Disclosure of Matters Related to

Business Plans and Growth Potential

ispace

2025.06.27

ispace

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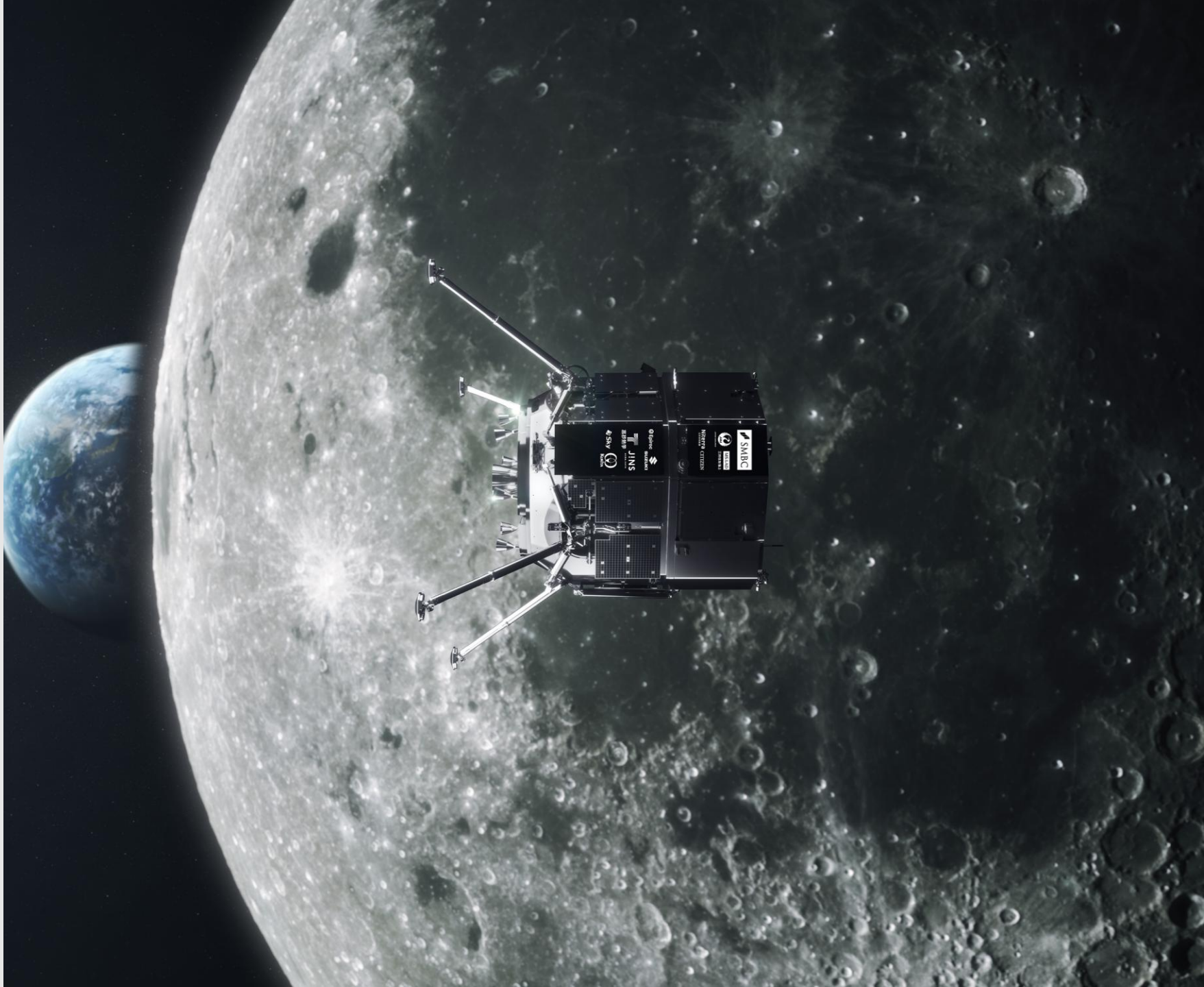
01

About ispace (Overview)

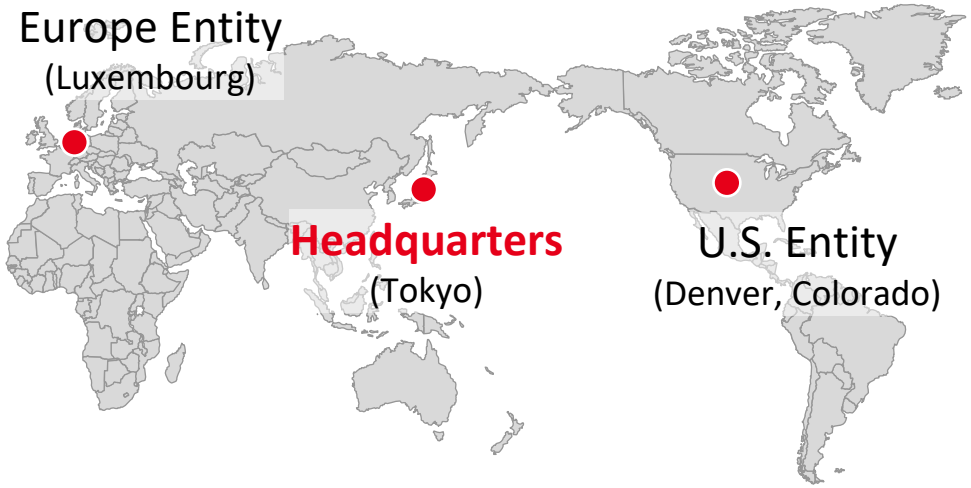


Aiming to provide even stronger and more seamless global services by building organizational structures in Japan, U.S., and Europe

Company Name	ispace, inc.
Representative	Founder / CEO Takeshi Hakamada
Place	Sumitomo Fudosan Hamacho Building 3F, 3-42-3, Nihonbashi Hamacho, Chuo-ku, Tokyo, Japan
Business Details	Lunar Surface development Business
# of Employees	317 (as of March 31, 2025)
Capital Stock	JPY 11,542,332,000 (as of March 31, 2025)
Group Company	ispace technologies U.S., inc.(100% Subsidiary) ispace Europe S.A.(100% Subsidiary) ispace Japan, inc.(100% Subsidiary)

Founded: **September 2010**

# of Employee: **317**



Management team consisting of professionals in each area of expertise

(Picture from top left)

Founder/CEO Takeshi Hakamada

Starting in 2010, while working for a management consulting firm, he worked part-time to lead the Japanese team, HAKUTO, one of the finalists for the Google Lunar XPRIZE competition, and changed the team's management to ispace

Director/CFO Jumpei Nozaki

Worked for over ten years at a securities firm, focusing mainly on the automotive and oil sectors, where he advised clients on fundraising, IPOs, and M&A. Through the course of working alongside individuals in top management, he sensed a major change in the times, which led him to join ispace

CTO Ryo Ujiie

He started his professional career at JAXA in 2009 After graduating from MIT in 2016, he initiated several Multi-disciplinary System Design Optimization research projects at JAXA. In 2017, he became a member of the HTV-X (a JAXA unmanned cargo transfer spacecraft) project team and was primarily involved in GNC tasks and NASA interface management

CPO Kenichi Imamura

Served as Executive Officer and General Manager of the Human Resources Department for Z Holdings, Inc. In addition, he held multiple senior positions for Recruit, Inc., in Japan, the United States and the Netherlands

ispace Europe CEO Julien-Alexandre Lamamy

He holds a master's degree from Université Centrale de Lyon and master's and PhD degrees in space systems engineering from the Massachusetts Institute of Technology. He has more than 15 years of practical experience in space engineering

ispace Technologies U.S. Chairman Ronald J. Garan Jr.

Selected as a U.S. astronaut and joined NASA. He served on the ISS as a member of the Expedition 27th and 28th crews. Along with his Air Force and astronaut career, he has founded and managed several for-profit and non-profit companies

ispace Technologies U.S. CEO Elizabeth Kryst

Holds a master's degree from Arizona State University. Most recently served as Vice President of Business Operations at World View, an aerospace startup developing unmanned high-altitude stratospheric flight systems

External directors and auditors consisting of professionals in their respective areas of expertise

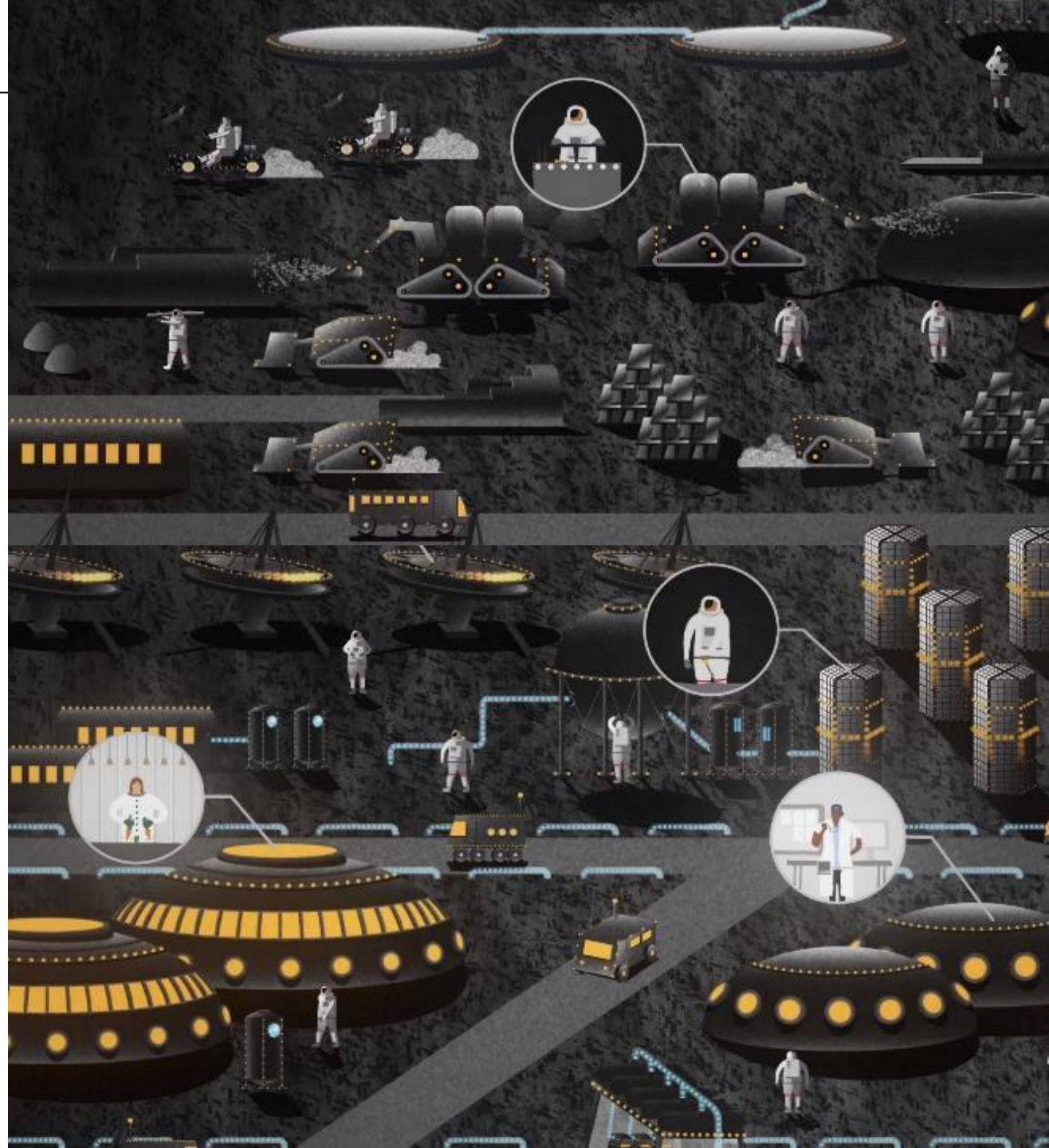
External Director: Tohru Akaura, General Partner & Co-Founder, Incubate Fund KK
External Director: Koichi Kawana, President and Representative Director, Lublyst Inc.
External Director: Kojiro Hatada, President and CEO, Innovative Space Carrier Inc.
External Director: Takashi Makino, Advisor, IHI Corporation
External Director: Kazuko Nakada, Representative Director, actuali inc.

External Audit & Supervisory Member: Agasa Naito, Partner, Tanabe & Partners
External Audit & Supervisory Member: Yoshihide Todoroki, CPA, TODOROKI Accounting Firm
Standing Audit & Supervisory Board Member: Yuji Inoue

EXPAND OUR PLANET.
EXPAND OUR FUTURE.

Creation of a world where the Earth and the Moon are one ecosystem, establishing a new economy on the Moon

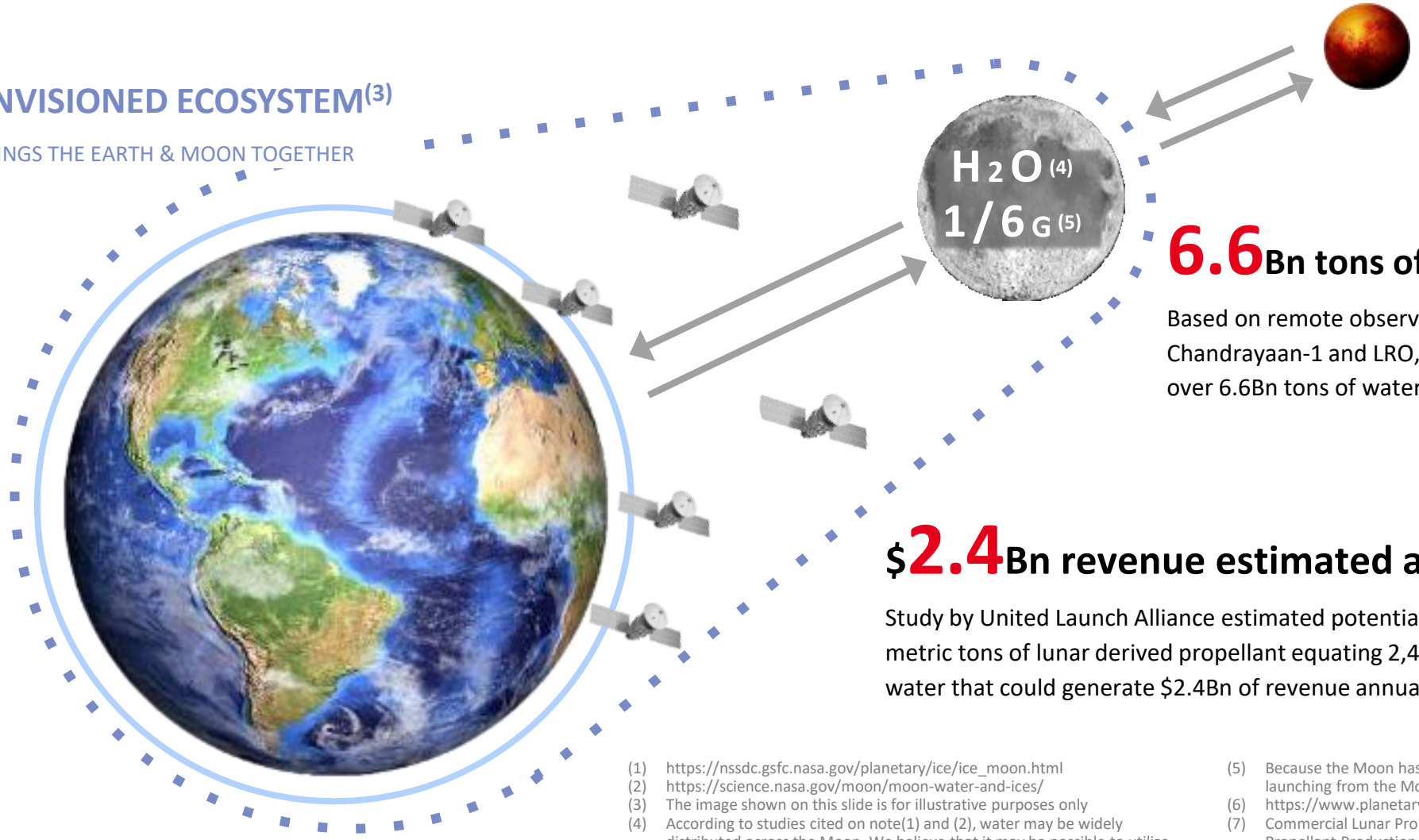
- “Moon Valley 2040” is an outlook on the world representing ispace’s vision EXPAND OUR PLANET. EXPAND OUR FUTURE
- We envision 1,000 people living on and another 10,000 people visiting the Moon annually by 2040
- Focusing on lunar water resources, we believe infrastructure on the Moon surface will be established with the support of various industries such as construction, manufacturing, energy and telecommunication
- Expanding our living sphere into space, we aim for the integration of the Earth and Moon into one ecosystem as a long-term goal



The potential of the Moon as a "fuel supply base" utilizing water (H2O) that exists(1) in the form of ice with an estimated mass of as much as 6.6Bn tons(2) on the Moon

ENVISIONED ECOSYSTEM(3)

BRINGS THE EARTH & MOON TOGETHER



6.6Bn tons of water ice estimated(6)

Based on remote observations by radar instruments aboard Chandrayaan-1 and LRO, the lunar poles are estimated to have over 6.6Bn tons of water ice.

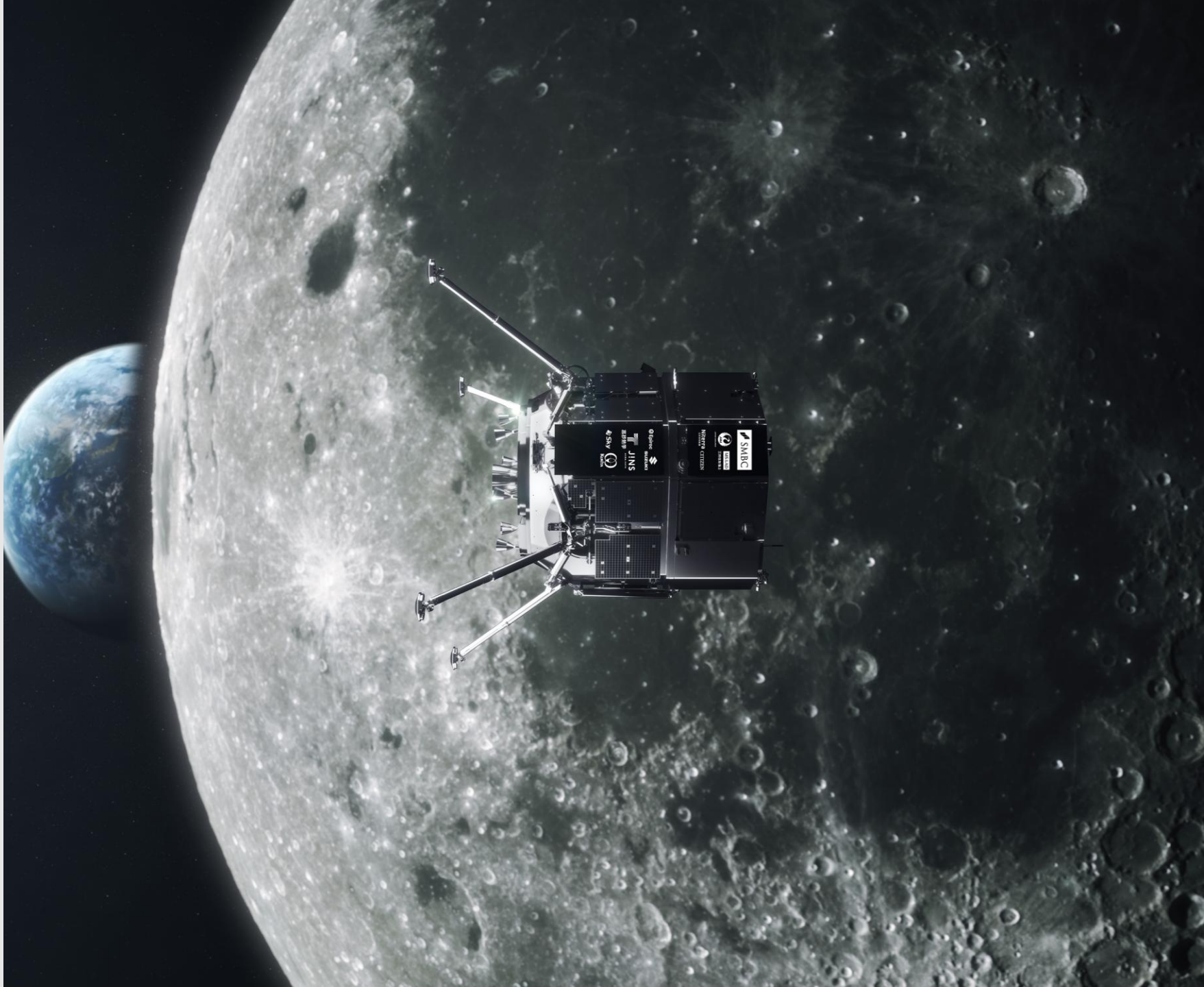
$2.4Bn revenue estimated annually(7)

Study by United Launch Alliance estimated potential near term annual demand of 450 metric tons of lunar derived propellant equating 2,450 metric tons of processed lunar water that could generate $2.4Bn of revenue annually.

