

Translation

Notice: This document has been translated from the Japanese original for reference purposes. In the event of any discrepancy between this translated document and the Japanese original, the latter shall prevail.



Consolidated Financial Results for the First Three Quarters of the Fiscal Year Ending March 31, 2026 [Japanese GAAP]

February 10, 2026

Company name: ispace, inc. Listing: Tokyo Stock Exchange
 Securities code: 9348 URL: <https://ispace-inc.com/>
 Representative: Takeshi Hakamada, Representative Director & CEO
 Inquiries: Jumpei Nozaki, CFO & Executive Business Director Telephone: +81-3-6277-6451
 Scheduled date for filing - Scheduled date for commencing -
 quarterly securities report: dividend payments:
 Preparation of supplementary materials on quarterly Yes
 financial results:
 Holding of quarterly financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen, unless otherwise stated)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026

(from April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentage figures represent year-on-year changes)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss) attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third quarter ended December 31, 2025	2,743	37.9	(6,948)	—	(6,240)	—	(6,246)	—
Third quarter ended December 31, 2024	1,989	8.9	(6,434)	—	(6,779)	—	(7,365)	—

(Note) Comprehensive income (loss)

Third quarter ended December 31, 2025: -8,497Millions of yen (-%)

Third quarter ended December 31, 2024: -8,392Millions of yen (-%)

	Basic net income (loss) per share	Diluted net income (loss) per share
	Yen	Yen
Third quarter ended December 31, 2025	(53.76)	-
Third quarter ended December 31, 2024	(78.20)	-

(Note)

Diluted net income (loss) per share for the third quarter of the fiscal year ending March 31, 2026 and the third quarter of the fiscal year ended March 31, 2025 are omitted for the reason that although there were dilutive shares, the Company posted basic net loss per share.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Third quarter ended December 31, 2025	50,818	16,845	32.9
Fiscal year ended March 31, 2025	27,189	7,007	25.4

(Reference) Equity

Third quarter ended December 31, 2025: 16,736 Millions of yen

Fiscal year ended March 31, 2025: 6,898 Millions of yen

2. Cash Dividends

	Annual dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	—	—	0.00	0.00
Fiscal year ending March 31, 2026	—	0.00	—		
Fiscal year ending March 31, 2026 (forecast)				0.00	0.00

(Note) Revisions to the most recently announced dividend forecast: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentage figures represent year-on-year changes)

	Project revenue		Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss) attributable to owners of parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,000	20.7	3,400	(28.3)	(10,000)	—	(7,200)	—	(7,200)	—	(61.96)

(Note) 1. Revisions to the most recently announced earnings forecast: Yes

For details regarding the revision of the consolidated performance forecast, please refer to the "Notice regarding revision of the financial results forecasts" disclosed today, February 10, 2026.

2. Project revenue is calculated by adding subsidy income from the government and other sources (non-operating income) to Net sales.

*Explanatory notes

(1) Changes in significant subsidiaries during the quarter (changes in specified subsidiaries resulting in change in scope of consolidation): None

(2) Application of accounting treatments specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

- i. Changes in accounting policies due to revisions to accounting standards, etc.: None
- ii. Changes in accounting policies other than those in above: None
- iii. Changes in accounting estimates: None
- iv. Restatement of prior period financial statements: None

(4) Number of shares issued and outstanding (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)	As of December 31, 2025	146,180,263 shares	As of March 31, 2025	105,675,203 shares
2) Number of treasury shares at the end of the period	As of December 31, 2025	55 shares	As of March 31, 2025	55 shares
3) Average number of shares during the period (cumulative from the beginning of the fiscal year)	As of December 31, 2025	116,197,294 shares	As of December 31, 2024	94,184,208 shares

* This summary of financial results is not subject to quarterly review procedures by a public accountant or an audit corporation.

* Explanation regarding appropriate use of earnings forecasts, and other notes

(Notes on forward-looking statements)

The earnings outlook and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that are thought to be reasonable. Accordingly, such statements should not be construed as a guarantee of achieving the results by the Company. Actual financial results and the like may differ materially due to various factors. For matters concerning earnings forecast, refer to "1. Qualitative Information on the Financial Results for the Period under Review, (3) Explanations on Consolidated Earnings Forecast and Other Forecast Information" on page 3 of the Appendix.

