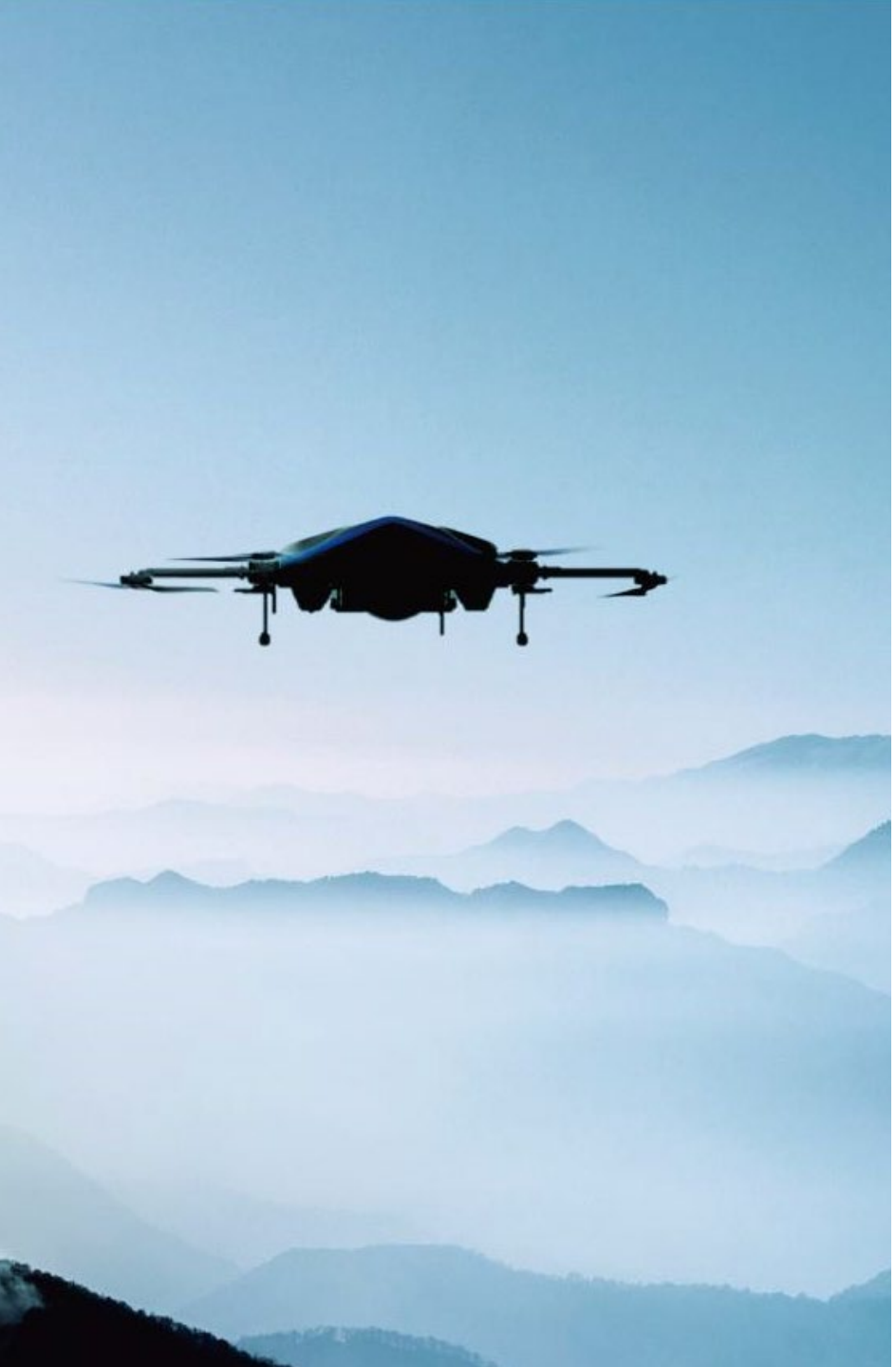
Financial Results Material for FY25/12 Full-Year

ACSL Ltd (TYO: 6232)
Feb. 13, 2026

Executive Summary

- **FY25/12 Full Year Consolidated Results**[1]
  - **Revenue: JPY 2.59 bn (down JPY 0.05 bn YoY),** Order backlog: JPY 1.11 bn (down JPY 0.26 bn), Revenue plus backlog: JPY 3.71 bn (down JPY 0.32 bn)
  - **Gross margin: 19% (up 14pt YoY), Contribution margin: 29% (up 5pt)**
  - SG&A: JPY 1.47 bn (down JPY 0.10 bn YoY), **Operating loss: JPY 0.96 bn (improved by JPY 0.45 bn)**, excluding SBIR costs of JPY 0.87 bn
  - Ordinary loss: JPY 1.07 bn (improved by JPY 1.11 bn YoY; SBIR cost JPY 0.87 bn; SBIR subsidy income JPY 1.20 bn)
- **FY26/12** Full Year Consolidated Forecast
  - **Revenue: JPY 4.0 bn, Gross margin: 21%, Operating loss (excluding SBIR): JPY 0.76 bn**, Ordinary loss: JPY 0.65 bn
  - **Revenue expansion expected mainly in defense and North America.** Gross profit expected to increase driven by higher revenue and improved contribution margin.
  - SG&A expected to be managed at a level broadly in line with FY25, while including selected strategic investments.
- **Technology and Business Highlights**
  - Product development: **Selected for K Program (Economic Security Program);** expected to receive a up to JPY 2.9 bn grant for aircraft development
  - Defense: Further strengthened engagement with JSDF and related entities; **enhanced presence through exhibitions and speaking opportunities**
  - North America: **Regulations on Chinese drones advancing; full scale expansion into the Canadian market**
  - Finance: **Secured growth capital through third party allotment** while strengthening the financial base

1: YoY figures include the prior year India project (JPY 1.7 bn). Order backlog is as of FY2025 year end.
SBIR (national project) costs are recorded in SG&A; the corresponding subsidy is recognized as non operating income after inspection.



1. Company Overview

2. FY25/12 Results and Business Highlights

3. FY26/12 Outlook

4. Mid Term Plan “ACSL Accelerate FY26”

5. Appendix

ACSL is a global drone manufacturer from Japan

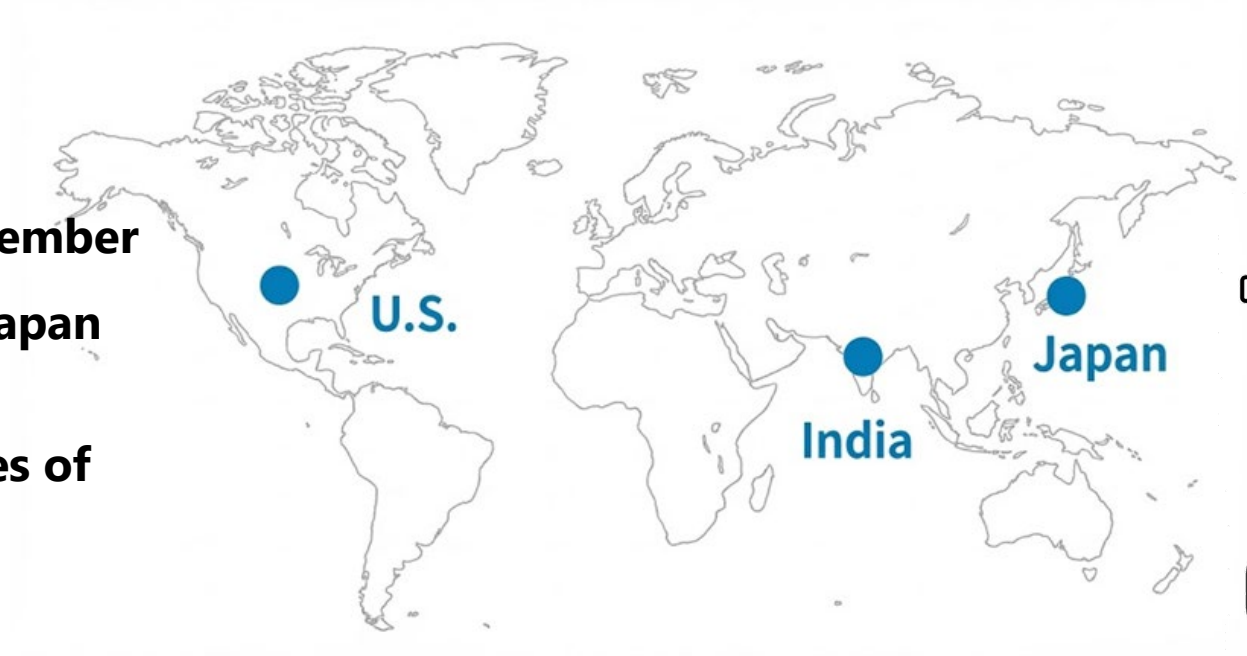
Company Overview

ACSL Ltd.

Established：2013 November

Headquarters: Tokyo, Japan

Business:
Manufacturing and sales of industrial drones

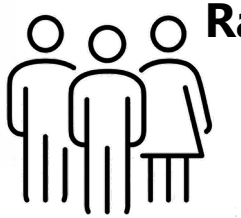


Employee Composition

(61 employees as of Dec. 2025,)

Ratio of engineers

Approx. 62%



Ratio of non-Japanese

Approx. 23%

Management

Representative Director, Co-CEO: Kensuke Hayakawa
Representative Director, Co-CEO: Shoji Terayama
ACSL, Inc. CEO, : Cynthia Huan
Global CTO: Chris Raabe

Group Companies

ACSL, Inc. (U.S. subsidiary)
ACSL India Private Ltd. (India JV)
ACSL No.1 Limited Liability Partnership (CVC)

ACSL has expanded its customers and markets

2013

ACSL founded by Kenzo Nonami, Professor Emeritus of Chiba University

2018

Listed on the Tokyo Stock Exchange
World's first listed drone-only manufacturer

2022

Launched mass production and sales of the secure small aerial drone "SOTEN"

2023

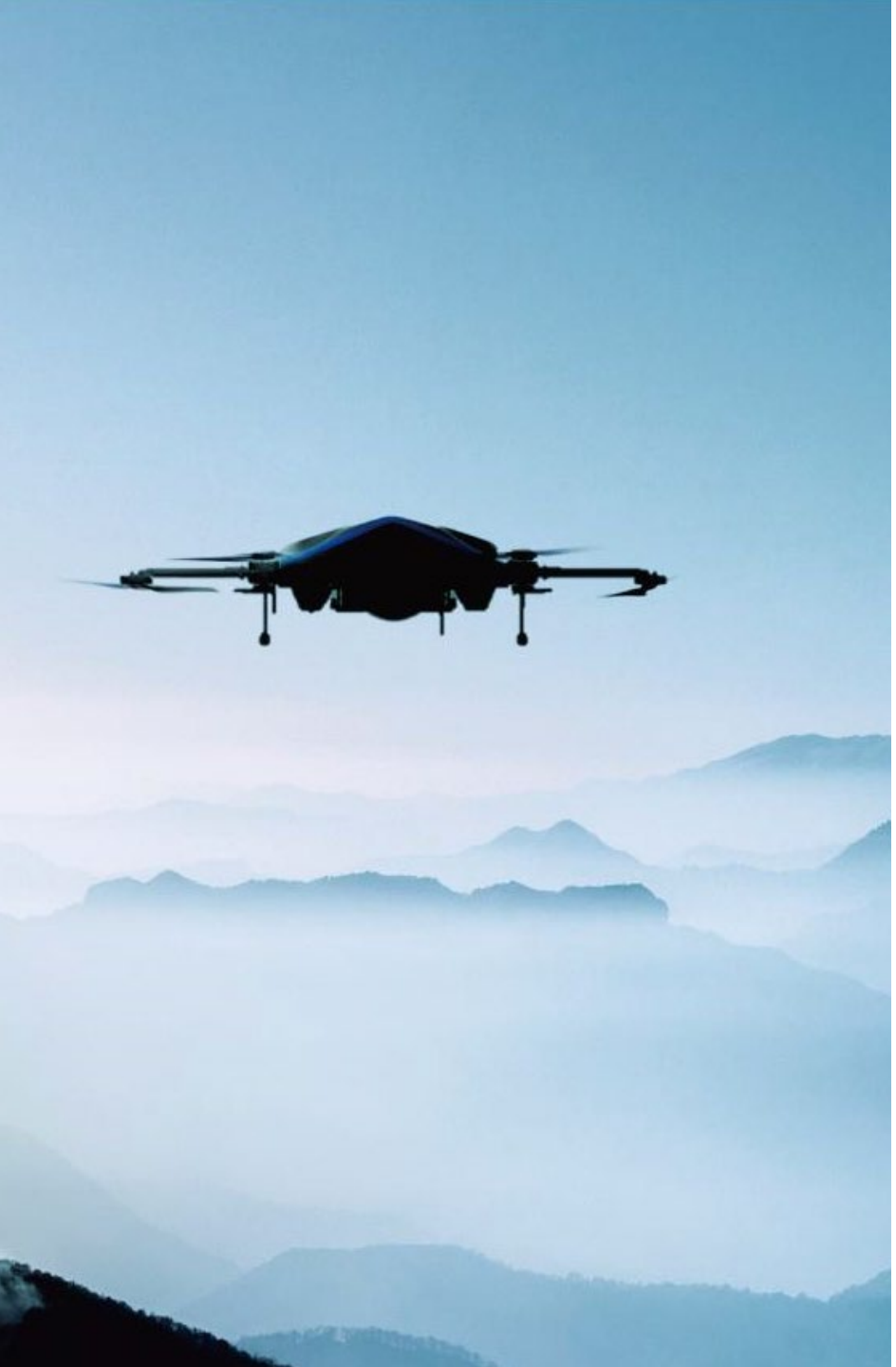
Japan's first Level 4 compliant UAV Obtained Type Certification from MLIT

2023

Established U.S. subsidiary.
Began full-scale expansion into the U.S. market

2024

First delivery of "SOTEN" to Japan's Ministry of Defense



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FY25/12 Full Year Results Highlights

"▲" = minus (negative)

Summary

Revenue in Japan and the U.S., excluding the India project, **expanded to JPY 2.59** bn. Order backlog was JPY 1.11 bn as of FY2025 year end.