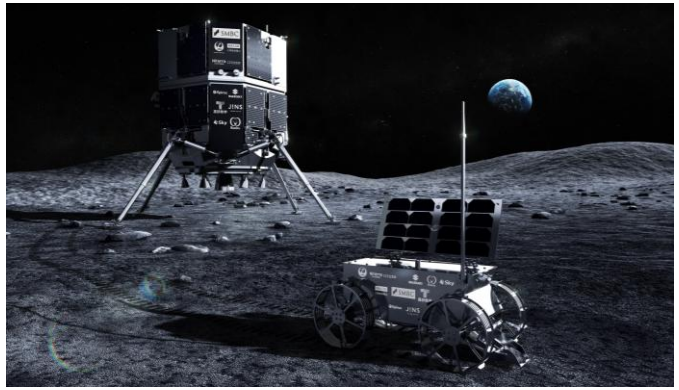
(1) https://nssdc.gsfc.nasa.gov/planetary/ice/ice_moon.html
(2) https://science.nasa.gov/moon/moon-water-and-ices/
(3) The image shown on this slide is for illustrative purposes only
(4) According to studies cited on note(1) and (2), water may be widely distributed across the Moon. We believe that it may be possible to utilize hydrogen and oxygen split through electrolysis of water extracted from regolith as a potential source of fuel for future deep-space exploration
(5) Because the Moon has only 1/6 of Earth's gravity, the theoretical cost of launching from the Moon is significantly lower than from Earth.
(6) https://www.planetary.org/articles/water-on-the-moon-guide
(7) Commercial Lunar Propellant Architecture A Collaborative Study of Lunar Propellant Production https://www.ulalaunch.com/docs/default-source/commercial-space/commercial-lunar-propellant-architecture.pdf?sfvrsn=649113d4_4

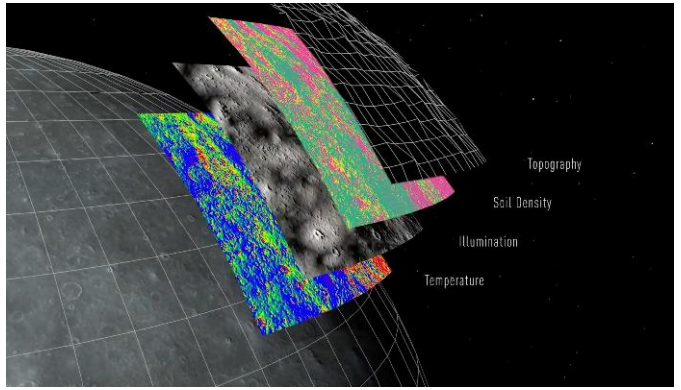
02

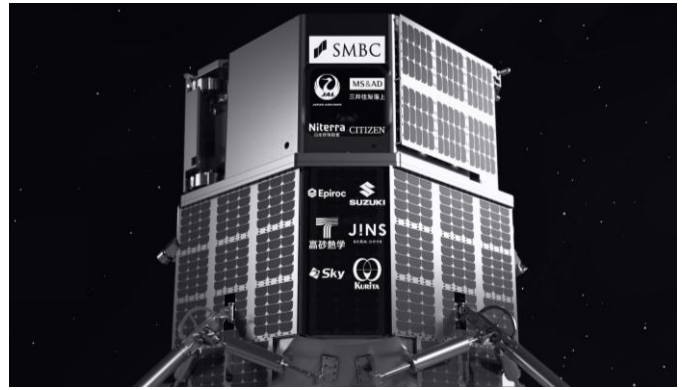
Business Overview



Payload services and Partnership services are our current business pillars. We plan to establish Data services in the future







Payload services

Core service leading our top line revenue

- Transport customers' payloads to the Moon.
- Signed payload service contracts with customers at an assumed unit price of $1.5 MM per kilogram.
- Customers will acquire significant data from the payloads by conducting experiments as needed

Data Services

Potential driver of growth

- Customers are expected to acquire significant data from payloads transported by ispace.
- Access to the database accumulated through high frequency missions will be provided to customers in the future

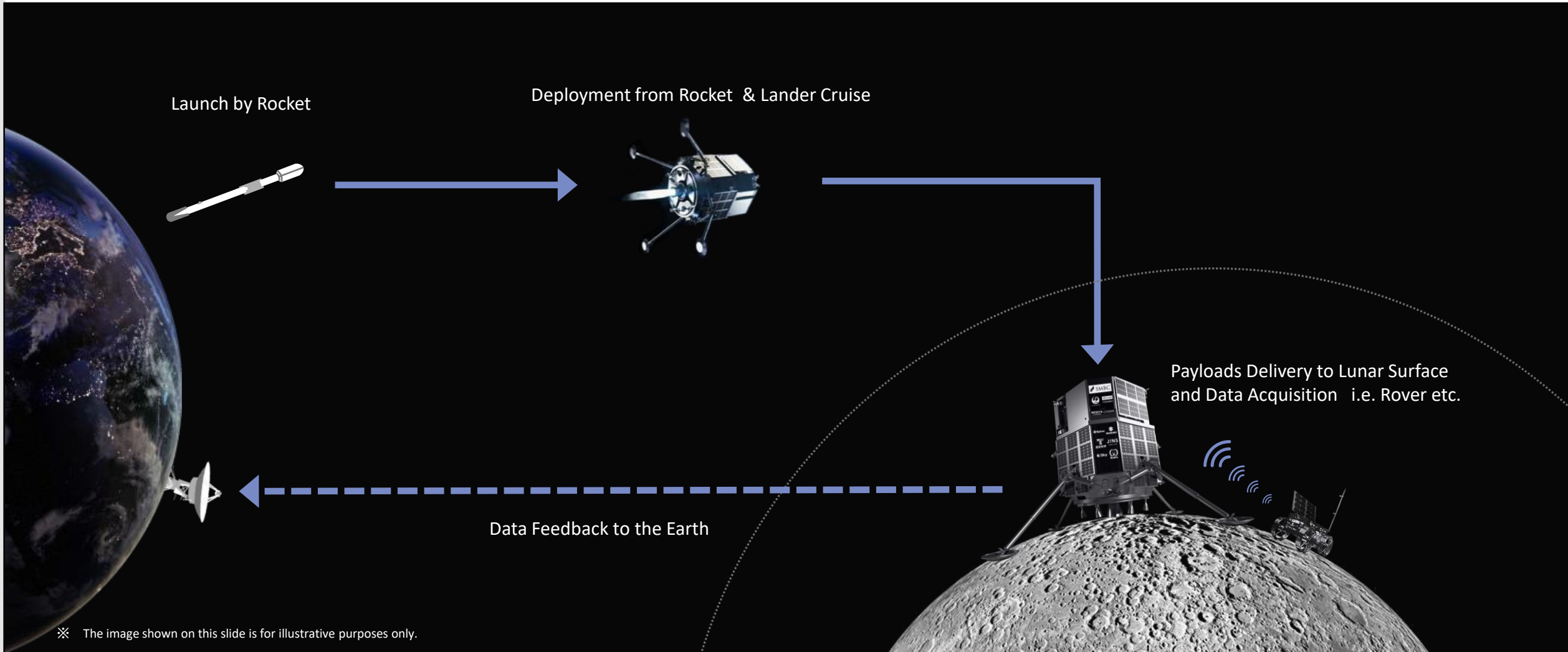
Partnership Services

Service with a long history

- Supporting customers' marketing through collaboration including posting their logos on ispace's landers and rovers.
- We also expect that customers will collaborate with ispace on technical and business matters.
- HAKUTO-R Program(1) is expected to conclude upon completion of Mission 2

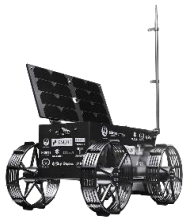
(1) HAKUTO-R is a commercial lunar exploration program that includes ispace's first two lunar missions.

The lander developed by ispace is launched into outer space on an external vendor’s rocket. After the lander navigates on its own to the lunar surface, the plan is for the lander and rover to explore and acquire data from lunar surface



※ The image shown on this slide is for illustrative purposes only.

Developing lunar rover in Luxembourg and lunar lander in Japan and U.S.

Micro Rover	RESILIENCE Lander	APEX 1.0 Lander	Series 3 Lander[1]
			
Size Height approx. 26 cm, Width approx. 31.5 cm **Weight** Approx. 5kg **Payload Capacity** Max. 1kg It will be self-propelled on the surface of the Moon for exploration and data collection. The frame is made of CFRP (carbon fiber reinforced plastic), which is lightweight but durable enough to withstand vibrations	**Size** Height approx. 2.3m, Width approx. 2.6m(Landing legs extended) **Weight** Approx. 1,000kg(Wet) Approx. 340kg(Dry) **Payload Capacity** Max. 30kg Lander designed to carry up to 30kg payload for use in Missions 1 and 2; useful data obtained from M1 will be used in the development of the lander used in M2	**Size** Height approx. 3.1m, Width approx. 4.5m(Landing legs extended) **Weight** Approx. 5,390kg(Wet) Approx. 1,730kg(Dry) **Payload Capacity** Max. 300kg Improved durability, reliability, and manufacturability of the main structure of the lander to ensure consistent environmental performance over a wide range of payload carrying areas	**Size** Height approx. 3.6m, Width approx. 3.3m(Landing legs extended) **Weight** Approx. 1,000kg(Dry) **Payload Capacity** Max. several hundreds kg Development of the Series 3 Lander (tentative name) for launch in 2027[2] as Mission 6 has begun in earnest at the Japanese subsidiary. The expected development milestones for Mission 6 are PDR[3] in 2024 and CDR[4] in 2026

(1) The design of the Series 3 Lander has not yet been finalized, so this is a tentative name and image.
(2) Mission and schedule as currently envisioned and is subject to change
(3) PDR (Preliminary Design Review): Review to confirm design results against specification values and feasibility of design verification plan
(4) CDR (Critical Design Review): Review that confirms whether the detailed design and verification plan for manufacturing and testing are appropriate, utilizing the evaluation of prototypes, evaluation of thermal and structural characteristics, and electromechanical design that have been conducted to date

Revenue components of payload services and data services

Payload service sales = **Assumed unit price** × **Assumed payload sales amount** (Lander design × Assumed yield rate-Internal use payload mass [2])

Payload service sales	Assumed unit price	Assumed payload sales amount (Lander design × Assumed yield rate-Internal use payload mass [2])
Recording the contract amount in accordance with accounting standards from the time of the contract (approx. two years prior to launch)[1]	USD 1.5 MM/kg is our current basic selling price. Unit price may decrease to a certain degree in the future as the market matures	RESILIENCE lander has a design weight of 30 kg, of which the estimated sales weight is about 11-12 kg; APEX 1.0 lander has a design weight of 300 kg, of which the estimated sales weight is 145 kg for M3. Assumed to gradually increase due to growing demand, improvement of our sales force and technological progress

Data service sales = **Data service sales via mission** × **Unit price** × **Internal use payload mass** + **Sales via large-scale database service** × **Assumed average unit price** × **Number of contracted customers**

Data service sales	Data service sales via mission	Unit price	Internal use payload mass
	Recording the contract amount in accordance with accounting standards from the time of the contract (approx. two years prior to launch)[1]	The estimated unit cost of payload services multiplied by a certain percentage of our target	Weight of payloads that we deem necessary for data acquisition

Sales via large-scale database service	Assumed average unit price	Number of contracted customers
Recognize current year usage portion of contract amount (assuming subscription basis)	Multiple unit prices will be offered on a subscription basis, depending on the customer and the services provided	Based on the current number of potential customers for data and services, we assume that the number of customers will increase based on the market growth rate [3]

(1)Until M3, revenue is recognized on a cost recovery basis (an amount equal to the cost incurred each month is recognized as revenue, and the difference between the total contract fee and the revenue recognized during the relevant period is recognized upon completion of the mission). From M4 onwards, the percentage-of-completion method (revenue is recognized based on the ratio of the cost incurred to the total cost of the mission). (2) The customer payload mass represents the proportion of the total payload capacity available for the mission, taking into account a certain margin (buffer). This allocation is subject to three main constraints: 1. Uncertainties in development, including those on the lander side and those arising from customer payload factors (e.g., interface adjustments);2.Sales conversion rate, due to uncertainties in both market demand and our sales capabilities;3. Internal payload mass, which refers to the portion of payload capacity used for our own systems or equipment. (3) See p. 20.

Promote sales activities and update contractual relationships in phases, depending on the time to mission and customer readiness. Many government demands are contracted through a bidding process

Without MOU・Interim PSA

- In addition to the MOU/Interim PSA disclosed as potential demand, there are many examples of individual conversations with customers.
- In some cases, negotiations are conducted individually with customers, leading to a final contract without an interim contract

Customer ex. RHEA SPACE ACTIVITY, NGC

MOU

- Memorandum of Understanding
- Agree on payload content, weight, contract price, and launch date
- Not legally binding and may not lead to orders

Customer ex. mu SPACE CORP, CHIYODA CORPORATION

Interim PSA

- Interim Payload Service Agreement
- Specify specific details of the contract, which is a prerequisite for finalizing the contract
- Not legally binding and may not lead to an order

Customer ex. UNIVERSITY OF LEICESTER, HEX20

Bidding

- Government places an order to the private sector by bidding
- Bidding conditions and project details are publicly announced, and the contractor is selected based on the price and content

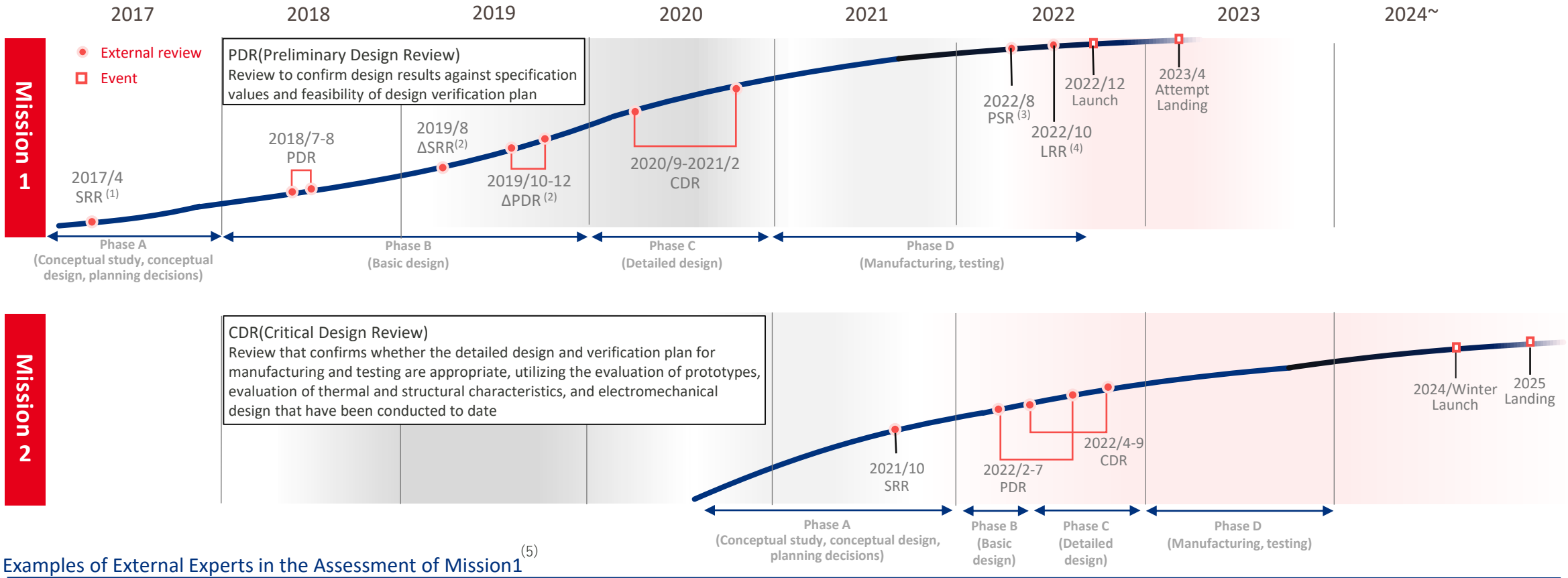
Customer ex. NASA

PSA

- Payload Service Agreement
- Legally binding contracts
- Sales are basically booked from the time the contract is awarded (one to three years prior to launch), and sales are booked sequentially in accordance with accounting standards
- Receipts from the client begin at milestone intervals in accordance with the terms of the contract

Customer ex. Takasago Thermal Engineering, مركز محمد بن راشد للفضاء MOHAMMED BIN RASHID SPACE CENTRE, CDS WIRELESS

In order to increase the probability of mission success, technical review is conducted at each milestone. PDR and CDR, which are set just before full-scale capital investment, are the most important milestones. Efficiency and quality will get better the more mission we experience



Examples of External Experts in the Assessment of Mission1 (5)

SRR


Tokyo Univ.
Prof. Funase


ISAS
Prof. Inatani

PDR


ISAS
Prof. Inatani

30 other domestic and international specialists

CDR


Tokyo Univ.
Prof. Nakasuka


ISAS
Prof. Takashima


KIT
Prof. Cho

(1) System Requirement Review：Review meeting to approve the start of system design after confirming consistency between business requirements and system requirements (2) Conducted again due to the decision to change the Lander specifications.
(3) Pre-Shipment Review：Review to confirm test results and approve transportation to launch site (4) Launch Readiness Review：Review to confirm completion of integration work on the launch vehicle and approve launch and transition to initial operations
(5) Affiliation at the time of review

Significant improvement in both development and operations(1) through the lessons learned from Mission 1

Development Period(2) Reduced

Approx. 40%

- Reducing Non-Recurring Engineering Tasks by using the same model as M1
- Lessons learned from M1 have led to improvement of manufacturing, assembling and testing procedures. **Fewer defects during development**, as well as **improvement of delivery management** of procured goods

Development Cost(2) Reduced

Approx. 50%

- Reducing Non-Recurring Engineering Costs by using the same model as M1
- Based on the experience of M1, **more efficient project management** reduced engineer's working hours and related labor costs

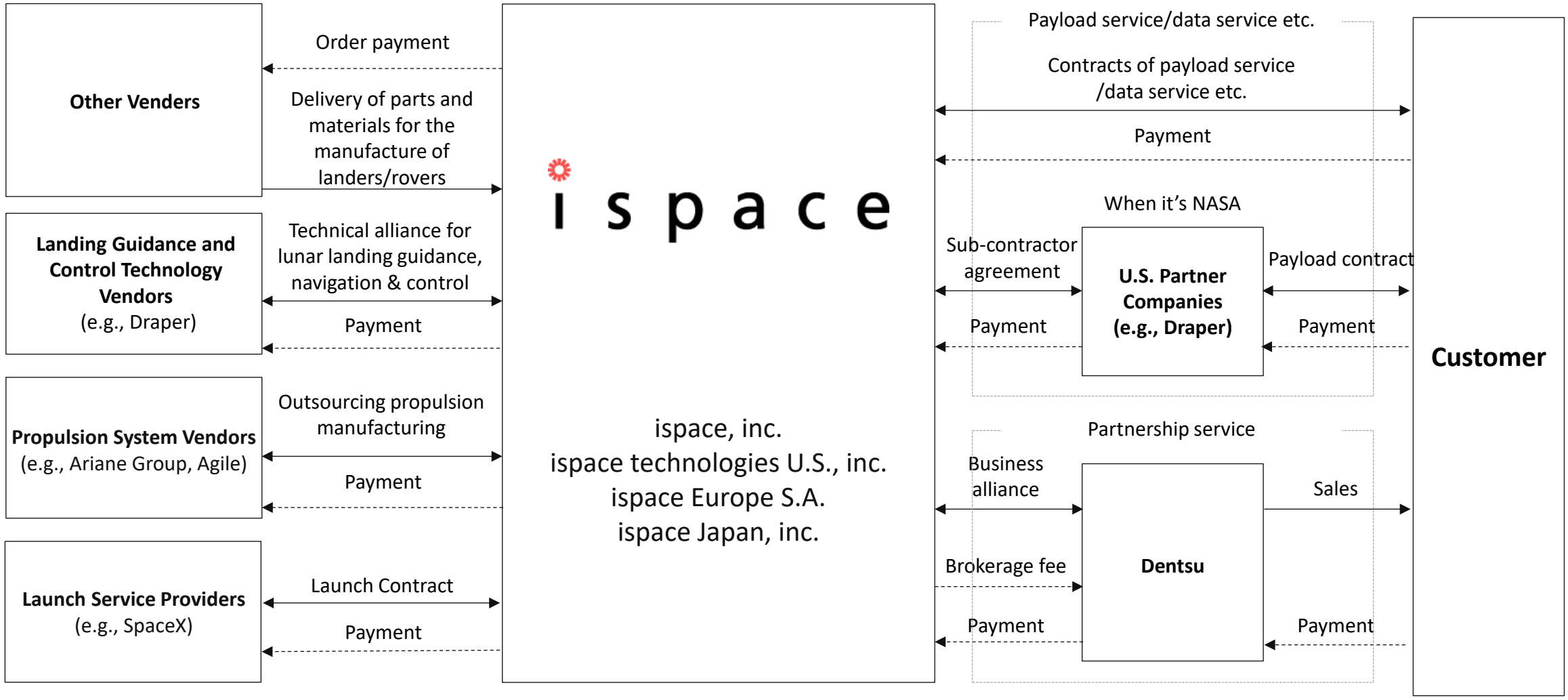
Period from Launch to Initial Operational Phase Completion Reduced