(How to obtain the supplementary materials on quarterly financial results and the content of the quarterly financial results briefing session)

The Company will hold a quarterly financial result briefing session for institutional investors and securities analysts on February 10 (Tuesday) and the material to be used in the briefing session will be disclosed on the Company website.

Contents of Attachment

1. Qualitative Information on the Financial Results for the Period under Review	2
(1) Explanation of Operating Results	2
(2) Financial Position	3
(3) Explanation of Forward-Looking Information, Including Consolidated Earnings Forecasts	3
(4) Significant Events, etc. Going Concern Assumption	3
2. Quarterly Consolidated Financial Statements and Significant Notes	5
(1) Quarterly Consolidated Balance Sheet	5
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income (Loss)	7
(Quarterly Consolidated Statement of Income (Loss))	7
(Quarterly Consolidated Statement of Comprehensive Income (Loss))	8
(4) Notes to Quarterly Consolidated Financial Statements	9
(Notes on Going Concern Assumption)	9
(Notes in Case of Significant Changes in the Amounts of Shareholder's Equity)	9
(Notes to Quarterly Consolidated Balance Sheets)	9
(Notes to Quarterly consolidated statements of cash flow)	11
(Segment Information, etc.)	11
(Significant Subsequent Events)	11

1. Qualitative Information on the Financial Results for the Period under Review

(1) Explanation of Operating Results

The Company is a next-generation private space company working on the commercialization of lunar surface development to realize a sustainable world by expanding our living sphere into space in line with its vision of “Expand our planet. Expand our future.”

During the first nine months of the current fiscal year, the global economy remained uncertain due to the progress of new policies, including tariff measures, under the second term of U.S. President Donald Trump’s administration, as well as concerns about a global economic slowdown and the resulting instability in capital markets and exchange rate fluctuations.

In the field of space resource development, to which our Group belongs, there were policy changes such as the passage of an amendment to maintain the previous year’s level for the 2026 budget of the National Aeronautics and Space Administration (NASA), which had been subject to a reduction policy by the U.S. government, and the announcement of a reorganization of large-scale projects. Regarding lunar-related plans under this administration, the policy direction indicates the continued implementation of the Artemis Program—including the Artemis 2 launch scheduled for March or later—through more efficient utilization of private companies, along with maintaining budget allocation for NASA’s Commercial Lunar Payload Services (CLPS). This confirms the active promotion of space policy leveraging private companies and the continuation of lunar exploration activities. We will continue to closely monitor developments under the second Trump administration, which is characterized by significant policy fluctuations.

In Japan, the importance of space and economic security continues to be emphasized under the new Takaichi administration launched in October 2025. We believe the business environment surrounding our company will continue to benefit from favorable conditions. Regarding the “Space Strategy Fund,” established in November 2023 with a total scale of 1 trillion yen over 10 years, our company was selected as a core collaborating institution for a project led by Institute of Science Tokyo, the lead institution, for one of the first-phase public solicitation themes: “Development and Demonstration of Lunar Water Resource Exploration Technology (Sensing Technology)” (Maximum Support Amount: 6.4 billion yen (Note 1)). We anticipate receiving a maximum amount of 4.7 billion yen (Note 2) from the lead institution. Furthermore, among the second-phase themes announced in March 2025 with a total scale of 300 billion yen, our company was selected for “High-Precision Landing Technology in Lunar Polar Regions” (Maximum Support Amount: 20 billion yen (Note 3)). Following this selection, we formally decided to commence development of Mission 6. Progress was also seen in Europe, with the European Space Agency (ESA) announcing budget allocation for Phase 2 of the MAGPIE project, advancing future mission development.

In this context, for our Mission 2, we have confirmed specification changes for Mission 3 and beyond (adopting a sensor with a proven track record of stable operation in past lunar missions instead of the laser rangefinder in question) to address the hardware anomaly in the laser rangefinder, the instrument responsible for altitude measurement, which was the primary cause of the failed landing. Additionally, we have confirmed the installation of image navigation technology as a backup for altitude measurement. Furthermore, as part of broader enhancement measures, verification by an “Improvement Task Force” involving external experts is progressing. We aim to report the results at a briefing session scheduled for the fourth quarter of the current fiscal year. Furthermore, we are receiving technical support from the Japan Aerospace Exploration Agency (JAXA). Development is progressing with the participation of members who were involved in JAXA and the Institute of Space and Astronautical Science (ISAS)’s Smart Lander for Investigating Moon (SLIM) project.