Gross profit and gross margin increased significantly YoY. SG&A decreased from the prior year, narrowing operating loss. Ordinary results improved materially, **supported by subsidy.**

Revenue

Revenue

25.9 bn JPY

YoY ▲2.1% (Excl. India project)

Backlog as of Dec. 2025

11.1 bn JPY

Full year revenue increased significantly versus prior year revenue of JPY 0.95 bn excluding the India project. On an including India basis, revenue was broadly flat.

Gross Margin

Gross Magin

19%

YoY +14pt

Contribution margin

29%

YoY +5pt

Gross margin improved significantly year on year. Contribution margin improved YoY despite the impact from large scale projects.

Operating Profit (excl. SBIR[1] costs)

▲0.96 bn JPY

YoY +0.45 bn JPY

Ordinary Profit

▲1.07 bn JPY

YoY +1.11 bn JPY

Operating loss (excluding SBIR) narrowed significantly to below JPY 1.0 bn. Ordinary results also improved substantially supported by subsidy income.

1: SBIR costs are recorded in SG&A in advance; the corresponding subsidy is recorded as non operating income.

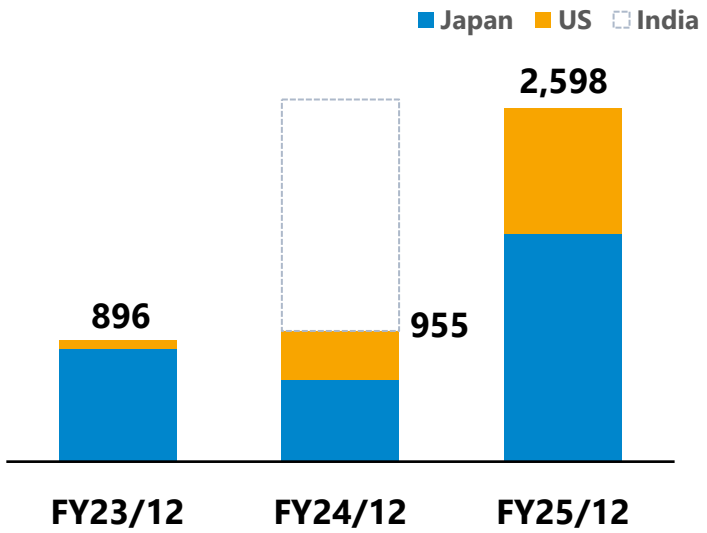
Trend of Key Financial Metrics

Revenue expanded in Japan and the U.S., driving significant growth. Profitability also improved as structural reforms progressed.

"▲" = minus (negative)

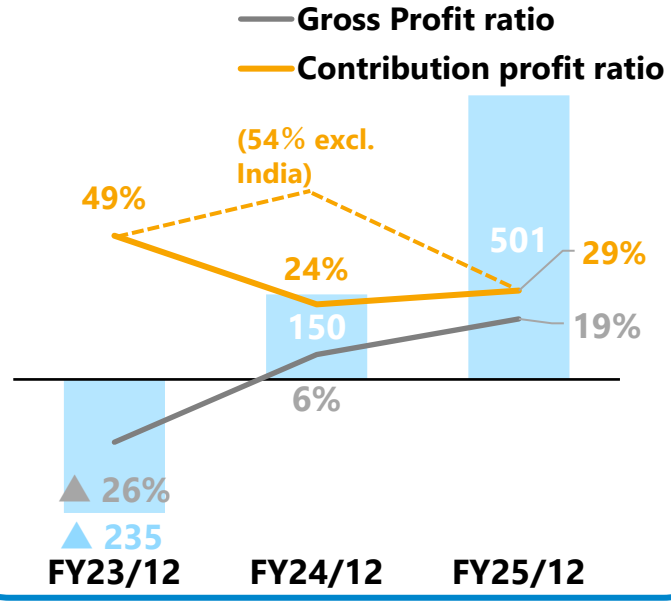
Revenue
mn JPY

Revenue increased significantly in both Japan and the U.S., rising from JPY 0.95 bn to approximately JPY 2.6 bn.



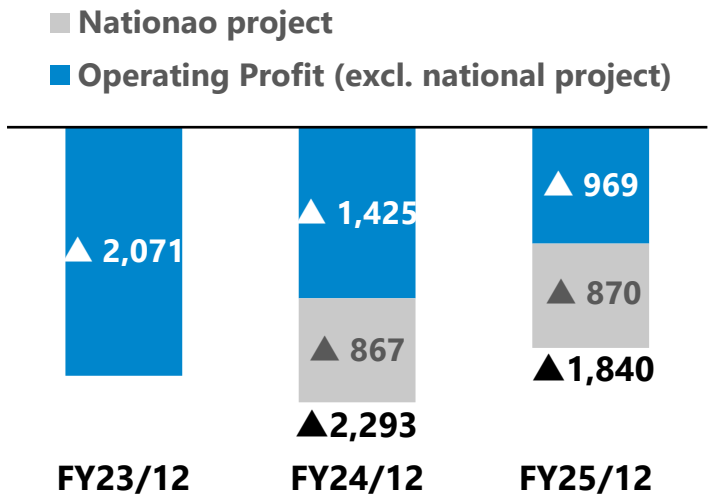
Gross profit
mn JPY

Gross profit increased materially and gross margin improved. While contribution margin was affected by certain low margin large projects, it improved overall versus last year.



Operating Profit
mn JPY

Structural reforms improved the cost structure, significantly narrowing operating loss excluding national projects.



FY25/12 Full Year Consolidated Results and YoY Comparison

Revenue exceeded the prior year excluding the India project, and losses narrowed as the cost structure improved

"▲" = minus (negative)

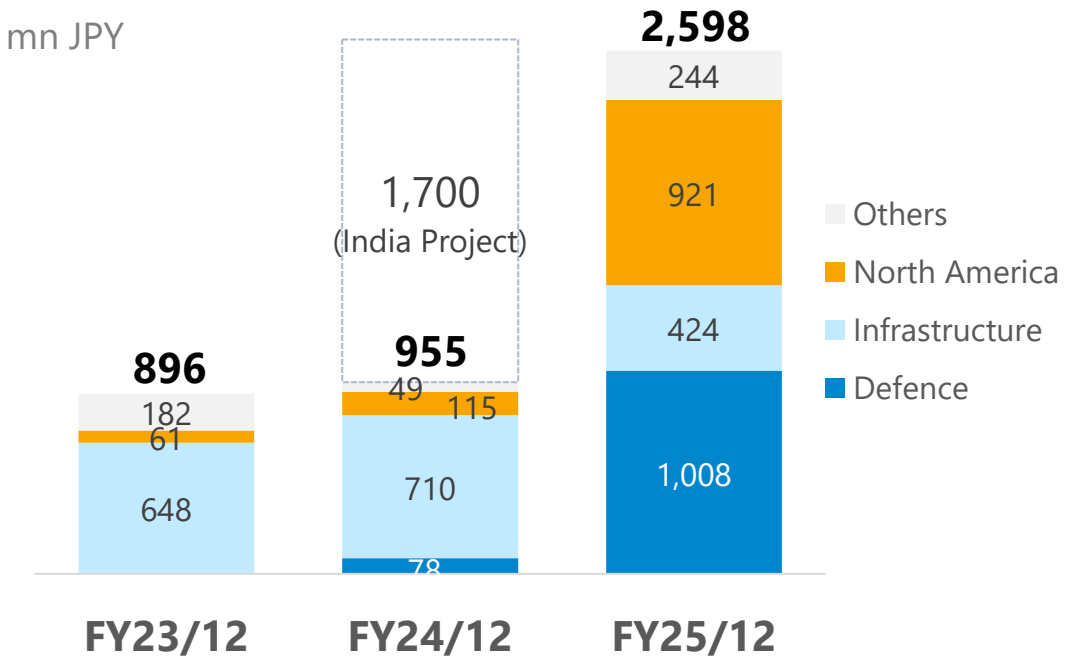
[mn JPY]	FY25/12 Actual	FY24/12 Actual	YoY Change	(Reference) FY25/12 Forecast	vs Forecast	Summary
Revenue excl. India project	2,598 2,598	2,655 955	▲56 ＋1,643	2,700 2,700	▲101 ▲101	Revenue was JPY 2.59 bn vs JPY 2.65 bn in FY24. Excluding the India project, revenue came in materially above FY24
Gross profit	501	150	＋350	500	＋1	Gross profit was JPY 0.50 bn and gross margin was 19%, improving materially from JPY 0.15 bn and 6% in FY2024
Gross margin	19%	6%	＋14%	19%	＋0%	
SG&A (excluding national projects)	1,470	1,576	▲105	1,470	＋0	Gross profit was JPY 0.50 bn and gross margin was 19%, improving materially from JPY 0.15 bn and 6% in FY2024
Operating income (excluding national projects)	▲969	▲1,425	＋456	▲970	＋0	Operating loss excluding national projects was JPY 0.96 bn vs JPY 1.42 bn in FY24, improving materially driven by higher gross profit and lower SG&A
National project costs	870	867	＋3	1,400	▲529	SBIR R&D costs were JPY 0.87 bn, below the expected JPY 1.4 bn due to delays in budget execution
Operating profit	▲1,840	▲2,293	＋452	▲2,370	+529	Operating loss was JPY 1.84 bn, improving materially supported by higher gross profit and lower SG&A
Ordinary profit	▲1,075	▲2,188	＋1,113	▲1,400	+324	Ordinary loss was JPY 1.07 bn vs JPY 2.18 bn in FY24. Improved due to recognition of national project subsidy
Net profit	▲1,363	▲2,371	＋1,007	▲1,800	+436	Net loss was JPY 1.36 bn, improving significantly from JPY 2.37 bn in FY2024

Revenue Trend and Variance vs Forecast

Revenue increased in both Japan and the U.S., although it came in below the forecast due to delivery timing slippage for certain projects

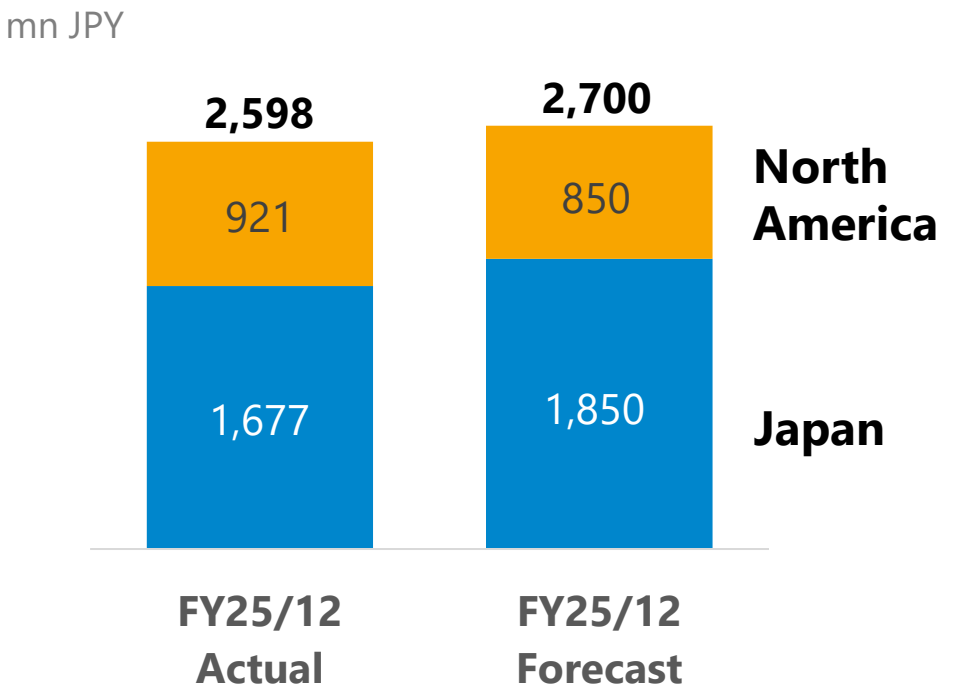
Revenue Trend

In Japan, demand in the defense sector drove growth. In the U.S., progress in SOTEN sales also contributed, resulting in higher revenue



Variance vs FY2025 Forecast

The U.S. exceeded the forecast, while overall results fell short due to delayed deliveries of certain domestic projects

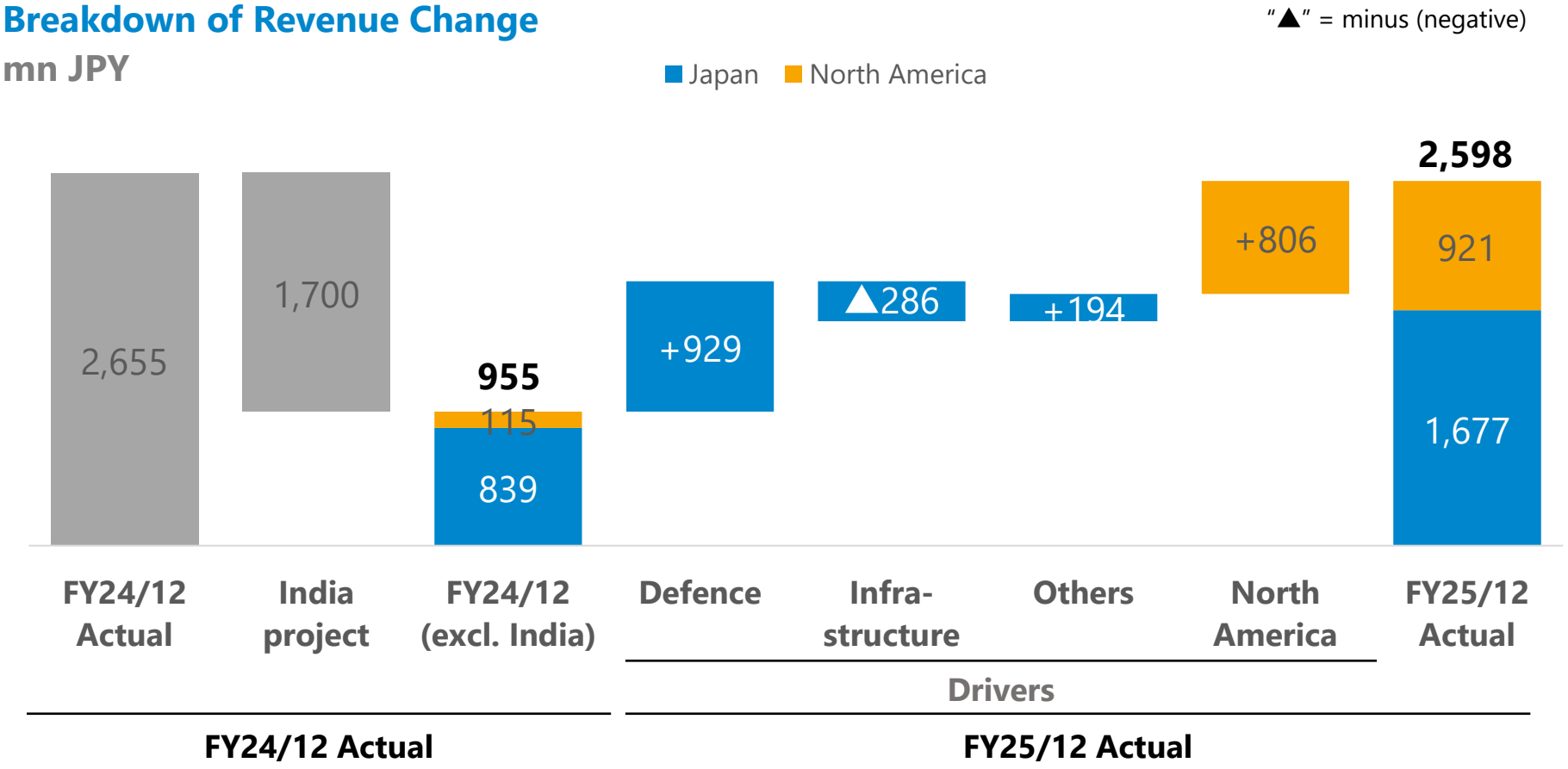


Revenue Trend

Excluding the India project, revenue increased materially year on year, driven by domestic defense and U.S. demand

