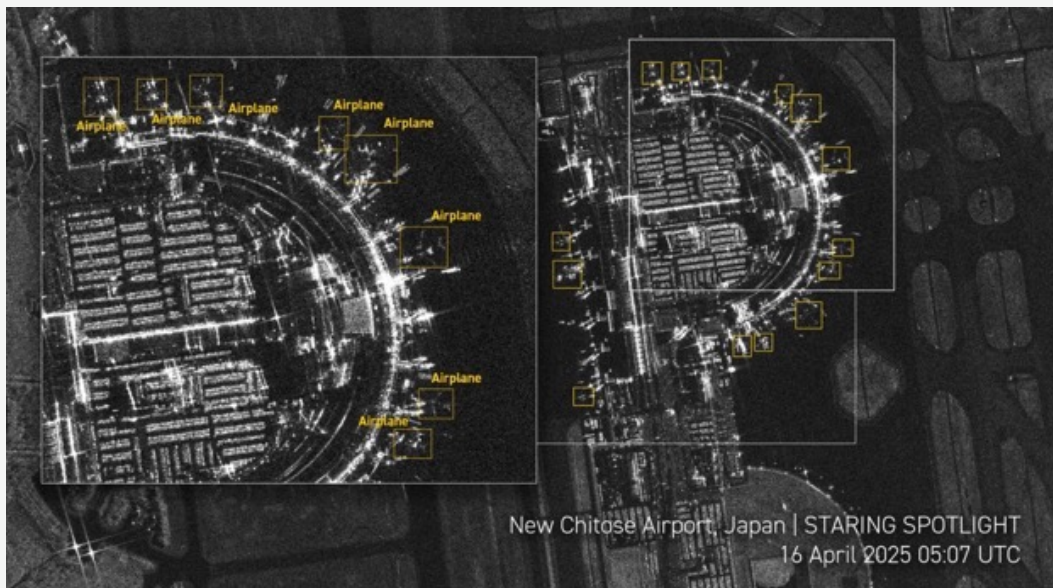
CEO Motoyuki presents at GEOINT, the largest geospatial symposium in the U.S.

Our CEO participated as a panelist at the GEOINT Symposium, one of the largest geospatial intelligence events in the United States, organized by the United States Geospatial Intelligence Foundation (USGIF). Together with CEOs of leading global small satellite and earth observation companies, he participated in a panel discussion titled: "A candid conversation on how commercial space companies are accelerating innovation, reshaping global intelligence, and navigating the future of space-based GEOINT"



Newly launched the “ODC Solution,” an object detection and classification analysis solution. By combining our StriX small SAR satellites with advanced analytical algorithms, the service enables rapid and accurate detection of the locations and types of vessels and aircraft, regardless of weather conditions or time of day.

- Leveraging high-frequency observations from our proprietary satellite constellation and automatic detection/classification using SATIM’s AI technology, the solution enables efficient wide-area monitoring of expansive maritime zones, coastlines, airports, remote locations, and more.
- These features support applications such as maritime surveillance, airport monitoring, security and defense, as well as global supply chain monitoring.



Key Features

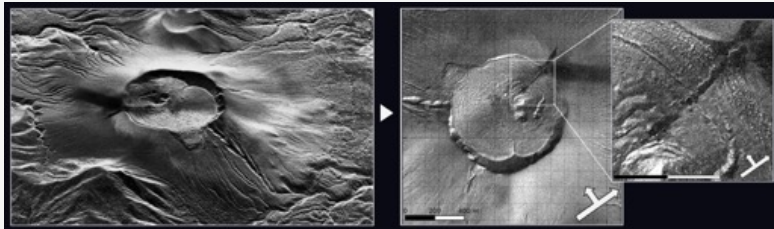
1. **Reliable, all-weather, day-and-night surveillance:** SAR satellites provide monitoring capability that penetrates clouds, fog, and smoke, supporting 24/7, year-round operations.
2. **High-frequency monitoring:** Synspective’s satellite constellation (with plans to deploy over 30 satellites) enables more frequent revisits and timely updates.
3. **Wide-area coverage:** Efficiently monitors vast ocean areas, coastlines, airports, and remote region.
4. **AI-powered detection (vessels and aircraft):** Utilizes SATIM’s OREC technology for object detection.
5. **Intelligent classification:** Advanced algorithms classify detected objects to support more precise identification.

Leveraging our small SAR satellite and analytical technologies, we have responded to frequent natural disasters and developed new analytical methods.

Emergency Observations for Natural Disasters

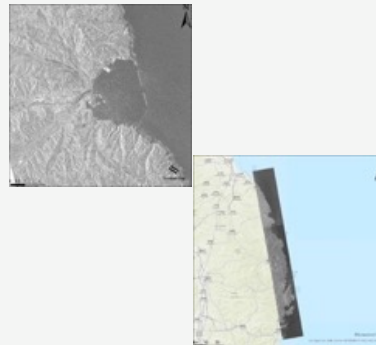
1. Emergency Monitoring of Shinmoedake Eruption (June 22, 2025):

On June 22, 2025, Shinmoedake erupted for the first time in seven years. Using StriX, we conducted emergency observations, successfully capturing ongoing subtle terrain changes around the crater, unaffected by weather conditions.



2. Emergency Response to Kamchatka Earthquake (July 30, 2025):

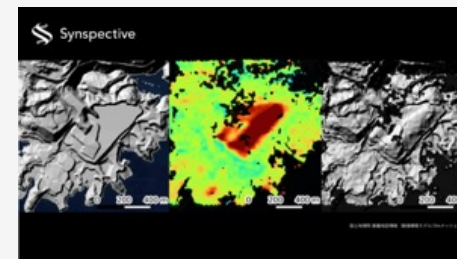
Following the magnitude 8.8 earthquake off the Kamchatka Peninsula, Russia, on July 30, 2025, we conducted rapid observation operations. The earthquake triggered tsunamis up to four meters in height, leading to tsunami warnings in Japan and other countries. Results were promptly disseminated via social media on the same day.



Development of New Analytical Technology

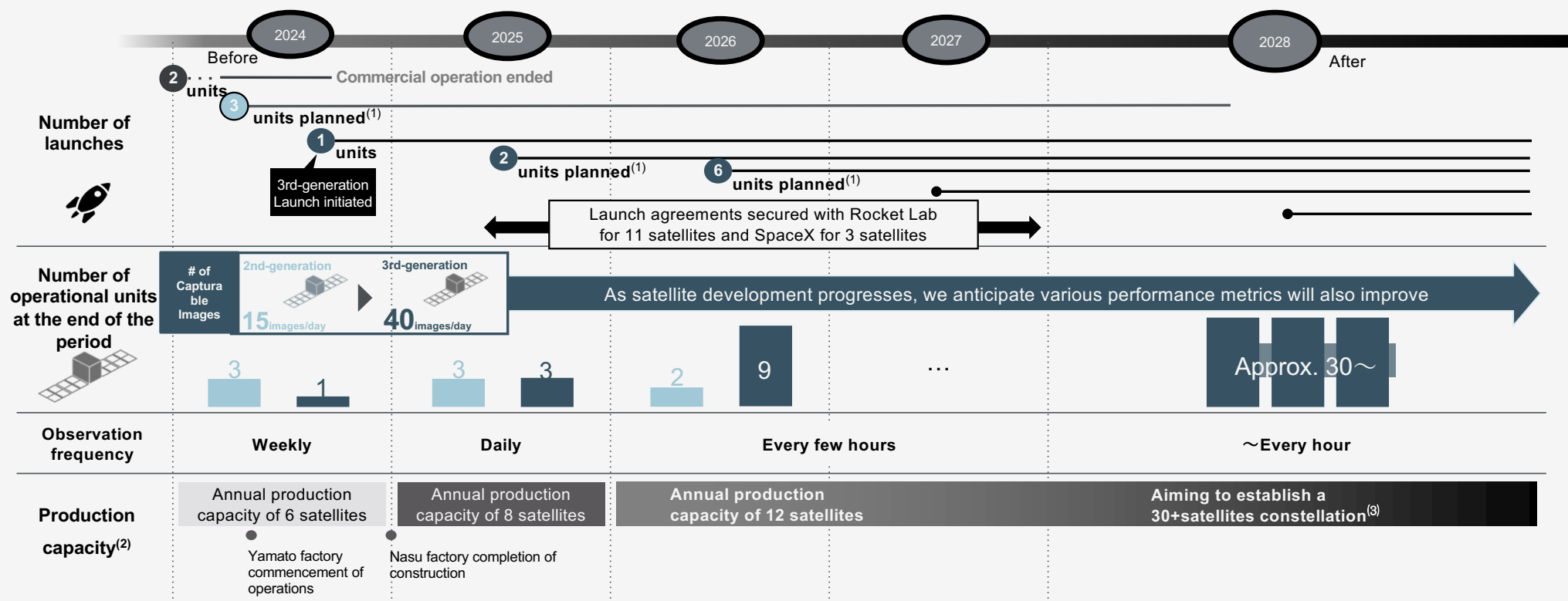
Developed “InSAR dDEM” for High-Frequency, High-Resolution Elevation Change Detection (Patent pending: PCT/JP2024/009808, PCT/JP2024/034171)

InSAR dDEM enables quantitative measurement of large-scale terrain changes (elevation differences of several meters) at high frequency and high resolution, applicable to both natural phenomena—such as volcanic activity or crustal movements—and human activities like major civil engineering projects or mining operations. Whereas conventional InSAR technology measures ground displacement, InSAR dDEM provides meter-level measurement of elevation changes (e.g., soil deposition or excavation volumes). This technology is expected to contribute to rapid disaster assessment and recovery support, monitoring and prevention of illegal terrain modification and environmental protection, enhanced safety and progress management at mining and construction sites, efficient water resource and river basin management, and improved volcano monitoring.



Sakurajima island, Arimura-cho
StriX-3 May, 2024

- Through steady improvements in satellite performance and expanded manufacturing capabilities, Synspecative aims to deploy a constellation of over 30 satellites to enhance observation frequency and achieve high profitability.
- Synspecative signed a ride-share agreement with SpaceX for two satellites and secured launch contracts for an additional 14 satellites.



(1)The actual number of satellites manufactured may fluctuate based on customer demand and business conditions. Additionally, even after increasing manufacturing capacity, a certain amount of time is required for production, so the number of satellites launched will not immediately match the production capacity. Actual number and timing of launches will depend on launch provider capacity, weather and other factors. The number of images captured by one third-generation satellite launched in 2024 is 15 images per day, and the number of images captured by third-generation satellites launched from 2025 onwards will be 40 images per day.

(2)This refers to the capacity to procure parts and materials and to begin manufacturing a specified number of units. It takes approximately two years from the start of manufacturing to completion.

(3)The forward-looking statements on this page may be significantly affected by business, economic, regulatory and competitive uncertainties and contingencies beyond our control. These statements are based on certain assumptions about our future strategies and policies, which may change. Actual future figures may vary from targets depending on various factors, and the differences may be significant. The contents of this document do not indicate that these targets will be achieved, nor do we have any obligation to update these targets as circumstances change.

- Aiming to produce 12 small SAR satellites per year starting next fiscal year, this facility has begun trialing a traceability system to enhance quality assurance and utilize manufacturing data. Additionally, efforts aligned with increased production are ongoing, including Skill Dojou training sessions to expand expertise transfer from experienced personnel.
- As of June 30, 2025, component orders were underway for up to the 23rd unit, with manufacturing begun on units up to the 12th unit.
- Various tests and preparations are underway to launch two satellites in 2H of FY2025, as we steadily progress toward completing our over 30-satellite constellation on/after 2028.

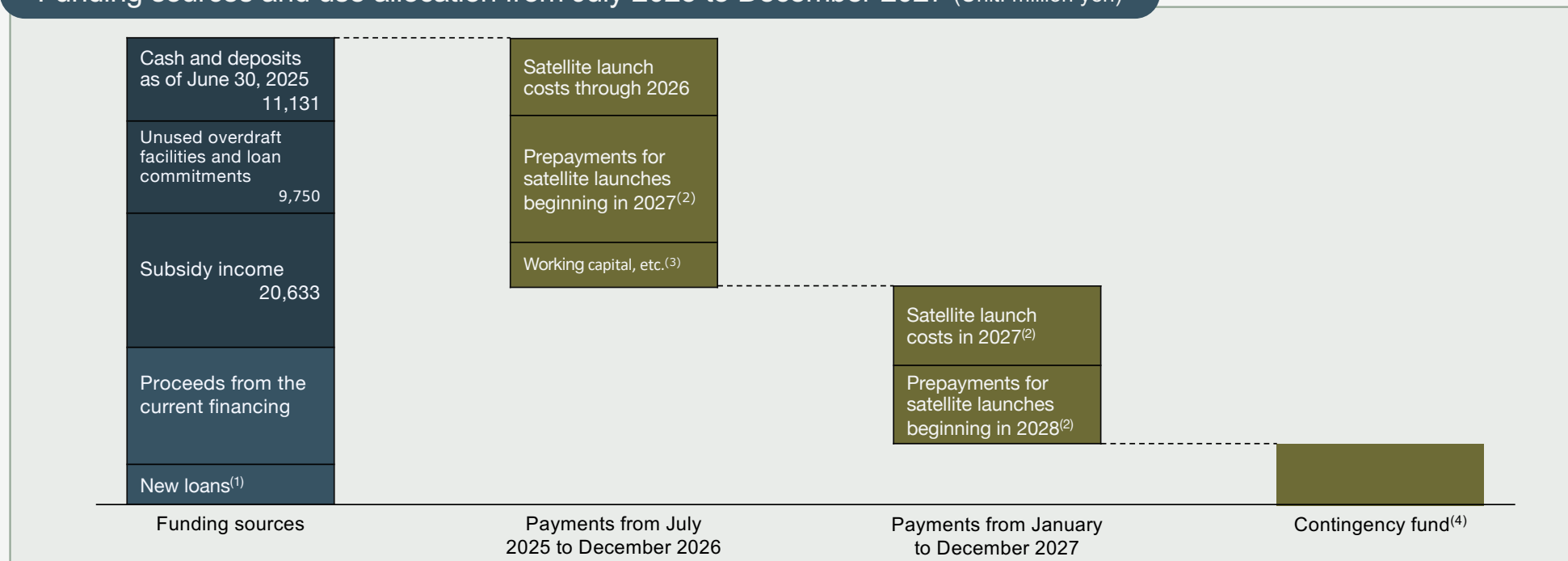
Initiatives underway for two satellite launches in 2H FY25 and 12-satellite annual production in FY26



(1) Yamato Technology Center began full-scale operations in September 2024.