For Mission 4, environmental testing using the thermal structural model for the “Series 3 Lander (tentative name)” scheduled for launch in 2028 (Note 4) has been completed, and manufacturing of the structural model has commenced. Progress is being made toward the scheduled Preliminary Design Review (PDR). For Mission 4, in addition to the maximum 4.7 billion yen related to the “Development and Demonstration of Lunar Water Resource Exploration Technology (Sensing Technology)” mentioned above, the mission was selected in October 2025 for a Taiwan National Space Agency (TASA) open call project, resulting in the signing of an 8 million USD payload service contract. Consequently, the total value of payload service contracts for Mission 4 currently stands at 40 million USD.

As a result, the Group posted net sales of 2,743,725 thousand yen (up 37.9% year-on-year), operating loss of 6,948,787 thousand yen (operating loss of 6,434,046 thousand yen in the same period of the previous fiscal year), ordinary loss of 6,240,782 thousand yen (ordinary loss of 6,779,762 thousand yen in the same period of the previous fiscal year) and net loss attributable to owners of parent of 6,246,794 thousand yen (net loss attributable to owners of parent of 7,365,353 thousand yen in the same period of the previous fiscal year) for third quarter of consolidated fiscal year ending March 2026.

Furthermore, operating results by segment are omitted as the Group operates a single segment focused on lunar surface development business.

(Note 1) Figures subject to change based on future stage-gate reviews, etc.

(Note 2) The final contract amount will be determined upon inspection of the performance report and results report by JAXA and the lead agency, and upon notification of the finalized contract amount.

(Note 3) Since figures subject to change based on future stage-gate reviews, etc., receipt of the full amount has not yet been confirmed.

(Note 4) While initially agreed with the Ministry of Economy, Trade and Industry (METI) and the SBIR Secretariat for completion within 2027, based on our current development schedule as of February 10, 2026, we now anticipate a launch within 2028. This change is currently under coordination with relevant ministries and the SBIR Secretariat. The plan change will be formally approved upon receiving final authorization from METI.

(2) Financial Position

1. Status of Assets, Liabilities, and Net Assets

(Current Assets)

The balance of current assets at the end of the third consolidated quarter under review was 38,598,749 thousand yen, an increase of 19,530,799 thousand yen compared to the end of the previous consolidated fiscal year. This increase was primarily due to an increase of 21,155,849 thousand yen in cash.

(Fixed Assets)

The balance of fixed assets at the end of the third consolidated quarter under review was 12,219,305 thousand yen, an increase of 4,098,125 thousand yen compared to the end of the previous consolidated fiscal year. This was primarily due to an increase of 2,817,765 thousand yen in long-term advance payments.

(Current Liabilities)

The balance of current liabilities at the end of the third consolidated quarter under review was 4,830,358 thousand yen, an increase of 975,445 thousand yen compared to the end of the previous consolidated fiscal year. This was primarily due to an increase of 1,689,806 thousand yen in short-term borrowings, an increase of 1,466,819 thousand yen in advance payments received, and a decrease of 2,170,766 thousand yen in contract liabilities.

(Non-current Liabilities)

The balance of non-current liabilities at the end of the third consolidated quarter under review was 29,142,219 thousand yen, an increase of 12,815,589 thousand yen compared to the end of the previous consolidated fiscal year. This was primarily due to an increase of 12,883,251 thousand yen in long-term borrowings.

(Net Assets)

The balance of net assets at the end of the third consolidated quarter under review was 16,845,477 thousand yen, an increase of 9,837,889 thousand yen compared to the end of the previous consolidated fiscal year. This was primarily due to an increase in common stock and capital surplus of 9,175,004 thousand yen from the public offering and third-party allotment, as well as the recognition of a net loss attributable to the owners of the parent company, which resulted in a decrease in retained earnings of 6,246,794 thousand yen.

(3) Explanation of Forward-Looking Information, Including Consolidated Earnings Forecasts

Regarding consolidated earnings forecast for the fiscal year ending March 2026 has been revised as of today, February 10 2026. For details regarding the revision, please refer to the "Notice regarding revision of the financial results forecasts" disclosed today.