Breakdown of Revenue Change

mn JPY



Defense:

- Recognized JPY 558 mn from FY2025 SOTEN orders, and JPY 370 mn from FY2024 orders

Infrastructure:

- Decreased due to customer capex plans, while continuing to win projects from key customers

Others:

- Recognized revenue from certain national projects

North America:

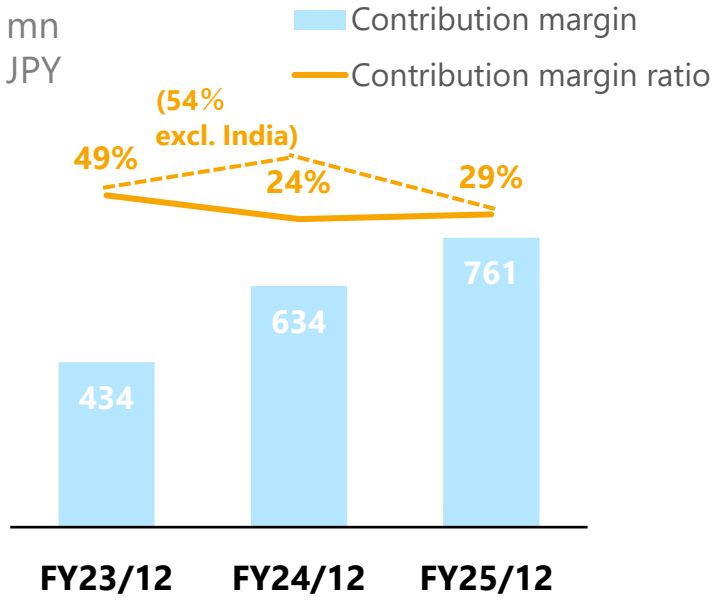
- Delivered 400 SOTEN units from the beginning of year order, plus an additional 100 units within the year
- Started sales of infrared cameras and smart controllers for the U.S., in addition to SOTEN

Gross Profit Trend

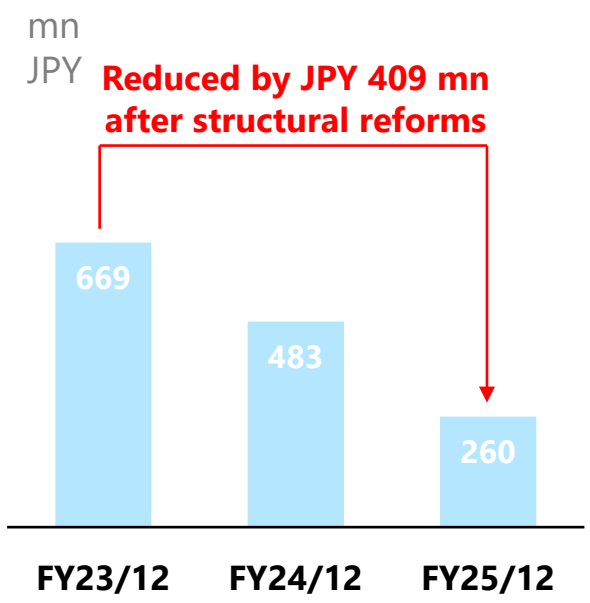
Gross profit improved driven by higher contribution profit and lower indirect costs from structural reforms

Contribution profit (Revenue less direct costs) - **Indirect costs** = **Gross profit**

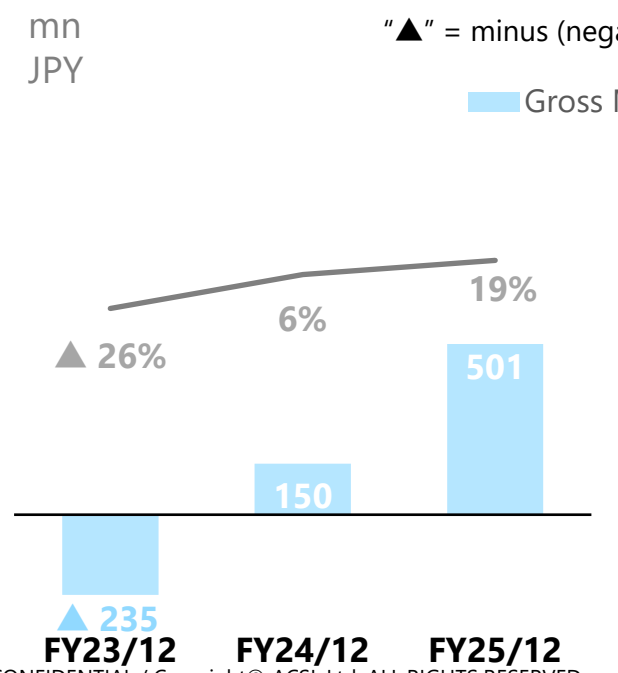
Contribution profit increased materially. Contribution margin improved overall versus last year despite the impact of certain low margin large projects delivered in FY24



Indirect costs decreased significantly even as revenue expanded, reflecting structural reforms



Gross profit expanded significantly, and gross margin increased to 19%

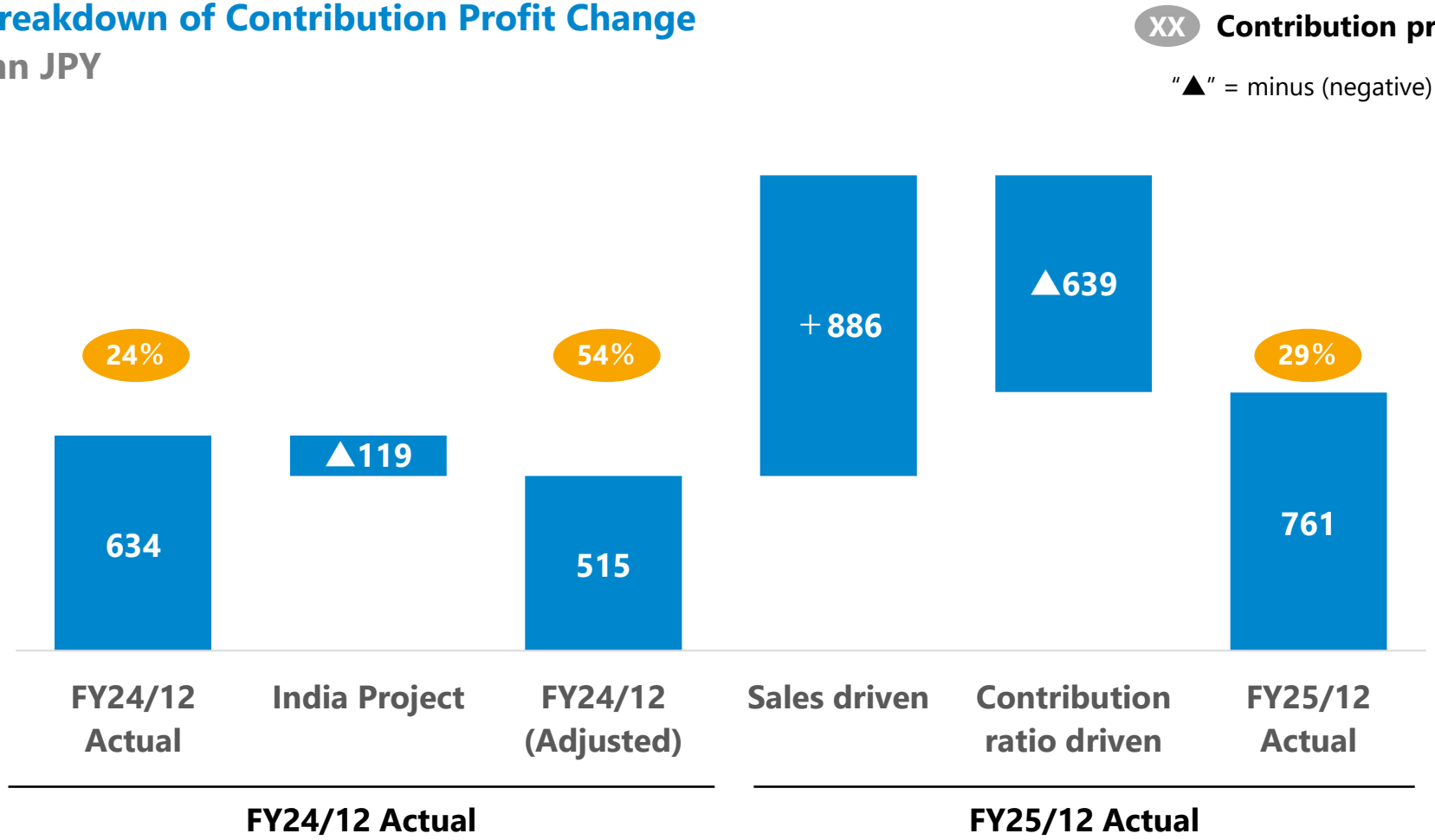


Contribution Profit Trend

Contribution profit rose excluding the India project. Margin dipped on a low margin FY2024 delivery, but improved from FY2025 deliveries

Breakdown of Contribution Profit Change

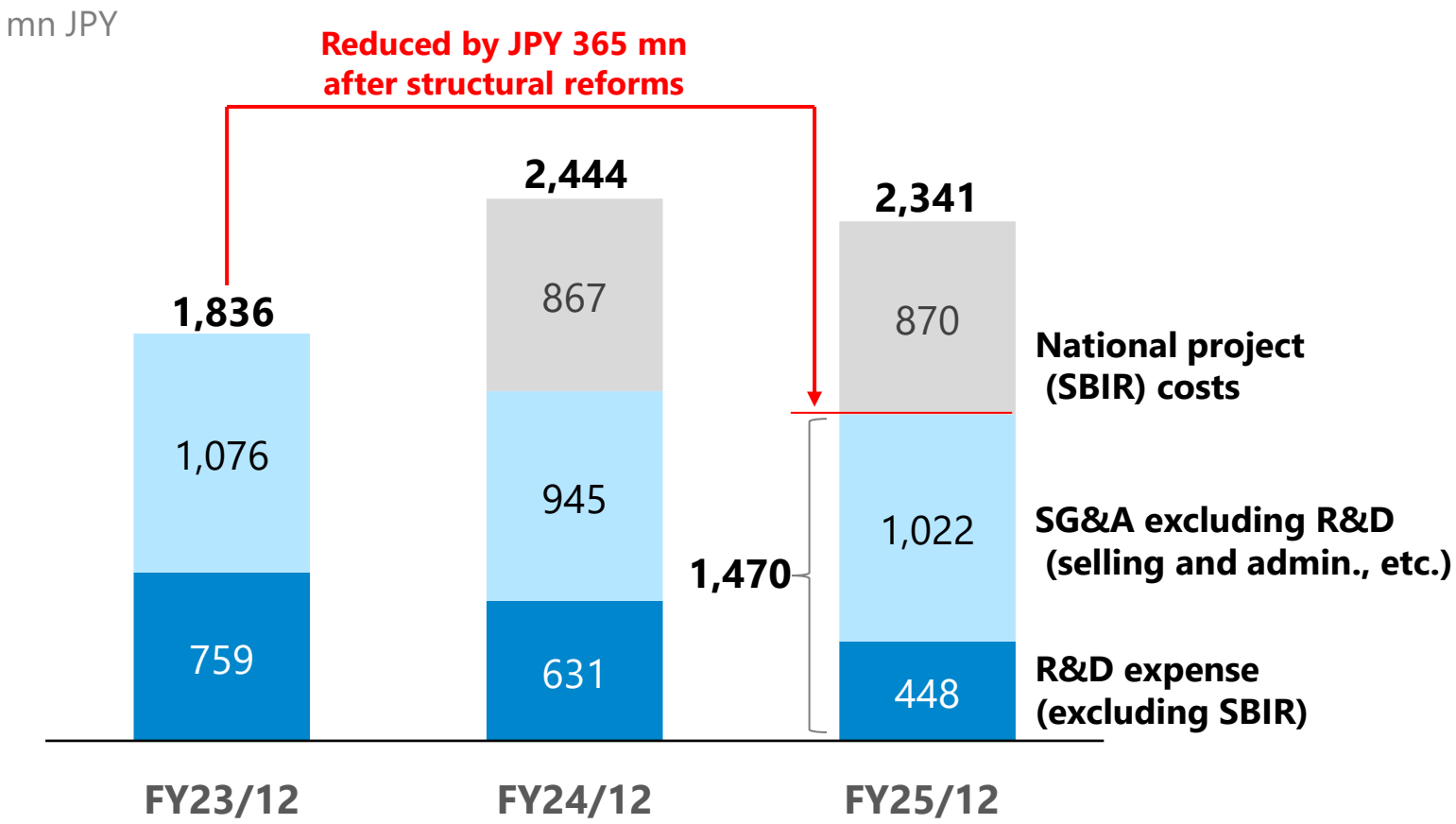
mn JPY



- Contribution profit improved from JPY 515 mn (excluding the FY2024 India project) to JPY 761 mn
- Contribution profit increased materially driven by revenue growth
- Contribution margin decreased due to a low-margin large project delivered in FY2024 (for the Ministry of Defense); margins improved for FY2025 deliveries

SG&A Trend

SG&A decreased as structural reforms progressed. R&D was focused on prioritized development themes



R&D expense (excluding SBIR)

- Resources reallocated to priority areas following structural reforms
- Spending disciplined while improving ROI

SG&A excluding R&D (selling and admin., etc.)