- This financing reduces financial risks in satellite constellation construction and drives revenue growth from data sales to both the Japanese and foreign governments, as well as private-sector solution services.
- Funds totaling 16.24 billion yen are allocated to the development and manufacturing of small SAR satellites and associated infrastructure investments, and 7.78 billion yen to working capital.
- Funds primarily cover costs through 2027. Additional funding, mainly through debt financing, is planned for infrastructure investments and working capital beyond 2028.

Funding sources and use allocation from July 2025 to December 2027 (Unit: million yen)



(1) We plan to secure new loans as needed going forward.

(2) Satellite-related costs are projected assuming full-capacity manufacturing and launch operations beginning in 2027.

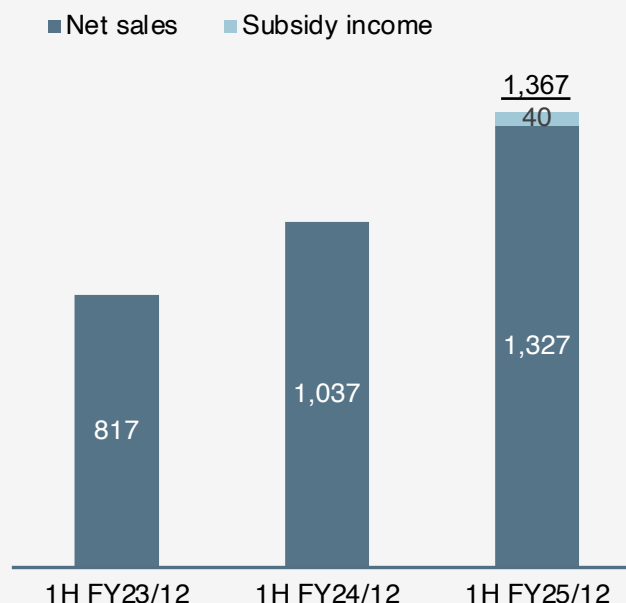
(3) Working capital: personnel and recruitment costs, training and development programs, research and development initiatives, outsourcing services, and system licensing and usage fees related to business development through 2026.

(4) We plan to retain a certain level of cash and deposits to address potential risks.

3. 2Q YTD of FY2025 Financial Results

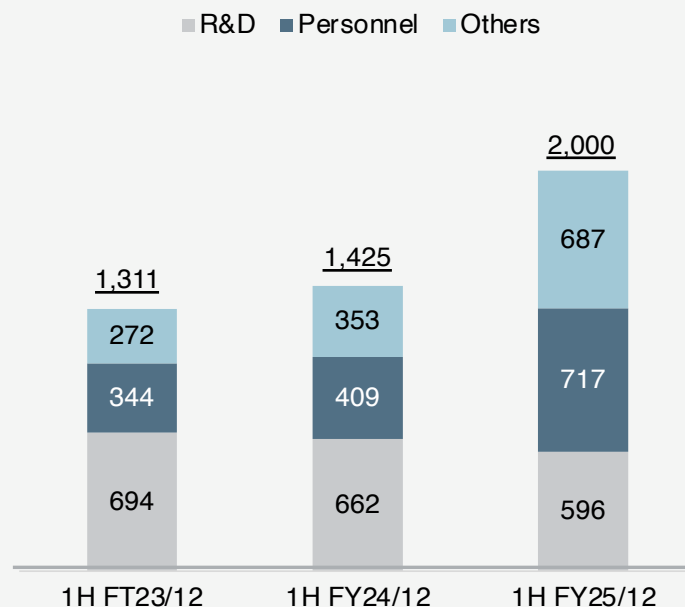
While upfront infrastructure investments for satellite constellation construction have increased operating losses, total revenue has grown significantly.

Total revenue Unit: million yen



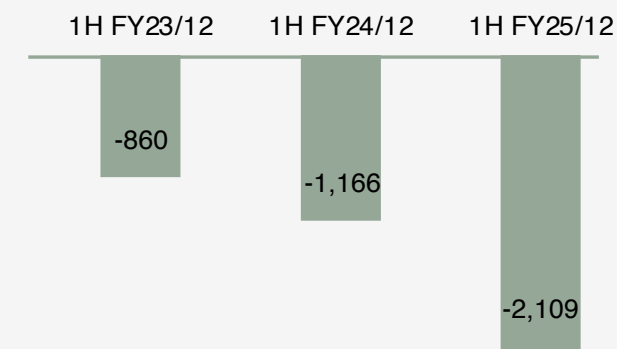
Total revenue in 2Q YTD of FY25 showed year-over-year growth, driven by completed government contracts including Cabinet Office and Ministry of Defense demonstrations, plus subsidy income.

SG&A Unit: million yen



R&D expenses trending down but expected to remain flat year on year for FY2025.
Personnel expenses for 2QYTD of FY25 increased year on year due to the recording of stock-based compensation expenses and an increase in the workforce.

Operating income/(loss) Unit: million yen



Operating losses widened as planned due to infrastructure investment for satellite constellation.

Total revenue

1,367 million yen
(+31.9% year-on-year)

Order backlog⁽¹⁾

21,772 million yen
(Up 306.4% from the end of December 2024)

EBITDA ⁽²⁾

(962) million yen
(Negative 992 million yen in the 2Q of FY2024)

Cash and cash
equivalent

11,131 million yen
(Decrease of 3,108 million yen from the end of December 2024)

of satellites in operation
as of quarter-end⁽³⁾

4 satellites
(Same number of satellites as end of December 2024)

Reasons for Using Total Revenue as a Key Metric

Total revenue is calculated by combining sales revenue and income from government subsidies. Although subsidies are classified as non-operating income, they are financially significant in the short to medium term and serve as indicators of progress on technical initiatives such as constellation construction proposed in the Space Strategy Fund. The total revenue figure is a crucial metric as it remains important regardless of accounting classification.

(1) Sales revenue is recognized at the time of contract, while subsidy income is recognized as order volume at the time of grant decision. It generally takes two to three months from the "adoption" decision by the grantor to the "grant decision" where details of the subsidized project and eligible expenses are determined. The grant decision is the point of order recognition.

(2) Calculated as ordinary profit + interest payments + depreciation expense + stock compensation expenses.

(3) Although a certain period is required from launch to image provision, satellites intended for commercial use that are in orbit, including those immediately after launch, are counted as operational satellites. The second satellite (StrIX-β) was under test operation at the end of the 2024 fiscal year and is therefore excluded from the number of operational satellites. Note that its operation ended in February 2025.

Total revenue increased in 2Q YTD of FY25 due to the completion of the Cabinet Office demonstration project and the SAR satellite space demonstration project, as well as subsidy income from METI's SBIR program. Costs increased due to system enhancements for satellite constellation.

(Unit: million yen)	FY2024 1H	FY2025 1H	Change	Reasons for change
Total revenue	1,037	1,367	330	- Net sales increased due to the completion in 1Q of FY25 of the Cabinet Office's demonstration program (contract value: 1.28 billion yen) and the SAR satellite space demonstration (1.05 billion yen). - Subsidy income: Recorded 40 million yen from the SBIR program. The Space Strategy Fund is scheduled to be recorded from 3Q of FY25 onward.
Net sales	1,037	1,327	290	
Cost of sales	778	1,436	658	- Depreciation expenses for satellites from the 4th to the 6th StriX increased to 860 million yen (up 790 million yen year on year). - Direct costs in solution services for the Cabinet Office's demonstration program decreased to 310 million yen (down 70 million yen year on year).
Selling, general and administrative expenses	1,425	2,000	575	–
Personnel expenses	409	717	307	Stock-based compensation expenses increased by 140 million yen due to an increase in workforce. Stock compensation expenses, which are related to the 4th series of stock acquisition rights, are recorded over the period from June 2024 to June 2026.
R&D expenses	662	596	(66)	Primarily related to next-generation satellite R&D, spending is projected to remain at roughly the same level as the previous fiscal year.
Others	353	687	333	Increases included outsourcing service costs of 60 million yen due to sales structure expansion, estimated business tax of 60 million yen, and higher rent, utilities, depreciation, and other expenses of 110 million yen from the Yamato Technology Center operations, as well as increased advertising and promotional expenses.
Operating income/(loss)	(1,166)	(2,109)	(942)	–
Non-operating income	11	47	36	Mainly due to 40 million yen from METI's SBIR program
Non-operating expenses	107	429	322	Mainly due to syndicated loan fees of 200 million yen and an increase in interest expenses
Ordinary income/(loss)	(1,262)	(2,491)	(1,228)	–
Extraordinary income/(loss)	0	10	10	Due to reversal of provision for loss on contracts
Net loss attributable to owners of the parent	(1,266)	(2,483)	(1,217)	–

Capital increased by 1.4 billion yen through over-allotment and a new loan of 500 million yen from Development Bank of Japan in 2Q YTD of FY25, while expenditures for satellite manufacturing and equipment remained in line with the plan.

(million yen)	End of Dec 2024	End of June 2025	Change	Reasons for change
Assets	28,195	27,058	(1,136)	
Current assets	16,253	11,732	(4,521)	
Cash and deposits	14,239	11,131	(3,108)	Major factors of increase: capital increase of 1.42 billion yen, decrease in receivables of 1.19 billion yen, depreciation of 0.95 billion yen Major factors of decrease: investments in property, equipment, and intangible assets totaling 4.39 billion yen, net loss of 2.48 billion yen
Other current assets	2,013	600	(1,412)	Accounts receivable/contract assets decreased by 1.19 billion yen, due to the collection of receivables from the 2024 Cabinet Office demonstration and the SAR satellite space demonstration.
Non-current assets	11,942	15,326	3,384	
Satellites in operation and in production	10,988	14,052	3,063	Increased mainly due to progress in manufacturing the 7th StriX satellite and beyond
Other non-current assets	953	1,274	320	Increased mainly due to the installation of equipment at the Yamato Technology Center
Liabilities	8,322	7,869	(453)	
Current liabilities	2,229	1,606	(623)	
Short-term borrowings	1,195	810	(385)	Decrease due to the repayment of 1.0 billion yen in short-term borrowings due within one year; remaining balance primarily reflects the transfer from long-term borrowings.
Other current liabilities	1,034	796	(238)	
Long-term liabilities	6,093	6,263	170	
Long-term borrowings	6,093	6,263	170	Increase due to a new loan of 500 million yen from Development Bank of Japan; remaining balance primarily reflects the transfer to long-term borrowings.
Net assets	19,872	19,189	(683)	

4. FY2025 Full-year Forecast

- The company made a steady start with 57.2% progress on net sales but only 22.4% progress on total revenues, reflecting the second-half weighting of subsidy income.
- Unchanged from February forecasts, with public sector projects and subsidy income recorded as expected.

[Consolidated Earnings Forecast for FY2025, released on February 14, 2025]

- Total revenue and ordinary loss: Total revenue is expected to increase significantly, driven by the implementation of the Space Strategic Fund and METI SBIR programs, while ordinary loss is expected to decrease.
- Operating loss - Operating loss is expected to increase due to expanded satellite production in anticipation of future contracts, such as the satellite constellation program for the Ministry of Defense. ⁽¹⁾
- Satellites in operation (year-end): 2 StriX satellites scheduled for launch in 2H of 2025. Annual production capacity of 6 satellites to be established in this fiscal year.

