October 10, 2025
ACSL Ltd.

Notice Regarding the Acceptance as a Contractor for the Research and Development Concept on "Autonomous and Distributed Control Technology for Small Unmanned Aerial Vehicles (Phase 2)" under Key and Advanced Technology R&D through Cross Community Collaboration Program

ACSL Ltd. (ACSL) hereby announces that ACSL has been selected by the New Energy and Industrial Technology Development Organization (NEDO) as a contractor for the project titled "Autonomous and Distributed Control Technology for Small Unmanned Aerial Vehicles (Phase 2)" (the project), which will be implemented under the research and development concept "Autonomous and Distributed Control Technology for Small Unmanned Aerial Vehicles" (the R&D concept) under the Program for Key and Advanced Technology R&D through Cross Community Collaboration Program (K Program), for which NEDO has issued a public call for proposals.

1. Outline of the Project

The purpose of the K Program is to promote research and development and the utilization of the results of such research and development (R&D) not only for civilian use but also for public use, based on the multifaceted nature of science and technology, with respect to the advanced and important technologies that will be essential for Japan to maintain a firm position in the international community over the medium to long term. The program is designed to promote R&D and technology demonstration in a speedy and flexible manner, while taking appropriate measures against technology outflow according to the characteristics of individual technologies and their level of technological maturity, while considering Japan's economic security needs.

As part of the second phase of the R&D concept conducted under the K Program, the project will focus on the development of initial prototype of small unmanned aerial vehicle (UAV) equipped with software for autonomous and distributed control. The R&D concept consists of three phases. In Phase 1, a feasibility study was conducted to determine the development items for small UAV to be developed in the subsequent phases and to define the overall direction of the development. In Phase 2, the development of initial prototype will be carried out. In Phase 3, demonstration experiments will be conducted using small UAV equipped with technologies such as autonomous and distributed control software to accomplish predefined missions. Following our participation in Phase 1, ACSL has been selected as a contractor for the project in Phase 2. Based on the results of the feasibility study conducted in Phase 1, we will proceed

with the development of initial prototype designed to address all six mission categories envisioned for both peacetime and emergency situations (such as large-scale disasters): situational assessment, inspection, security, search, surveying, and communication.

Through the R&D concept, multiple small UAVs will be able to work together to autonomously carry out missions in unknown and complex environments, aiming for highly unmanned and efficient operations such as assessing the situation during disasters and emergencies and searching for people in need of rescue. In addition, the results of the project will be used not only for public purposes, but also for civilian purposes, such as infrastructure inspection and remote sensing for agriculture.

2. Implementation Period
   Fiscal years 2025 –2027(scheduled)

3. Scale of business
   2.9 billion yen

4. Outlook
   The impact of the above participation in this project on our business performance for the fiscal year ending December 31, 2025, is judged to be negligible.

   We are currently examining the impact on our business performance for the fiscal year ending December 31, 2026 and beyond, and plan to incorporate this into our business forecast to be announced in the future.