- Expense reduction progressed through structural reforms and ongoing cost optimization
- Cost base right-sized by reviewing outsourcing and indirect costs

National project (SBIR) costs

- JPY 870 mn recognized as expense in FY2025
- Some spend shifted into FY2026

Core Policy and Six Strategic Initiatives

As a trusted global manufacturer supporting safety and security, we unite internal and external strengths to develop, scale, and deliver technologies that exceed customer expectations and create value for all stakeholders.

1

Drone evolution with advanced technologies

Next-generation AI-based autonomous control

2

Building a resilient supply chain

Procurement network with multiple sites and economic security

3

Full-scale expansion of U.S. business

Stronger sales network and business base in the U.S.

4

Contribution to defense and security

Establish a trusted position in defense sectors in Japan and overseas

5

Domestic Infrastructure Maintenance

Replacement with Domestic Drones in Infrastructure Maintenance

6

Strengthening a financial base

Financial structure for growth and sustainability

Progress of Six Strategic Initiatives in mid term plan

Strategic Initiatives	Progress and Highlight
1 Drone evolution with advanced technologies Next-generation AI-based autonomous control	■ **Selected for NEDO K Program for next generation platform development (up to JPY 2.9 bn)** ■ SBIR: Development spend expected to be completed by FY2026, although budget execution has been delayed
2 Building a resilient supply chain Procurement network with multiple sites and economic security	■ Target: JPY 4.0 bn in FY2028, FY2025 revenue JPY 0.92 bn ■ **Regulations on foreign made drones to be clarified in Dec 2025; entry into the Canadian market**
3 Full-scale expansion of North America business Stronger sales network and business base in the U.S.	
4 Contribution to defense and security Establish a trusted position in defense sectors in Japan and overseas	■ Target: JPY 1.5 bn in FY2028, FY2025 revenue JPY 1.0 bn ■ **Delivered a large SOTEN order (JPY 0.45 bn), following last year** ■ **Strengthened presence in the defense sector**
5 Domestic Infrastructure Maintenance Replacement with Domestic Drones in Infrastructure Maintenance	■ Target: JPY 1.5 bn in FY2028, FY2025 revenue JPY 0.42 bn ■ **Provided aircraft for area based Level 4 delivery operations rollout**
6 Strengthening a financial base Financial structure for growth and sustainability	■ **Completed financing in 2025 and raised over JPY 3.5 bn** ■ **Cash balance increased and net assets recovered**

Selected for a large-scale national project related to technology development

Selected for K-Program (Phase 2). In addition to up to 2.6 bn JPY from SBIR, expected to receive 2.9 bn JPY in subsidies under K-Program

Selected in FY25

	Overview of ACSL Practices	Implementation Period and Amount
NEDO **K Program** (Economic security important technology development program)	■ **Study for hardware development of small drones with autonomous and decentralized control functions** ■ **Surveys of advanced technologies in Japan and abroad; determine the direction of competitive drone development**	**Phase 1** ■ May 2024 - Mar. 2025 ■ Project scale: **Within 100 mn JPY**
	■ **Development of an initial drone model designed for missions during normal times and emergencies (such as large-scale disasters)** ■ The results are not limited to public use but also **extend to civilian applications**	**Phase 2** ■ FY2025 – FY2027 ■ Project scale: **Up to 2.9 bn JPY**
経済産業省 Ministry of Economy, Trade and Industry **SBIR** (Small Business Innovation Research program)	■ **Development of a new high-performance compact aerial photography drone** that takes economic security and security into consideration ■ Respond to the demand for small aerial photography drones **in Japan and overseas**	■ Dec. 2023 - Dec. 2025 (planned) ■ Project scale: **Up to 2.6 bn JPY**
国立研究開発法人 科学技術振興機構 **K Program** (Economic security important technology development program)	■ Research and development of control technology and system construction that can **realize autonomous group flight[1] in harsh environments** ■ Development of technology for **multiple drones to estimate and understand their own spatial position and share**	■ Apr. 2024 – Mar. 2028 ■ Project scale: **Up to 1 bn JPY in total[2]**

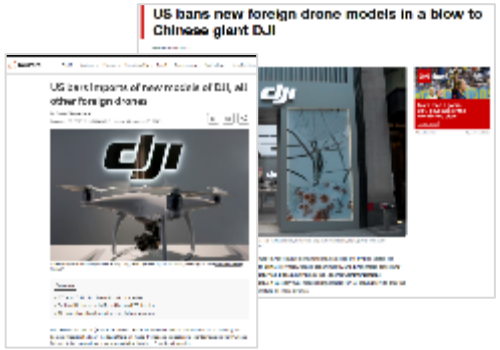
1: Multiple drones flying simultaneously and in collaboration
2: The actual amount will be determined following discussions with the Japan Science and Technology Agency (JST) and program officers scheduled for the future

Regulations are taking shape. Entry into Canada decided

Capture regulatory tailwinds in US and scale into the Canadian market

U.S. Regulatory framework becoming clearer

- In Dec 2025, the U.S. is expected to put in place a regulatory framework for drones, **effectively restricting sales of China made drones as new product**
- Going forward, **foreign made drones will be subject to authorization and compliance requirements**; sales may be restricted unless such requirements are not met
- ACSL SOTEN has **obtained the required approvals and can continue to be sold**



News on new regulations

Entry into the Canadian market

- With similar regulations expected in Canada, we **decided to enter the Canadian market** with a view to expanding use cases including public safety
- **Appointed Jam Industries Ltd.[1] as distributor in Canada** and signed a distribution agreement dated Dec 4, 2025
- Secured an **order for 200 units of SOTEN (approx. JPY 0.2 bn)**

1: Jam is wholly owned by a Canadian company under DCC plc (a constituent of the FTSE 100 Index), which is also the parent of Exertis Almo, ACSL's U.S. distributor

Strengthening presence in the defense sector

Enhance ACSL's presence through exhibits and speaking engagements at defense related events

Landpower Forum in Japan

- Landpower Forum in Japan is **hosted by the Japan Ground Self Defense Force** as a forum for initiatives such as strengthening ground defense capabilities; held in Dec 2025
- Strengthen collaboration among **industry, academia, government, and allied and like minded countries**
- Showcased Japan made compact aerial imaging drone **SOTEN as equipment for the JGSDF** to domestic and overseas defense stakeholders

SOTEN showcased as equipment

Defense Industry Entry Promotion Expo

- **The Acquisition, Technology and Logistics Agency (ATLA) hosted** the Defense Industry Entry Promotion Expo (Startup Promotion Expo) in Nov 2025
- Exhibition aimed at **strengthening supply chains, incorporating advanced commercial technologies**, and reinforcing the defense production and technology base
- ACSL delivered a presentation as **a startup entering the defense industry with advanced technologies**

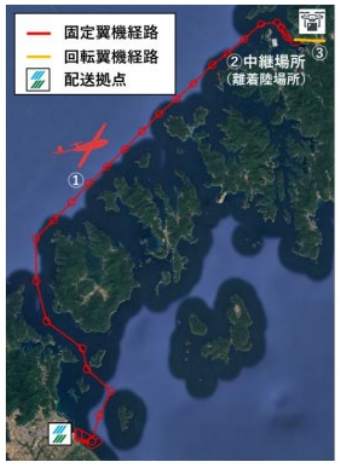
Defense Industry Entry Promotion Expo

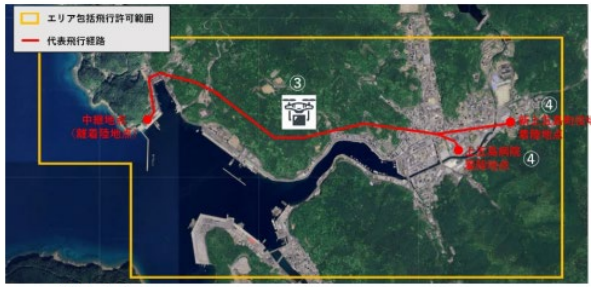
Demonstration of area based Level 4 operations

Supported multiple area based Level 4 (BVLOS flight over populated area) delivery demonstrations by providing PF2-CAT3

Demonstration of deliveries for medical supplies as well as daily goods and food

- Provided PF2-CAT3 for **Japan's first area based Level 4 delivery** demonstration conducted under these trials
- **Coordinated with Level 3 operations** using fixed wing drones
- **Enabled more flexible expansion of delivery** destinations, improving service convenience





具体的な流れ：
①固定翼機にて、新上五島町青方の投下場所まで配送
②荷物を PF2-CAT3 に載せ替え
③エリア単位でのレベル 4 飛行許可（上図の黄色枠のうち一部区域を除く。）のもと、市街地上空を飛行
④新上五島町役場及び、上五島病院の屋上まで配送

Overview of demonstration

Demonstration of parcel delivery and pick up in Fukushima

- Provided PF2-CAT3 for Eams Robotics' area based **Level 4 drone delivery demonstration** in Minamisoma City, Fukushima
- Lower density of logistics and commercial services versus Ehime, creating major challenges for daily needs and depopulation
- Aiming to **build a low cost, sustainable logistics network to meet dispersed local demand**

PF2-CAT3

- The only drone in Japan to obtain Type Certification (Class I)
- Prove record across multiple Level 4 demonstrations

Fundraising and Financial Position

Secured growth capital through third party allotments while stabilizing the financial base

Securing growth funding

Completed fundraising in FY2025 totaling over **JPY 3.5 bn** (up to approx. JPY 4.6 bn)[1]

Approx. 1.5 bn JPY
Received in Jan. '25

Convertible bond
Allottee：
- Murata Manufact.
- CVI Investments

Approx. 1.5 bn JPY
Received in Oct. '25

Common Stock
Allottee：
Athos Capital

Approx. ~1.6 bn JPY
partly received in '25

Stock acquisition rights (warrants)
Allottee:
Cantor Fitzgerald Europe

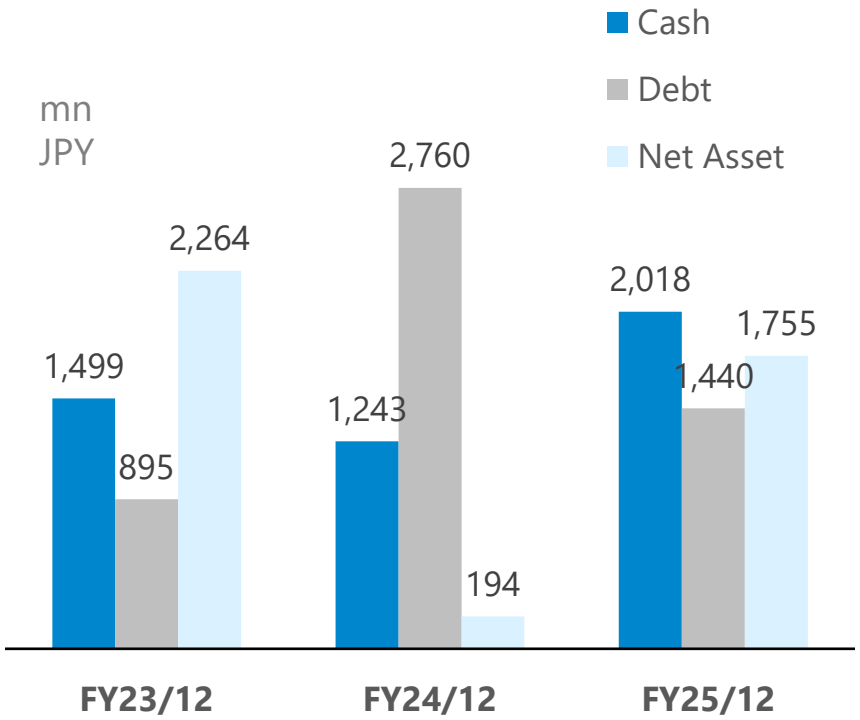
Use of proceeds

- R&D for platform development and evaluation, and investments for mass production
- Working capital for overseas expansion

1：Total of short-term debt and long-term debt

Improvement of Balance sheet

Reduced interest bearing debt[1]; fundraising increased cash and cash equivalents and restored net assets



Medium Term Capital Allocation Policy

Specify growth investments while maintaining financial discipline and improving working capital efficiency

Financial Strategy in the Mid Term Plan

Capital Allocation Policy

- **Maintain a certain level of capital investment for growth**
  - **① Next-generation drone development**
  - **② Expansion of overseas business**
  - **③ M&A and strategic alliances**
- **Efficient working capital management aligned with operations**

Financing policy

- **Accelerate growth investment using grants and subsidies**
- **Use multiple financing options depending on funding needs**

Specific Growth Investment Priorities

Next-generation drone development (FY2026 investment level: JPY 2.7 bn)[1]

- New platform development and feature development based on customer requirements
- Investment in advanced technologies such as AI
- Strengthen marketing to accelerate adoption of new platforms

Overseas expansion (FY2026 investment level: JPY 0.3 bn)

- Strengthen sales and support through investment in overseas subsidiaries
- Product adaptation to local customer requirements and compliance with local regulations