Unit: million yen	FY2024 act. (A)	FY2025 est. (B)	Changes (B-A)	Year-on-year (%)	FY2025 2Q YTD act.	Progress (%)
Total Revenue	2,508	6,113	3,604	143.7	1,367	22.4
Net sales	2,316	2,321	5	0.2	1,327	57.2
Operating income/(loss)	△3,070	△4,524	△1,454	-	△2,109	-
Ordinary income/(loss)	△3,594	△1,473	2,122	-	△2,491	-
Net income/(loss) attributable to parent owners	△3,592	△1,482	2,111	-	△2,483	-
EBITDA ⁽²⁾	△1,799	1,242	3,043	-	△962	-
# of satellites in operation as of period-end	4	6	2	-	4	-

(1) The official name is the construction of a satellite constellation from the end of FY2025 ending March 31, 2026, to acquire target detection and tracking capabilities necessary for stand-off defense

(2) EBITDA = Ordinary income + Interest expense + Depreciation and amortization + Stock-based compensation expense

(3) The forward-looking statements on this page may be materially affected by business, economic, regulatory, and competitive uncertainties and contingencies that are beyond our control. These statements are based on certain assumptions regarding our future strategies and policies, which are subject to change. Actual future figures may differ from targets due to a variety of factors, and the differences could be significant. Nothing contained herein should be taken as an indication that these goals will be achieved, nor do we undertake any obligation to update these goals as circumstances change

Assumptions for FY2025 Full-year Forecast- Consolidated

	Previous assumption	Progress and assumption changes*
Net sales	- Approximately 75% of sales are expected to come from government agencies, with over 90% of those already under contract or continuing from the previous year - Sales to overseas or private clients are forecasted based on FY2024's results and the status of ongoing negotiations at the time of prediction.	- The forecast remains unchanged, with about 75% of the total expected to be for public agencies. About 96% of these bids/contracts have already been awarded. - Assumptions for overseas and private sector sales remain unchanged.
Subsidies income	- Estimated FY2025 amount includes only already approved projects, such as METI's SBIR program, the Space Strategy Fund, and two other projects. No new projects are included in the forecast - The Space Strategy Fund is "approved but pending grant decision," so this period's income is estimated based on assumptions⁽¹⁾.	For the Space Strategic Fund, the subsidy amount for the initial period (through March 2027) has been determined to be 16.46 billion yen. The accounting treatment for both METI SBIR and the Space Strategic Fund was finalized that subsidy income will be recorded at the time of payment.
Cost of sales	While some fixed costs remain constant regardless of the number of satellites, overall costs generally increase with the number of operational satellites. A large portion of costs comes from satellite depreciation, with manufacturing and launch costs amortized evenly over five years from the start of operation. As previously mentioned, to prepare for large contracts expected from 2026, the number of satellites will increase. This will lead to higher costs of sales, temporarily impacting gross profit negatively in 2025.	No changes
Selling, general and administrative expenses	We plan to increase staff by approximately 50 people compared to the end of 2024, with a focus on expanding personnel at the Yamato Factory to support satellite mass production. Additionally, expenses related to the fourth series of stock options issued in June 2024 will be recognized. These are non-cash expenses and are expected to be fully expensed by June 2026.	No changes

* No impact on business and earnings due to the U.S. tariffs is expected at this point of time

(1) It is assumed that subsidy income will be recorded at the time of receipt of the estimated payment as stipulated in Article 38 of the Space Strategy Fund Project Subsidy Handling Guidelines. Grant decision is expected in late February 2025

(2) The forward-looking statements on this page may be materially affected by business, economic, regulatory, and competitive uncertainties and contingencies that are beyond our control. These statements are based on certain assumptions regarding our future strategies and policies, which are subject to change. Actual future figures may differ from targets due to a variety of factors, and the differences could be significant. Nothing contained herein should be taken as an indication that these goals will be achieved, nor do we undertake any obligation to update these goals as circumstances change



Synspective

Appendix

Appendix :

- Company Overview & Business Model
- Market Growth and Competitive Environment
- Business Plan

To create a new infrastructure that enables the next generation to understand our Earth and achieve a resilient future

Our lives and our economic environment are threatened by various risks on a global scale, such as disasters, conflicts and climate change. To help protect ourselves against these risks while taking into account our natural environment and future generations, it is essential to quantitatively visualize and understand these risks. This requires data that is homogeneous, stable and extensive on a global scale.

We believe we can make this possible.

We are working to build a new infrastructure consisting of a constellation of SAR satellites that consistently monitors the Earth, analytic tools to process the vast amounts of data obtained and a network of partners.



Whenever and wherever disasters occur around the world, we will quickly acquire wide-area data soon after the event, promoting the swift initiation of rescue and relief activities and the formulation of early recovery plans.



We will monitor global conflict situations and disruptions in logistics, contributing to world peace and the provision of stable lifelines.



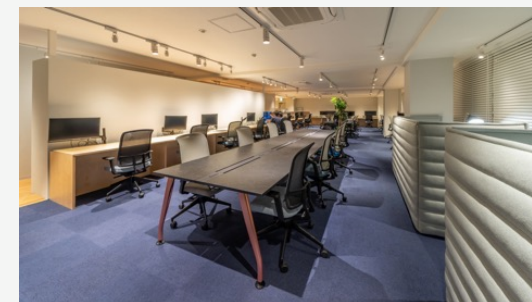
By quantitatively and continuously monitoring global forest distribution and offshore wind conditions, we will promote carbon credit trading and the adoption of renewable energy.

Synspective was co-founded in February 2018 by our CEO, Motoyuki Arai, and Seiko Shirasaka, who was in the ImPACT Program⁽¹⁾

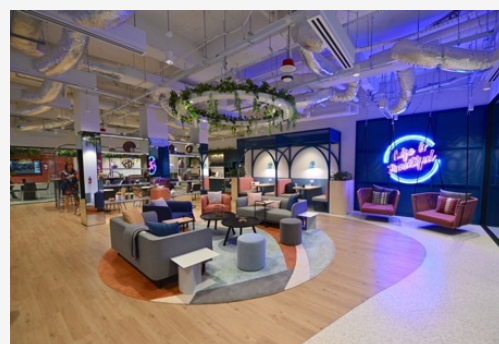
Company Overview

Company Name	Synspective Inc.
Established	February 22, 2018
Capital	¥8,395 million, as of June 30, 2025
Head Office	3-10-3 Miyoshi, Koto-ku, Tokyo, Japan
Group Companies ⁽²⁾	Synspective SG Pte. Ltd. (Singapore) Synspective Japan, Inc. (Tokyo) Synspective USA HD, Inc. (Colorado, USA) Synspective USA, HD, Inc. (Colorado, USA)
Employees	210 (Consolidated, as of the end of June 2025) A global team with members from 22 countries
Business	• Sales of SAR image data • Solution services using SAR data • Development and operation of small SAR satellites

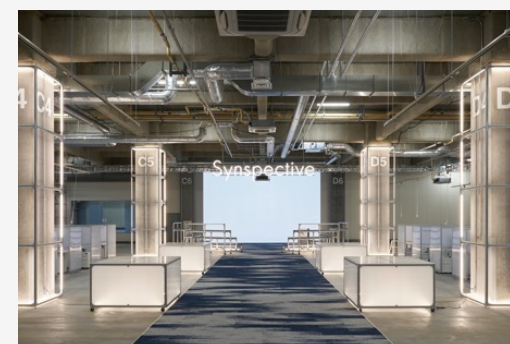
Head Office / Synspective Japan



Synspective SG Pte. Ltd.



Yamato Technology Center



(1) Japanese national R&D program led by Cabinet Office <https://www.jst.go.jp/impact/>

(2) Synspective USA, Inc. is a wholly-owned by Synspective USA HD, Inc., while the others are a wholly-owned company by Synspective Inc.

Synspective is expanding its business in the growing field of developing and operating SAR (Synthetic Aperture Radar) satellite constellations and utilizing satellite data

What is a Satellite Constellation?

A satellite Constellation is a system that operates multiple satellites in coordination with one another.
By placing them in orbit so that their communication ranges do not overlap, this enables high-frequency imaging of large parts of the entire world.
'Constellation' means 'star constellation'.

Major types of satellites and their roles



Observation Satellite

- Used for observing the Earth's environment, disaster monitoring, and weather forecasting.
- Primarily categorized into optical satellites and **SAR satellites**.
- 1,259 satellites are in orbit and operational.⁽¹⁾
- A total of 56 small SAR satellites from the five major companies are in orbit.⁽²⁾⁽³⁾

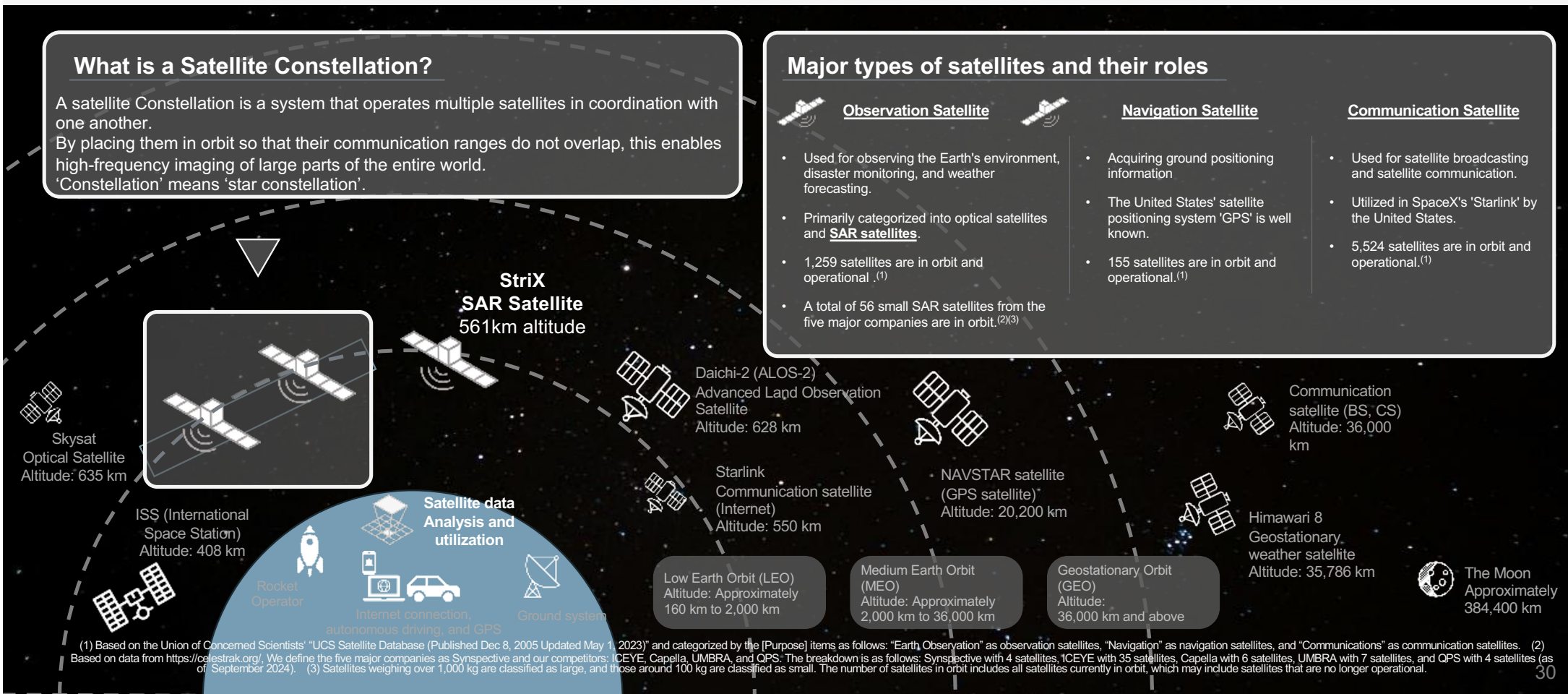


Navigation Satellite

- Acquiring ground positioning information
- The United States' satellite positioning system 'GPS' is well known.
- 155 satellites are in orbit and operational.⁽¹⁾

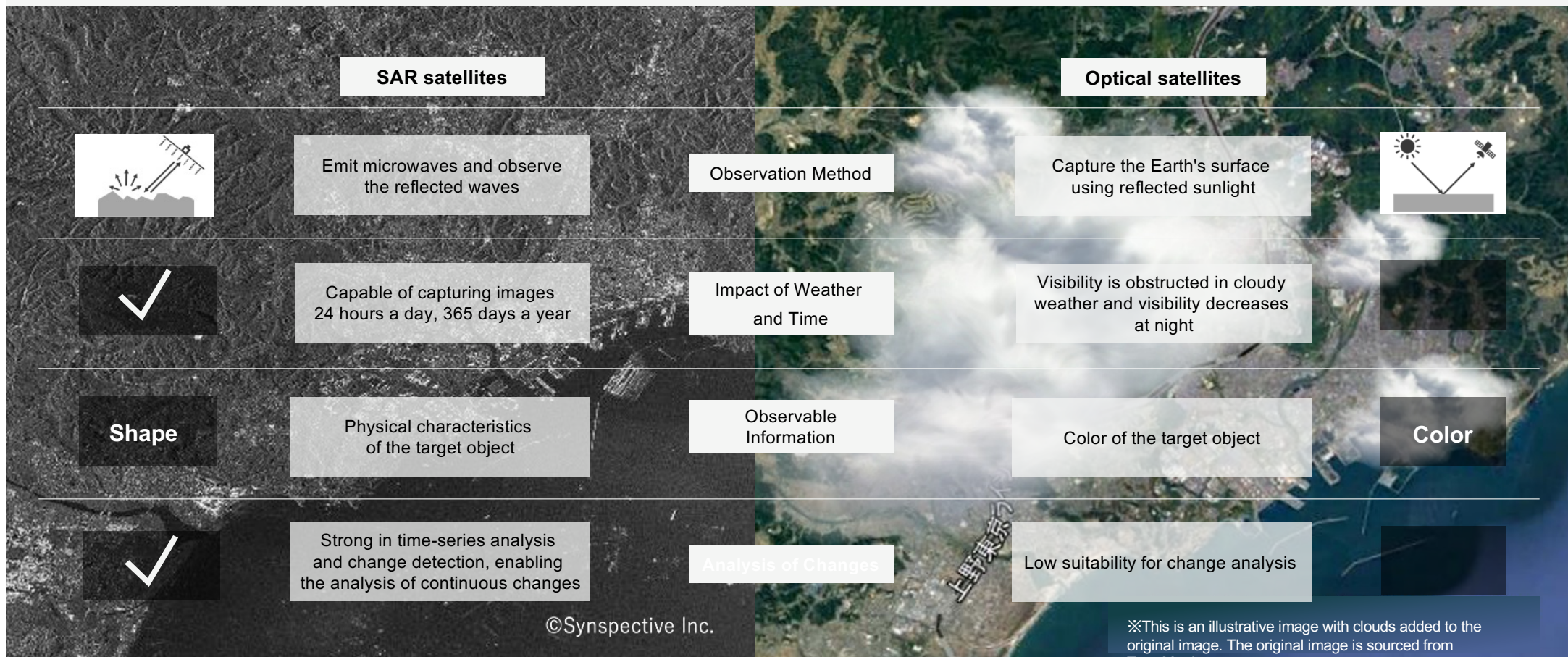
Communication Satellite

- Used for satellite broadcasting and satellite communication.
- Utilized in SpaceX's 'Starlink' by the United States.
- 5,524 satellites are in orbit and operational.⁽¹⁾