Approx. 60%

- Improved operations until the completion of the initial operational phase by applying lessons learned from M1 to M2
- M2 operation is **progressing smoothly** as it completed its initial operational phase at the earliest expected timeline after the launch

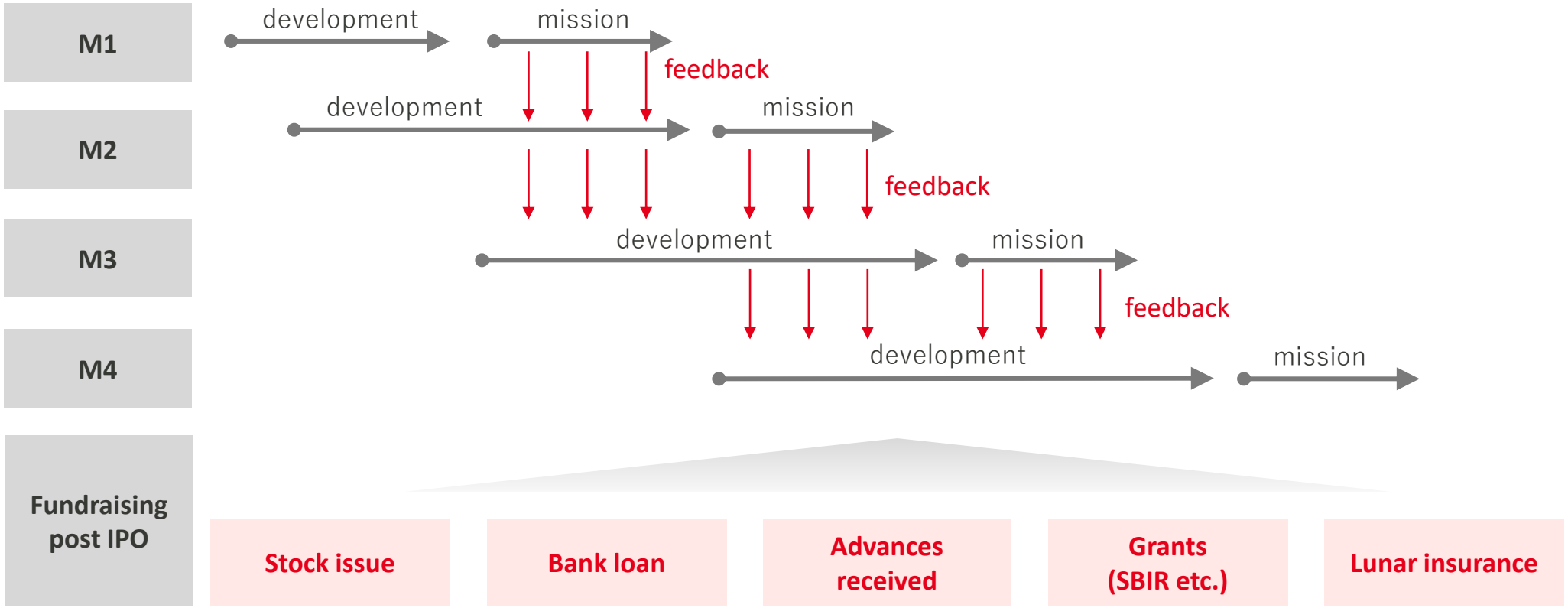
(1) Comparing the operational status as of Feb 12, 2025 with Mission 1.
(2) Launch costs for the use of external rocket is not included
(3) SRR (System Requirement Review): Review meeting to approve the start of system design after confirming consistency between business requirements and system requirements

Our Group


Other Venders
Order payment
Delivery of parts and materials for the manufacture of landers/rovers
Landing Guidance and Control Technology Vendors
(e.g., Draper)
Technical alliance for lunar landing guidance, navigation & control
Payment
Propulsion System Vendors
(e.g., Ariane Group, Agile)
Outsourcing propulsion manufacturing
Payment
Launch Service Providers
(e.g., SpaceX)
Launch Contract
Payment
ispace
ispace, inc.
ispace technologies U.S., inc.
ispace Europe S.A.
ispace Japan, inc.
Payload service/data service etc.
Contracts of payload service /data service etc.
Payment
When it's NASA
Sub-contractor agreement
Payment
U.S. Partner Companies (e.g., Draper)
Payload contract
Payment
Partnership service
Business alliance
Brokerage fee
Payment
Dentsu
Sales
Payment
Customer

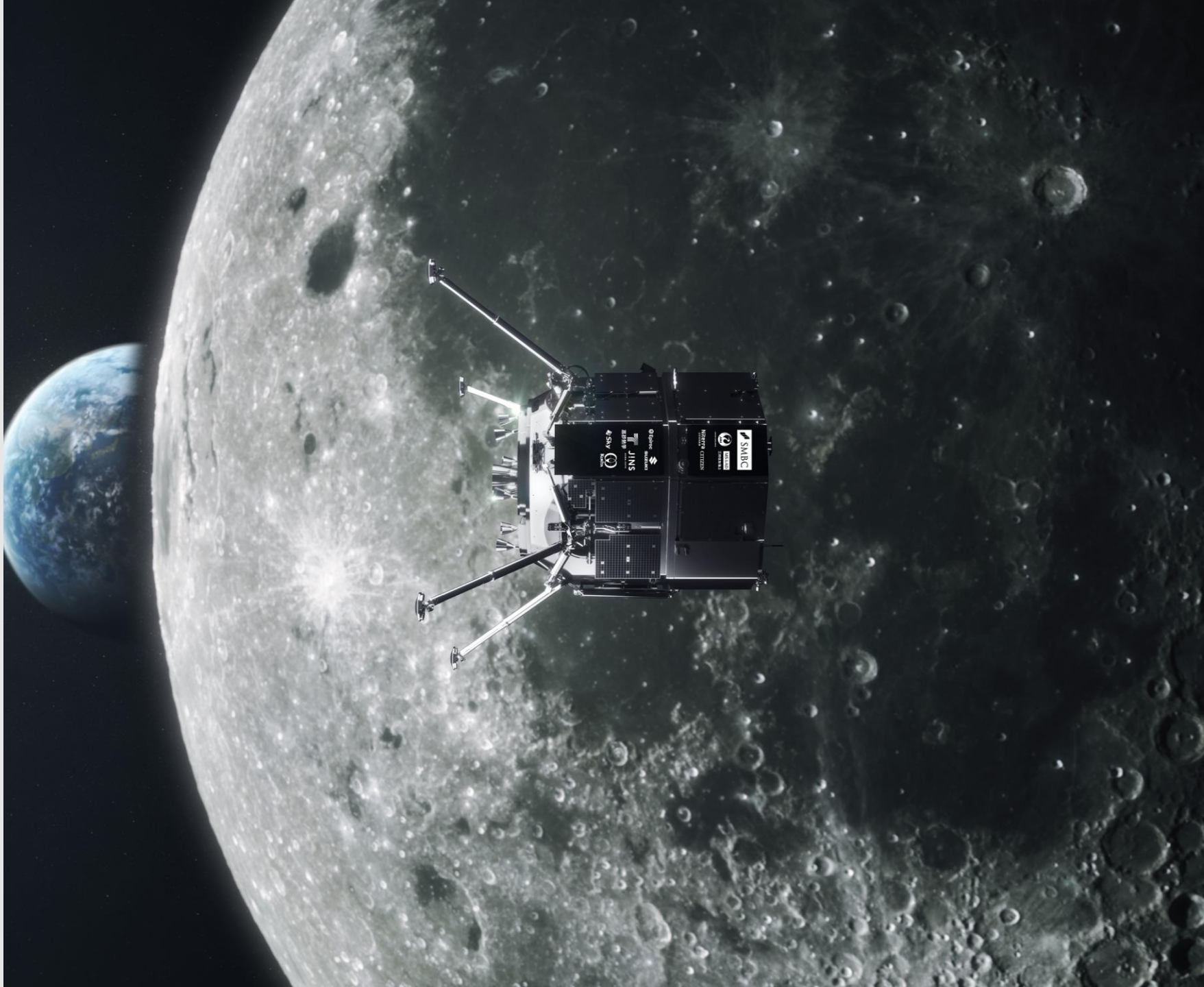
Established a strong financial foundation through various funding methods.

ispace's business model:
Developing multiple missions in parallel while securing funding through diverse financing approaches.



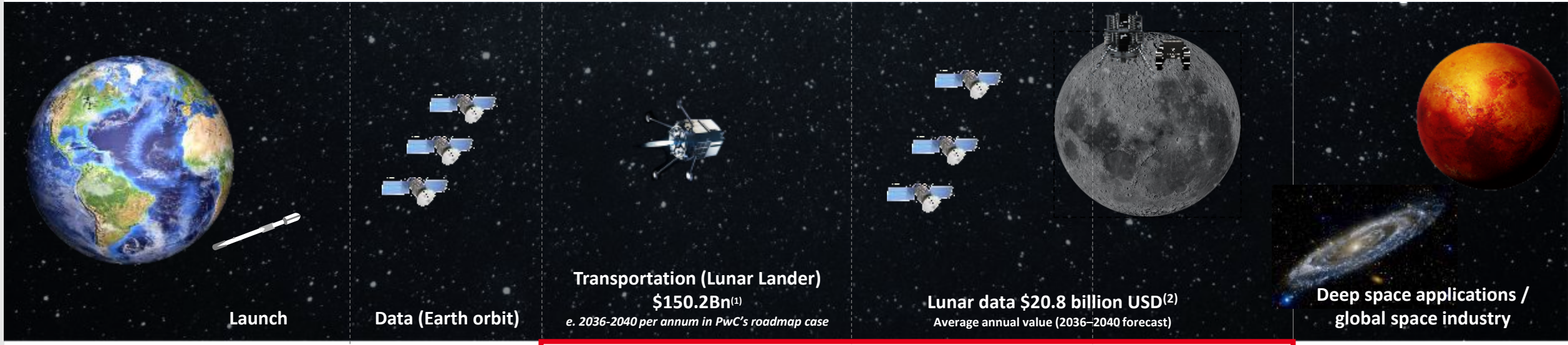
03

Market Environment and Competitive Environment



ispace

Space industry is divided into several segments, with many companies already in disarray, especially in the launch and earth orbit data area. In contrast, there are still relatively few competitors in the moon-related area, and we have secured a competitive advantage in the small lander segment



Launch	Data (Earth orbit)	Transportation (Lunar Lander) $150.2Bn[1] *e. 2036-2040 per annum in PwC's roadmap case*	Lunar data $20.8 billion USD[2] Average annual value (2036–2040 forecast)		Deep space applications / global space industry
			Lunar orbit	Lunar surface	
Examples of players in each segment					
U.S. Company S	U.S. Company B	Small (~500kg)			
U.S. Company B	U.S. Company M	ispace	U.S. Company I	ispace	U.S. Company I
Japan Company M	U.S. Company U	U.S. Company A	U.S. Company F	U.S. Company X	U.S. Company M	U.S. Company L	Japan Company D
U.S. Company S					
U.S. Company R	France Company A	Mid-large (500kg+)			
U.S. Company P		U.S. Company L	U.S. Company B		
U.S. Company S		U.S. Company S			
U.S. Company A	U.S. Company V				
Finland Company I					

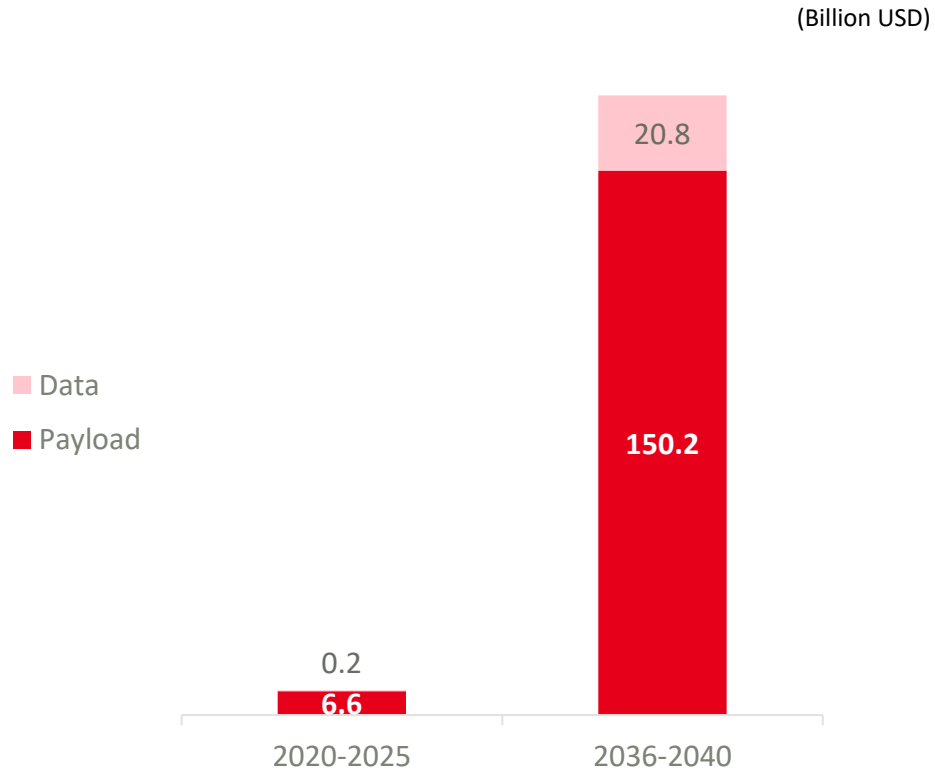
(1) Estimated by PwC based on the assumption that 1,000 astronauts reside on the Moon by 2040, which is consistent with ispace's "Moon Valley 2040" vision

(2) The data market size in the roadmap case is our internal estimate, calculated by applying the relative ratio between the payload market size in the roadmap case and that in PwC's bottom-up case to the data market size in the bottom-up case. This portion of the estimate is not based on PwC's data.

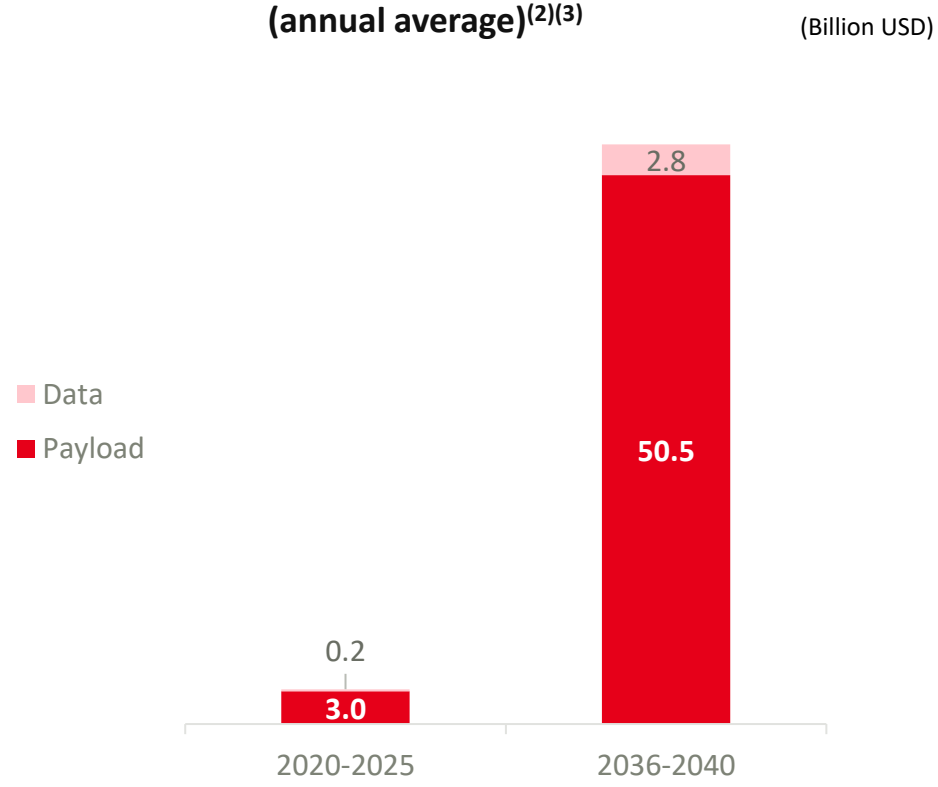
(3) The image shown on this slide is for illustrative purposes only

The overall lunar payload related market is expected to grow to $171 billion USD (annual average) between 2036 and 2040. Among these, the small lander segment(1), to which we belong, is expected to grow to $53.3 billion USD (annual average) over the same period

Lunar payload related market (annual average)(2)(3)



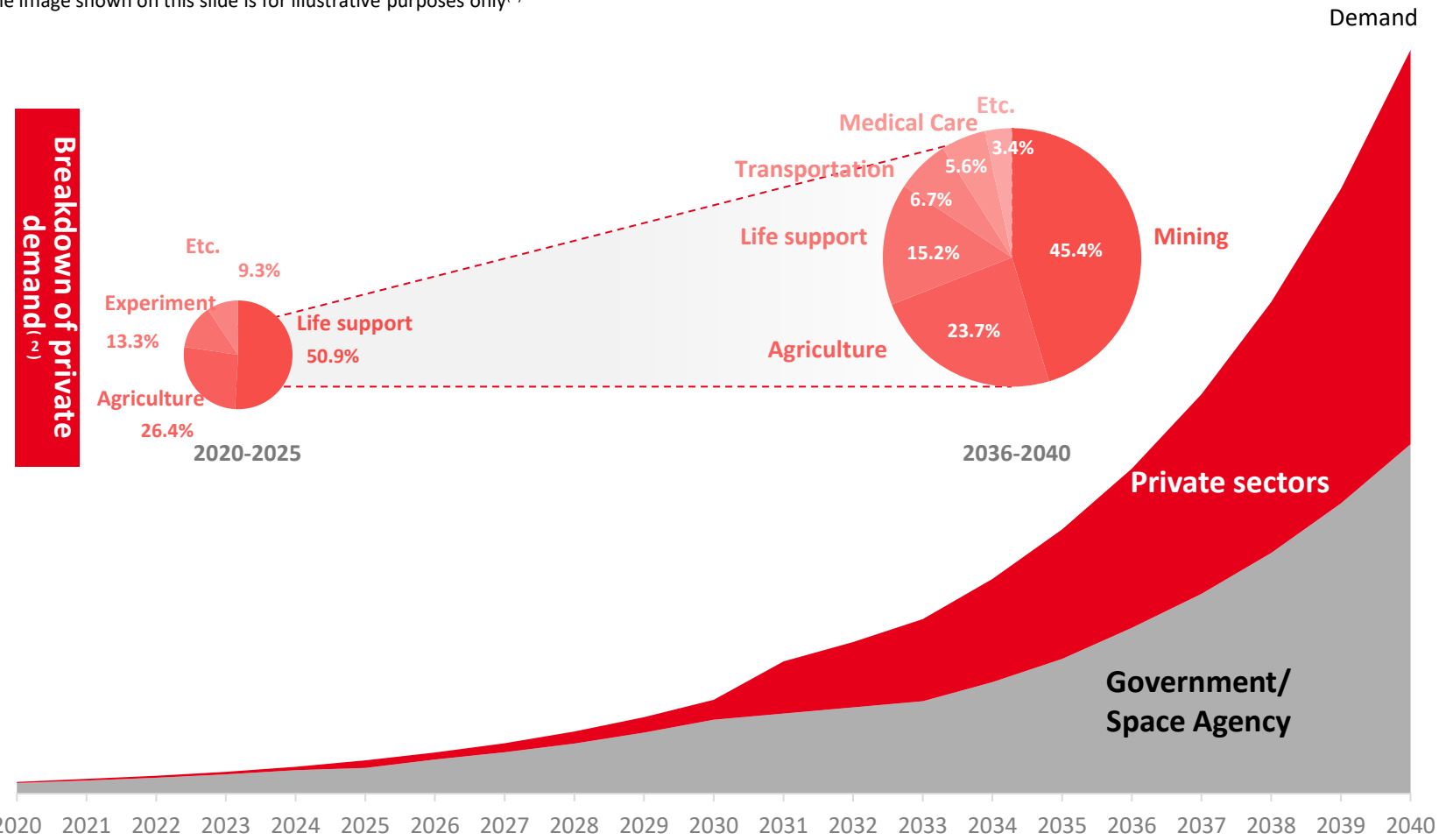
The small segment market to which we belong (annual average)(2)(3)