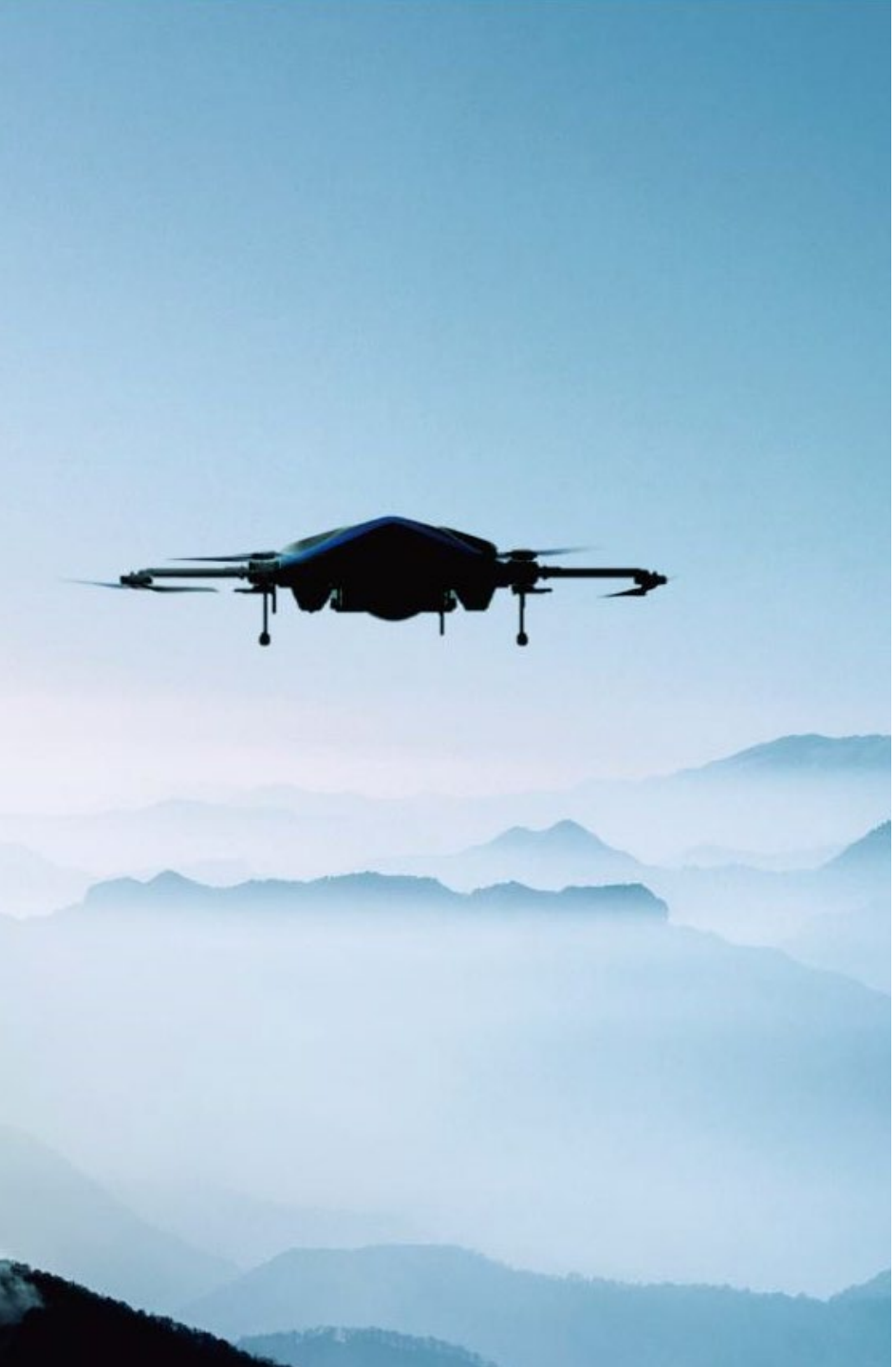
M&A and Alliance (to be evaluated case by case, including financing)

- Expand customer value through collaboration and integration with third party products and services
- Expand into adjacent technologies (e.g., drone ports)

Strengthening internal foundation (FY2026 investment level: JPY 0.2 bn)

- Hiring and developing talent to enhance execution capability for growth investments

1: The total amount of FY26 development expenses to be incurred under the SBIR program and the NEDO K Program. The accounting treatment for the NEDO K Program will be discussed with our audit firm.



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FY2026 Full Year Consolidated Forecast and YoY Comparison

Expand mainly in defense and North America; revenue expected to increase and profit expected to improve

"▲" = minus (negative)

[mn JPY]	FY26/12 Forecast	FY25/12 Actual	YoY Cahnge	(Reference) FY26/12 1H Forecast[1]	Summary
Revenue	4,000	2,598	+1,401	1,600	Expand mainly in defense and North America; revenue expected to increase materially from JPY 2.59 bn to JPY 4.0 bn
Gross Profit	850	501	+348	420	In addition to revenue growth, contribution margin improvement is expected to drive JPY 0.34 bn increase in gross profit. Gross margin expected to improve from 19% to 21%
Gross Profit Ratio	21%	19%	+2%	26%	
SG&A (excl. national projects)	1,610	1,470	+139	820	Maintain operations at a level broadly in line with FY2025 while incorporating investments for future growth
Operating Profit (excl. national projects)	▲760	▲969	+209	▲400	Loss expected to narrow from JPY ▲0.96 bn to JPY ▲0.76 bn, mainly driven by higher gross profit
National project costs	600	870	▲270	600	Execute in line with the development plan; expected to decrease from JPY 0.87 bn
Operating Profit	▲1,360	▲1,840	+480	▲1,000	Improvement expected from FY2025 level of JPY ▲1.84 bn
Ordinary Profit	▲650	▲1,075	+425	-	Improvement expected from FY2025 level of JPY ▲1.07 bn due to narrower operating loss and expected subsidy income
Net Profit	▲700	▲1,363	+663	-	Net loss expected to improve by JPY 0.66 bn from the prior year

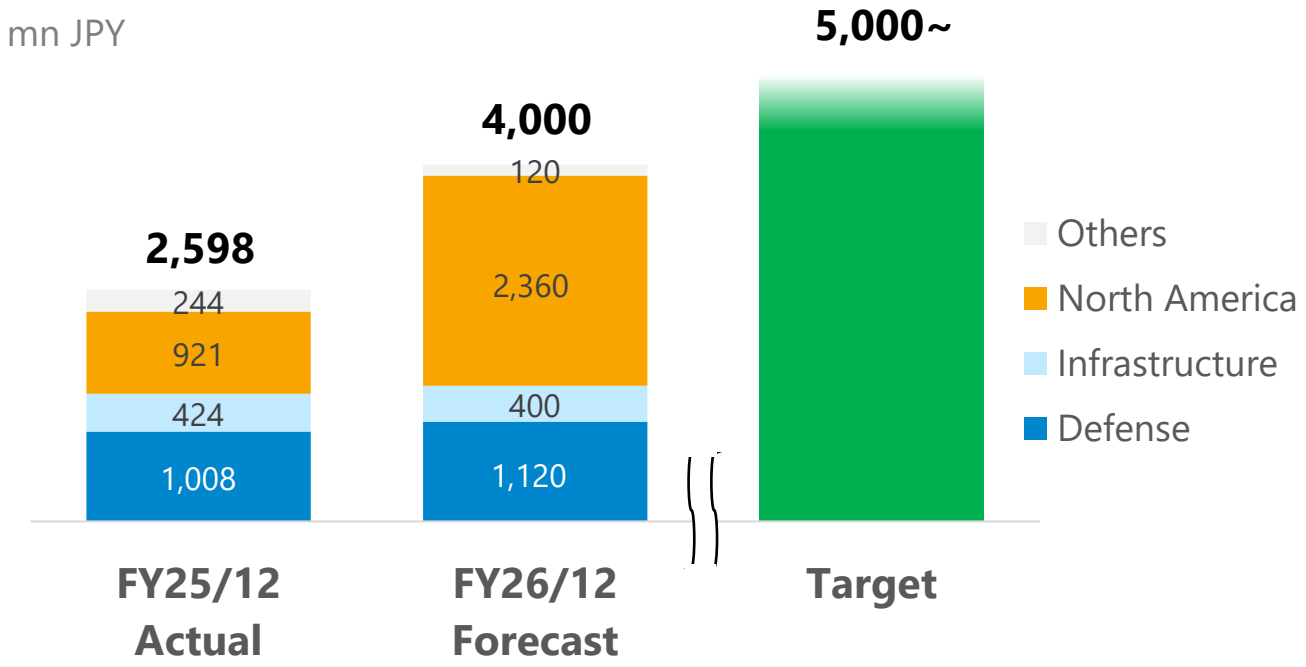
1: As the timing of subsidy income to be recorded as non operating income is uncertain, ordinary income and below are not disclosed for the first half forecast

Revenue Forecast and Order Backlog

FY2026 revenue forecast: JPY 4.0 bn; order backlog at year end: JPY 1.11 bn

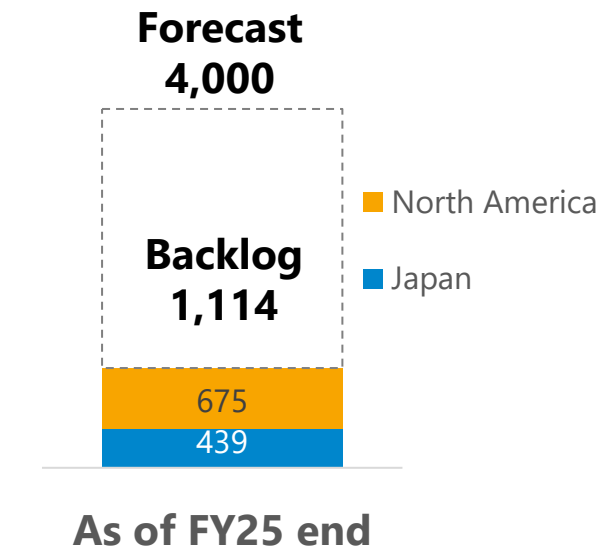
Revenue Forecast

FY2026 to grow further, driven mainly by defense and North America. Targeting JPY 5.0 bn by FY2028



FY2026 Order Backlog[1]

JPY 1.1 bn is already in backlog



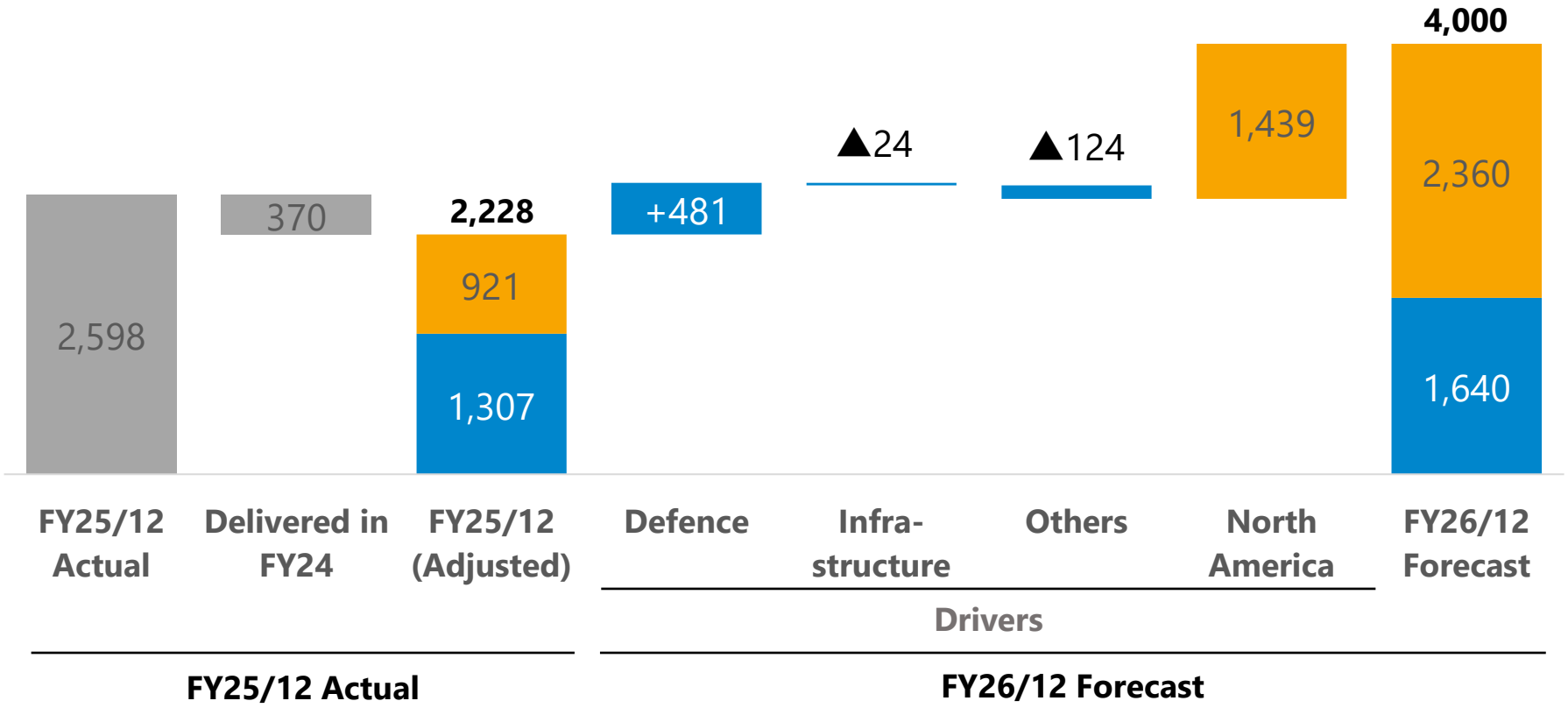
1: The backlog includes orders received as of the end of FY25

Revenue Bridge: FY2025 to FY2026

FY2026 revenue is expected to increase driven by delivery progress on backlog, expansion in key domestic segments, and growth in North America sales

Breakdown of revenue change

mn JPY



Defense

- Excluding FY2024 deliveries, revenue is expected to increase by JPY 481 mn, with continued deliveries of compact aerial imaging drones

Infrastructure

- Incorporated ongoing projects with existing customers; expected to be broadly flat