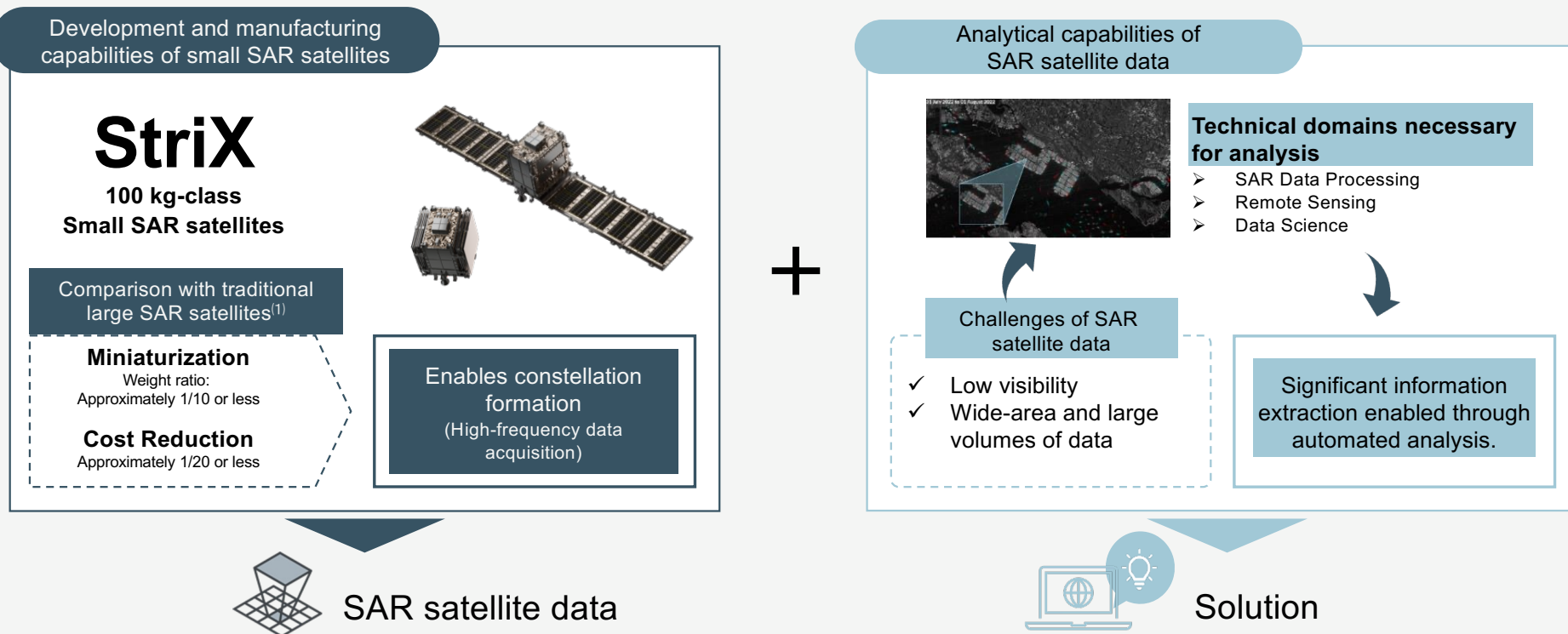
Differences between SAR satellites and optical satellites

Compared to optical satellites, which are the mainstream for Earth observation satellites, SAR satellites are capable of acquiring data regardless of weather conditions or time of day and are excellent at capturing continuous changes



Our strengths lie in the development and manufacturing capabilities of SAR satellites to achieve miniaturization and cost reduction necessary for constellation formation, as well as in our analytical capabilities to deliver meaningful information obtained from SAR satellite data to customers

Acquire SAR satellite data and consistently provide value to the end-users



(1) Satellites over 1,000 kg are classified as large, while those weighing between 100-500 kg are classified as small. As an example of traditional large satellites, the large SAR satellite "Advanced Land Observing Satellite-4 (ALOS-4)" developed by JAXA and manufactured by Mitsubishi Electric has a mass of approximately 3 tons, with a total project cost of approximately 32 billion yen, including launch expenses (https://www.jaxa.jp/about/transition/index_j.html).

Our company, established through the Cabinet Office's "Impulsing Paradigm Change through Disruptive Technologies Program (ImPACT)," has continued to maintain close communication with the Japanese government through various projects. We are recognized by the government as a key startup capable of competing globally

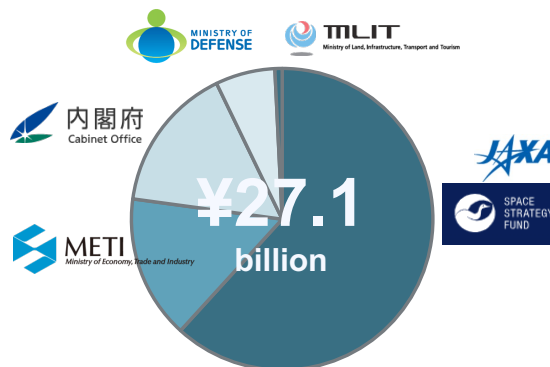
Development of small SAR satellites through the ImPACT program

- Our small SAR satellite, StriX, was initially developed under the Cabinet Office's ImPACT program
- Experienced engineers from JAXA, the University of Tokyo, Tokyo Institute of Technology (currently, Institute of Science Tokyo) and Keio University participated in this program
- Synspecative inherited those core technologies and engineers, and was established as a spin-off company through private fundraising



Cumulative government project contracts totaling approximately 27.1 billion yen⁽¹⁾

- We have secured over 40 contracts for commissioned development, grants and various demonstration projects to provide data and solution services
- Along with receiving subsidy income, we have advanced business development and acquisition of government demand



Awards/Recognitions from the Government

- The government recognizes Synspecative as a key startup capable of competing globally⁽²⁾
- Acknowledged as an entity that provides social impact and nurtures the next generation



Recipient of the Minister of State for Space Policy Award from the Cabinet Office (2024)



Selected as a startup creating social impact (2023)



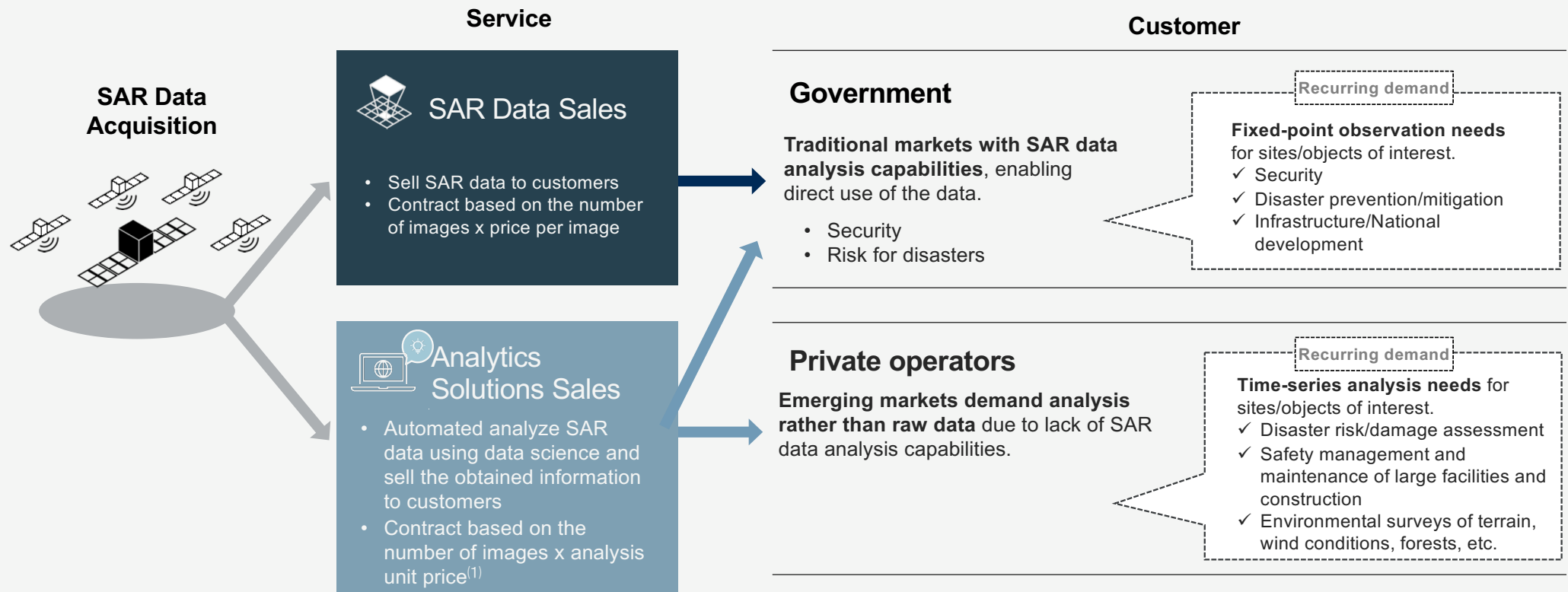
Our CEO, Motoyuki Arai has been appointed as an Ambassador for Entrepreneurial Promotion (2023)

(1) Cumulative since 2018 includes contracts for which revenue has already been partially or fully recognized.

(2) The company is "recognized by the government as an important startup that can compete with the rest of the world" due to its selection as a J-Startup and J-Startup Impact. - Source <https://www.i-startup.go.jp/>

https://www.i-startup.go.jp/news/news_231006.html

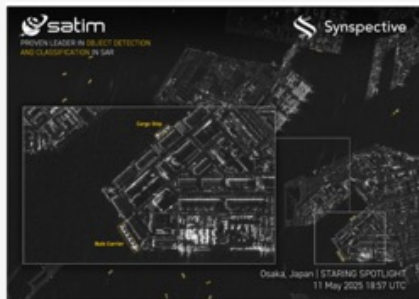
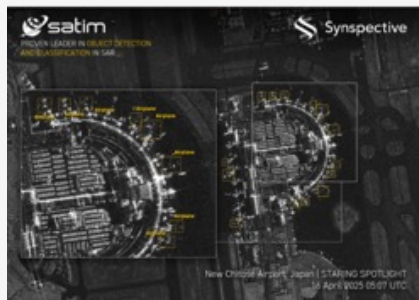
We provide two services to government and private customers with expected recurring demand: the sale of observation data acquired by SAR satellite constellations and solutions involving data analysis



(1) The analysis price indicates the analysis fee per image captured

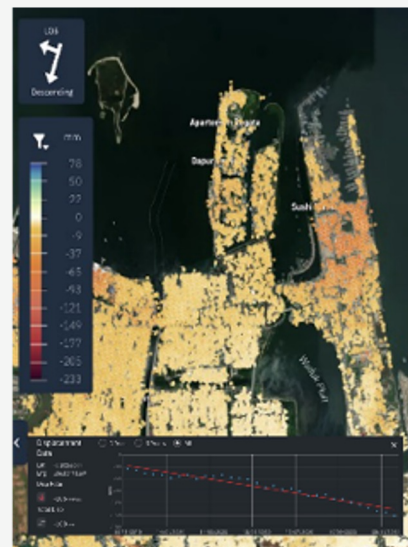
Launched a new object detection and classification analysis solution for security-related applications in May 2025. By leveraging SAR data and advanced analytical algorithms, the solution enables the rapid and accurate provision of information on the locations and types of vessels and aircraft. This technology is expected to be particularly beneficial for maritime and airport monitoring, security and defense, as well as global supply chain surveillance.

■ Security-related Analysis



Object Detection and Classification Solution

■ Ground/Foundation and Infrastructure Analysis



Land Displacement Monitoring

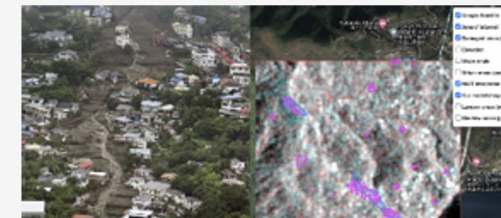
A service that detects wide-area surface and infrastructure movement in millimeters and provides time-series analysis results. It is used for disaster risk assessment like subsidence or landslides and infrastructure maintenance.