Source: Data prepared by PwC Consulting (September 2021)
In the lunar transportation market, this refers to the segment with a payload size of up to 500 kg
Market size forecast by PwC based on the assumption that an economy with 1,000 people living on the moon in 2040 and 10,000 people coming and going annually is established. The market size forecast
Data Market was estimated by us using the market size forecast by PwC and is not based on the PwC data. (We estimated the data market size in the roadmap analysis based on the ratio of each period between the roadmap analysis and the bottom-up analysis in "transportation" as described in the PwC report and the "data" market size based on the bottom-up analysis as described in the PwC report)

Besides the traditional government-led space development, expanding private demand will drive future market growth

The image shown on this slide is for illustrative purposes only(1)



Point

- Currently, government-led programs are expected to drive market growth and lay the groundwork for lunar activities
- Based on this foundation, private demand is expected to expand through the second half of 2020, driving future market growth
- Demand related to water and other resource extraction on the Moon is expected to grow in the 2030s

(1) The image shown on this slide is for illustrative purposes only.
(2) Differences in pie chart size indicate market size

The size of budgets of space agencies has been increasing every year and is expected to continue to grow in the future. Among them, the budgets for outsourcing services to the private sector and subsidies are expected to increase, as well as those for lunar exploration and resource utilization

Europe

esa

FY2025 Budget: €7.6Bn(1)

- The budget for FY2025 is projected to decrease by 1.4% compared to FY2024
- Two satellites from the Sentinel series, part of the Copernicus Earth observation program, are scheduled for launch in 2025

UK SPACE AGENCY

FY2025 Budget: £606MM(2)

In addition to contributions to the ESA, funding is also being allocated to strengthen communication and Earth observation capabilities in Low Earth Orbit (LEO)

Japan

Japanese Government JAXA

FY2025 Budget: ¥154.5Bn(3)

Total Amount: ¥1.0Tn(4)

Space Strategy Fund

Strengthen JAXA's strategic and flexible funding function as a nodal point between industry, academia, and government

Basic Plan of Space Policy

The keyword "lunar surface appears 48 times in the new policy, which explicitly calls for the promotion of industry through the procurement of services from the private sector

SBIR program

FY2025 Budget:¥140Bn(5)

A system to promote research and development by startups, etc., to smoothly implement the results in society, and thereby promote the creation of innovation

United States

NASA

FY2025 Budget: $24.9Bn(6)

- NASA's budget designates funding amounts for programs and projects in the areas of human spaceflight, space science, aeronautics, technology development, and education
- Since the 1970's, it has remained at just under 1% of total U.S. government spending

Artemis program

Total Amount: $93Bn(7)

Plan to establish a garrison on the Moon, lay the groundwork for private companies to build a lunar economic zone, and eventually send humans to Mars

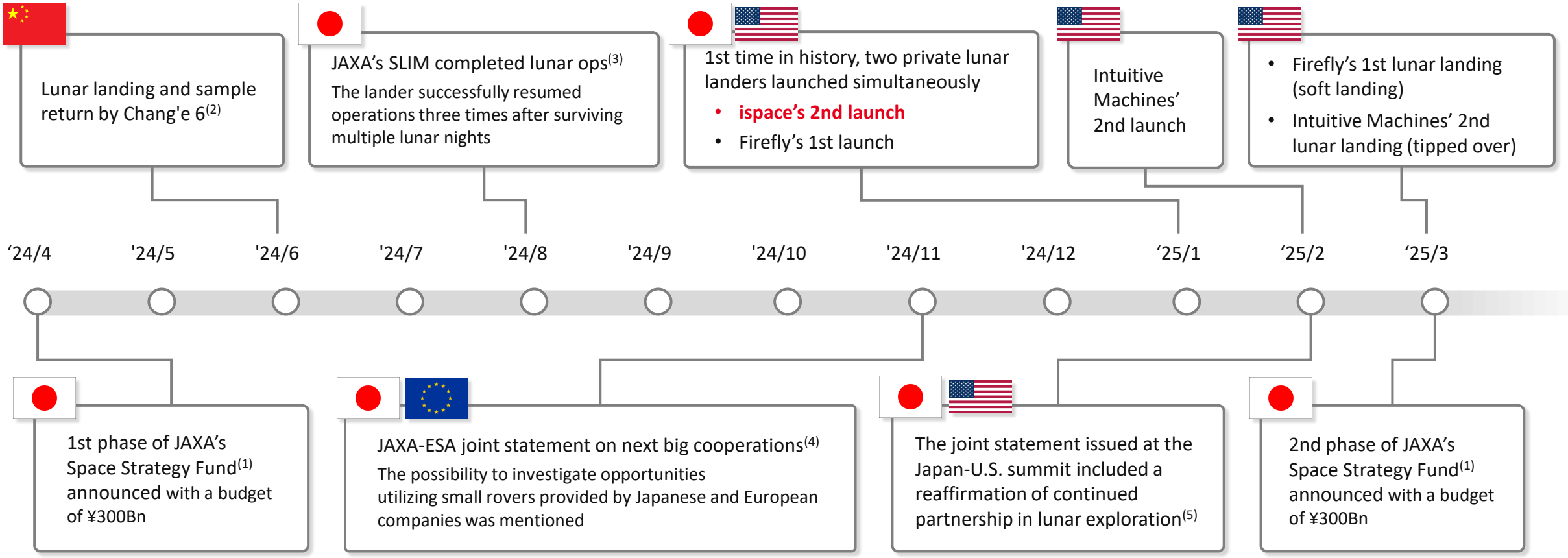
CLPS program

Total Amount: $2.6Bn(8)

NASA selects private companies to transport instruments, rovers, and other payloads to the Moon for profit

(1) ESA "ESA budget 2025" (https://www.esa.int/ESA_Multimedia/Images/2025/01/ESA_budget_2025)
(2) UK Space Agency Corporate Plan 2022-25（https://www.gov.uk/government/publications/uk-space-agency-corporate-plan-2022-25/uk-space-agency-corporate-plan-2022-25--2）
(3) https://www8.cao.go.jp/space/comittee/dai108/siryou3.pdf
(4) The SBIR program approved in June 2023 is expected to allocate funds to the space sector, but this may change and no allocation is guaranteed.
(5) https://www8.cao.go.jp/cstp/openinnovation/sbirseido/r7_housin.pdf
(6) Historical NASA budgets from The Planetary Society (https://www.planetary.org/space-policy/nasa-budget)
(7) https://www.space.com/nasa-artemis-moon-program-93-billion-2025
(8) https://www.nasa.gov/reference/commercial-lunar-payload-services/#:~:text=CLPS%20contracts%20are%20indefinite%20delivery,of%20%242.6%20billion%20through%202028.

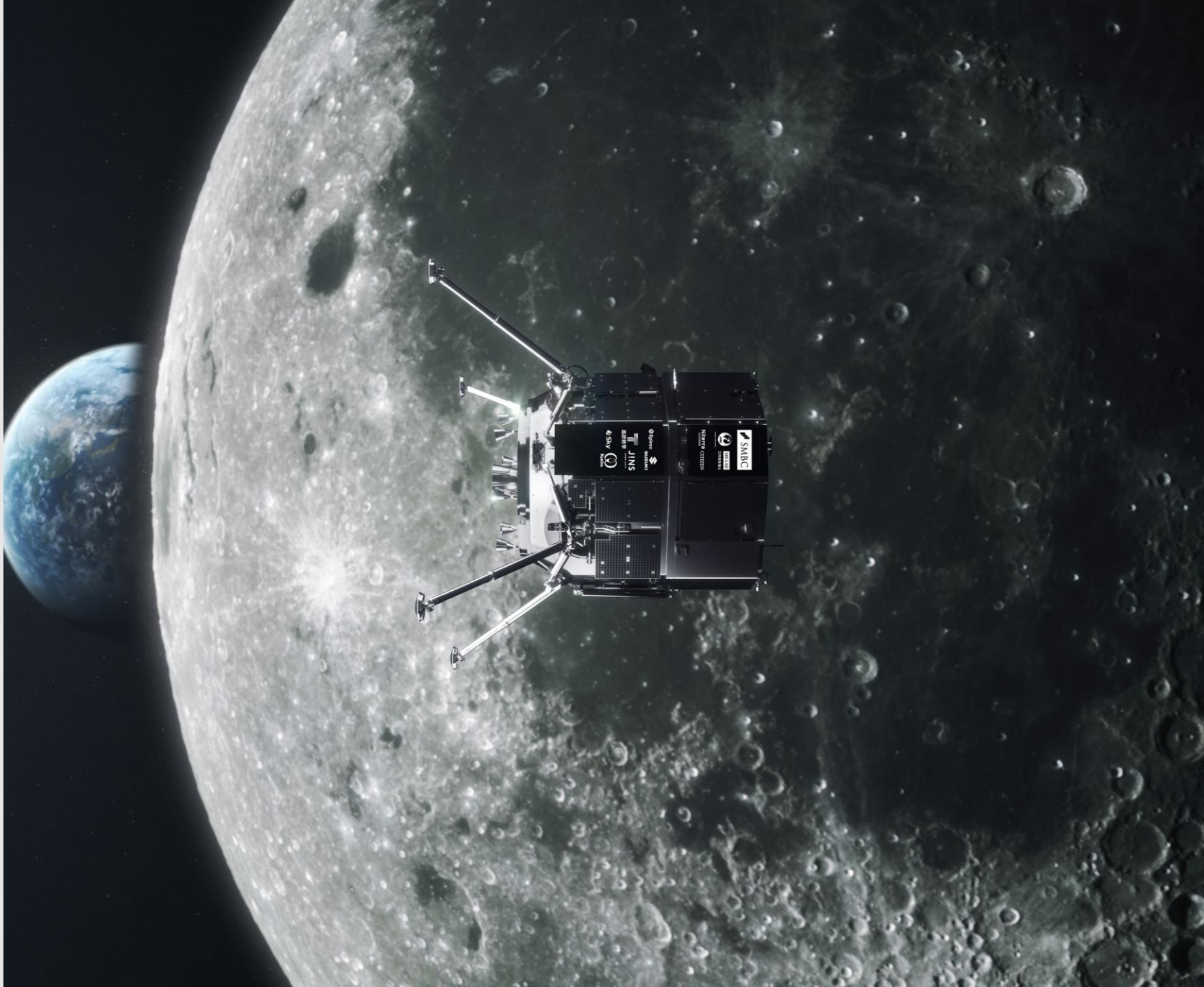
FY2025/3 marked the beginning of the commercial lunar business era: A year in which commercial lunar missions including ispace advanced globally, and government support systems, most notably Japan's Space Strategy Fund, entered full-scale implementation



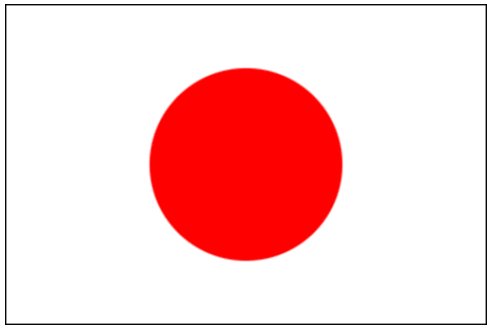
(1) https://www8.cao.go.jp/space/kikin/kikin.html
(2) https://www3.nhk.or.jp/news/html/20240625/k10014491441000.html
(3) https://global.jaxa.jp/press/2024/11/20241120-1_e.html
(4) https://global.jaxa.jp/press/2024/08/20240826-1_e.html
(5) https://www.jimin.jp/news/information/209939.html

04

Characteristics and Strengths



Governments around the world, led by the U.S. and Japan, are promoting private sector involvement in space development



Space Strategy Fund

- JAXA will serve as a strategic, flexible funding hub to support long-term R&D (up to 10 years) by companies, universities, and others (**total of ¥1.0 Tn**)
- A budget of ¥300Bn is allocated for each of Phase 1 and Phase 2

CLPS Program

- Commercial Lunar Payload Services (CLPS)
- A NASA program that outsources the transportation of instruments and rovers to the Moon to private companies on a paid basis
- The total contract value is expected to reach **$2.6 Bn** by 2028

(Europe Luxemburg) Space Resource Initiative

- The Government of Luxembourg, an ESA member state, has been supporting private sector space resource utilization since 2016 through the Space Resource Initiative
- ESA is also accelerating its planning and discussions around lunar programs

(1) As part of the Luxembourg government's program named LuxIMPULSE, our EU entity is developing micro-rovers with the support of this initiative
(2) The Mission for Advanced Geophysics and Polar Ice Exploration. For more details, please refer to "Notice regarding Contract with European Space Agency" disclosed on June 3, 2025

In Japan, ¥12 billion in SBIR grants has been secured. The Space Strategic Fund has also launched Moon-related funding calls, creating a favorable business environment

SBIR
Small Business Innovation Research

SBIR(1)

- Selected under the theme "Development and Operational Demonstration of a Lunar Lander," with **a grant of ¥12Bn** awarded
- Plans include developing the lunar lander and launching and operating it on the Moon around 2027

Space Strategy Fund(2)

- A **¥1.0Tn** fund has been launched that lasts over 10 years
- Phases 1 and 2 each have a total budget of ¥300 billion, with various ministries announcing their themes. The Ministry of Education, Culture, Sports, Science and Technology (MEXT)'s Phase 2 themes include "lunar development"

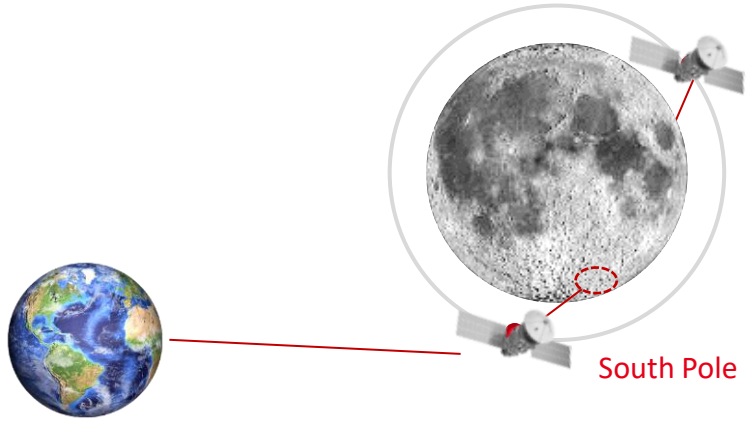
(1) Image and contents are from https://sbir.csti-startup-policy.go.jp/
(2) Image and contents are from https://fund.jaxa.jp/

In the United States, we have secured a contract worth approx. $62MM from NASA as a member of Team Draper (1)

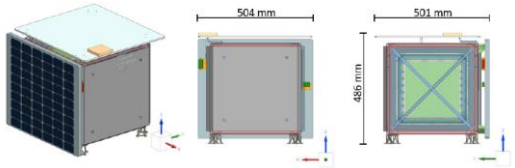
NASA CLPS

NASA CLPS Program

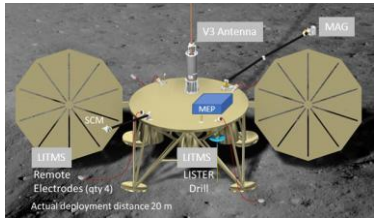
- Under the CLPS program, NASA plans to place orders **totaling $2.6Bn** by 2028, with budgets already partially allocated.
- One such task order is CP-12, for which our company has already received a contract worth **$62MM**.



Provide transportation services to the far side of the Moon's south pole using relay communication satellites.



Lunar seismometer



Instruments for measuring lunar internal temperature and composition, Electromagnetic wave measurement device for the lunar surface

Contents of NASA Payloads(2)

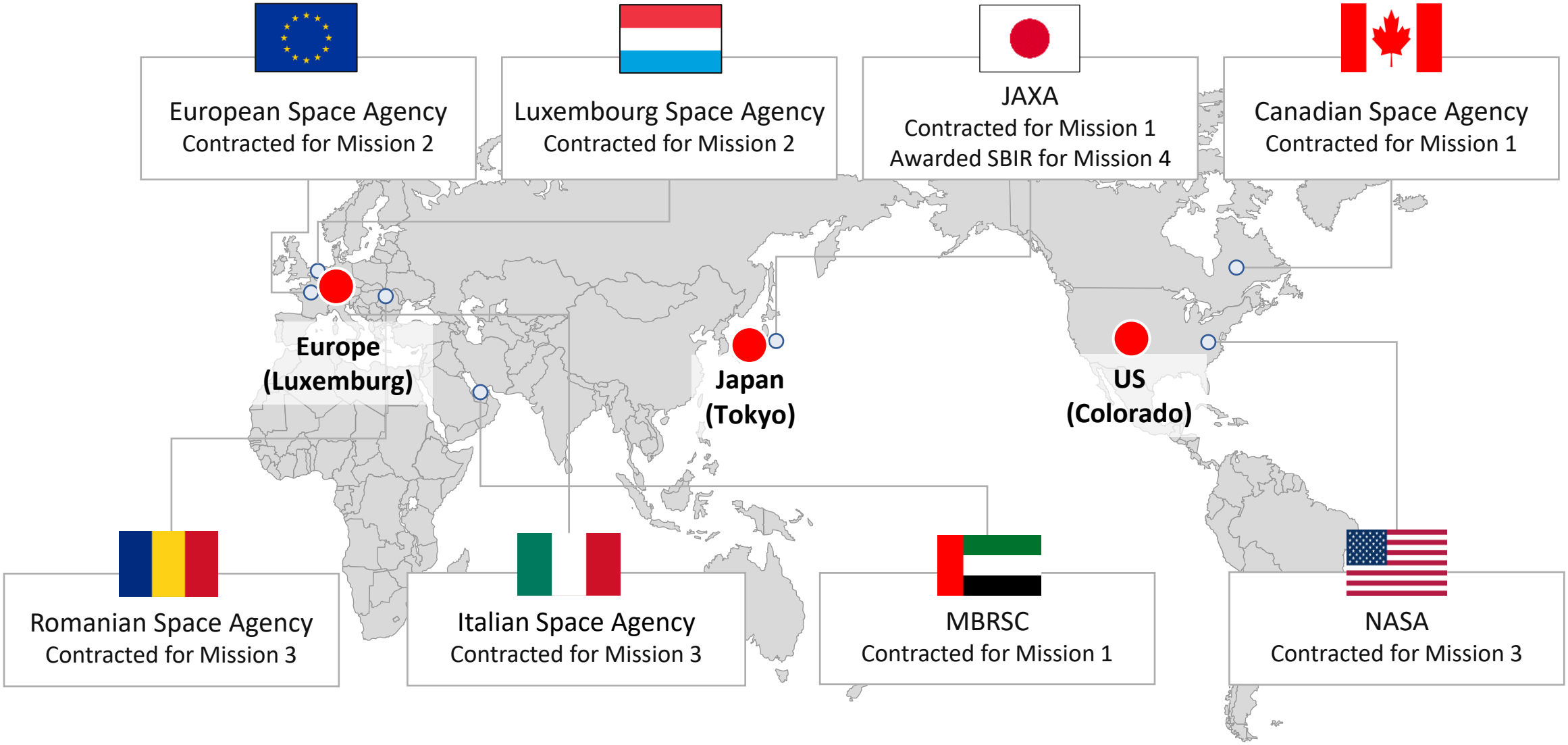
(1) The team consists of four organizations, led by the nonprofit Draper Laboratory as the prime contractor, and includes our company, General Atomics Electromagnetic Systems, and Systima Technologies, a subsidiary of Karman Space & Defense.
(2) The information presented is part of the contract content. The illustration is sourced from NASA CP-12 RFP Document (Appendix A).