Others

- Reaction to FY2025 revenue recognition and national project related items

North America

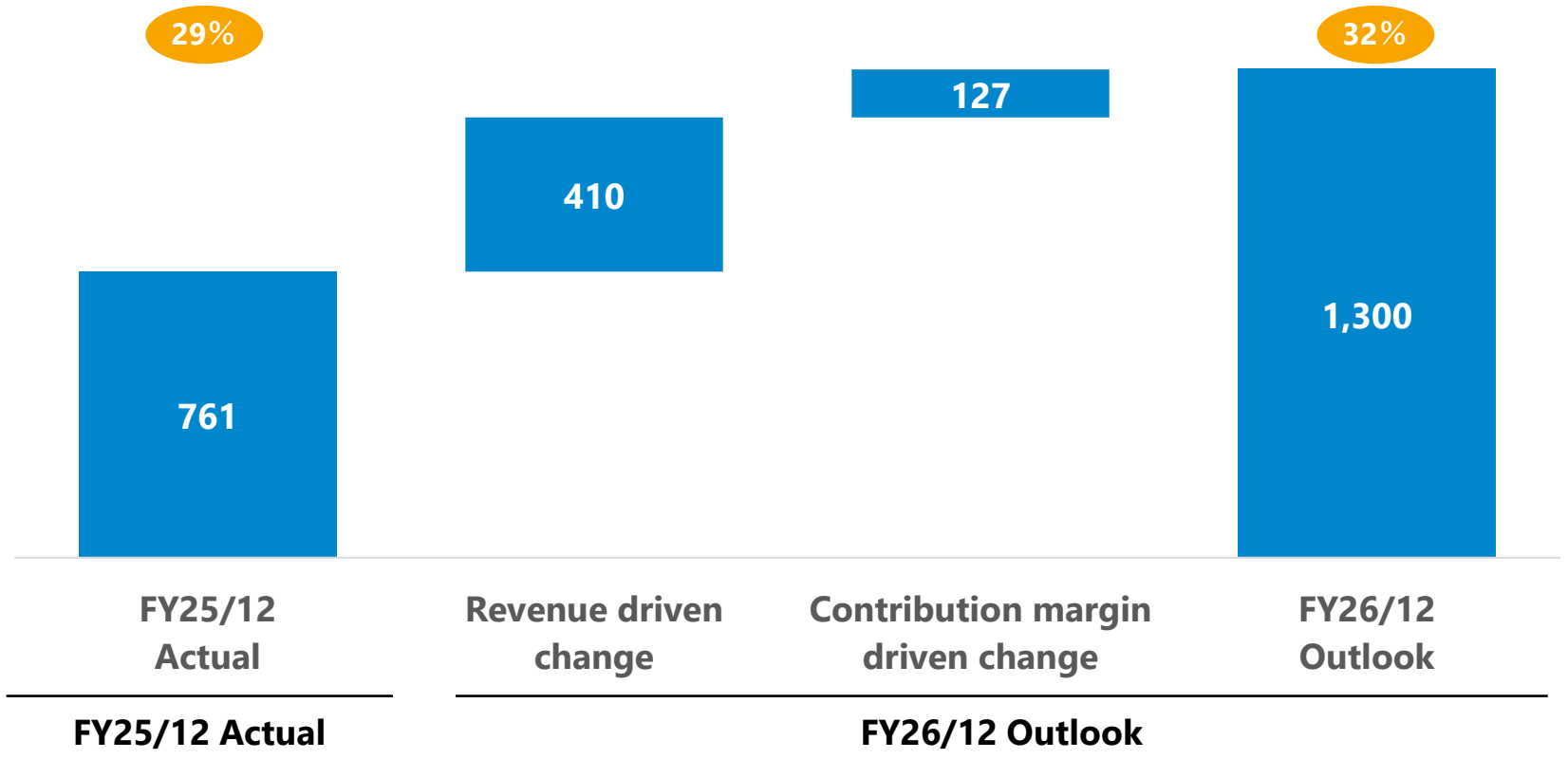
- Expect sales of over 1,000 SOTEN units (including 600 units already in backlog, including Canada)
- Continue expanding sales of accessories such as smart controllers and cameras, in addition to the SOTEN airframe

Contribution Profit Trend

Contribution profit is expected to increase driven by revenue growth and improved contribution margin

Breakdown of contribution profit change

mn JPY



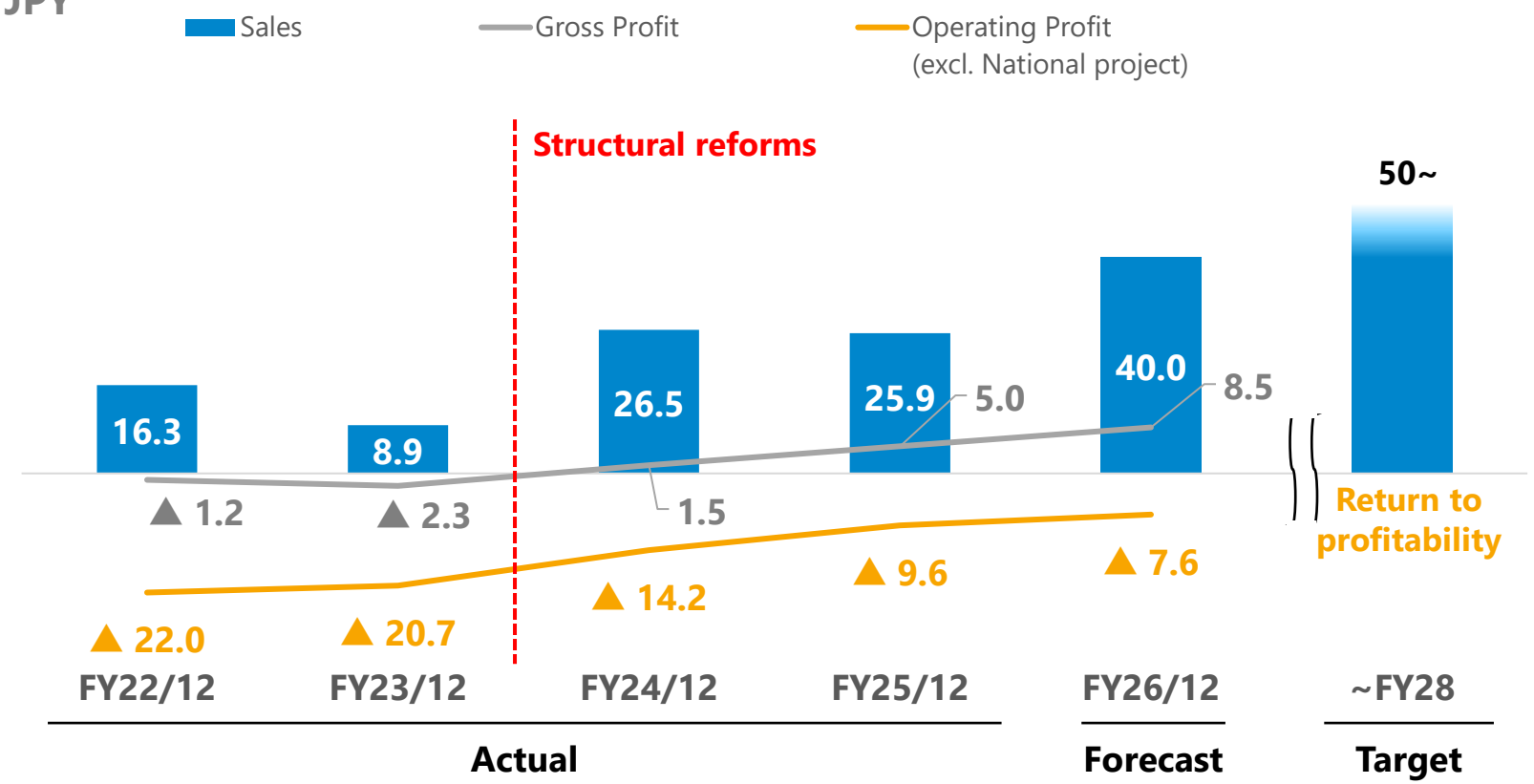
- Contribution profit expected to increase by JPY 0.53 bn versus FY2025
- JPY 410 mn increase driven by higher revenue
- Expect company wide contribution margin improvement (JPY 127 mn impact) driven by higher profitability on recurring Ministry of Defense projects

Mid to long term growth outlook

Achieve profitability within the next three years through both revenue growth and margin improvement

Revenue and Profit Trend[1]

100 MM JPY



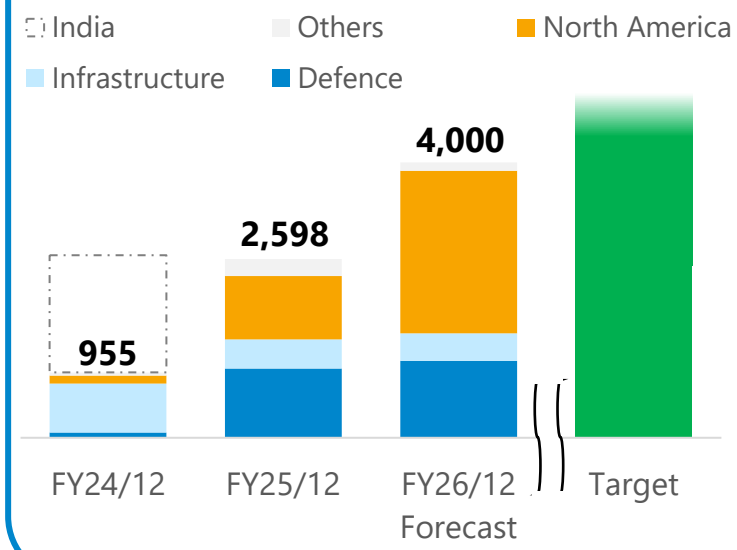
1: Operating profit for FY24/12 and FY25/12 exclude national project expenses of 860 mn JPY and 1.4 bn JPY, respectively. Including national project expenses, FY24/12 and FY25/12 are 2.29 bn JPY loss and 2.37 bn JPY loss, respectively

Key Metrics Toward Profitability

Aim to achieve operating profitability by growing revenue, improving gross profit, and maintaining a disciplined cost structure

Revenue

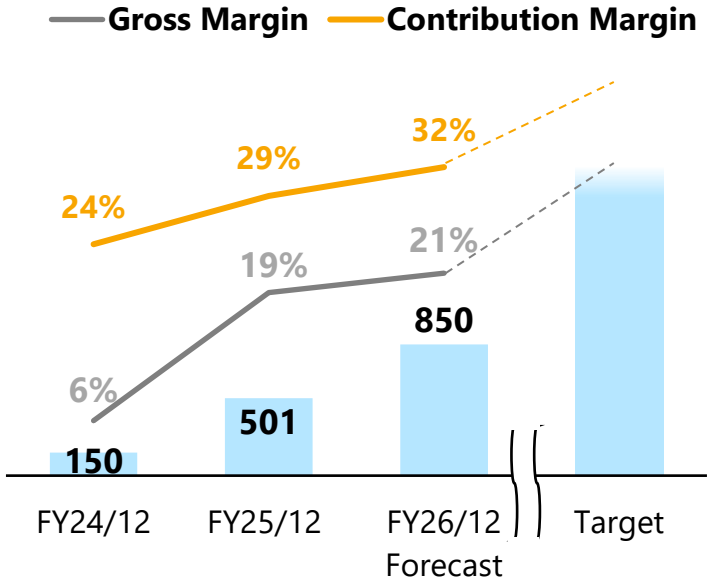
mn JPY % CAGR on a company wide basis. Japan to grow steadily mainly in defense; North America assumed to grow at a higher rate



Gross Profit

mn JPY

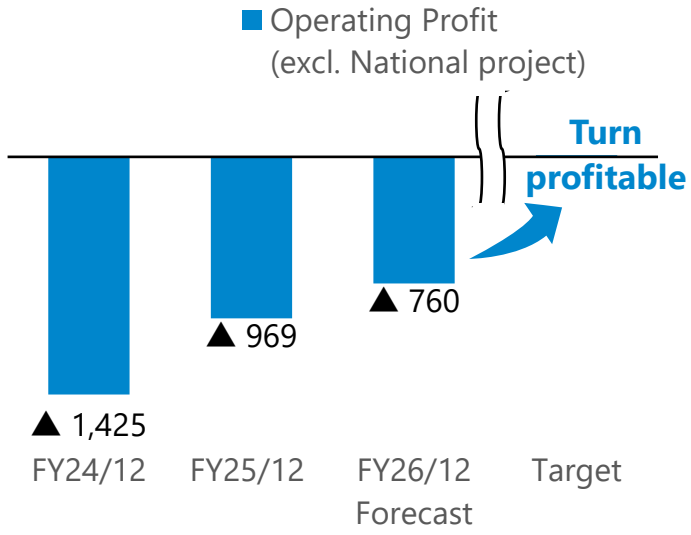
Target gross margin of 40%+ in the mid to long term through contribution margin improvement

