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November 19, 2026

Company Name: Astroscale Holdings Inc.
Representative: Mitsunobu Okada
Representative Director and President, Group CEO
(Securities Code: 186A; Tokyo Stock Exchange Growth Market)
Contact: Nobuhiro Matsuyama
Director and Deputy President, Group CFO
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# Notice Regarding Transfer of Business Assets and Dissolution and Liquidation of Astroscale Israel Ltd

Astroscale Holdings Inc. ("we") hereby announces that, at a meeting of the Board of Directors held on November 18, 2026, we resolved that Astroscale Israel Ltd. ("ASIL"), a subsidiary of Astroscale U.S. Inc. ("ASUS"), our U.S. consolidated subsidiary, will transfer its business assets (excluding intellectual property rights related to the Life Extension Service and certain assets to be retained within the Group) to the purchaser (to be disclosed upon completion of the transaction) (the "Business Asset Transfer"), and that ASIL will be dissolved and liquidated after the completion of the Business Asset Transfer, as described below.

Intellectual property rights necessary for the development and provision of the Life Extension Service, including the LEXI spacecraft, are not included in the scope of the Business Asset Transfer and will be retained within the Group.

1. Reason for the Business Transfer

ASIL is our research and development center in Israel established in connection with the acquisition of business assets of Effective Space Solutions R&D Ltd., by ASUS in 2020. ASIL has been responsible for developing the capture mechanism and other components of "LEXI", the life extension satellite being developed by ASUS, and has held and developed intellectual property related to the Life Extension Service.

Meanwhile, the Group has been working to strengthen risk management, review the allocation of management resources, and optimize its business portfolio. In this context, we determined that, by retaining within the Group the intellectual property rights and related assets necessary for the development and provision of the Life Extension Service, including the LEXI spacecraft, and by continuing to secure the technical support necessary for the development of LEXI-P through a service agreement with the purchaser, while transferring primarily ASIL's employees, facilities, and related business assets to the purchaser, we will be able to maintain our capability to execute the Life Extension Service business while reducing the risks and ongoing costs associated with operating ASIL.

Based on the above, we determined that the Business Asset Transfer and the subsequent dissolution and liquidation of ASIL after its completion will contribute to the efficient allocation of the Group's management resources and the enhancement of its corporate value.

2. Overview of the Business Asset Transfer

(1) Overview of ASIL

| | | |
|---|---|---|
| (1) | Name | Astroscale Israel Ltd. |
| (2) | Location | Azrieli Center 5, 132 Menachem Begin Rd., Tel Aviv-Yafo, Israel |
| (3) | Title and Name of Representative | Ofir Azriel, Managing Director |
| (4) | Business Description | Research and development of technologies related to the Life Extension Service |
| (5) | Share Capital | ILS 100 |

(2) Details of the Business Assets to Be Transferred

ASIL plans to transfer business assets including clean room and testing facilities, tools and fixtures, IT equipment, office facilities and furniture, as well as certain related rights and obligations. In addition, a portion of ASIL's employees is expected to transfer to the transferee. The specific assets subject to the transfer and their respective book values are expected to be finalized by the closing date of the Business Asset Transfer.

Intellectual property rights and certain equipment and facilities necessary for the development and manufacturing of LEXI-P will be excluded from the scope of the Business Asset Transfer and retained within the Group.

The assets subject to the transfer and their book values will be disclosed promptly once finalized.

(3) Operating Results of ASIL

| | ASIL (a) | Consolidated Results for the Fiscal Year Ended April 2026 (b) | Ratio (a/b) |
|---|---|---|---|
| Revenue | ¥1,353 million | ¥5,940 million | 22.8% |
| Gross Profit | ¥317 million | ¥19 million | 1,668.4% |
| Operating Profit | ¥(125) million | ¥(9,975) million | 1.3% |
| Net Profit | ¥(166) million | ¥(9,535) million | 1.7% |

Note: ¥1,342 million of ASIL's revenue is attributable to intra-group transactions and is eliminated in the consolidated financial statements.