(4) Significant Events, etc. Going Concern Assumption

The space related business in which the Group is engaged is expected to expand globally at a rapidly accelerating rate, requiring the urgent establishment of necessary technologies to keep up with the trajectory of the industry. As the Group is engaged in developments of space related equipment that require a large amount of upfront research and development investment and a long-term development period the Company has recorded continuous operating losses and negative operating cash flow. Given these circumstances, there are events or circumstances that could raise significant doubt regarding the ability of the Group to operate as a going concern. The Group is working on the following significant issues until such events or circumstances are resolved and stable business earnings are generated. However, as the Group is implementing measures to resolve such significant events or circumstances, the Group has determined that there is no significant uncertainty regarding its ability to operate as a going concern.

(1) Promotion of Research and Development

In order to carry out Mission 3 defined as our first mission to be launched by the U.S. entity, Mission 4 utilizing a new commercialized model developed by the Japanese entity and Mission 6 whose development was initiated upon approval by the Space Strategy Fund, the Group will steadily advance the development of lunar landers and rovers by strictly managing development schedule and development costs as well as development quality, while securing launching opportunities by launch service providers.

(2) Customer Development

The landers and rovers required for the Company to achieve business earnings are under development. The global market in which the Company anticipates business earnings is in its pioneer days. The Company has currently confirmed potential orders from customers for Mission 3 through Mission 6 and will continue to cultivate a sustainable customer market over the medium to long term to stabilize business earnings.

(3) Securing Human Resources

The Company is continuously hiring human resources with advanced expertise and capabilities in various development fields in Japan and overseas to pursue research and development of landers and rovers. Additionally, the Company will continue to engage in preparing an environment that enables each human resource to demonstrate their full abilities in the organization in which the number of employees is rapidly expanding.

(4) Establishing and Appropriately Managing Internal Control Responding to Growth

The Company will continue to establish and appropriately manage internal controls responding to its growth, such as organizing necessary operational processes, financial and accounting structure, labor management, subsidiary management, and security management for the Group to continuously expand business in the future.

(5) Securing Funds for Achieving Growth over Medium to Long Term

Continuing to achieve missions in the future is essential for the Company to aspire to stable business earnings. It is also important to consistently secure the necessary funds to do so. The Company has so far procured funds by methods that include

unsecured convertible bond, third-party allotment of shares, borrowings from financial institutions, crowdfunding and public offering, and will consider the possibilities of flexible fund procurements to promote the missions in the future. In addition, the Company entered into an insurance contract with Mitsui Sumitomo Insurance Company, Limited for Mission 1, and since Success 9 and 10 out of the 10 success milestones set for Mission 1 were not achieved, the Company received an insurance payment. The Company recognizes insurance as one measures of reducing risk and ensuring financial stability, and is considering utilizing insurance for Mission 3 and beyond. However, since Mission 2 fell outside the scope of the insurance coverage, the company does not expect to receive insurance payment for the mission.

With respect to borrowings from financial institutions, the Company entered into loan agreements totaling 7.5 billion yen with multiple banks during the fiscal year ended March 31, 2024, and entered into loan agreements totaling 19.3 billion yen (including refinancing) during the fiscal year ended March 31, 2025. In addition, during the nine months ended December 31, 2025, the Company entered into loan agreements totaling 15.5 billion yen. Regarding capital raising, in October 2024, we entered into an Equity Program Agreement with CVI Investments, Inc. and issued new shares and stock acquisition rights through a third-party allotment. Furthermore, from October 2025 to November 2025, we conducted a public offering and third-party allotment of new shares, along with a secondary offering of our shares through an over-allotment. As of the date of this document, payment has been completed.

2. Quarterly Consolidated Financial Statements and Significant Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: Thousands of yen)