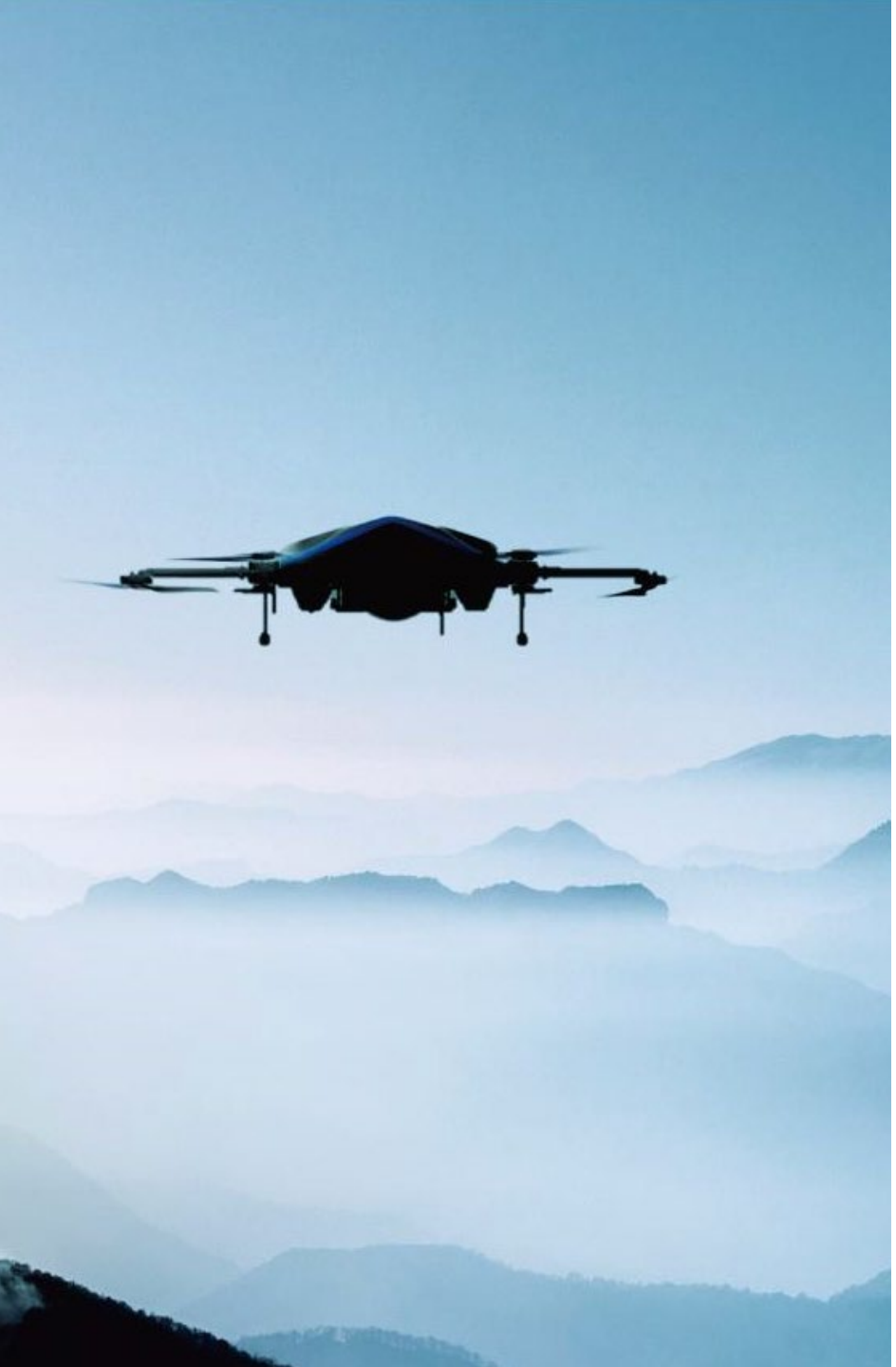


Operating Profit

mn JPY

Grow operating income excluding national projects; expect operating profitability at revenue of JPY 5.0 bn+





1. Company Overview

2. FY25 Results and Business Highlights

3. FY26/12 Outlook

4. Mid Term Plan “ACSL Accelerate FY26”

5. Appendix

Positioning of the Medium-Term Management Plan

The Third Phase of Growth Toward Realizing our 10-Year "Master Plan"

ACSL Accelerate FY20

From a Prototype Factory to a Mass Production Manufacturer

→

ACSL Accelerate FY22

Shift to a Sustainable Global Manufacturer

→

ACSL Accelerate FY26 (FY26-FY28)

Toward Becoming a Trusted Partner for Those that Build Safety and Security Around the World

In August 2020, ACSL defined a master plan that sets the "To-Be" state in 10 years.
To realize this vision, ACSL has defined a rolling medium-term management plan called "ACSL Accelerate," which adapts to rapid changes in the business environment.

Three social issues ACSL aims to address

①Declining workforce

- Fewer workers willing to perform tough, dirty, and dangerous tasks
- Robotics, including drones, are being adopted to improve efficiency and enable unmanned operations

②Defense and Security

- As economic security gains importance, the U.S. is advancing national-level regulations on China drones
- In Japan, awareness related to economic security in drone are steadily progressing

③Natural disasters

- Climate change is increasing the frequency and severity of earthquakes etc.
- In disasters such as the Noto earthquake and regional heavy rains, drones proved effective in damage assessment and logistics

ACSL's Business Domains

Demonstration/ Customization → **Mass Production / Deployment** → Service Provision

Business Regions

Primarily operating in
Japan and North America

Business Focus

Industrial drones for
aerial imaging, inspection, and delivery

Aerial photo/ Inspection

Delivery

Agriculture

Hardware + Software

ACSL's Competitive Advantages

A leading Japanese manufacturer of small unmanned aircraft addressing economic security needs

Positioning in the Small[1] UAV Market

	Made in Japan	Overseas-made
Outdoor /Small		Company A Company B Company C ⋮
Outdoor /Medium & Larger	Company D ⋮	Company E ⋮

1: Less than 4kg as weight

Industry-Leading Technical Capabilities

R&D

① Proprietary control technologies (FC and Vision)

② Reliable aircraft compliant with economic security requirements

Manufacturing

① Mass-production capability for small drones

Operation

① The only company to obtain a Type Certification (Level 4)

A Strong Customer Base and Sales Network

① A broad customer base and deployment track record across defense, public, and private sectors

② A distributor network of over 15 partners in Japan and over 20 in the US

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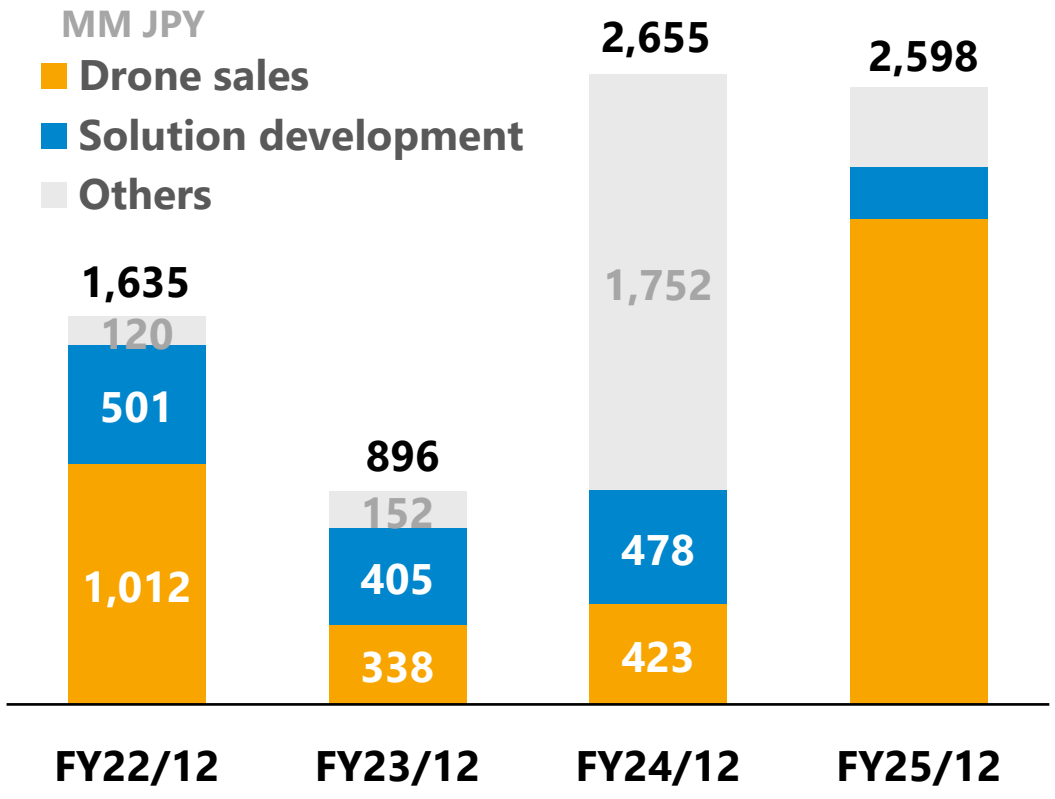
Review of “ACSL Accelerate FY22”: Financials

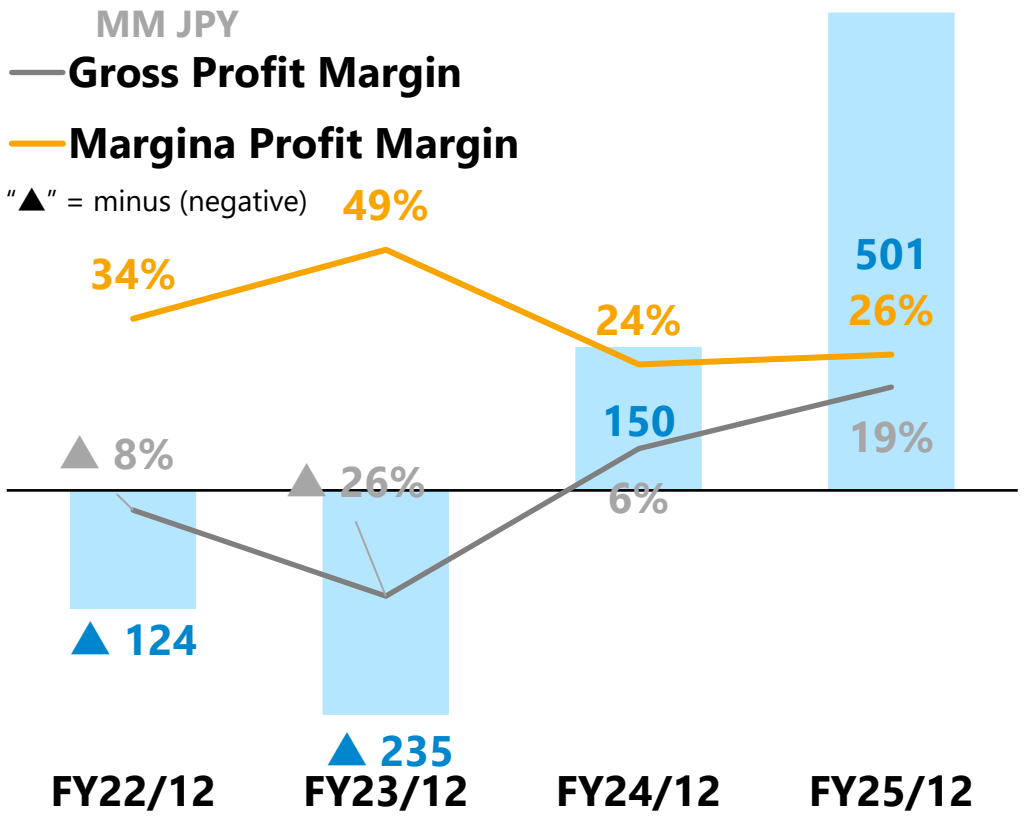
Although targets were not fully achieved, sales nearly doubled and gross profit turned positive

Improvement in marginal profit margin was a key driver toward profitability

Revenue Trends



Gross Profit Trends



Review of ACSL Accelerate FY22: Business Strategy

While some initiatives deviated from initial assumptions, the medium-term growth direction was clarified

Development and commercialization of four application-specific drones

Results
- Progress in mass production and deployment of SOTEN (inspection), and start of PF4 mass production
- Some application-specific models did not reach mass production due to development and regulatory constraints

Key Implications
- Application-specific drones face challenges in scalability and volume production
- Accelerate deployment of SOTEN and PF4 into defense, inspection, logistics, and public sectors
- Accelerate development of next-generation platforms following SOTEN and PF4

Development of new applications drones and compliance with security

Full-scale launch to the Indian market

Results
- Initial sales were constrained due to JV setup and changes in export regulations

Key Implications
- Shift focus to North America; replacement of foreign-made drones is structurally irreversible

Exploring adaptation of autonomous control systems to other fields

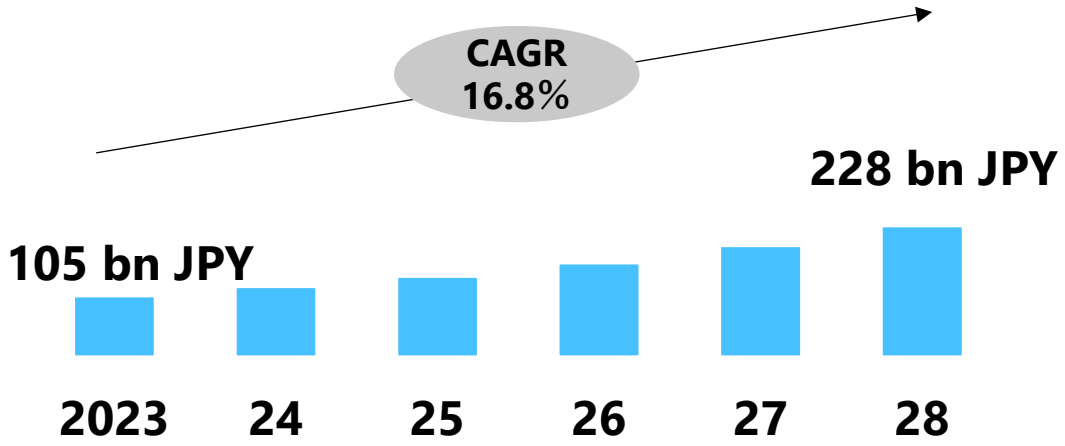
Results
- Investments and early development efforts made, but progress was limited by technical gaps

Key Implications
- Continue deploying autonomous control systems to other drones; expansion to other fields remains on hold

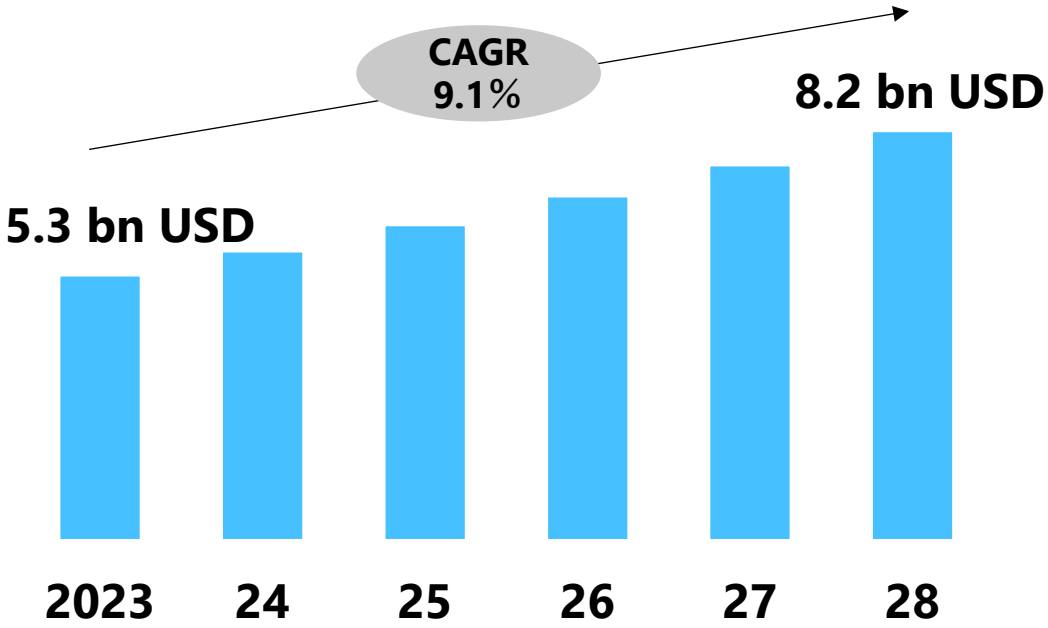
Drone hardware market size

The drone hardware industry is growing swiftly and is projected to surpass 1 trillion JPY by 2028, encompassing both Japan and the U.S.

