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May 19, 2026

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# Notice Regarding Issuance of Zero Coupon Convertible Bonds Due 2029 through International Offering, and Issuance of New Shares and Series 1 Unsecured Convertible Bonds through Third-Party Allotment

Astroscale Holdings Inc. (the "Company") hereby announces that its Board of Directors, at a meeting held today, has resolved matters regarding issuance of Zero Coupon Convertible Bonds due 2029 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) as described below.
The Company also announces that the Board of Directors has resolved matters regarding issuance of new shares through a third-party allotment to Hulic Co., Ltd. and SKY Perfect JSAT Corporation, as well as the issuance of Series 1 Unsecured Convertible Bonds through a third-party allotment to Hulic Co., Ltd.

**Background and Purpose of the Issuance**

***The Group's Business Strategy***

Improving Profitability through Securing Repeatable Business

The Company and its subsidiaries (collectively the "Group") aims to achieve the secure and sustainable development of space for future generations by providing on-orbit service solutions as a "road service in space."

Since its founding through the 2010s, the Company has helped shape the on-orbit service market through collaboration with governments, space agencies, international organizations, and private operators. Building on its early role in market creation and rulemaking, in the early 2020s, the Company became the first private company to successfully demonstrate non-cooperative RPO technologies in orbit, including close approach and capture, through missions such as ELSA-d and ADRAS-J. These achievements have supported steady backlog growth across all regions and reinforced the Company's position as a global leader in on-orbit servicing.

The Company is now entering its next phase of growth by improving profitability through repeatable business—missions delivered using existing platforms and technologies with limited additional development—while laying the foundation for scalable medium- to long-term expansion, particularly in defense and commercial life extension services.

Securing Repeatable Business in Defense

In the defense sector, rising geopolitical risks have elevated space security threats, with anomalous satellite approaches to critical assets prompting major regions to revise space defense strategies in 2025. As a result, initiatives to deploy space surveillance systems utilizing RPO technologies are gaining support globally, marking a significant change from a year ago.

The Company is well positioned to capture this opportunity, supported by its proven on-orbit RPO

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capabilities, existing mission pipeline—including space surveillance and refueling programs that may scale into multi-spacecraft deployments—and its global footprint, which enables close engagement with defense authorities and tailored proposals across jurisdictions.

Securing Repeatable Business in Commercial Life Extension Services

As another growth pillar, the Company is pursuing repeatable business in commercial life extension services ("LEX"), addressing the structural limitation of GEO satellites that must be retired once fuel is depleted despite remaining functional. Our solution utilizes a servicing satellite ("LEXI") to provide fuel for attitude and orbit control, enabling continued operations at lower cost and deferring replacement capex, which has driven strong customer interest.

***Overview of the Financing***

Basic Principles for Financing Activities

The Company is undertaking this financing to strengthen its financial foundation to ensure business growth through building repeatable business, and to enable management decisions and investments from a medium- to long-term perspective amid increasing uncertainty in the external environment. In structuring this financing, the Company has considered an optimal combination of multiple methods, focusing on the following three priorities:

- Securing a sufficient cash position to enhance management stability
- Minimizing dilution to existing shareholders
- Diversifying financing methods and expanding shareholder and investor base to support medium- to long-term corporate value enhancement

Equity Financing (Issuance of New Shares)

For equity financing, the Company has adopted a targeted third-party allotment, rather than a broad-based public offering, to minimize dilution. Allottees were selected from strategic investors with a deep understanding of the Group's business and medium- to long-term vision, and from whom tangible business synergies are expected.

The number of newly issued shares has been limited to the minimum necessary, taking due account of dilution to existing shareholders.

Issuance of Convertible Bonds

In this financing, the Company expects to raise the majority of funds through convertible bonds (the Series 1 Unsecured Convertible Bonds and Zero Coupon Convertible Bonds due 2029). We believe this is appropriate from a shareholder value perspective as this method enables the Company to benefit from a low interest rate while avoiding immediate dilution.

Of the total bonds, approximately 60% is expected to be allocated to a strategic investor who will also receive common shares (Series 1 Unsecured Convertible Bonds). This investor is positioned as a long-term partner committed to enhancing corporate value and does not intend to engage in speculative investment. The remainder will be offered through an international offering in overseas markets (Zero Coupon Convertible Bonds due 2029) on substantially similar terms. Through this, the Company aims to broaden its investor base and enhance its presence in global capital markets. Final terms will be determined based on investor demand and market conditions, with alignment between both bond tranches.

This financing is not a response to short-term market conditions, but aims to establish a foundation for sustained medium- to long-term growth through building of repeatable business. By securing a sufficient cash position, the Company intends to continue growth investments while enhancing corporate value through both capital policy and operations.

Rationale for Selection of Allottees

Hulic Co., Ltd. and SKY Perfect JSAT Corporation are the allottees in the third-party allotment.