■ Disaster Damage Analysis



Flood Damage Assessment

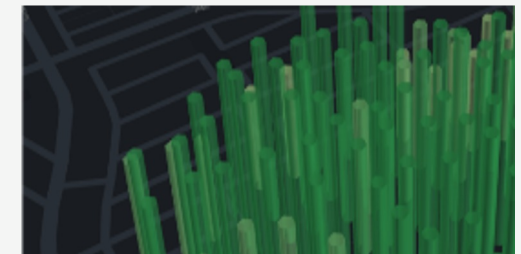
A service for evaluating flood-related inundation damage (inundation area, depth, damaged roads and buildings). The service is used for insurance damage assessments and quick investigations for rescue operations.



Disaster Damage Assessment

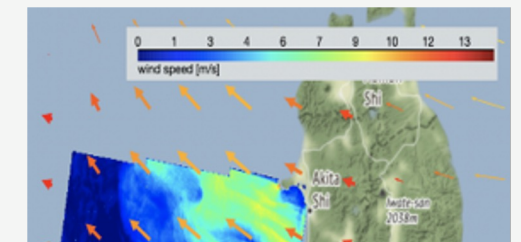
A service for analyzing pre- and post-disaster changes (such as landslides and house collapses).

■ Environmental Analysis



Forest Inventory Management

A service for analyzing tree height, biomass, forest type classification and logging status. The service is used for reducing forest management costs and carbon credit trading.



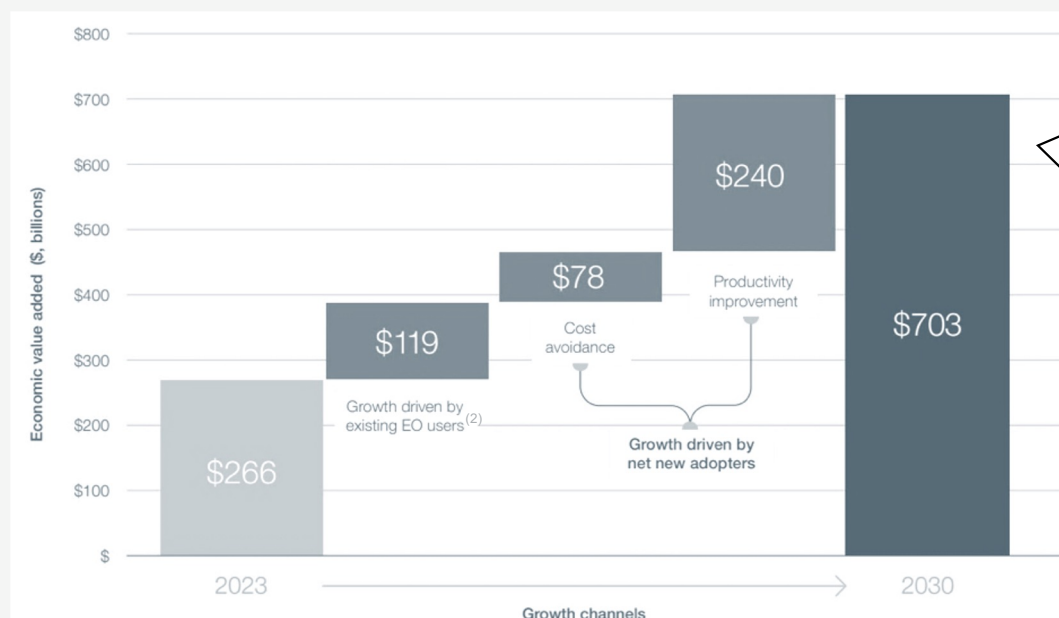
Offshore Wind and Wave

A service for observing and analyzing wave heights and wind strength across wide ocean areas based on actual measurements. The service aids in selecting locations for offshore wind farms and improving maintenance and operation management efficiency.

Data sets enhanced through analysis are provided to private companies as solutions aimed at risk reduction and productivity improvement, with the market expected to exceed 100 trillion yen by 2030⁽¹⁾

■ Scalability of the satellite data market through solutions

Approximately 39.9 trillion yen (2023) → Approximately 100 trillion yen (2030)⁽¹⁾



Market forecasts by industry

The market is expected to expand in the following industries, aimed at risk reduction, such as monitoring threats to critical infrastructure and improving disaster response, as well as enhancing productivity by incorporating satellite data into industry operations.

Key Industries

- Agriculture: 59.9 trillion yen
- Mining/Oil & Gas: 16.2 trillion yen
- Government/Disaster Response: 7.1 trillion yen
- Electric: 7.1 trillion yen
- Transportation: 5.3 trillion yen
- Finance & Insurance: 3.5 trillion yen

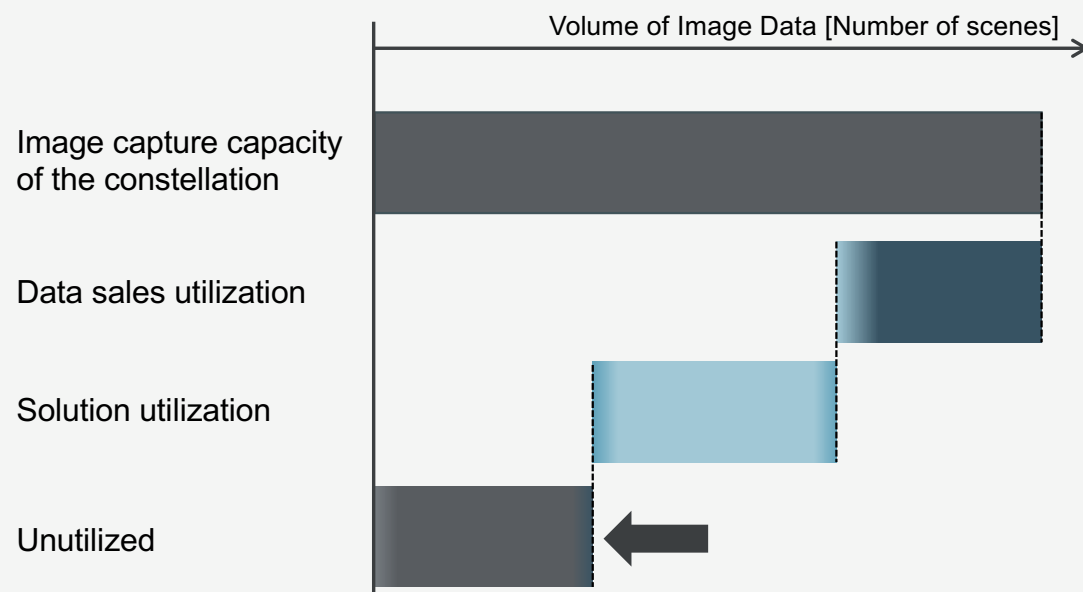
Source : Amplifying the Global Value of Earth Observation INSIGHT REPORT MAY 2024: https://www3.weforum.org/docs/WEF_Amplifying_the_Global_Value_of_Earth_Observation_2024.pdf

(1) Market size source data converted at an exchange rate of 1 USD = 150.0 yen.

(2) The 'EO' in question includes not only satellite data but also 'in-situ' data collected through on-site IoT sensors.

- By allocating surplus image capture capacity⁽¹⁾ that is not used for data sales to solutions, we aim to maximize the profits generated by the constellation
- The ability to internally produce and use large amounts of data improves analysis accuracy, providing a competitive advantage over other analysis companies

■ Image of Effective Utilization of Image capture Capacity in Solutions⁽²⁾



Since a cycle of charging⁽³⁾ and imaging is repeated, only a portion of the total capacity actually aligns with the areas of interest of customers

▼

The private sector has different areas of interest, allowing the unutilized capacity mentioned above to be used for solutions

▼

This allows for a reduction in unutilized capacity, maximizing the profits generated by the constellation⁽⁴⁾

(1) Maximum number of scenes that can be captured by satellites currently operating in orbit.. This includes the number of scenes that have not been actually captured.

(2) The above is a conceptual illustration of the satellite constellation after its establishment and does not reflect the actual number of uses or usage proportions, nor does it imply actual performance.

(3) The charging time refers to the period during which solar energy is stored for imaging, during which imaging cannot be performed

(4) In reality, archived data can also be sold at a later date, allowing for further reduction of unutilized capacity.

- In the defense sector, interpreting SAR data requires expertise and is currently done by government analysts. However, with constellations producing massive amounts of data, there is an increasing demand for automated analysis.
 - Simultaneously, this shift is effective as a hedge against the long-term risk of price erosion in data sales
- Automated analysis becomes mainstream with the acquisition of massive data.

Current Situation

Purchasing daily data for a few locations, analyzed manually by experts/analysts.



Selling a limited amount of data to experts/analysts

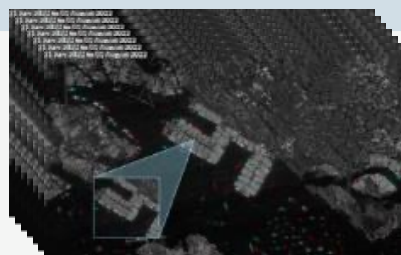


In the Future

Analyzing multi-location, multi-hour data provided by constellations manually becomes difficult.



Conduct automated analysis of vast amounts of data to assist experts/analysts, and report the high-value-added information obtained.



Movement towards Transitioning to Solution Services

◆ US: LUNO project



- ✓ Strengthen the National Geospatial-Intelligence Agency's (NGA) initiatives in machine learning/AI.
- ✓ The focus is on using commercial data to build a system for managing large volumes of data⁽¹⁾

◆ Japan: Ministry of Defense AI Utilization Promotion Basic Policy



To handle the exponential growth in target information resulting from the increase and enhancement of diverse sensing information like radar tracks, satellite images and aerial images, AI and edge computing with AI will be utilized to improve and expedite the detection and identification tasks that were previously done manually.⁽²⁾

Source: Extracted from examples on our website, Synspective's small SAR satellite 'StriX-β' captures vessel movements in Singapore's port. : <https://synspective.com/jp/usecase/2022/daily-visit-singapore/>

(1) Source : NGA > News [https://www.nga.mil/news/NGA_announces_\\$290M_Luno_A_commercial_data_RFP.html](https://www.nga.mil/news/NGA_announces_$290M_Luno_A_commercial_data_RFP.html)

(2) Source : Regarding the formulation of the Ministry of Defense AI Utilization Promotion Basic Policy https://www.mod.go.jp/j/press/news/2024/07/02a_03.pdf

Synspec has deployed six consecutive satellites since first launch, and has the strength of having many engineers with long-standing experience in the development and operation of satellites, enabling us to achieve stable operations

Track record and status of satellite launches

StriX-α

Operational period	3 years
Launch date	2020/12/15
Design lifespan	3 years
Operational status ⁽¹⁾	Operation ended



StriX-β

Operational period	2 years and 11 months
Launch date	2022/03/01
Design lifespan	3 years
Operational status ⁽¹⁾	Operation ended



StriX-1

Operational period	2 years and 11 months
Launch date	2022/09/16
Design lifespan	3 years
Operational status ⁽¹⁾	currently in operation



StriX-3

Operational period	1 year and 5 months
Launch date	2024/03/13
Design lifespan	5 years
Operational status ⁽¹⁾	currently in operation



StriX Series

5th Unit

Operational period	1 year
Launch date	2024/08/03
Design lifespan	5 years
Operational status ⁽¹⁾	currently in operation



StriX Series

6th Unit

Operational period	8 months
Launch date	2024/012/21
Design lifespan	5 years
Operational status ⁽¹⁾	currently in operation



Examples of measures to achieve stable operation based on experience in spacecraft development and operation

Hardware measures

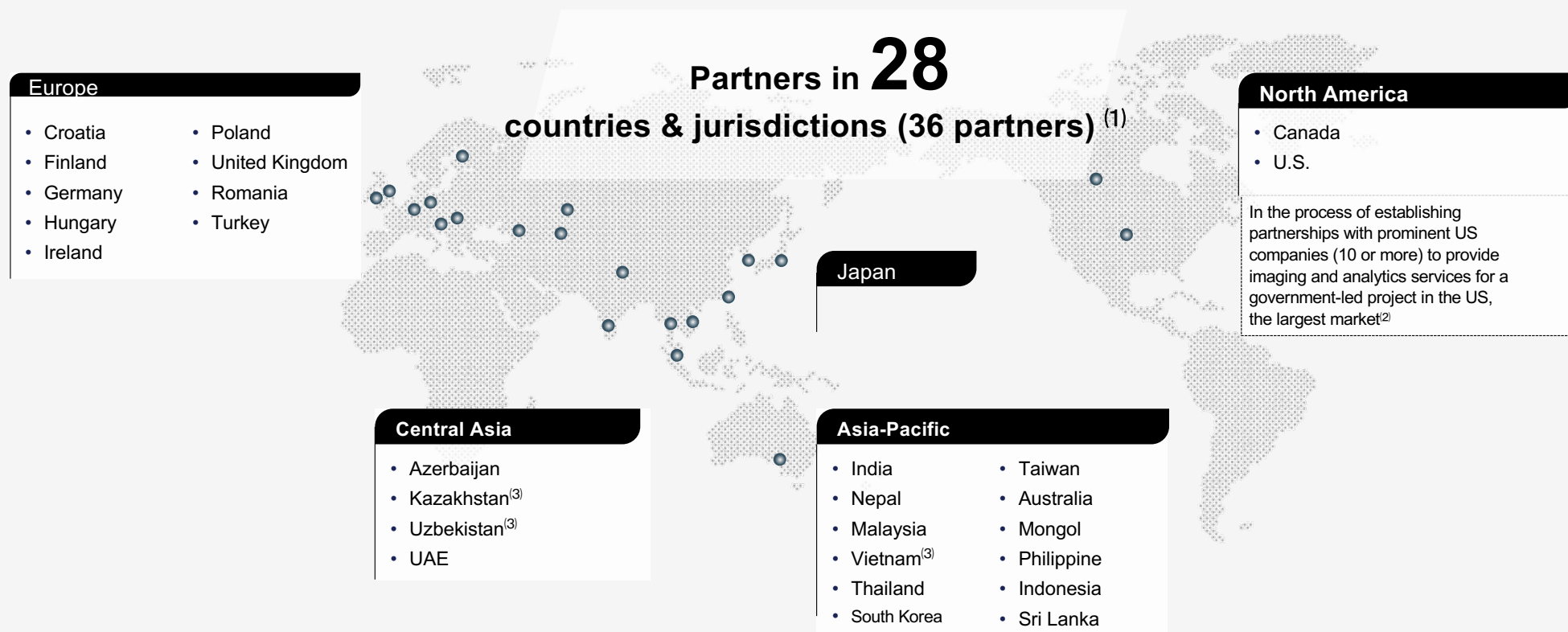
- 1. Selecting of parts from a global perspective**
Procurement of proven, safe parts from around the world, avoiding dependence on a single supplier
- 2. Additional quality verification tests**
Conduct opportunity, thermal vacuum, and life tests to enhance quality assurance and incorporate findings into design and operations.
- 3. Enhancement of space environment resistance during satellite assembly**
Implement measures to prevent anomalies, including reinforced harness shielding and vacuum exposure of components.
- 4. Ensure anomaly response methods during satellite operation**
Equip satellites with backup components and a reset function to enable early recovery in the event of an anomaly.