Our main competitors are three U.S. companies. Each is still in the process of building a track record of lunar landings, while our company is already positioned among the leading group

	ispace	Intuitive Machines	Firefly Aerospace	Astrobotic Technology
Mission Track Record	**Twice**	**Twice**	**Once**	**Once**
Succeeding Mission	**2027 (Mission 3)** **2027 (Mission 4)**	**2025-2026 (IM-3)** **2027 (IM-4)**	**2026 (Blue Ghost M2)** **2028 (Blue Ghost M3)**	**2025 (Mission 2)**
Mission Overview	**First Mission (Dec 2022)** • Launched the world's first commercial lunar lander as a private company • Successfully completed up to Success 8, but experienced a hard landing due to a software issue **Second Mission (Jan 2025)** • In-house rover development and deployment • Again completed up to Success 8, but resulted in a hard landing • Based on the technical analysis of the soft-landing failure, we are incorporating improvements into subsequent missions(1)	**First Mission (Feb 2024)** • Conducted as part of NASA's CLPS program • Achieved the world's first successful landing by a private company, but the lander landed on its side **Second Mission (Mar 2025)** • Carried out under NASA CLPS and involved commercial payload transportation • Achieved a landing but tipped over due to altimeter sensor failure; operations ended after 13 hours due to power shortages	**First Mission (Jan 2025)** • Conducted as part of NASA's CLPS program • Achieved the world's first perfect soft landing by a private company, with 14 days of surface operations plus over 5 hours of activity during the lunar night	**First Mission (Jan 2024)** • The first U.S. commercial lunar landing mission under NASA's CLPS program • Despite a successful launch, after separation, the propulsion system experienced an anomaly, and the landing on the lunar surface was abandoned before reaching the lunar orbit. Ultimately, the craft entered the atmosphere at high speed and the lander was destroyed

(1) Fore more details, please refer to the timely disclosure and presentation material disclosed on June 24, 2025

Leveraging our three operational hubs, we have secured contracts with space agencies around the world(1)



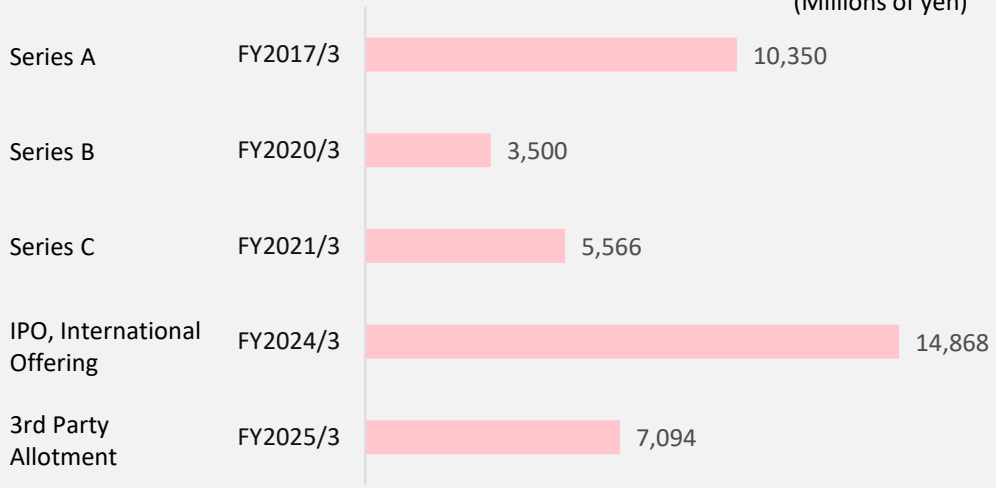
(1) 当社が直接契約は保有せず、契約先の資金支援をしている契約を含む

Strong fundraising ability, including access to debt financing, is one of our key strengths in the capital-intensive space industry

Equity Finance

- Total Funds Raised: **¥41.5 billion**
- Raised ¥10.3 billion in Series A, the highest amount in Japan at the time.
- Continued proactive fundraising post-IPO, securing ¥14.8 billion through the 2023 IPO and an international offering in 2024
- Approved an equity program in October 2024, with a base equity raise of ¥7.0 billion

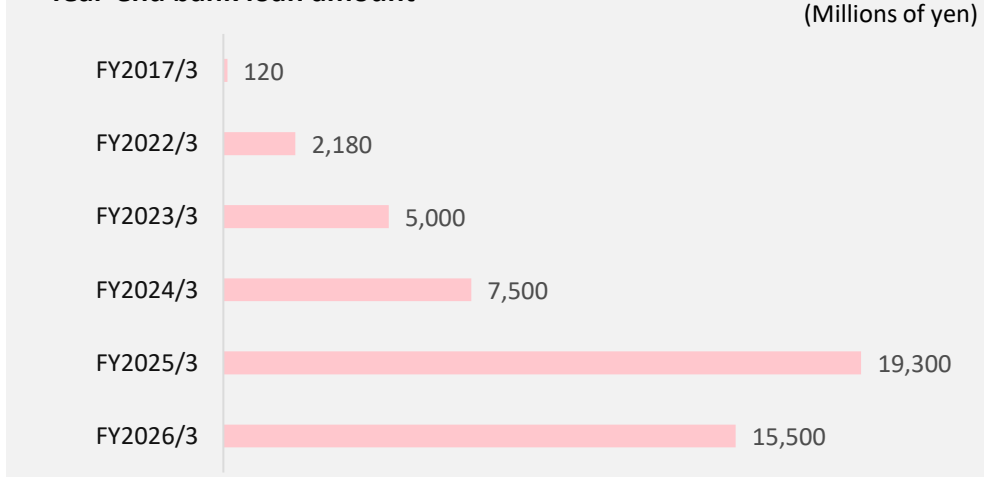
Fund raise amount



Bank Loan

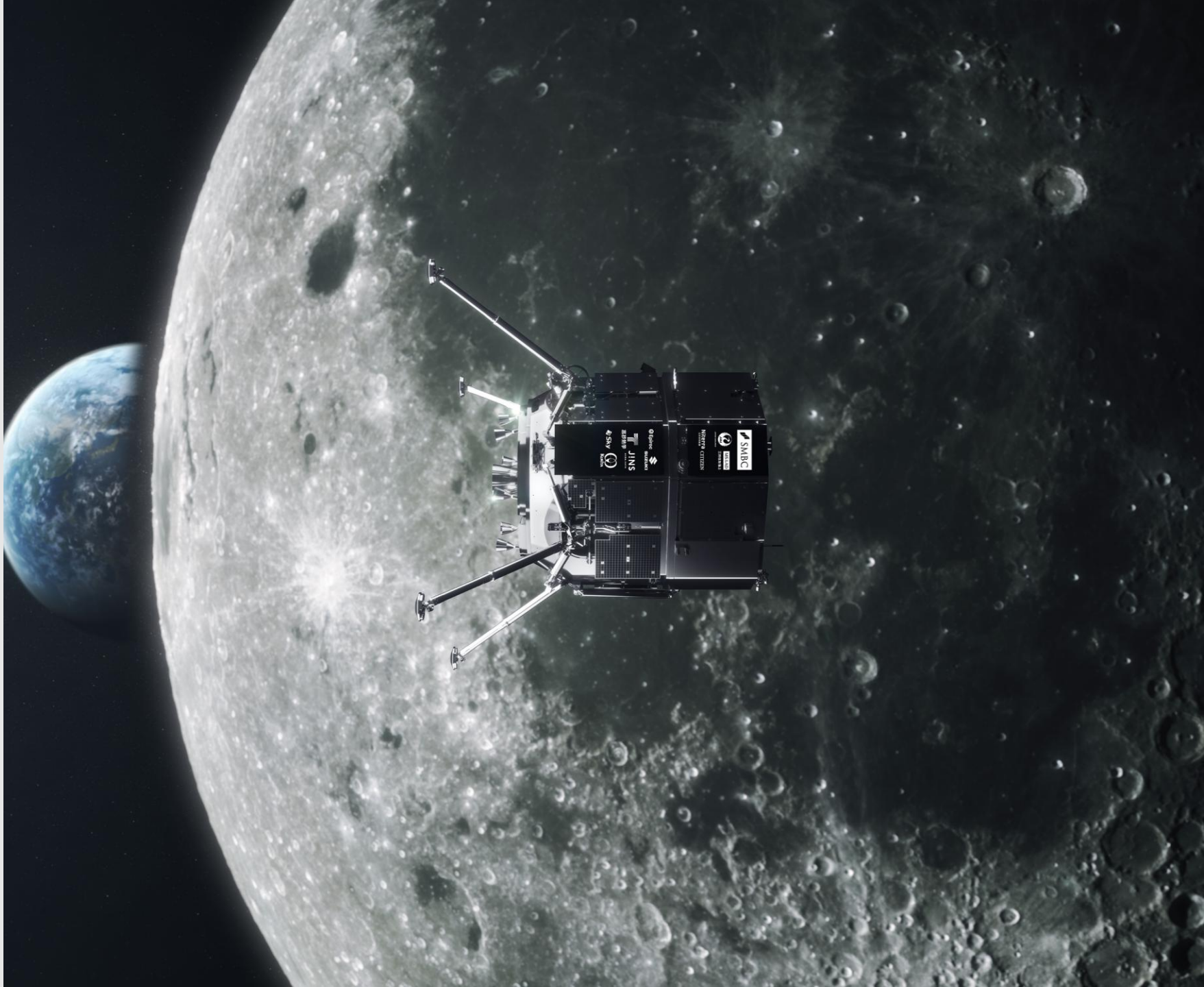
- Total Funds Raised (including refinancing): **¥49.6 billion**
- Supported by numerous major Japanese financial institutions, including Japan's three mega banks
- Secured ¥10.0 billion through a syndicated loan in 2024
- In May 2025, additionally raised ¥5.0 billion from Mizuho Bank and ¥10.0 billion from SMBC

Year-end bank loan amount



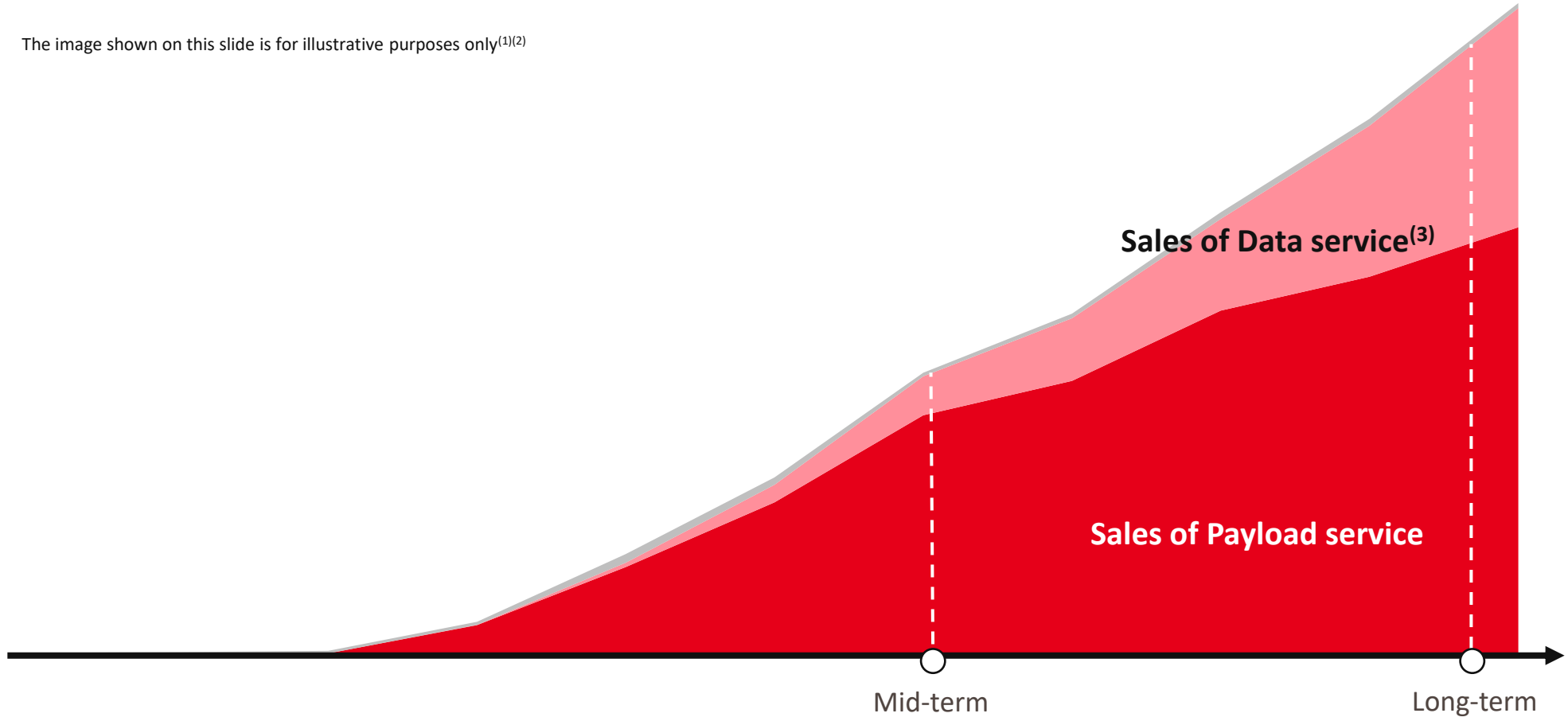
05

Growth Strategy



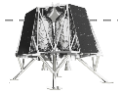
Achieve high growth by increasing sales of payload services, followed by the establishment of data services that leverage data accumulated from multiple missions

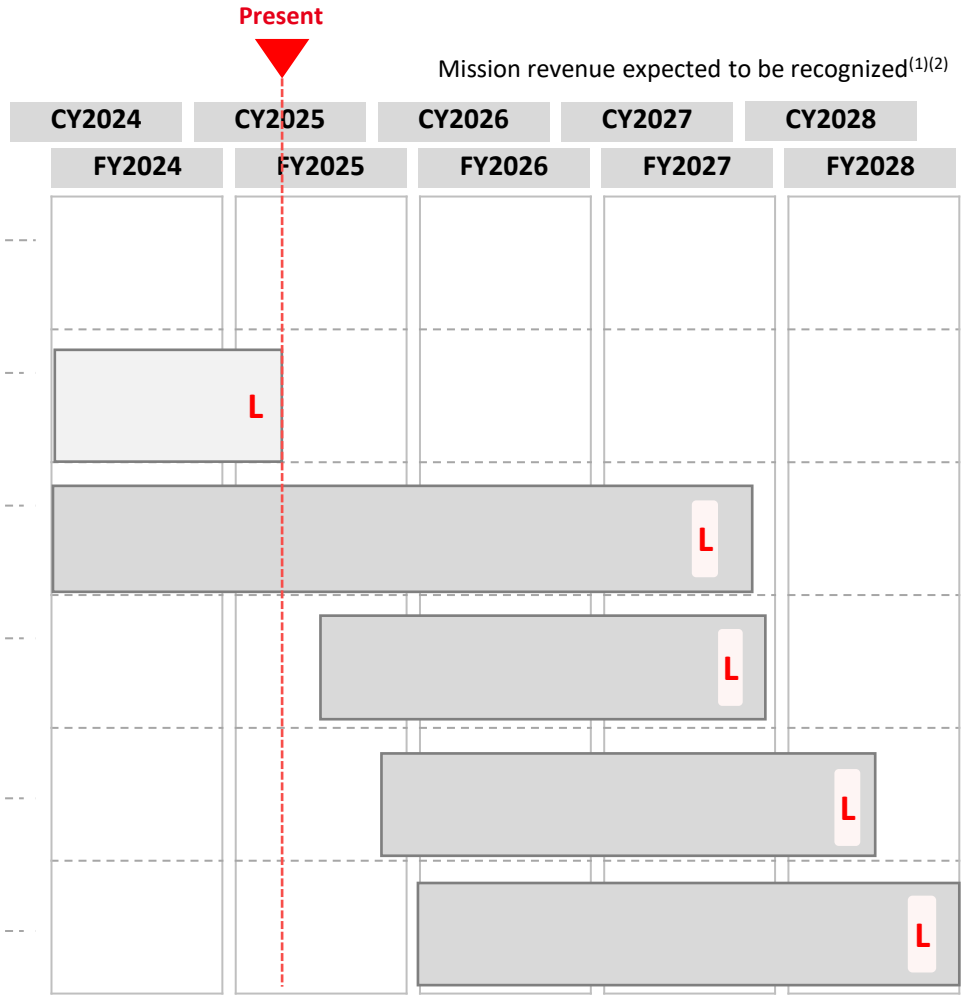
The image shown on this slide is for illustrative purposes only(1)(2)



(1) The image shown on this slide is for illustrative purposes only and does not imply or guarantee actual figures. Actual figures may differ significantly from the above figures if the lunar market does not expand as projected by the aforementioned third party, if the factors considered in setting the business targets do not meet our current assumptions, or if other events beyond our control occur
(2) Total sales include other sales other than payload services and data services.
(3) Growth in data services is based on the assumption that a certain amount of data acquisition services will be provided for each mission and that the company will be able to secure the necessary human resources to provide the services as expected. The number of clients is also assumed to grow at the same rate as the company's assumed market growth rate for the number of potential data service clients at the present time

Our Missions at a Glance: after executing two R&D missions, we plan to launch consecutive commercial missions

	Purpose	Significance / Achievement	Lander design	Planned mission payload capacity	Contracted/ illustrative customer payload mass
M1	R&D missions	• Reached the final lunar landing phase • Acquired various useful data	 Series 1 Lander	30kg	12kg (contracted)
M2		• Reached the final phase of lunar landing.Achieved greater efficiency in the development process.	 RESILIENCE Lander	30kg	11kg (contracted)
M3	Fully commercial missions	• Our first fully commercial mission • CLPS Task Order CP-12	 APEX 1.0 Lander	300kg	95kg contracted (CP-12) + 50 kg
M4		• Utilizing the Series 3 lander, leveraging ¥12 billion in SBIR grants • Secured project under the Space Strategic Fund	 APEX 1.0 Lander	500kg	137kg(5)
M5		• Maximize profit by utilizing efficient production of lander APEX 1.0	 APEX 1.0 Lander		137kg(5)
M6		• Maximize profit by utilizing efficient production of lander Series 3 lander	 Series 3 Lander		151kg(5)



(1) The missions and schedules, as shown above, are current but subject to change
(2) The letter "L" stands for "Launch"
(3) Illustrative customer payload mass for M3 and subsequent missions is presented for illustrative purposes based on various assumptions. The amounts shown assume that we would not be able to use the entire planned mission payload capacity as sellable capacity, and that we would use a portion of the sellable payload capacity for internal payloads. See p. 65 for more details
(4)We have not secured binding contracts for subsequent missions as well as for part of M3

The development of M3 APEX 1.0 lander is making steady progress, aiming to provide a transportation service to NASA CLPS Task Order CP-12 as a member of Draper's team

Mission3

Mission Description

- **Launch scheduled changed to 2027(1) from 2026**
  Selected for NASA CLPS Task Order CP-12 as Team Draper
- Delivery near the south pole on far side of the Moon
- Ability to carry up to 300kg payloads to the Moon
- Delivery and operation of two relay communication satellites into lunar orbit

Payload Customers

Sales in progress

Total Contract Amount:

Approx.