Hulic has supported the Company through multiple investments since the pre-IPO Series E round, as well as initiatives such as development of the Company's headquarters in Kinshicho. The Company views this investment

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as reaffirmation of their trust in our medium- to long-term growth strategy.

SKY Perfect JSAT is a new investor with which the Company will enter into a business alliance agreement. The Company will pursue collaboration as a strategic partnership to realize business synergies. For further details, please refer to the separate announcement released today titled “Capital and Business Alliance with SKY Perfect JSAT Corporation”.

**Use of Proceeds**

The aggregate net proceeds of the international offering of the Zero Coupon Convertible Bonds due 2029, the third-party allotment of the Series 1 Unsecured Convertible Bonds to Hulic, and the third-party allotment of common shares to Hulic and SKY Perfect JSAT are estimated to amount to approximately ¥29,999 million, and are expected to be used as follows:

1. Expansion of production facilities
   The Company plans to allocate ¥4,000 million towards capital expenditure for the expansion of production facilities, primarily at Astroscale Japan Inc. and Astroscale Ltd., the consolidated subsidiaries relating to on-orbit service business.
2. Maintenance and functional enhancement of the existing facilities
   The Company plans to allocate ¥3,000 million towards capital expenditure for the maintenance and functional enhancement of the existing facilities of the Company group
3. Manufacturing of LEX service satellites
   The Company plans to allocate ¥7,000 million towards the manufacturing costs of LEX service satellites being developed by Astroscale U.S. Inc.
4. Working Capital
   The Company intends to allocate ¥15,999 million towards working capital of the Company group, including personnel costs and other expenses relating to projects

Until the actual timing of allocation to each of the above uses, the Company intends to manage the funds through investments in highly secure financial instruments, etc.

**Issuance of Zero Coupon Convertible Bonds Due 2029 through International Offering**

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|---|---|---|
| (1) | Securities Offered | ¥10,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2029 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) |
| (2) | Issue Price | 100.0% |
| (3) | Closing Date | June 5, 2026 |
| (4) | Coupon | 0% |
| (5) | Redemption at Maturity | 100.0% |

(Note) The issue of the Zero Coupon Convertible Bonds due 2029 is conditional upon arrangements for the settlement and payment of the third-party allotment of common shares to Hulic Co., Ltd. and SKY Perfect JSAT Corporation and the third-party allotment of the Series 1 Unsecured Convertible Bonds to Hulic Co., Ltd.

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being made.

**Issuance of New Shares through Third-Party Allotment**

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|---|---|---|
| (1) | Class and Number of Shares to be Issued | 2,523,473 new shares of common stock of the Company (Note 1) |
| (2) | Issue Price | 1,704 yen per share (Note 2) |
| (3) | Increases in the Amounts of Capital Stock and Capital Reserve | The amount of capital stock to be increased will be 1/2 of the maximum amount of capital stock increase as calculated in accordance with Article 14, Paragraph 1 of the Rules of Account Settlement of Corporations, with any fraction of less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of the capital reserve increase shall be the amount obtained by subtracting the amount of capital stock increase from the maximum amount of capital stock increase. |
| (3) | Closing Date | June 5, 2026 |
| (4) | Allotee | Hulic Co., Ltd.<br>SKY Perfect JSAT Corporation |
| (5) | Others | The above items are subject to the condition that the securities registration statement under the Financial Instruments and Exchange Act takes effect. |

(Note 1) The number of shares to be issued is the estimated amount based on the assumption that the shares will be issued at the estimated issue price per share (1,704 yen per share). The actual number of shares to be issued will be determined by a resolution of the Company's Board of Directors on May 20, 2026.

(Note 2) The issue price is the estimated amount resolved at the meeting of the Company's Board of Directors held on May 19, 2026. The actual issue price will be determined by a resolution of the Company's Board of Directors on May 20, 2026, following consultation with the allottees.

(Note 3) The third-party allotment of common shares to Hulic Co., Ltd. is conditional upon arrangements for the settlement and payment of the issue of the Zero Coupon Convertible Bonds due 2029 and the third-party allotment of the Series 1 Unsecured Convertible Bonds to Hulic Co., Ltd. being made.

**Issuance of Series 1 Unsecured Convertible Bonds through Third-Party Allotment**

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|---|---|---|
| (1) | Securities Offered | ¥16,300,000,000 in aggregate principal amount of Unsecured Convertible Bonds with Stock Acquisition Rights (*tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) |
| (2) | Issue Price | 100.0% |
| (3) | Closing Date | June 5, 2026 |

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|---|---|---|
| (4) | Coupon | 0% |
| (5) | Redemption at Maturity | 100.0% |
| (6) | Allotee | Hulic Co., Ltd. |

(Note) The third-party allotment of the Series 1 Unsecured Convertible Bonds to Hulic Co., Ltd. is conditional upon arrangements for the settlement and payment of the issue of the Zero Coupon Convertible Bonds due 2029 and the third-party allotment of common shares to Hulic Co., Ltd. being made.

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