Software measures

- 1. Preventing anomalies through enhanced in-orbit status monitoring**
Detect early signs of anomalies and improve operational procedures to mitigate potential issues.
- 2. Establishing operational methods for stability**
Develop software functions and countermeasures to ensure continuous operations under various anomaly scenarios.
- 3. Securing and training experts in satellite assembly**
Retain skilled assembly specialists with expertise in spacecraft features and facilitate knowledge transfer to other operators.

(1) As of August 2025

Beginning with contracts with the Japanese government, we are expanding our business globally in both governmental and private sectors, secured government and private contracts in multiple countries, in collaboration with the Japanese government and partner companies



(1) As of June 2025

(2) This refers to stages including memorandums of understanding (MoU) toward partnership collaborations and those that are still under negotiation.

(3) Regarding Uzbekistan, Kazakhstan and Vietnam, MoUs have been signed with the governments in these countries.

Ordering Agency	Contract Project Name	Accounting category	Amount (million)	Anticipated P/L recording periods
Ministry of Defense, DIH	Acquisition of image data (No. 15)	Sales	¥87	2025/4~2026/3
Air Self-Defense Force	Development of security guidelines for space systems	Sales	¥99	2025/2~2026/2

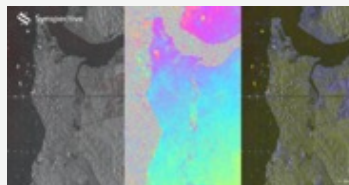
Selected for METI's Global South Co-Creation Subsidy

Our proposed "Demonstration Project for Effective Monitoring of Mining Operations Using SAR Satellites in the Republic of South Africa, Federative Republic of Brazil, Republic of Chile, Republic of Peru, and Republic of Angola" was selected for the Ministry of Economy, Trade and Industry's (METI) FY2023 Supplementary Budget Subsidy for Future-Oriented Co-Creation Projects with the Global South. The project has since commenced full-scale operations. Through this demonstration project, in collaboration with Yokogawa Electric Corporation, Insight Terra, and SRK Consulting, we are implementing a SAR satellite data solution designed to effectively detect precursors to disasters caused by mining activities at mining facilities in Latin America and Africa. The solution will be validated using on-site data and feedback from mining companies, with the aim of establishing optimal operational methods and expanding service deployment to countries and enterprises with active mining industries.



Selected as Data and Service Provider for Japan's Advanced Radar Satellite Daichi-4 (ALOS-4)

The Company has been selected by the Japan Aerospace Exploration Agency (JAXA) as a data and service provider for the Advanced Land Observing Satellite-4 ("Daichi-4" or ALOS-4). Recognizing the importance of supporting potential customers who may not possess specialized technical expertise, the Company will prioritize the provision of processed SAR data and comprehensive solutions to facilitate the broader utilization of SAR data. Leveraging past experience with the Daichi-2 (ALOS-2) program, the Company plans to expand its sales network for satellite data acquired by ALOS-4, with a focus on promoting utilization both in Japan and internationally, particularly in Asia. In addition, by integrating data from both ALOS-4 and the Company's proprietary small SAR satellites ("StriX"), the Company aims to further increase the availability of SAR imagery for customers and drive the creation of new value.



First order received for our highest-resolution data for archaeological projects in Egypt and Peru

The Company has supplied its highest-resolution SAR data, utilizing the staring spotlight mode, to the non-profit archaeological organization Athanatos Foundation, which plans and carries out archaeological field surveys and excavation projects worldwide. The data will be used for archaeological site research in Egypt and Peru. The Athanatos Foundation is based in the United States, and this project represents the Company's first order received in the U.S. market. This initiative aims to evaluate the archaeological application of SAR imagery, and analysis is ongoing. The effectiveness of the data will be assessed in due course.

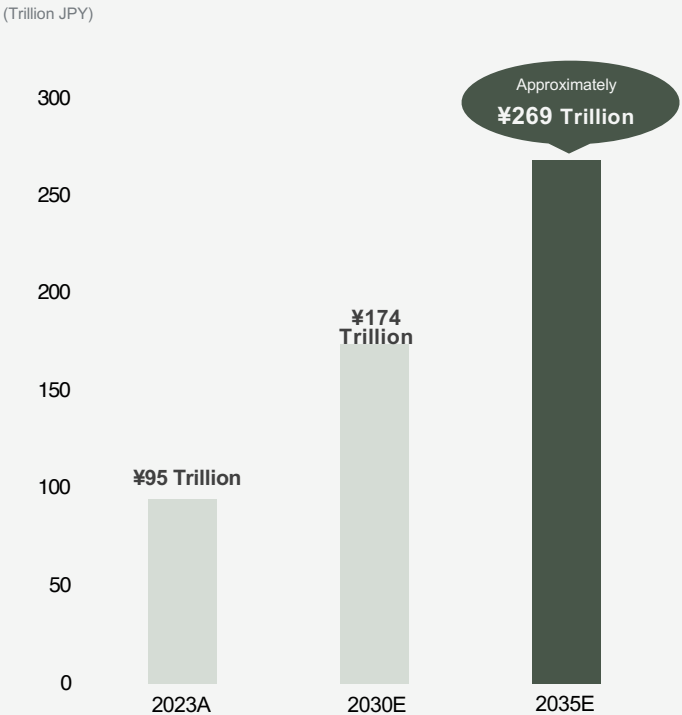


Appendix :

- Company Overview & Business Model
- Market Growth and Competitive Environment
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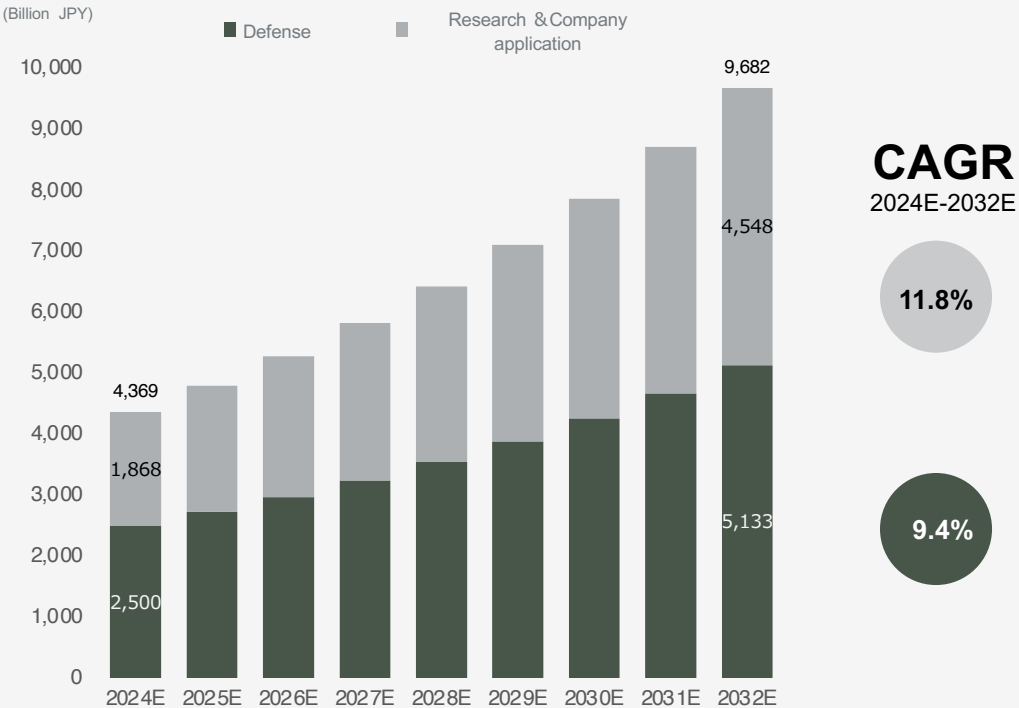
The SAR satellite market is expanding, driven by the defense industry. Additionally, the private sector market is emerging, focusing on disaster and environmental risk management

Market size projections for the space industry



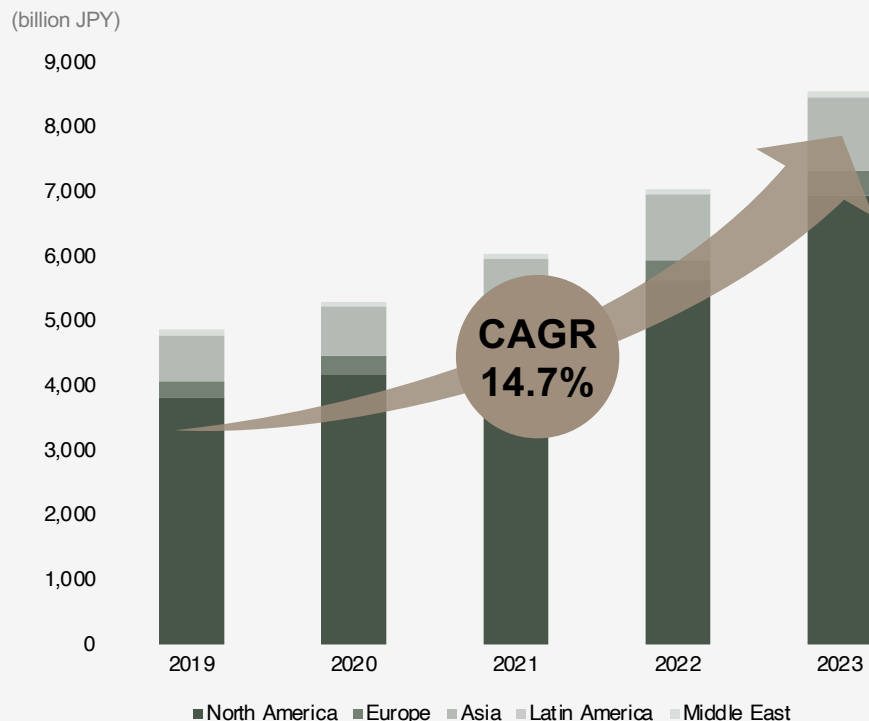
Source: World Economic Forum, "Space: The \$1.8 Trillion Opportunity for Global Economic Growth" (April 2024). Market size data in the source has been converted using an exchange rate of 1 USD = 150.0 JPY.

Market size projection of SAR by application



Source: Global Market Insights, "Synthetic Aperture Radar (SAR) Market Report, 2024-2032," (May 2023). Market size data in the source has been converted using an exchange rate of 1 USD = 150.0 JPY. The market size includes SAR data services captured by satellites, aircraft and UAV.

Global space and defense budgets, which drive the demand for SAR satellite data, have been continuously increasing over the past five years. Considering the high technological and financial risks in the space and defense industries, governments around the world have become more proactive in utilizing private companies



July 2021: US Air Force × Umbra⁽¹⁾

Umbra has secured an Indefinite Delivery/Indefinite Quantity (IDIQ) contract with a ceiling value of \$950 million to achieve Joint All-Domain Command and Control (JADC2), aimed at the maturation, demonstration and proliferation of capabilities across platforms and domains.

May 2022: NRO × Maxar Technologies⁽²⁾

The National Reconnaissance Office (NRO) has entered into Electro-Optical Commercial Layer (EOCL) contracts with three companies—Planet Labs Federal, Inc., Maxar Technologies, and BlackSky—valued at several billion dollars over a period of up to 10 years.

February 2023: NGA × Maxar Technologies⁽³⁾

The National Geospatial-Intelligence Agency (NGA) has entered into a five-year contract with Maxar Technologies to provide commercial satellite imagery to United States' allies. The contract is valued at up to \$192 million and includes provisions for high-resolution, premium imagery as well as SAR imagery.