(4) Assets and Liabilities of ASIL (as of September 30, 2026)

| Assets | | Liabilities | |
|---|---|---|---|
| Item | Book Value | Item | Book Value |
| Current Assets | ¥695 million | Current Liabilities | ¥194 million |
| Non-current Assets | ¥761 million | Non-current Liabilities | ¥7,853 million |
| Total | ¥1,456 million | Total | ¥8,047 million |

Note: Non-current liabilities include a loan of ¥7,775 million from ASUS. This loan is expected to be forgiven after the Business Asset Transfer. Such forgiveness will have no impact on profit or loss in the consolidated financial statements.

(5) Transfer Price and Settlement Method

The transfer price is US$4.75 million (excluding tax, ¥758 million). The transfer price is expected to be settled in cash in accordance with the terms set forth in the business transfer agreement.

Note: The yen amount has been converted at the exchange rate as of November 18, 2026, the Board resolution date (US$1 = ¥159.63), with amounts less than one million yen rounded down.

3. Overview of the Transferee

| | | | |
|---|---|---|---|
| (1) | Name | Not disclosed (to be disclosed upon completion of the transaction) | |
| (2) | Location | Not disclosed (same as above) | |
| (3) | Representative | Not disclosed (same as above) | |
| (4) | Business Description | Not disclosed (same as above) | |
| (5) | Share Capital | Not disclosed (not disclosed by the transferee) | |
| (6) | Date of Establishment | Not disclosed (same as above) | |
| (7) | Net Assets and Total Assets for the Most Recent Fiscal Year | Not disclosed (same as above) | |
| (8) | Major Shareholders and Shareholding Ratios | Not disclosed (same as above) | |
| (9) | Relationship between the Listed Company and the Company | Capital Relationship | None. |
| | | Personnel Relationship | None. |
| | | Business Relationship | None. |

4. Schedule

| | |
|---|---|
| Board Resolution Date | November 18, 2026 |
| Agreement Execution Date | November 18, 2026 |
| ASIL Shareholders' Meeting Resolution Date | November 18, 2026 |
| Closing Date of the Business Transfer | December 6, 2026 (planned) |

5. Accounting Treatment

In connection with the Business Asset Transfer and the dissolution and liquidation of ASIL, we expect to record a gain or loss on the Business Asset Transfer and other gains or losses related to this transaction in our consolidated financial statements. The specific accounting treatment and amounts are currently under review.

6. Outlook

In connection with the Business Asset Transfer, intellectual property rights necessary for the development and provision of the Life Extension Service, including the LEXI spacecraft, are expected to be transferred from ASIL to ASUS and retained within the Group. In addition, we plan to enter into a service agreement with the purchaser to support the ongoing development of LEXI-P, thereby continuing to secure the technical support necessary for the development of LEXI-P and related activities after the Business Asset Transfer.

Meanwhile, the Business Asset Transfer is expected to significantly reduce the fixed costs that have been continuously incurred in connection with the operation of ASIL, including personnel expenses, research and development expenses, and other selling, general and administrative expenses. These expenses amounted to approximately ¥1.0 billion for the fiscal year ended April 2026. Following the Business Asset Transfer, we expect to incur expenses including those under the service agreement with the purchaser.

In addition, in connection with the transfer of intellectual property rights related to the Life Extension Service from ASIL to ASUS, we expect to incur payments under the conditions applicable to grants from the Israel Innovation Authority, as well as other expenses related to this transaction.

The impact of this transaction, including the above, on our consolidated financial forecasts for the fiscal year ending April 2027 is currently under review. We will promptly announce any matters requiring disclosure should they arise.

End of document

(Reference) Consolidated Financial Forecasts for the Fiscal Year Ending April 2027 (Announced on July 6, 2026) and Consolidated Results for the Previous Fiscal Year

(Millions of yen)

| | Revenue | Operating Profit | Net Profit | Profit Attributable to Owners of the Parent |
|---|---|---|---|---|
| Consolidated Financial Forecasts for the Fiscal Year Ending April 2027 | 7,000 ～9,000 | (9,900) ～(9,000) | (10,600) ～(9,600) | (10,600) ～(9,600) |
| Consolidated Results for the Fiscal Year Ended April 2026 | 5,940 | (9,975) | (7,114) | (7,114) |