	Previous consolidated fiscal year (As of March 31, 2025)	Third quarter of current consolidated fiscal year (As of December 31, 2025)
Assets		
Current assets		
Cash and deposits	13,117,557	34,273,407
Accounts receivable - trade	1,544,814	328,113
Contract assets	—	28,959
Advance payments – trade	3,620,712	3,042,194
Work in process	255,886	265,108
Other	562,552	751,981
Allowance for doubtful accounts	(33,573)	(91,015)
Total current Assets	19,067,950	38,598,749
Non-current assets		
Property and equipment		
Construction in progress	4,011,915	4,963,452
Other	847,503	859,484
Total Property and equipment	4,859,419	5,822,937
Intangible assets	89,083	62,913
Investment and other assets		
Long term advance payment	2,997,900	5,815,666
Other	174,775	517,788
Total investments and other assets	3,172,676	6,333,455
Total non-current assets	8,121,179	12,219,305
Total assets	27,189,129	50,818,054
Liabilities		
Current liabilities		
Short-term borrowings	—	1,689,806
Contract liabilities	2,695,528	524,762
Provision for loss on orders received	106,005	108,793
Provision for share-based compensation	11,628	9,488
Advance received	—	1,466,819
Other	1,041,749	1,030,687
Total current liabilities	3,854,912	4,830,358
Non-current liabilities		
Long-term borrowings	16,096,275	28,979,527
Provision for stock-based compensation	1,335	35,420
Other	229,018	127,271
Total non-current liabilities	16,326,629	29,142,219
Total liabilities	20,181,542	33,972,577

(Unit: Thousands of yen)

	Previous consolidated fiscal year (As of March 31, 2025)	Third quarter of current consolidated fiscal year (As of December 31, 2025)
Net assets		
Shareholders' equity		
Common stock	11,542,332	20,717,336
Deposits for subscriptions to shares	18,508	3,823
Capital surplus	11,449,310	20,624,314
Retained earnings	(16,927,703)	(23,174,498)
Treasury stock	(65)	(65)
Total shareholders' equity	6,082,382	18,170,911
Accumulated other comprehensive income		
Foreign currency translation adjustment	815,926	(1,434,659)
Total accumulated other comprehensive income	815,926	(1,434,659)
Stock acquisition rights	109,278	109,225
Total net assets	7,007,587	16,845,477
Total liabilities and net assets	27,189,129	50,818,054

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income (Loss)
(Quarterly Consolidated Statement of Income (Loss))

(Unit: Thousands of yen)

	Third quarter of the previous consolidated fiscal year (April 1, 2024 - December 31, 2024)	Third quarter of the current consolidated fiscal year (April 1, 2025 - December 31, 2025)
Net sales	1,989,277	2,743,725
Cost of sales	1,620,731	3,410,856
Gross profit	368,546	(667,130)
Selling, general and administrative expenses	6,802,592	6,281,656
Operating income (loss)	(6,434,046)	(6,948,787)
Non-operating income		
Interest income	51,338	93,422
Foreign exchange gains	532,376	2,091,602
Miscellaneous income	78,257	4,178
Other	1,293	0
Total non-operating income	663,265	2,189,204
Non-operating expenses		
Interest expenses	680,462	1,334,368
Other	328,519	146,831
Total non-operating expenses	1,008,981	1,481,199
Ordinary loss	(6,779,762)	(6,240,782)
Extraordinary gains		
Gain on reversal of subscription rights to shares	429	—
Total extraordinary gains	429	—
Extraordinary losses		
Loss on retirement of non-current assets	923	1,416
Impairment loss	596,801	—
Total extraordinary losses	597,725	1,416
Income (loss) before income taxes	(7,377,059)	(6,242,199)
Income taxes - current	(11,705)	4,595
Total income taxes	(11,705)	4,595
Net income (loss)	(7,365,353)	(6,246,794)
Net income (loss) attributable to owners of parent	(7,365,353)	(6,246,794)

(Quarterly Consolidated Statement of Comprehensive Income (Loss))

(Unit: Thousands of yen)

	Third quarter of the previous consolidated fiscal year (April 1, 2024 - December 31, 2024)	Third quarter of the current consolidated fiscal year (April 1, 2025- December 31, 2025)
Net income (Loss)	(7,365,353)	(6,246,794)
Other comprehensive income (loss)		
Foreign currency translation adjustment	(1,027,437)	(2,250,586)
Total other comprehensive income (loss)	(1,027,437)	(2,250,586)
Comprehensive income (loss)	(8,392,791)	(8,497,381)
(Breakdown)		
Comprehensive income attributable to owners of parent	(8,392,791)	(8,497,381)

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in Case of Significant Changes in the Amounts of Shareholder's Equity)

At a meeting of the Board of Directors held on October 6, 2025, the Company resolved to issue new shares through a public offering and third-party allotment, and to sell shares of the Company through an over-allotment. The terms were finalized on October 15, 2025. Payment for the new shares issued through the public offering and third-party allotment was completed on October 21, 2025. Furthermore, payment for the new shares issued through the third-party allotment related to the secondary offering of the Company's shares via over-allotment was completed on November 13, 2025.