January 2024: SDA × L3Harris, Lockheed Martin, Sierra Space⁽⁴⁾

The Space Development Agency (SDA) has signed a contract of approximately \$2.5 billion contract with three companies—L3Harris Technologies, Lockheed Martin, and Sierra Space—for the manufacturing and operation of missile-tracking satellites. A total of 54 satellites equipped with infrared sensors capable of tracking hypersonic missiles throughout all phases of flight are planned to be manufactured.

- (1) Source : Umbra Press Release <https://umbra.space/blog/umbra-awarded-950m-idiq-contract-following-space-x-launch/>
- (2) Source : National Reconnaissance Office Release https://www.nro.gov/Portals/135/documents/news/press/2022/press_release_05-22.pdf?ver=uKk6OOfq-yabhxjmr6yIA%3d%3d×tamp=1661194501050
- (3) Source : Maxar Press Release <https://www.maxar.com/press-releases/maxar-awarded-192m-foreign-commercial-imagery-program-idiq-contract>
- (4) Source : SPACE NEWS <https://spacenews.com/space-development-agency-awards-contracts-worth-2-5-billion-for-missile-tracking-satellites/>

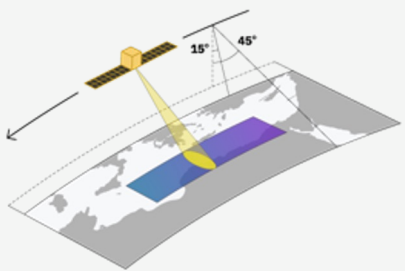
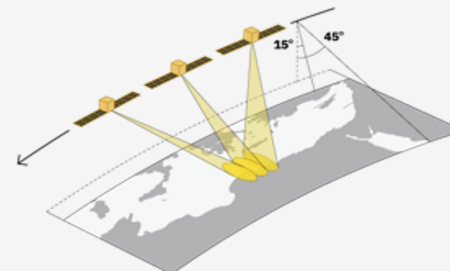
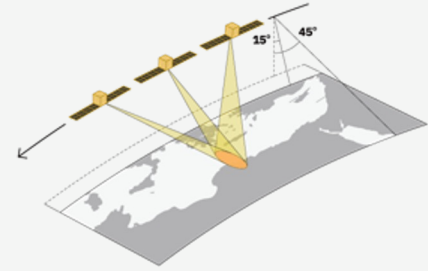
Source : Euroconsult, "Government Space Programs, 23rd edition." (2023) Market size data in the source has been converted using an exchange rate of 1 USD = 150.0 JPY.

We anticipate that due to the shortage of players relative to global demand and various barriers to entry, an environment with relatively limited competition will continue for the foreseeable future



⁽¹⁾ This is our assumption, and the long-term business environment may change.

Switching between three observation modes enables both high-resolution and wide-area imaging with a single satellite.

Stripmap mode		Sliding Spotlight mode		Staring Spotlight mode	
					
The center of the the antenna beam maintains an approximately constant off-nadir angle⁽¹⁾ as it moves in coordination with the satellite. The antenna beam continuously illuminates the ground with radar signals, capturing images sequentially along the satellite's orbit. This mode enables the acquisition of long, continuous images (scenes) with a ground range resolution of 3.6 meters and an azimuth resolution of 2.6 meters. It also supports Long Stripmap imaging (imaging time: 16 to 80 seconds, covering 2 to 10 scenes).		As illustrated above, the antenna beam scans more slowly than in Stripmap, thereby illuminating a specific area on the ground with electromagnetic pulses for a longer duration. This results in images with higher resolution compared to Stripmap mode. In high-resolution Sliding Spotlight mode, ground range and azimuth resolutions are 0.46 meters⁽⁴⁾, and 0.5 meters, respectively.		Similar to Sliding Spotlight, the beam focuses on a specific area of the ground. However, as shown in Figure 3, Staring Spotlight further narrows the observation area, allowing for even higher image resolution. By combining two parameters - chirp bandwidth and imaging duration - four types of Staring Spotlight imaging are available. In high-resolution mode, ground range and azimuth resolutions reach 0.46 meters⁽⁴⁾, and 0.25meters, respectively.	
Observation Width	10~30km (Nominal ⁽²⁾ 20km)	Observation Width	10km (Nominal ⁽²⁾)	Observation Width	10km (Nominal ⁽²⁾)
Observation Length	50~70km Long Stripmap mode: approx. 100~500km ⁽³⁾	Observation Length	10km	Observation Length	3km
Resolution	Ground Range 3.6m × Azimuth 2.6m	Resolution	Ground Range 0.46m × Azimuth 0.5m	Resolution	Ground Range 0.46m × Azimuth 0.25m

(1) The off-nadir angle refers to the angle at which the satellite observes the ground obliquely, rather than directly beneath the satellite.

(2) Nominal (value) is a reference value for dimensional tolerance and refers to the average of measured values.

(3) In Long Stripmap mode, one scene corresponds to approximately 50 km in length.

(4) The resolution values are based on analysis at an off-nadir angle of 30 degrees.

With the launch of the satellite in 2024, StriX will achieve the world's highest ground resolution, and will also be able to image a wider area than other satellite operators by switching observation modes.

Comparison of specifications for each satellite operator (using each company's high-resolution observation mode for comparison)



Company	Country	Observation mode	Ground resolution	Imaging area
Synspective	Japan	Staring spotlight mode (High-resolution mode)	0.25m	10km×3km
		Sliding Spotlight mode	0.5m	10km×10km
		Stripmap mode (Wide-area mode)	2.6m	20km×50~70km
Company A	Finland	High-Resolution Mode	0.25m	5km×5km
Company B	USA	High-Resolution Mode	0.25m	5km×5km
Company C	USA	High-Resolution Mode	0.25m	10km×10km
Company D	Japan	High-Resolution Mode	0.46m	7km×7km

(1) Based on information released by each companies as of the end of June 2025
(2) Observed n January 17, 2025, central Barcelona, Spain, staring spotlight mode

We believe our ability to capture wider areas compared to other satellite companies allows us to stand out, including in post-disaster situations that require timely damage assessment across a wide area

Bosai Xview: 2024 Noto Peninsula Earthquake



Image by Synspective⁽¹⁾

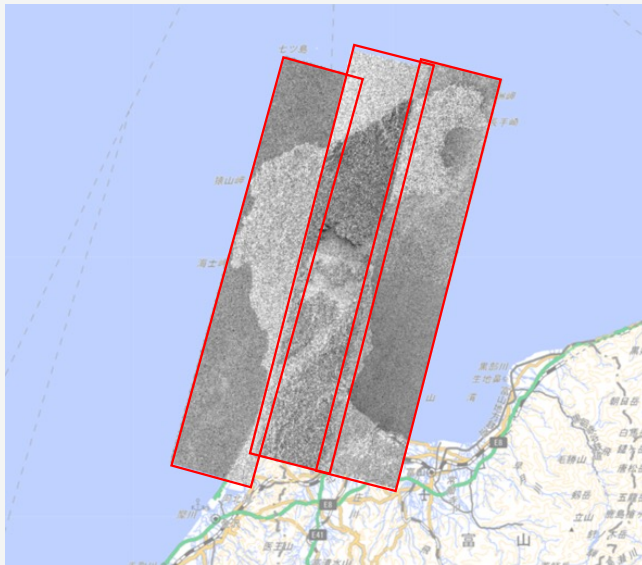


Image by C



Image by D

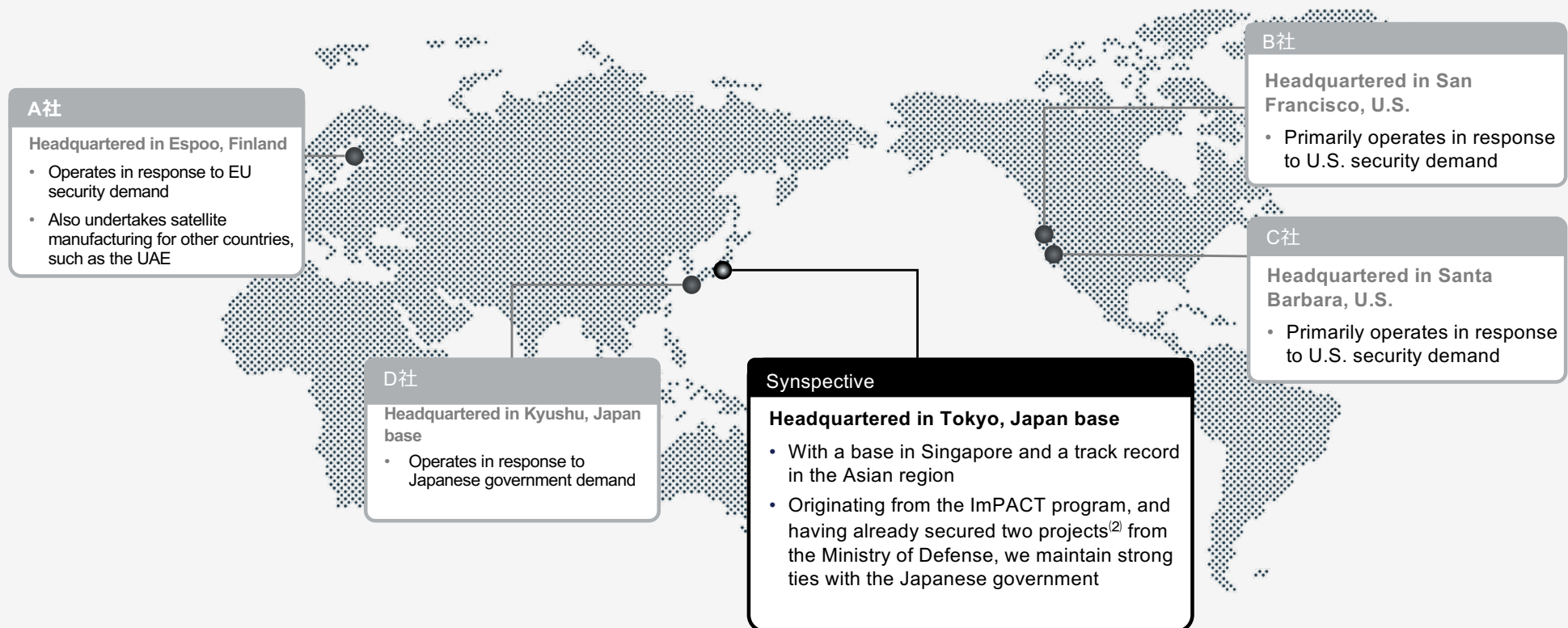


(1) In order to support disaster response, information aggregated by SIP4D (Core Disaster Prevention Information Distribution Network) operated by NIED is integrated and published for specific purposes. During the 2024 Noto Peninsula Earthquake, satellite images are available: <https://xview.bosai.go.jp/view/index.html?appid=41a77b3dcf3846029206b8610787778>

Positioning of global SAR players

In regions with relatively strong technological foundations, such as Japan, the United States and Europe, small SAR satellite operators have emerged and are currently focusing their business operations on their respective local areas

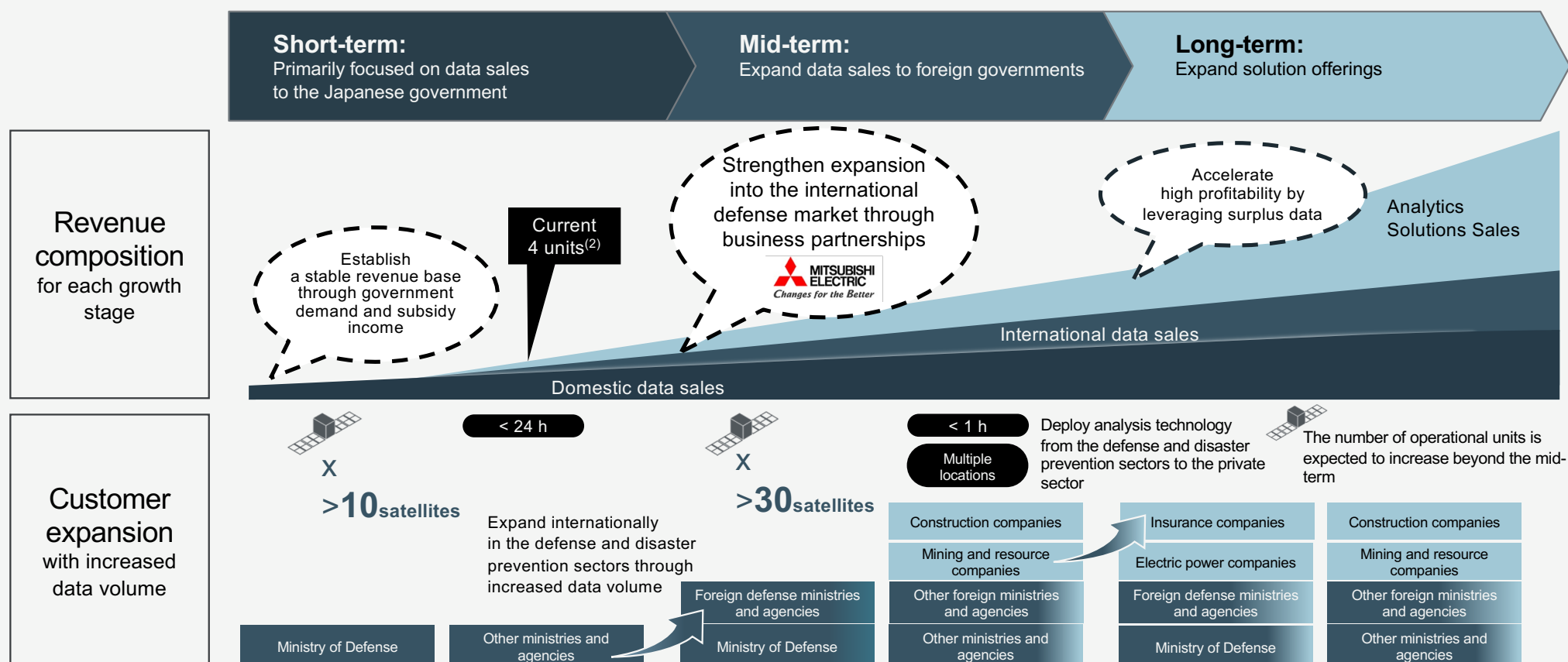
With the ongoing increase in Japan's defense budget, we believe that the two Japanese companies (iQPS and Synspective) have an advantage in securing additional government awards and contracts