$65MM(2)

NASA

Multiple Experiment Devices

RHEA SPACE ACTIVITY

Jervis Autonomy Module

CDS WIRELESS

Ultra Wide Band

ASI

Laser retroreflector Array

Lander to be used

Updated: CDR(3) to be completed Winter 2025

APEX 1.0 Lander

Size

Approx. 3.3m tall by 4.5m wide (standing, including its legs)

Mass

Approx. 5,390kg (Wet: fully fueled)

Approx. 1,730kg (Dry: unfueled)

Design Payload Capacity

Up to 300kg

Satellites

Two relay communication satellites developed based on the satellite bus provided by Blue Canyon Technologies

Micro Rover

Planned to be installed following Mission 2

APEX 1.0

(1) The missions and schedules, as shown above, are current but may be subject to change
(2) As of June 13, 2025. The values are rounded off to integral values
(3) Critical Design Review (CDR): Review that confirms whether the detailed design and verification plan for manufacturing and testing are appropriate, utilizing the evaluation of prototypes, evaluation of thermal and structural characteristics, and electromechanical design that have been conducted to date

Mission4

The development of Series 3 lander[3] has started in Japan by utilizing c. $80MM in grants[2] awarded to us through SBIR[1][2], a Japanese government program

Mission Description

- Scheduled for launch in **2027[1]**
- **First payload has been confirmed: selected for 1st phase of JAXA's Space Strategy Fund**
- Part of mission costs supported by the **grant of $80MM [2]** representing the largest budget size[4] under the SBIR program[2][3]. Although non-operating income recorded during FY2025/3 was limited, it is expected to increase significantly FY2026/3 onwards

Payload Customer

Sales in Progress

Total Contract Amount:

TBD

New

Payloads related to 1st phase of

JAXA's Space Strategy Fund

Lander to be used

PDR[6] in progress

Series 3 Lander[5]

Size

Approx. 3.6m tall by 3.3m wide

(standing, including its legs)

Mass

Approx. 1,000kg (Dry: unfueled)

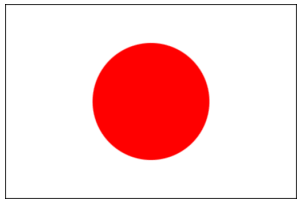
Design Payload Capacity

Up to hundreds of kg

(1) Now positioned as our 4th mission (Q3 FY2025) due to schedule changes; timeline subject to change as of June 13, 2025.
(2) Selected by METI; requires a lander to deliver ≥100kg payload to the Moon by 2027.
(3) Grant disbursed in phases based on Series 3 development; recorded as non-operating income after interim reviews.
(4) PDR (Preliminary Design Review) is a key milestone to verify design specs and validation plans.
(5) Project name and design are provisional and may change.

Government support for commercial space development is expected to continue accelerating globally

Future Missions



JAXA

Space Strategy Fund

Aiming to be selected in 2nd phase of JAXA's Space Strategy Fund (SSF)

Acquired

- 1st phase of JAXA's SSF: **TBU**
- SBIR grant: **$80MM**(1)

To be solicitated

- The "high-precision landing technology in lunar polar region" under 2nd phase of JAXA SSF: **$140MM**(2)

NASA

CLPS(1) program

Aiming to acquire new CLPS task orders

Acquired

- CLPS task order CP-12: **$62MM**

To be solicitated

- CLPS task order CS-6
- CLPS task order CT-4
- CLPS task order CP-32

ESA/LSA

Aiming to secure continued support for micro rover development

Acquired

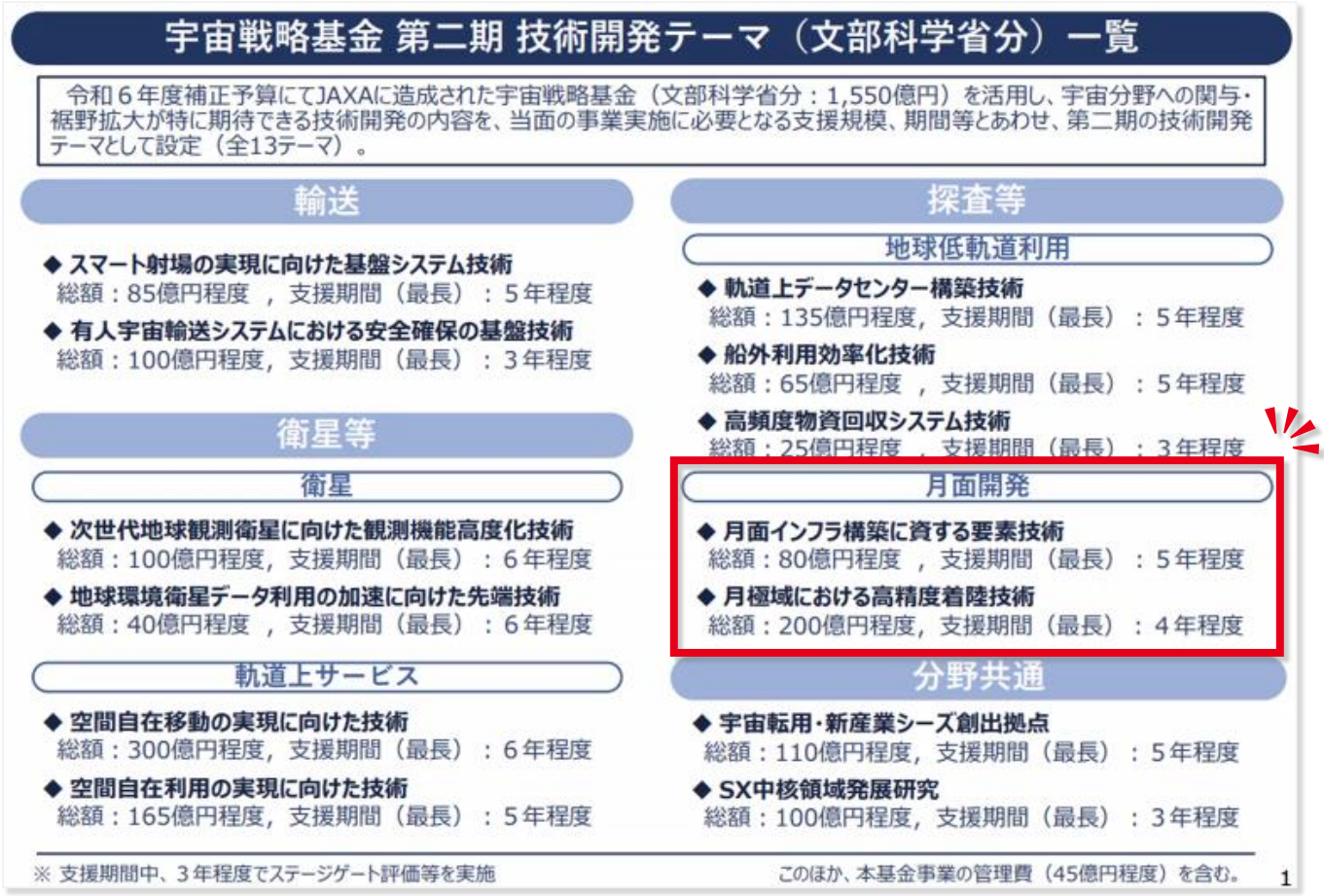
- LuxIMPULSE(3): **€5.8MM**
- MAGPIE(4): **€2.695MM**

Aiming to secure(1)

- LuxIMPULSE PIE(5) Phase: TBU
- MGAPIE subsequence phase: TBU

(1) Commercial Lunar Payload Services (CLPS): A commercial lunar transportation service.
(2) Converted from USD 62 million using the TTM exchange rate as of the end of April 2025; fractional amounts are rounded down.
(3) LuxIMPULSE Program: A funding initiative by the Luxembourg government. Our European subsidiary is developing a micro-rover with support from this program.
(4) The Mission for Advanced Geophysics and Polar Ice Exploration: A project conducted by ESA (European Space Agency).
(5) Polar Ice Explorer: A follow-on phase to the LuxIMPULSE program, focusing on polar ice exploration.

The 2nd phase of JAXA's Space Strategy Fund includes themes such as high-precision landing and lunar infrastructure technologies



宇宙戦略基金 第二期 技術開発テーマ（文部科学省分）一覧

令和６年度補正予算にてJAXAに造成された宇宙戦略基金（文部科学省分：1,550億円）を活用し、宇宙分野への関与・裾野拡大が特に期待できる技術開発の内容を、当面の事業実施に必要となる支援規模、期間等とあわせ、第二期の技術開発テーマとして設定（全13テーマ）。

輸送

◆ スマート射場の実現に向けた基盤システム技術
総額：85億円程度 ，支援期間（最長）：５年程度

◆ 有人宇宙輸送システムにおける安全確保の基盤技術
総額：100億円程度，支援期間（最長）：３年程度

衛星等

衛星

◆ 次世代地球観測衛星に向けた観測機能高度化技術
総額：100億円程度，支援期間（最長）：６年程度

◆ 地球環境衛星データ利用の加速に向けた先端技術
総額：40億円程度 ，支援期間（最長）：６年程度

軌道上サービス

◆ 空間自在移動の実現に向けた技術
総額：300億円程度，支援期間（最長）：６年程度

◆ 空間自在利用の実現に向けた技術
総額：165億円程度，支援期間（最長）：５年程度

探査等

地球低軌道利用

◆ 軌道上データセンター構築技術
総額：135億円程度，支援期間（最長）：５年程度

◆ 船外利用効率化技術
総額：65億円程度 ，支援期間（最長）：５年程度

◆ 高頻度物資回収システム技術
総額：25億円程度 ，支援期間（最長）：３年程度

月面開発

◆ 月面インフラ構築に資する要素技術
総額：80億円程度 ，支援期間（最長）：５年程度

◆ 月極域における高精度着陸技術
総額：200億円程度，支援期間（最長）：４年程度

分野共通

◆ 宇宙転用・新産業シーズ創出拠点
総額：110億円程度，支援期間（最長）：５年程度

◆ SX中核領域発展研究
総額：100億円程度，支援期間（最長）：３年程度

※ 支援期間中、３年程度でステージゲート評価等を実施

このほか、本基金事業の管理費（45億円程度）を含む。

1

Source: MEXT – Second Phase of the Space Strategy Fund (available only in Japanese)

High-precision landing technology selected as a MEXT theme in 2nd phase of the Space Strategy Fund

- JAXA's Space Strategy Fund, which began in 2024 with a total budget of 1 trillion yen over 10 years, has allocated ¥300Bn for each of the 1st and 2nd phases
- The Ministry of Education, Culture, Sports, Science and Technology (MEXT) announced the themes for the 2nd phase in March 2025, which include **a total of ¥28Bn for "lunar development"**, including high-precision landing technology that was previously demonstrated by JAXA's SLIM (Smart Lander for Investigating Moon)

Approx. $116MM of revenue under binding contracts and approx. $663MM of non-binding agreements demonstrate our diversified global customer pipeline

Customer Pipeline Breakdown

Payload $91MM

M1	Total Sellable Mass 12kg **100%**	*10.0kg* Final agreement	Other 4 Customers *2.4kg* Final agreement	$10M
M2	Total 11kg / sellable 11kg **100%**	Takasago Thermal Engineering *Not disclosed* Final agreement	Other [4] Customers Final agreement	$16M
M3	Total 98kg / sellable 145kg **67.5%**	NASA Final Agreement	ispace Final Agreement	$65M
M3 and onward	HELIOS *5.0kg* Interim PSA mu SPACE CORP *122.0kg* MOU	RHEA SPACE ACTIVITY Final Agreement **Panasonic Operational Excellence Co., Ltd** *Not Disclosed* MOU	CDS WIRELESS Final Agreement Interim PSAs *36.5kg* + Other 7 MOUs *150.0kg*	Interim PSA & MOU $663MM

Partnership $15MM

Official Partner

SMBC

Corporate Partner

JAPAN AIRLINES / 三井住友海上 MS&AD INSURANCE GROUP / Niterra 日本特殊陶業 / CITIZEN / SUZUKI / 高砂熱学 / Sky / Epiroc / J!NS / KURITA

Supporting Company

HILLTOP / Fujikin / TORAY innovation by Chemistry / BANDAI NAMCO / THE UNIVERSITY of ADELAIDE / YOKOGAWA / TOKYO KEIKI

Media Partner

TBS / The Asahi Shimbun / 小学館 SHOGAKUKAN

Data & Others $10MM

NGC
Data
Final agreement

Automotive
Consultation (Data)
Final agreement

esa
Rover Development
Final agreement

NASA
Resource Trade
Final agreement

Revenue under binding contract (including revenue already recognized) $116MM

Potential revenue under Interim PSA & MOU $663MM

(1) Contracts, including MOUs and interim PSAs, have been signed with customers from 11 countries. Amounts are converted using the exchange rate as of March 31, 2025, and rounded to the nearest unit.
(2) As of March 31, 2025.
(3) Mission schedules and details are subject to change and may not proceed as currently planned. The above-mentioned MOUs and interim PSAs are non-binding, and there is no guarantee that binding agreements will be executed. Even if such agreements are concluded, the final contractual payload volumes and monetary values may differ from the figures stated in this document.
(4) USD 36.5 million in revenue had already been recognized as of December 2023. Unrecognized revenue has been converted using the exchange rate described in (1). Recognized revenue is presented based on the exchange rate at the time it was recognized.
(5) The majority of the revenue stated above (excluding non-binding agreements) will only be paid if specific milestones are achieved, some of which may be difficult to meet. These include certain post-mission milestones.
(6) ispace U.S. is a subcontractor under Draper, having been selected as a member of the Draper team.
(7) The total contract value for MOUs and interim PSAs is aggregated using the value stated in each document. Where a range of prices or payload volumes is indicated, the lower end of the range is applied. If the document does not specify a price, our internally assumed standard service pricing is used to estimate the contract value.

Various industry players in the hydrogen value chain(1) are entering the cislunar ecosystem(2) which is expected to further expand

Our relationship: Advisory Agreement and iPSA

UNIVERSITY OF LEICESTER
Supported by UK SPACE AGENCY

Water resources exploration equipment (Lunar Spectrometer)(3)

Our relationship: PSA

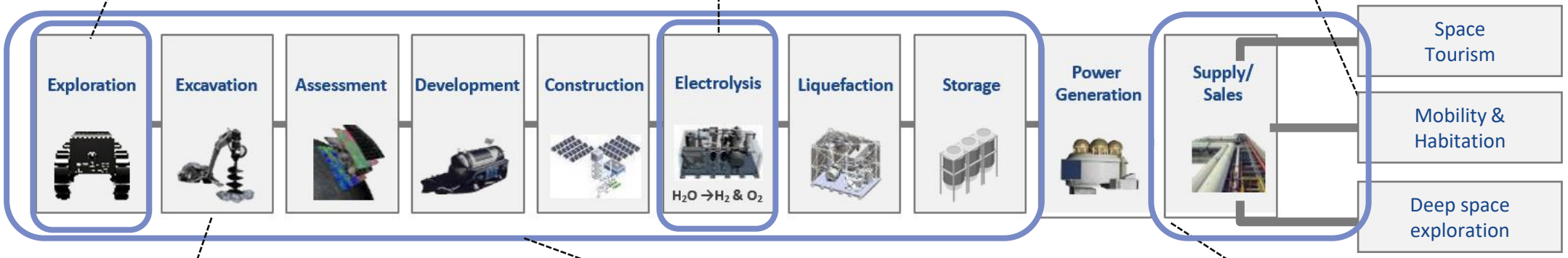
高砂熱学

Water-splitting experiment(4)

Our relationship: PSA

ユーグレナ

Development of microalgae culture technology and food resources(5)



Our relationship: Corporate Partnership Agreement

Epiroc

Shovel to collect regolith of the moon(6)

Our relationship: Consulting Agreement

JGC HOLDINGS CORPORATION

Lunar ISRU plant(7)

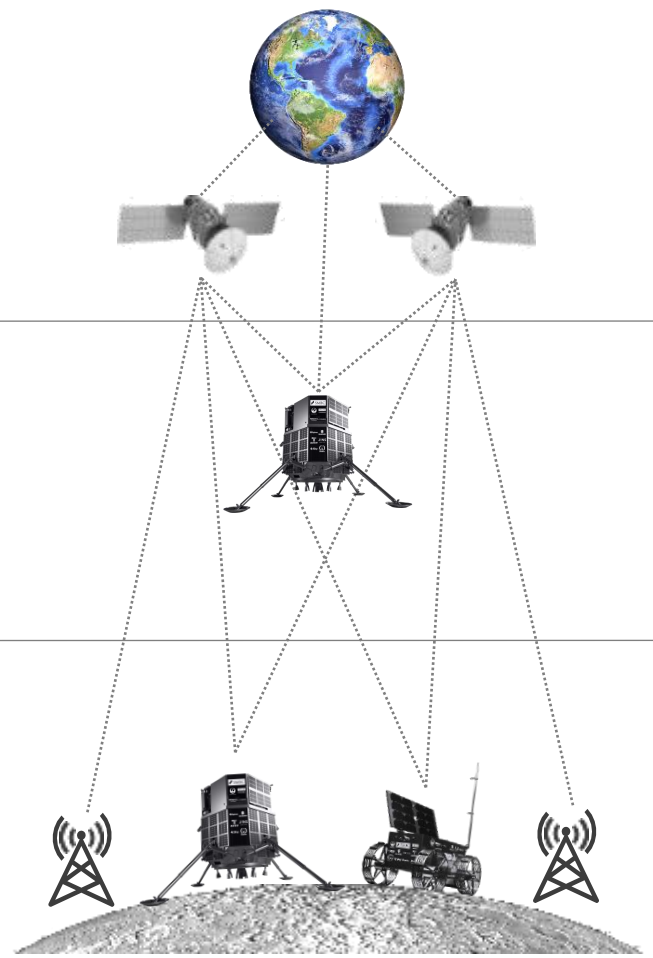
Our relationship: MOU

ORBITFAB

In-space propellant harvesting and delivery(8)

(1) These are just images and the above companies have not yet shown a specific commitment to create a hydrogen value chain
(2) Cislunar refers to the space between the Earth and the Moon, and our vision is to create an energy economic where the Earth and the Moon become one ecosystem by 2040.
(3) https://www.gov.uk/government/news/new-funding-ensures-uk-role-in-global-exploration-to-the-moon-mars-and-venus
(4) https://www.tte-net.com/article_source/data/news/detail/2024/681.html
(5) https://www.euglena.jp/news/20200422-1/
(6) https://ispace-inc.com/jpn/news/?p=4964
(7) https://www.jgc.com/jp/news/2023/20231206.html
(8) https://ispace-inc.com/jpn/news/?p=5039

Capturing customers' wide demands of data from each level and also developing future cislunar market by working in coordination with global partners



	Activities	Examples
Communication Navigation	• Deploy satellites (in-house payload) from the lander and create communication network between the earth and the moon	NASA, esa • NASA CLPS CP12 • NASA Luna Net • ESA Moonlight
Global Data	• Deploy satellites (in-house payload) from the lander and capture data with remote sensing • Capture data from landers themselves	HEX20, SKYROOT AEROSPACE, mu Space Corp Two MOUs(1) • Skyroot Aerospace and Hex20 • mu Space and Advance Technology
Local Data	• Deploy rover (in-house payload) and capture surface data such as images, temperatures and radiation level	NGC, RHEA SPACE ACTIVITY, TOYOTA Three sales contracts(1) • NGC (M1) • RSA (M3) • TOYOTA (Consultation)

(1) As of June 27, 2025

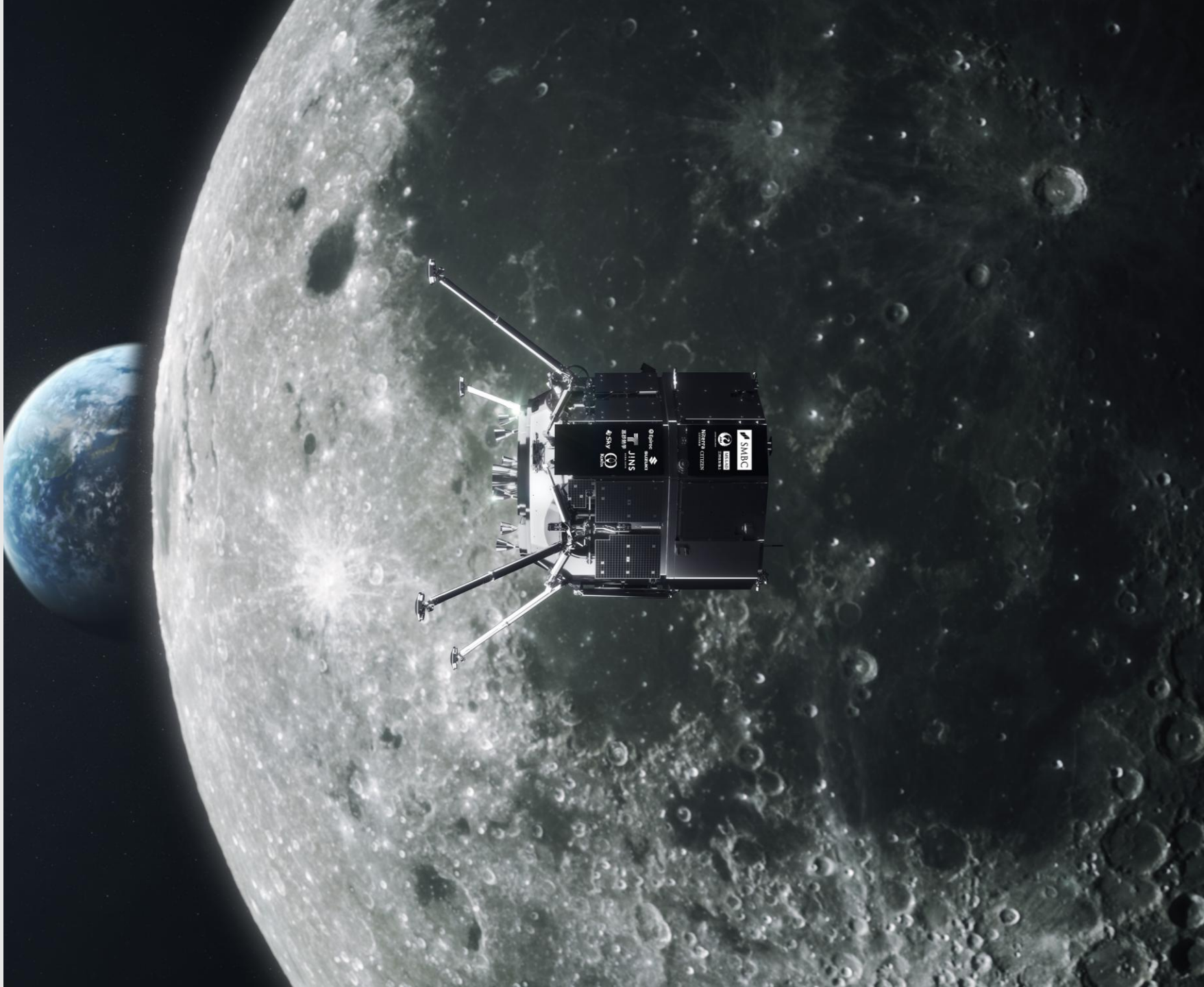
Plans upfront investment in peripheral related areas to maximize demand for data services in addition to payload services