As a result, both the common stock and capital reserve increased by 9,129,737 thousand yen.

(Notes to Quarterly Consolidated Balance Sheets)

Financial Covenants

Previous consolidated fiscal year (March 31, 2025)

(1) Of the borrowings as of the end of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on November 10, 2023 (balance as of the end of the current consolidated fiscal year: 1,331,730 thousand yen)

- 1) The total amount of net assets in the consolidated balance sheets as of the end of each quarterly consolidated fiscal period should be maintained positive.
- 2) The total amount of cash and deposits indicated in the consolidated balance sheets as of the end of each quarterly consolidated fiscal period should be maintained at 3 billion yen or more.

(2) Of the borrowings as of the end of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on April 25, 2024 (balance as of the end of the current consolidated fiscal year: 1,964,545 thousand yen)

- 1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.
- 2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(3) Of the borrowings as of the end of the current consolidated fiscal year, syndicated loan agreement between the Company and several financial institutions contain the following financial covenants.

Contract on July 26, 2024 (balance as of the end of the current consolidated fiscal year: 10,000,000 thousand yen)

- 1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.
- 2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(4) Of the borrowings as of the end of the current consolidated fiscal year, the loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on March 31, 2025 (balance as of the end of the current consolidated fiscal year: 1,400,000 thousand yen)

- 1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.
- 2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

Third Quarter of the Consolidated Fiscal Year Ending March 31, 2026 (December 31, 2025)

(1) Of the borrowings as of the end of the third quarter of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on November 10, 2023 (balance as of the end of the third quarter of the current consolidated fiscal year: 1,189,806 thousand yen)

1) The total amount of net assets indicated in the consolidated balance sheets as of the end of each quarterly consolidated fiscal period should be maintained positive.

2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each quarterly consolidated fiscal period should be maintained at 3 billion yen or more.

(2) Of the borrowings as of the end of the third quarter of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on April 25, 2024 (balance as of the end of the third quarter of the current consolidated fiscal year: 1,856,309 thousand yen)

1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.

2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(3) Of the borrowings as of the end of the third quarter of the current consolidated fiscal year, syndicated loan agreement between the Company and several financial institutions contain the following financial covenants.

Contract on July 26, 2024 (balance as of the end of the third quarter of the current consolidated fiscal year: 9,323,217 thousand yen)

1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.

2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(4) Of the borrowings as of the end of the third quarter of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on March 31, 2025 (balance as of the end of the third quarter of the current consolidated fiscal year: 1,400,000 thousand yen)

1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.

2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(5) Of the borrowings as of the end of the third quarter of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on May 14, 2025 (balance as of the end of the third quarter of the current consolidated fiscal year: 5,000,000 thousand yen)

1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.

2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(6) Of the borrowings as of the end of the third quarter of the current consolidated fiscal year, loan agreement between the Company and a correspondent bank contains the following financial covenants.

Contract on May 23, 2025 (balance as of the end of the third quarter of the current consolidated fiscal year: 10,000,000 thousand yen)

1) The total amount of net assets indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained positive.

2) The total amount of cash and deposits indicated in the consolidated balance sheet as of the end of each consolidated fiscal year should be maintained at 3 billion yen or more.

(Notes to Quarterly consolidated statements of cash flow)

Quarterly consolidated statements of cash flow for the third quarter of the current consolidated fiscal year have not been prepared. Depreciation and amortization (including amortization related to intangible assets) for the third quarter of the current consolidated fiscal year is as follows.

	First quarter of the previous consolidated fiscal year (from April 1, 2024 to December 31, 2024)	First quarter of the current consolidated fiscal year (from April 1, 2025 to December 31, 2025)
Depreciation and amortization	100,279 thousand yen	164,830 thousand yen

(Segment Information, etc.)

I Third quarter of the previous consolidated fiscal year (from April 1, 2024 to December 31, 2024)

Segment information is omitted as the Group operates a single segment focused on the lunar surface development business.

II Third quarter of the current consolidated fiscal year (from April 1, 2025 to December 31, 2025)

Segment information is omitted as the Group operates a single segment focused on the lunar surface development business.

(Significant Subsequent Events)

Not applicable.