Appendix :

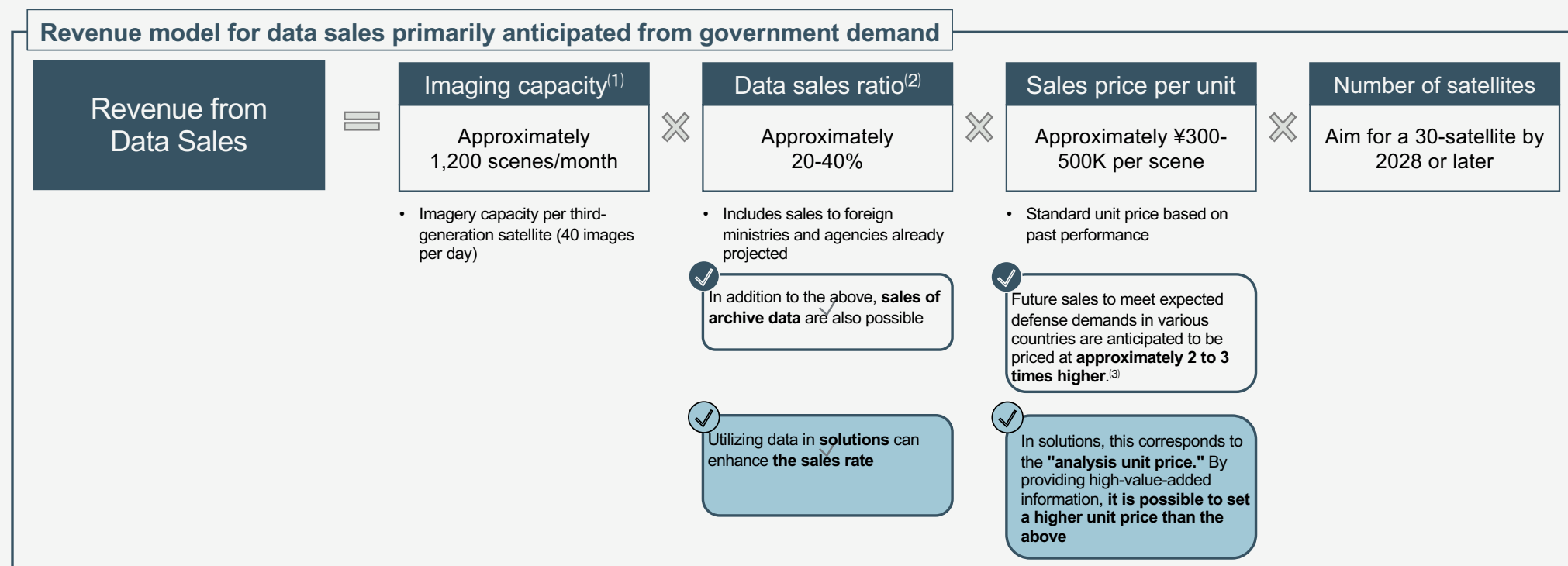
- Company Overview & Business Model
- Market Growth and Competitive Environment
- Business Plan

Starting with data sales to the Japanese government, primarily in the security sector, we aim to expand the client base to include foreign governments to establish a stable revenue foundation. As the volume of available satellite data increases, we aim to expand revenue through solution sales



(1)The above illustrates the transition of our medium to long-term revenue composition and is intended as a conceptual image. It does not correspond to the actual size of revenue and does not imply actual performance
 (2)As of June 30, 2025

The data sales price to national defense ministries is set higher due to the granting of privileges and ownership rights. Utilizing data in solutions can enhance both the sales rate and unit price



- ✓ Entered into a "Memorandum of Strategic Partnership for Satellite-Related Business" with Mitsubishi Electric Corporation on October 31, 2024. Collaborate with them on data sales to the Ministry of Defense and certain security agencies in Asia and other regions (a sales commission is expected to be incurred as a result of this collaboration)

In the short- to medium-term, demand in the domestic defense sector is expected to grow, and sales are expected to increase as the number of satellites increases.

In the medium- to long-term, sales to the domestic defense sector are expected to increase gradually, and the ratio of overseas data sales and solution provision is expected to increase.

Items	Current (actual)	Short-term ⁽¹⁾	Medium-term ⁽¹⁾
# of sat in operation	4 ⁽²⁾	Around 11	Over 30
timing ⁽³⁾	-	Around 2026	On/after 2028
# of images can be taken per month ⁽⁴⁾	900 scenes	11,700 scenes	36,000 scenes~
Data sales ratio ⁽⁵⁾	30.7%	Approx. 20~40%	30%~

Assumed sales unit price	Approx. 300~500 K JPYen ⁽⁶⁾	Approx. 300~500 K JPYen ⁽⁶⁾	— ⁽⁷⁾
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Clients	Current (actual)	Short-term ⁽¹⁾	Medium-term ⁽¹⁾
Domestic Defense Sector	65.1%	80%	60%
Others	34.9%	20%	40%

(1) In the short term, data sales will primarily be to the Japanese government. In the medium term, in addition to sales to the Japanese government, we plan to expand data sales to overseas governments and gradually develop solutions.

(2) As of February 2025, we are operating four satellites in orbit.

(3) The timeline may vary due to delays in manufacturing and launch, as well as changes in planning.

(4) The number of images that can be captured is the maximum calculated from the capacity of the satellites currently in operation orbit. In reality, there may be times when images are not captured. Currently (actual figures), satellite No. 6 is excluded from the count of the maximum number of images that can be captured because it is immediately after launch and before regular data sales have started. In the short term, the maximum number of images that can be captured is calculated by multiplying the capacity of the second and third generation satellites by 11. In the medium term, the calculation is based on multiplying the capacity of the third generation satellites by 30.

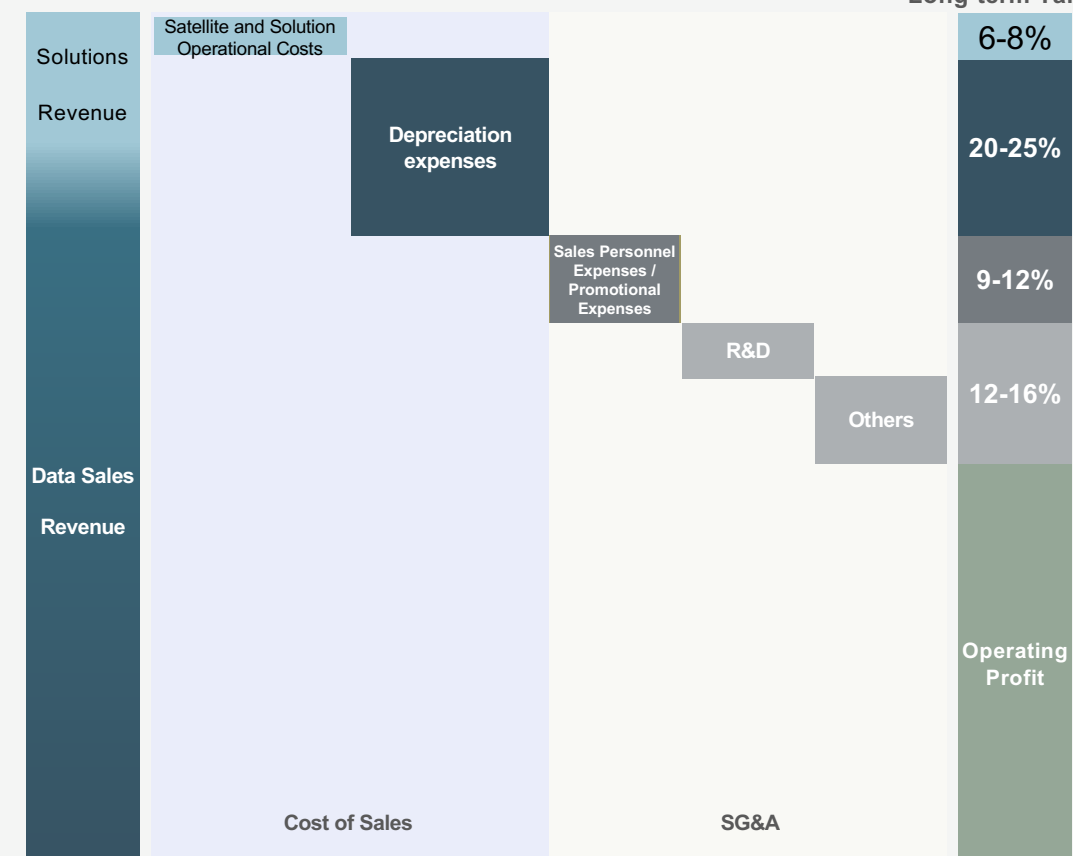
(5) The data sales rate is calculated by dividing the number of data provided by the number of images that can be captured. Data usage for solutions is excluded, and we plan to increase this ratio by acquiring diverse needs through solutions.

(6) Currently (actual figures), the range of actual sales prices is provided, and it is expected to remain at the same level in the short term. Furthermore, future sales at specific specs for certain government demands are expected to be at sales prices approximately two to three times higher.

(7) In the medium to long term, sales prices for data excluding the defense sector are expected to decline. However, by adding value through solutions, it is assumed that overall maintenance or increase of sales prices is possible.

(8) Currently (actual figures), the results for 24/12 are provided.

- Key costs include satellite manufacturing expenses, operational costs and research and development expenses
- In the long term, our goal is to achieve high margins by reducing the proportion of fixed costs relative to revenue.

Long-term Target⁽²⁾

<Key Assumptions>

Satellite and Solution Operational Costs

- Composed of ground station usage fees, data storage costs, operational personnel expenses, etc.
- We anticipate reductions relative to revenue through increased automation from ongoing R&D and stable operations from accumulated know-how.

Satellite Manufacturing Costs (Satellite Depreciation Expenses)

- The manufacturing cost per satellite is approximately 1.1 to 1.4 billion yen, depreciated over five years.
- We anticipate potential cost reductions through shorter manufacturing periods due to learning effects, reduced fixed costs per unit from mass production and increased purchasing and negotiating power with suppliers.

Satellite Launch Costs (Satellite Depreciation Expenses)

- The cost per launch with our dedicated vehicle is approximately 1.1 billion yen, depreciated over five years.
- Shared launches with other satellites are about 300 million yen, and costs can be reduced by increasing this shared use. We also anticipate future cost reductions for dedicated launches due to intensified competition among providers.

Sales Personnel Expenses / Promotional Expenses

- By internalizing the sales team, costs are incurred as fixed expenses, and the increase in personnel required for expanding sales is expected to be limited.
- We anticipate incurring certain sales commissions through partnerships with sales partners.

R&D

- We plan to continuously invest approximately 600 to 700 million yen per year in next-generation satellite R&D and about 500 million yen per year in solution R&D.

(1) The above illustrates the long-term profit structure once our services are stably supplied. It is an image diagram and does not match actual revenue, costs, or operating profit sizes, nor does it imply actual performance.

(2) The forward-looking statements on this page may be significantly affected by business, economic, regulatory, and competitive uncertainties and contingencies beyond our control. These statements are based on certain assumptions about our future strategies and policies, which may change. Actual future figures may vary from targets depending on various factors, and the differences may be significant. The contents of this document do not indicate that these targets will be achieved, nor do we have any obligation to update these targets as circumstances change.

In the short- to medium-term, we expect to increase the number of satellite manufacturing personnel to accommodate mass production of satellites.

	December 31, 2024	June 30, 2025	In Short-term ⁽¹⁾	In medium-term ⁽¹⁾
Total (personnel)	192	210	280	— ⁽²⁾
Sat development	19%	19%	16%	15%
Sat manufacturing	18%	18%	27%	27%
Sat operation & solution	31%	32%	22%	23%
Business development, sales and administration	32%	31%	35%	35%

⁽¹⁾ In the short term, data sales to the Japanese government will be the main focus. In the medium term, in addition to data sales to the Japanese government, we will expand data sales to overseas governments and gradually increase the number of solutions.

⁽²⁾ In the medium term, we expect to increase the number of employees by 20-30% compared to the short term.

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- Forward-looking statements in this material are based on current beliefs, assumptions, and information available to us. These statements, which may include projections about business plans, market size, competitive conditions, industry insights, and growth potential, are subject to various risks and uncertainties. Actual results may differ materially from those expressed or implied.
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