	Theme	Recent Developments
Data Service	**Large-scale raw data collection from lunar surface orbit** • Data collection through the development and manufacture of a variety of sensors • Deployment of satellites into lunar orbit • Analysis of acquired data and construction of data platform • Development of customer-friendly UI	• ispace U.S.: Developing two relay satellites for use in Mission 3 • SpaceData: Collaborating on high-precision terrain modeling and digital twin generation using lunar surface data • Komatsu: Providing consulting services for spacecraft development
Market development	**Water resource identification and energy generation data collection** • Exploration rover development (for cryogenic applications and water measurement sensors) • Demonstration of technology for liquid oxygen and liquid hydrogen production	• Takasago Thermal Engineering: Exploring joint technology development to equip lunar rovers with thermal mining technology • Kurita Water Industries: Signed an MOU for transporting a water treatment payload
Payload Service	**Expansion of data acquisition opportunities** • Improve lander to transport payloads to meet a wide range of customer needs • Establishment of supply chain and in-house production of some components • Capital investment to develop multiple landers in parallel • Ground station development • Development of cryogenic resistance of landers, augmentation of communications and power, etc.	• Zeno entX Limited: Exploring integration of a lunar radioisotope heater unit and collaboration on night-survival technology • Power Systems: Joint R&D partnership on night-survival using radioisotope power systems (RPS) • Volta Space Technologies: Development collaboration for lunar night-survival • University of Leicester: Technical consulting and joint research on landers equipped with radioisotope heater units for night-survival

(1) The actual future results may differ from the content, timing, and other details of research and development

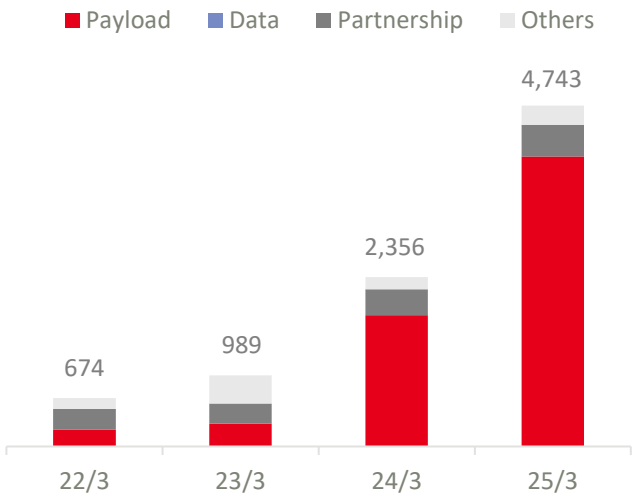
06

Financial Highlights



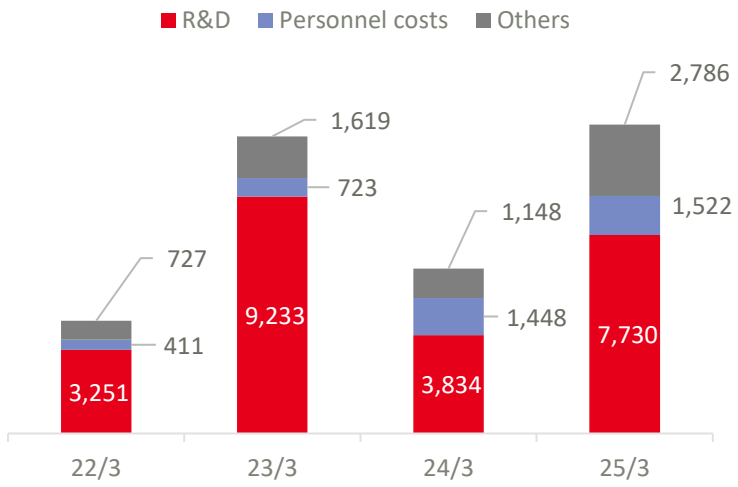
Revenue is growing with mission progress. Due to R&D project lead times, operating profit shows losses roughly matching SG&A

Net Sales (Millions of yen)



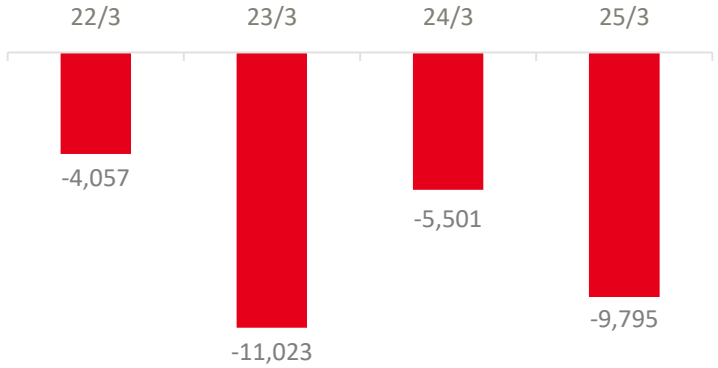
- The majority of revenue comes from payload services, recognized based on the cost recovery method. Partnership income also contributed to some extent during the Mission 2 period.
- Revenue for FY March 2025 is expected to increase significantly due to earlier revenue recognition from Mission 2 (reflecting a change in accounting standards) and progress on the Mission 3 project.

SG&A (Millions of yen)



- Main costs are R&D and personnel. M1 and M2 lander and launch costs were mostly recorded as R&D. From M3 onward, R&D ratio to decline, though early commercial development will continue.
- In FY2025/3, R&D costs increased due to M2 launch and progress on M3 and M4. Personnel costs increased with higher average headcount and more overseas staff.

Operating Profit/Loss (Millions of yen)



- Under the cost recovery method, gross profit cannot be recognized until mission completion, resulting in operating losses roughly matching SG&A expenses.
- For FY March 2025, changes in revenue recognition for M2 allowed gross profit to be recorded based on progress, improving operating profit versus SG&A.SBIR grants received for M4 are recognized as non-operating income.

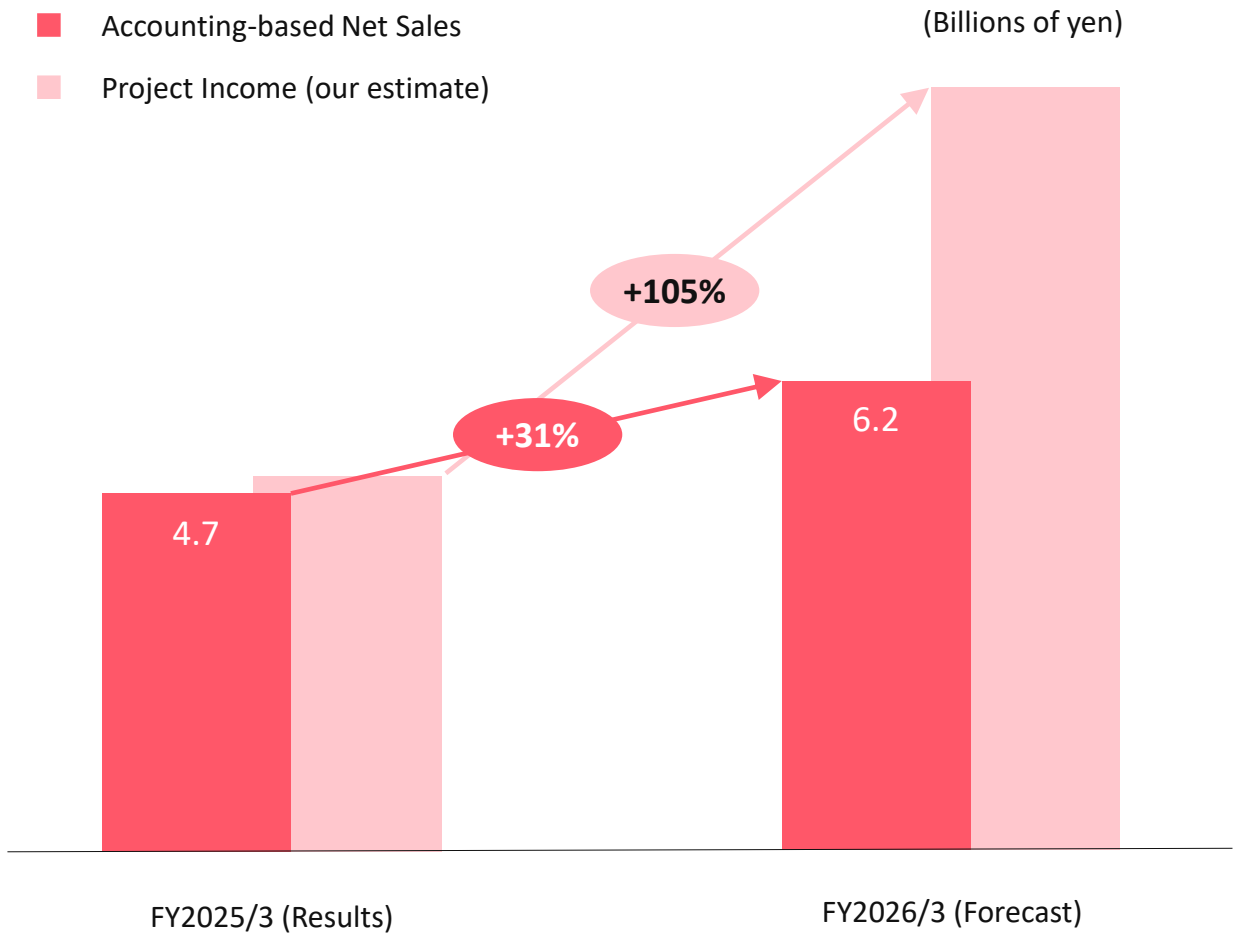
FY2026/3 forecast is expected to continue to be driven by Mission 3 payload sales. The forecast includes contribution from Mission 4 to some extent as well as partial net sales from Mission 2 and Mission 5

(Millions of yen)	FY2026/3 Full Year Forecast	FY2025/3 Full Year Results	%Change	Change
Net Sales	**6,200**	4,743	+30.7%	+1,457
Gross Profit	**500**	2,244	-77.7%	-1,744
Gross Profit Margin	**8.1%**	47.3%	-	-
SG&A	**12,000**	12,039	-0.3%	-39
Operating Profit/Loss	**-11,500**	-9,795	-	-1,705
Ordinary Profit/Loss	**-8,300**	-11,334	-	+3,656
Net Profit/Loss	**-8,300**	-11,945	-	+3,645

Comparison against FY2025/3 actuals

- **Net Sales:**
  FY2026/3 net sales will be mainly driven by Mission 3. Mission 4 is expected to contribute to some extent based on the payload associated with 1st phase of JAXA's Space Strategy Fund. Mission 2 and 5 will also have partial impact
- **Gross Profit:**
  FY2025/3 recorded a significant portion of the gross profit from Mission 2 along with the change in revenue recognition method. FY2026/3 net sales will be recorded following the cost recovery method, resulting in gross profit to be limited
- **Operating Profit:**
  While there is no launch cost in FY2026/3, Mission 4 related costs to be recorded as R&D cost is expected to be increased alongside the accelerated development progress
- **Net Profit:**
  The amount of SBIR grant for Mission 4 to be recorded in non-operating income is expected to significantly increase compared to FY2025/3, resulting in net loss to be decreased

Based on estimates of “Project Income”—sum of Net Sales and SBIR grant—significant growth expected as Mission 4 Accelerates



Point: “Project Income” (Our Estimate)

FY2026/3 Net Sales forecast of ¥6.2Bn shows 31% increase from FY2025/3, indicating a relatively moderate growth rate. This is mainly due to:

- The impact of updating launch schedule for Mission 3 from the originally planned 2026 to 2027
- Despite the fact that Mission 4 is expected to begin contributing significantly from FY2026/3, SBIR grant (total of ¥12Bn) that we will receive for this mission will be recorded as non-operating income and will not be included in net sales in P&L

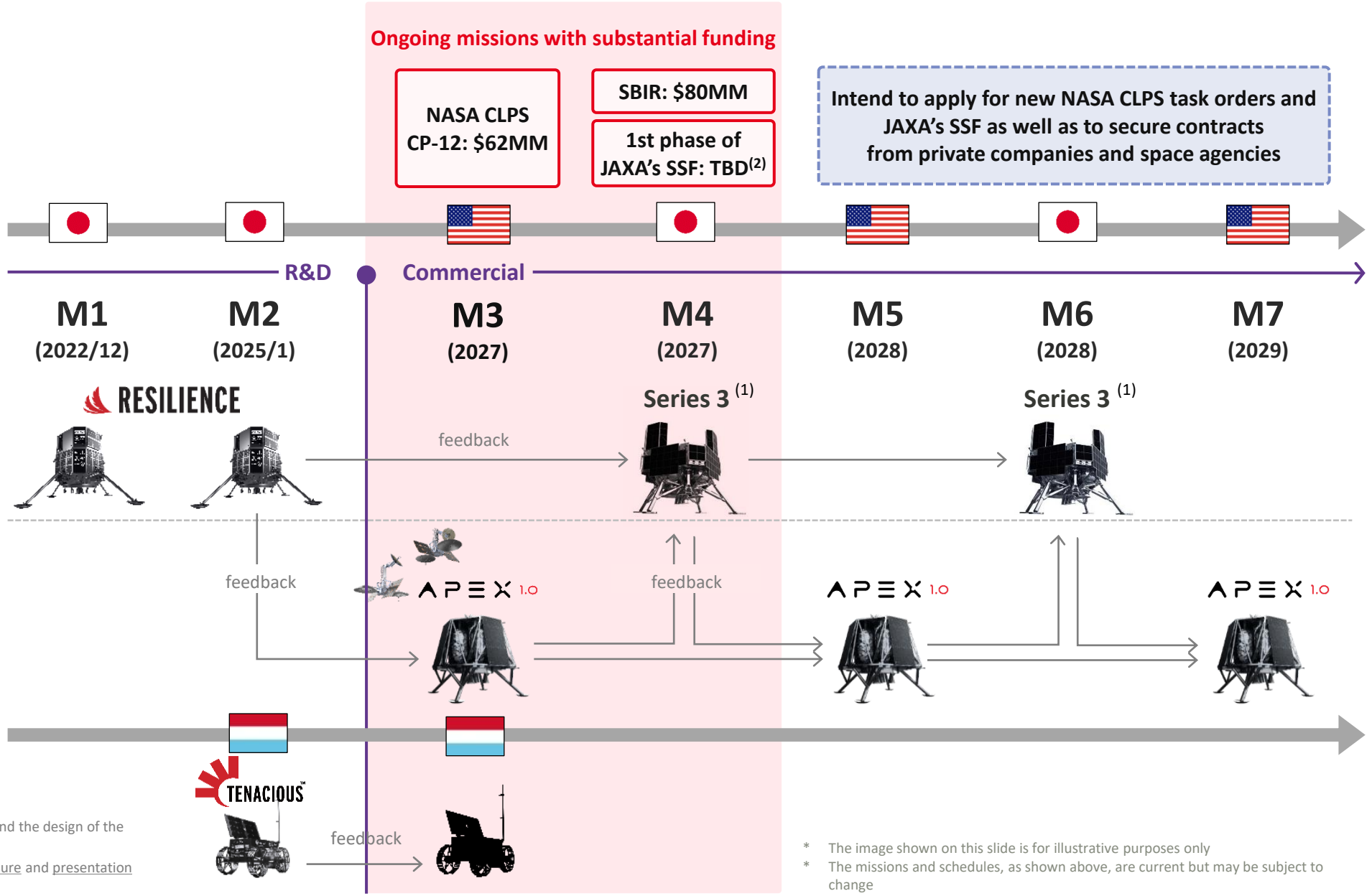
→ Therefore, as a reference, if we estimated overall income including the SBIR grant, **the growth would approximately be doubled as shown as “project income”** on the left side chart

→ When considering the overall income (the “project income”), **it shows our strong growth**

Future Missions

Point

- In the parallel development of the lander in Japan and the U.S., a feedback cycle is being implemented to ensure consistent and improved lander quality
- The technical cause was identified as a hardware anomaly in Laser Range Finder. Based on the technical cause analysis, corrective actions and broader enhancement measures will be implemented in the development of subsequent missions[3]



(1) To be determined

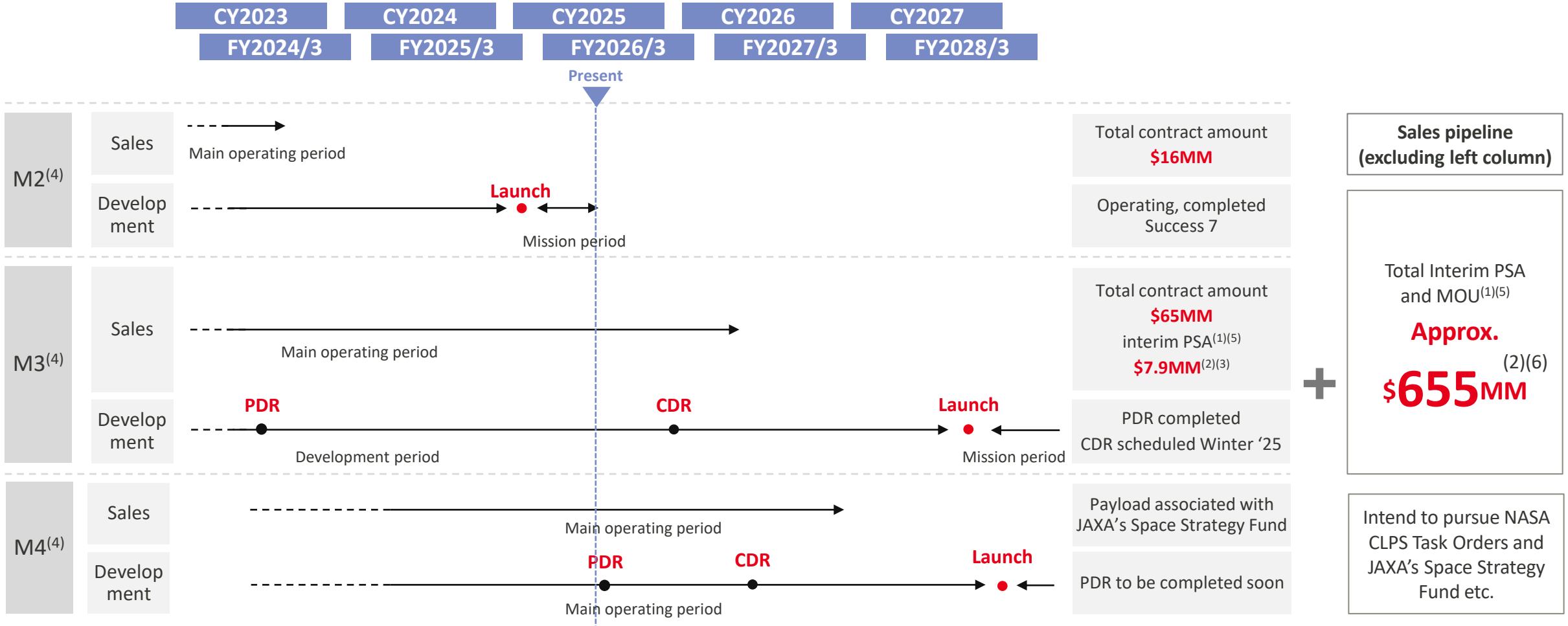
(2) Assumptions as of June 27, 2025. Tentative name and the design of the image is subject to change in the future

(3) Fore more details, please refer to the timely disclosure and presentation material disclosed on June 24, 2025

* The image shown on this slide is for illustrative purposes only

* The missions and schedules, as shown above, are current but may be subject to change

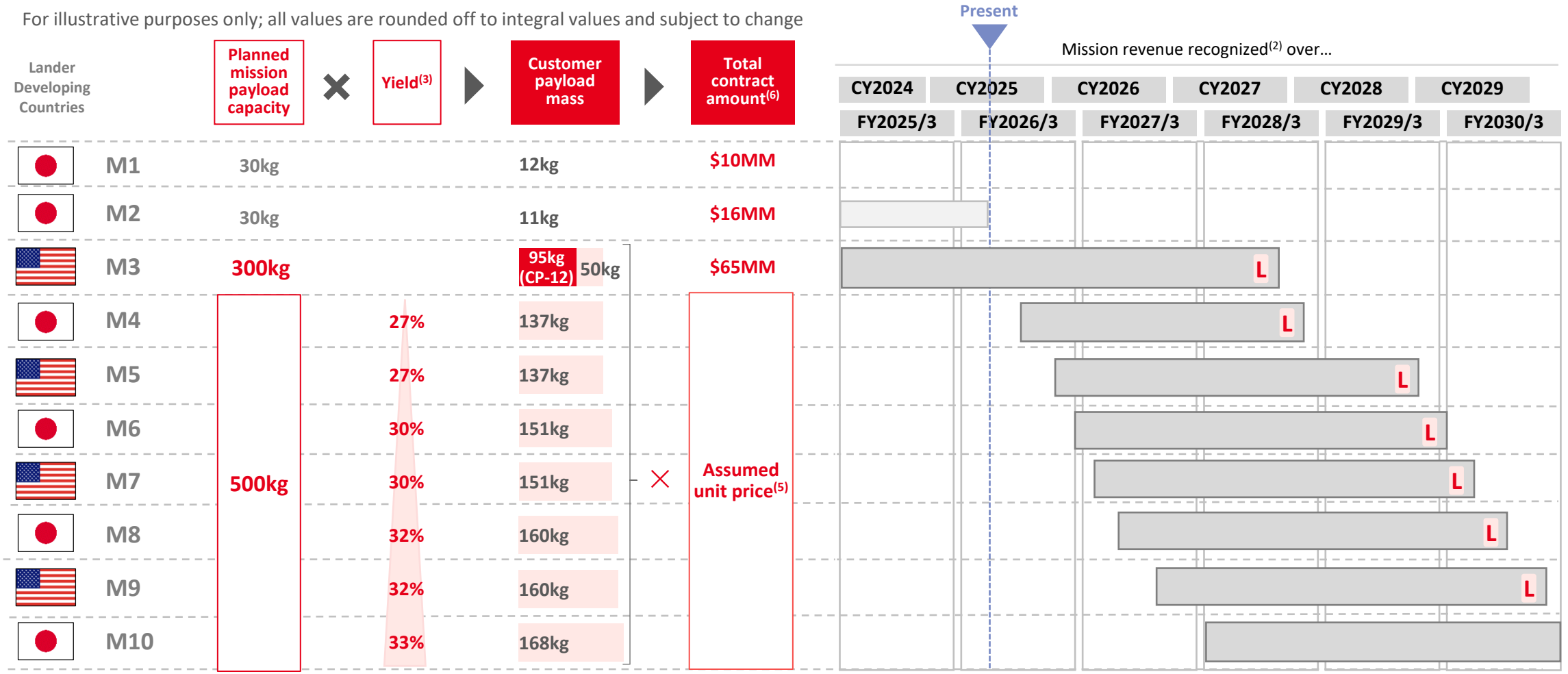
Updated Mission 3 CDR and launch timing. The sales pipeline increased by $260MM in QoQ. Continue to conclude PSAs from sales pipeline and new opportunities



(1) Interim Payload Service Agreement (Mid-Contract on Payload) : Documents that serve as a prerequisite when negotiating to enter into a PSA which is a final agreement. It is not legally binding and there is no guarantee that a legally binding contract can be entered into pursuant to these interim PSAs. Also, even if a legally binding agreement is entered into, the masses and amounts under such agreement may differ from the amounts stated in this document
(2) As of May 9, 2025
(3) Including the possible amount for M4 or after. Rounded down to the first decimal place
(4) The schedule for M2 and after is merely an anticipated schedule at the moment
(5) Above MOUs Interim PSAs are not legally binding, and there is no guarantee that legally binding contracts can be concluded based on Interim PSA. In addition, even if a legally binding agreement is executed, the masses and amounts under such agreements may differ from the amounts stated in this document
(6) The total contract amount of MOUs and Interim PSAs is calculated (rounded down to the nearest decimal point) for each amount stated in the document. The amount is calculated with the price or the lower number. When the contract amount is not stated in the contract, the contract amount will be calculated with the standard service price assumed internally. If there is a range in the payload amount, the contract amount will be calculated by applying the standard service price assumed by the Company.

Illustrative Business Model of Payload Service

For illustrative purposes only; all values are rounded off to integral values and subject to change



(1) Presented as an illustrative simulation of the potential business model for our future payload service as of the date hereof. Actual results may differ materially from future results as the timing and details of future missions remain subject to change

(2) Based on planned launch schedule as of June 27, 2025. This schedule is subject to change and may not proceed as planned

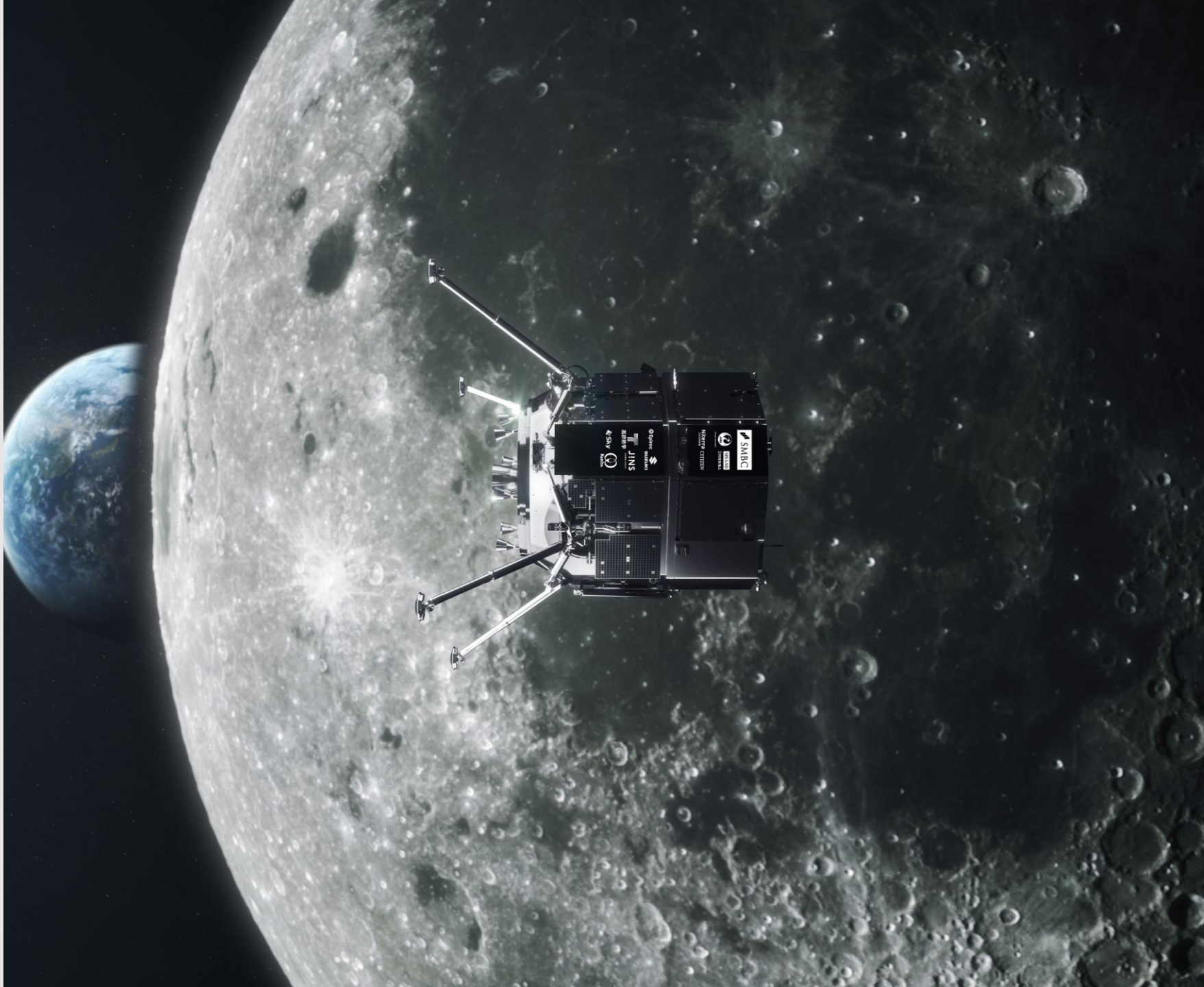
(3) Presents the ratio of total sellable payload mass to design payload capacity after applying an assumed percentage of unsold mass to account for the following factors: (1) uncertainties relating to development, such as issues relating to carrying particular client payloads on our lander (e.g., adjustments of interface) and (2) sales success rate (accounting for uncertainties in demand and sales capability)

(4) For M1, M2 and M3, the amount is the actual value based on each PSA as of June 13, 2025

(5) Assumed payload unit price as of June 13, 2025 is approx. $1.5MM/kg, and the Company assumes that the price will decrease over time

07

Risk Information



ispace

Business Risks and Policies

We recognize the following risks specific to our business as particularly important as of the date of submission of this document and will continue to address them. For other risks, please refer to "Business and Other Risks" in the Annual Securities Report. The Company is in the business of lunar development, and landing on the moon is a requirement for business execution, but the company has yet to land on the moon. The space industry, to which our company belongs, is still in its infancy and there is no established market, so future market expansion is uncertain. In addition, the development of a lunar module requires many years and a large amount of research expenses, and there is no guarantee that all development and lunar landing missions will be successful.

Item	Risk Information	Probability	Impact	Risk measure
Market	Although the space industry to which we belong is a market that is expected to grow in the future, there is no guarantee that the market for payload services and data services, in which we expect to generate business revenue, will be established and grow as we expect, since these services are currently in their infancy, even on a global scale	Medium	Large	We will collect data on the existence, reserves, and distribution of water resources on the lunar surface, and by transporting water electrolysis equipment to the lunar surface and conducting demonstration tests of liquid oxygen and liquid hydrogen, we will demonstrate the existence and utilization of lunar water resources and stimulate demand for lunar development
Mission incompletion	Lunar development projects are inherently technically risky, and to date we have not landed on the Moon, and cases of lunar landings by private companies or Japanese space agencies are still rare. In addition, landing a lander on an extraterrestrial body is a challenging operation, and if unexpected problems occur, there is a possibility that the mission will not be accomplished	High	Medium	We will reduce risk by collaborating with companies with technological capabilities, such as Draper Laboratory, which successfully landed on the moon during the Apollo missions. In addition, we will take measures to mitigate risk if the mission is not accomplished by paying for a portion of the payload services in advance and not refunding after the contract is concluded, and by concluding a property insurance contract
Development Delay	Since our lunar development project requires advanced technology and precision, and we must exercise extreme caution and take all possible measures to ensure the success of the mission, various factors, including the results of future assembly processes and tests, and the relationship of delivery dates due to re-procurement of goods based on the results of such tests, may unavoidably cause delays. In fact, the launch schedule for Mission 3 has been revised to 2027 or later, taking into account the procurement timeline for the onboard engine	High	Medium	Project management office dedicated to progress management has been established for strict control. If an event occurs that affects the schedule, adjustments are made by coordinating manufacturing procedures or accelerating partial work so as not to affect the overall schedule

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Item	Risk Information	Probability	Impact	Risk measure
Government related customers	In general, orders from government agencies tend to be affected by national budgets, and there is a possibility that orders from government agencies themselves will be reduced, or that the content of the orders will be changed or cancelled. In addition, there are cases in which the company is not always able to apply for orders from government agencies due to requirements such as a certain level of in-house production in the country concerned	High	Large	We will reduce risk by operating globally in both the public and private sectors and reducing our dependence on sales. As for government agencies, we have already concluded contracts with Canada and the UAE, Japan, U.S., and Europe, where our headquarter subsidiary belongs. In addition to maintaining relationships with these government agencies, we will actively promote sales to government agencies in other countries
Dependence on important external partners and customers	If we lose an existing significant external partner relationship, we may not be able to secure an alternative third-party partner that offers comparable technical or price levels. In addition, there is no guarantee that customers with 10kg payload contracts for M1 and M2, respectively, will continue to place similar orders with us in the future, and we may not be able to secure sufficient demand from other customers	High	Large	We will strive to build relationships of trust with important partners with a view to long-term business collaboration and maintain such relationships through regular meetings and other opportunities. In terms of customers, we will reduce risk by constantly developing new customers on a global basis
Exchange rates	Local currency items in the financial statements generated by consolidated subsidiaries in Luxembourg and the U.S. are converted into yen for the purpose of preparing the consolidated financial statements, and thus the consolidated financial statement figures may be affected by fluctuations in exchange rates. The company has several foreign currency denominated transactions with overseas suppliers and does not enter into any specific forward exchange contracts or other hedging transactions	High	Medium	We will reduce the impact of foreign exchange rate fluctuations by using sales deposits received from customers in dollars to pay for costs incurred in dollars. Additionally, we will consider foreign exchange hedging transactions such as forward exchange contracts in the future to reduce foreign exchange risks

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Item	Risk Information	Probability	Impact	Risk measure
MOU/i-PSA	MOUs and i-PSAs, which are entered into before final contracts with customers, are forms of contracts that represent potential customer demand and may not be translated into actual sales. In particular, it may take time to conclude contracts with non-governmental customers, and sales may be affected by schedule adjustments that may occur due to delays in technological development by ourselves customers	High	Medium	We will reduce the time required to finalize the contract by streamlining the process up to the final contract and enhancing communication with the client. We will maintain the terms and conditions as much as possible on which negotiations with customers are based, such as mission schedules, and reduce differences in terms and conditions from the point of signing the MOU/i-PSA
Projects in which we are participating or will participate	We are in discussions for various collaborations and alliances, including our U.S. subsidiary's participation in a proposed CLPS task order by NASA as a subcontractor for the design, development, and operation of a lander and payload transportation to the Moon. Announcements and press coverage of such projects, collaborations, and alliances may attract significant public and industry attention, which could adversely affect the trading price of our stock, our business, and future projects	High	Large	Whenever there is an announcement or media coverage of the results of the selection of a project in which we are participating in a proposal, we will provide a clear explanation of the impact on our business through timely and appropriate transparent disclosure from the company
Sales activities	Sales activities related to payload, our main business, are time-consuming and costly, and the sales cycle to finalize a contract may be longer than in other businesses. We must expend considerable effort to assess customer needs and explain our technologies, and the complex evaluation process by government agencies can delay the finalization of contracts	High	Medium	We will strive to foster understanding and enhance communication with potential customers to explain the value of the payload services we offer in a way that is easy for them to understand. We will streamline the process of final contract signing and minimize the costs and processes involved in customer decision-making

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Item	Risk Information	Probability	Impact	Risk measure
Lunar insurance	The lander or rover may be damaged or totally destroyed during launch or in outer space. In the event of an accident, our current insurance coverage may not fully compensate for the loss, which could have a material impact on our finances and operations. If insurance coverage or terms are not adequate or insurance is not available, our investment income could be affected	High	Medium	We will select and purchase insurance policies appropriate to our mission and strive to ensure adequate coverage for potential risks. We will periodically review the scope and terms of our insurance policies to adjust them to market fluctuations and our own needs
Significant Events Regarding Going Concern Assumption	Engaged in the development of space-related equipment that requires significant up-front R&D investment and a long development period, it is in a situation of continuous operating losses and negative operating cash flow, and currently does not generate sufficient revenues to compensate for all development investments. These circumstances have created a situation that raises significant doubts about the company's ability to continue as a going concern	Medium	Large	Continuously implementing measures to eliminate such material events and is considering the possibility of flexible financing to enhance its equity capital to eliminate its excess liabilities as appropriate. We concluded that there is no material uncertainty regarding the premise of a going concern
Continuous growth	We recognize the need to further enhance our internal control system in order to cope with future business operations and expansion. We intend to enhance and strengthen our internal control system to ensure the appropriateness of our operations and the reliability of our financial reporting, as well as to ensure compliance with laws and regulations based on sound ethical standards	High	Medium	We will expand our sales, development, and administrative departments to enhance our customer service and commercial strategies. We will continue to review our management processes and systems for improvement to secure and develop appropriate human resources. We will strive to develop internal management systems and improve internal controls in line with the scale of our business

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Item	Risk Information	Probability	Impact	Risk measure
Financial Covenants	Several borrowings are subject to financial covenants (A and B below). If we violate the financial covenants in the future, there is no guarantee that the banks will agree not to exercise their rights to forfeit the benefit of time related to the financial covenants, and if the banks exercises their right to forfeit the benefit of time, our business and earnings could be affected. As of the end of March 2025, net assets stood at ¥7,007 million, and cash and deposits totaled ¥13,117 million. A. To maintain positive net assets on the consolidated balance sheet as of the end of each fiscal year (or the end of each quarter for certain loan agreements). B. To maintain total cash and cash equivalents on the consolidated balance sheets as of the last day of each fiscal year (or the last day of each quarter in the case of certain loan agreements) at at least 3 billion yen.	Medium	Large	For the fiscal year ending March 2026 and beyond, we aim to improve our financial position by recognizing revenue from existing M3 customers, as well as revenue from future customers using M3 and subsequent missions, and by receiving advance payments. Additionally, we will implement capital increases to further strengthen our financial position. Additionally, we will continue to build trust with the syndicate through regular meetings and other channels, and strive to maintain relationships to secure an agreement that they will not exercise their right to demand repayment in the event that the above measures prove insufficient to achieve the desired improvements.

Business Risks and Policies

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Item	Risk Information	Probability	Impact	Risk measure
Fundraising	Our business will continue to require significant R&D and capital investment funds. In order to comply with the financial covenants attached to several of our current loans, and to prepare for the case where future sales from customers after Mission 3 are slower than originally planned, we believe it is important to maintain a stable financial base, and therefore, in the near future, after the lock-up period, we may raise capital through recapitalization. In addition, in order to realize a large-scale database for data services, a large amount of R&D and capital investment funds will be required in various fields, which may necessitate continuous external fundraising. However, if we are unable to raise the funds we anticipate in the future, or if we are unable to raise funds necessarily on desirable terms, we may experience a cash flow shortfall or be unable to make the investments necessary to support and grow our business.	High	Large	By continuing with a business model developing multiple missions simultaneously (p.48), we will continue to maintain the flexibility of fundraising and the reduction of financial risk through insurance. Funding includes equity financing, bank loans, and advance payments from customers, etc. We will diversify our means of equity financing by going public and actively negotiate with banks in anticipation of increased opportunities for bank loans due to the increased credibility of the company. We will work to acquire more customers through ongoing public relations and sales activities, thereby obtaining more advances from customers. In addition, we will strive for timely and appropriate investor relations to ensure that equity financing is carried out under desirable conditions.
Accounting treatment for revenue recognition	For M2, we changed to revenue recognition based on progress toward fulfilling performance obligations, while M1 and M3 apply the cost recovery method. For M4 and beyond, we are considering adopting progress-based revenue recognition. However, if our expected accounting treatment is not applied, the total recognized revenue will not change, but the timing of revenue recognition may differ, potentially impacting periodic profits and losses.	High	Medium	We will reduce risks by deepening cooperation with our audit firm through periodic meetings to avoid changes in accounting procedures at unexpected times, such as in the middle of a fiscal year.

Disclaimer

This document is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.

This document contains forward-looking statements. These statements are based on information available as of the date of this document and are not guarantees of future performance or results. Forward-looking statements involve known and unknown risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied by such statements.

These risks and uncertainties include, but are not limited to, changes in domestic and global economic conditions, as well as trends in the industries in which we operate.

In addition, any third-party information included in this document has been obtained from publicly available sources. We have not independently verified the accuracy or appropriateness of such information and make no warranties in that regard.

Please note that updates to this document, if any, are scheduled to be made in June of each year following the announcement of our full-year financial results.