Japan drone hardware market[1]



US drone hardware market[2]



1: Impress Research Institute “Drone Business Report 2024”
2: Grand View Research 「U.S. Commercial Drone Market Size & Share Report, 2030」

External Changes Surrounding the Drone Industry

**Trends cited in the previous medium-term plan, including decarbonization and clean energy, digital rural cities and smart cities,
and aviation law revisions such as Level 4 regulations, continue**

Advancement of Economic Security

Geopolitical risks are driving demand for domestically produced and highly reliable drones, particularly in defense applications

Opportunity: New and expanding markets for domestically produced, highly reliable drones, mainly in defense

Risk： Increased uncertainty in component procurement due to supply chain disruption and instability

Rapid Advancement of Drone Technologies

- AI Autonomy and Distributed Drone Control
- 5G/6G, Satellite Connectivity, Next-Gen Power
- Counter-Drone Capabilities

Opportunity: Enhanced Customer Value and Expansion into New Use Cases

Risk： Rising Development Complexity and Limits of In-House Development

Core Policy and Six Strategic Initiatives

As a trusted global manufacturer supporting safety and security, we unite internal and external strengths to develop, scale, and deliver technologies that exceed customer expectations and create value for all stakeholders.

1

Drone evolution with advanced technologies

Next-generation AI-based autonomous control

2

Building a resilient supply chain

Procurement network with multiple sites and economic security

3

Full-scale expansion of U.S. business

Stronger sales network and business base in the U.S.

4

Contribution to defense and security

Establish a trusted position in defense sectors in Japan and overseas

5

Domestic Infrastructure Maintenance

Replacement with Domestic Drones in Infrastructure Maintenance

6

Strengthening a financial base

Financial structure for growth and sustainability

1. Drone evolution with advanced technologies

The evolution of drone through cutting-edge technology is the key to contributing to society and driving growth. For small aerial photography drone, we plan to develop and mass-produce two new models. For logistics drone, we aim to enhance the functionality and reduce the cost of the PF4

ACSL Accelerate FY22 | **ACSL Accelerate FY26**

Small aerial photo

SOTEN (2022)

- Domestically developed small aerial photography drone
- Flight in non-GPS environments
- Security measures

Next-generation small drone (Mid-to-late 2026)

- Compact and lightweight aerial photography drone*1
- Extended Flight Time
- High environmental resistance

Next-next-generation small drone (early 2028)

- AI-powered autonomous control
- Mesh network compatible
- Third-party aerial flight

Delivery

PF4(2025)

- Superior aerodynamic performance and extended flight duration
- Environmental resistance (wind resistance and rainproofing)
- High-precision positioning via CLAS*2

Based on market conditions and customer needs, functional enhancements, cost reductions, and new aircraft development will be considered

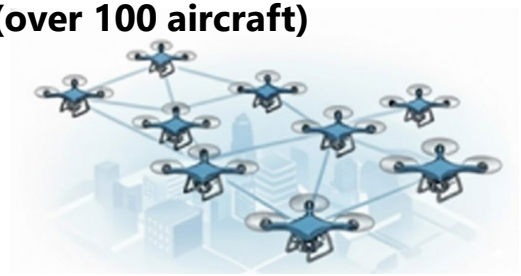
＊1： Compared to SOTEN
＊2： Centimeter-level positioning augmentation service provided by Michibiki (Quasi-Zenith Satellite System)

ACSL's Technologies and Applications (to FY30)

① 【Smart】
Autonomous Flight Plan Re-routing

② 【Smart】
Robust Indoor Flight Integrating Visual Odometry/SLAM/GPS/IMU

③ 【Smart】
Super-large fleet operation (over 100 aircraft)



Implementing Safety and Security

Secure/Safety

"Liberate Humanity though Technology"

Smart

Advanced technology for enhanced mission execution

Simple

Technical user support

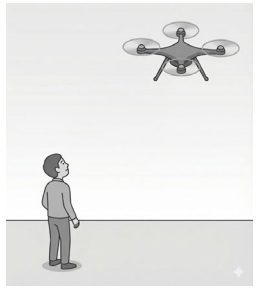
Basic Performance Improvements

- **Sensor Performance** (Camera)
- **Transmission distance** (Communication device)
- **Flight time** (Battery)
- **Extensibility** (SDK/API)

④ 【Secure/Safety】
Anti-Drone Measures (Enhanced Information Security)

⑤ 【Secure/Safety】
Manned aircraft, unmanned aircraft, autonomous obstacle avoidance

⑥ 【Secure/Safety】
Third-party overflight



⑧ 【Simple】
Flight plan formulation using natural language

⑦ 【Simple】
Fully automatic charging and aircraft inspection

⑨ 【Simple】
Unifying Usability Through Third-Party Deployment of ACSL FC/GCS

FC Technology | **Vision Technology** + **AI**

2. Building a resilient supply chain

Establish systems to ensure both production flexibility and procurement reliability in environments with heightened supply chain risks

Macro environment and risks

Geopolitical tensions

- Tightened export/import controls
- Changes in tariff policies

Supply chain depending on specific countries

Disruption in parts supply

Extended lead times and increased costs

Security concerns

Future Direction

① Cooperation/Competition with Other Manufacturers

- Cooperation = Standardization and Commonization of Parts
- Competition = Differentiation in Parts

② Strengthening Relationships with Parts Manufacturers

- Reducing reliance on specific countries for certain parts
- Promoting domestic production

③ Establishment of a parallel production system

- Production System Capable of Addressing Diverse Customer Needs

3. Full-scale expansion of U.S. business

Establish a foundation for the next growth driver in the expanding U.S. market driven by economic security

FY25 Sales：Approx. 0.9 bn JPY (Forecast) → **FY28 Sales target：2.5 bn JPY (+1.6 bn JPY)**

U.S. market environment

Market size

- A large and growing market with advancing drone adoption

Structural changes

- Regulations on Chinese-made drones from December 2025
- Users urgently seeking alternatives to Chinese drones

Competitive landscape

- Few compliant models available
- Adoption of U.S. and European products remains limited

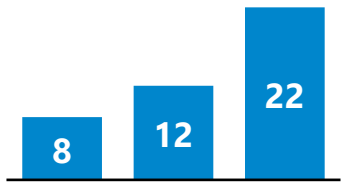
ACSL in the U.S.

- Launched "SOTEN", developing features and cameras tailored to the U.S. market
- Strength in NDAA compliance and competitive pricing
- MOUs with key players, a nationwide dealer network, strong industry relationships

MOU signing

GEN PAC General Pacific, Inc. / C2 GROUP / Ameren / FIRMATEK / valmont / CYBERHAWK / AMERICAN TOWER

# of dealers



Future Direction

① **Focus on priority segments**
- Power infrastructure inspection
- Public safety

② **Strengthen local partnership**
- Collaboration with drone service providers and manufacturers
- Deeper engagement with industry associations

③ **Development for U.S. market**
- FY25: IR camera
- Next: port integration

4. Contribution to defense and security

Leveraging strengths as a Japan-origin drone manufacturer and proven track record in defense to drive growth

FY25 Sales：Approx. 0.9 bn JPY (Forecast) [1] → **FY28 Sales target： 1.5 bn JPY (+0.6 bn JPY)**

Market opportunity

Increase in defense budgets

- **Defense-related budget growth: JPY 4.7 tn (2014) to JPY 8.7 tn (2025)**
- **Acceleration of the 2% of GDP defense spending target (from FY2027 to FY2025)**

Acceleration of dual-use adoption

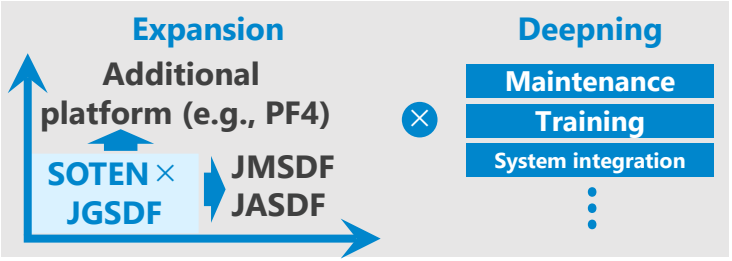
- **Expanded government support for domestic UAV production (U.S., Korea, Taiwan, India, etc.)**

ACSL at Defense sector

- **Orders received for SOTEN : JPY 0.37 bn delivered in 2024, JPY 0.52 bn scheduled for 2025**
- **First drone manufacturer to join the Japan Defense Industry Association**
- **Selected by the Japan Air Self-Defense Force as an aerial photography drone**
- **Disaster Response Cooperation Agreement with the Japan Ground Self-Defense Force Eastern Army**

Future Direction

① **Expanded Use Cases Driven by Mass-Produced Platforms**



Leverage model

② **Partner-Led Solution Development and Deployment**

- **Land, Sea, and Air Hardware Integration**
- **Application Software Integration**

1: Excluding 0.37 bn JPY (already delivered in 2024)

5. Expansion of Social Infrastructure Maintenance and Management

Establish a position as a domestic drone manufacturer in the field of social infrastructure maintenance and management

FY25 Sales ： approx. 0.4 bn JPY (Forecast) → **FY28 Sales target ：1 bn JPY (+approx. 0.6 bn JPY)**

Market Opportunity

Logistics and Inspection Common

- **Accelerated Use of Drones in Disaster Situations following the Noto Peninsula Earthquake**
  (Supply transport, aerial photography)

Inspection

- **Expanding the Use of Drones in infrastructure management**
  - **MLIT Water Management and Land Conservation Review Committee, etc.**
  - **Increased demand for inspections following the opening of drone flight paths over power transmission lines**
    FY2024: 150 km
    FY2027: approx. 10,000 km
    FY2028: approx. 30,000 km

ACSL in infrastructure maintenance and management

Logistics

- **Operational Performance in the Field during the Noto Peninsula Earthquake (medicine delivery to evacuation centers, damage assessment)**
- **Mass production of the PF4 multi-purpose aircraft, primarily for logistics, has commenced**

Inspection

- **Commencement of SOTEN use for Drone Flight Routes Over Power Lines**
- **Started PF4 Validation for Erosion Control and River Infrastructure Inspection**

Future Direction

Logistics

① **Strong Partnerships with Drone Operators**

② **Multi-Use Demand Creation and Validation for Emergency and Peacetime Use**

Inspection

① **Strengthening collaboration with related businesses, including organic system integration**
  ① **Facility Owner/Operator**
  ② **Facility inspection service providers (including infrastructure inspection service providers using drones)**
  ③ **Facility Inspection App Provider**

6. Strengthening a financial base

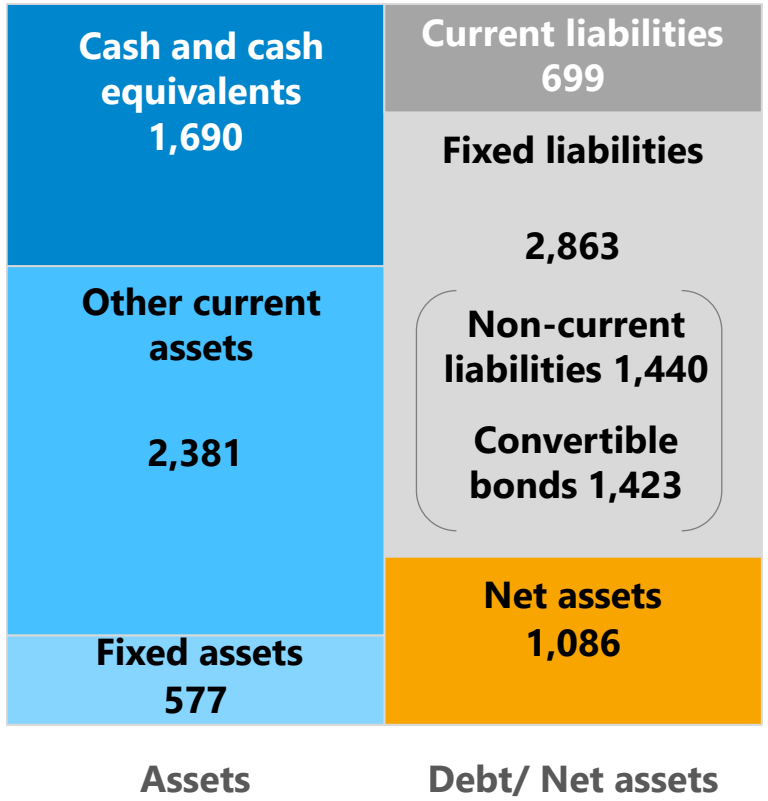
Secure sufficient cash to cover cash outflows until profitability

Generate cash inflows from operations and achieve sustainable growth investment

Balance Sheet

Cash position sufficient to cover cash outflows until profitability

MM JPY
(As of Sep. '25)



Financial Policy

Generate operating cash inflows and drive growth through ongoing investment

Capital Allocation Policy

- **Maintain a certain level of capital investment for growth**
  - **① Next-generation drone development**
  - **② Expansion of overseas business**
  - **③ M&A and strategic alliances**
- **Efficient working capital management aligned with operations**

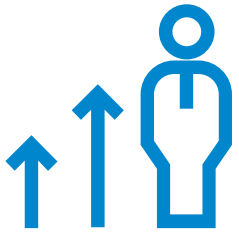
Financing policy

- **Accelerate growth investment using grants and subsidies**
- **Use multiple financing options depending on funding needs**

Advancing human capital, society, and governance

We aim to maximize human capital, contribute to society, and strengthen governance to achieve sustainable growth

Human Capital



A growth organization powered by diversity

- An environment where diverse talent, including 25% non-Japanese staff, can thrive
- Flexible work styles to attract talent and support long-term growth

Society

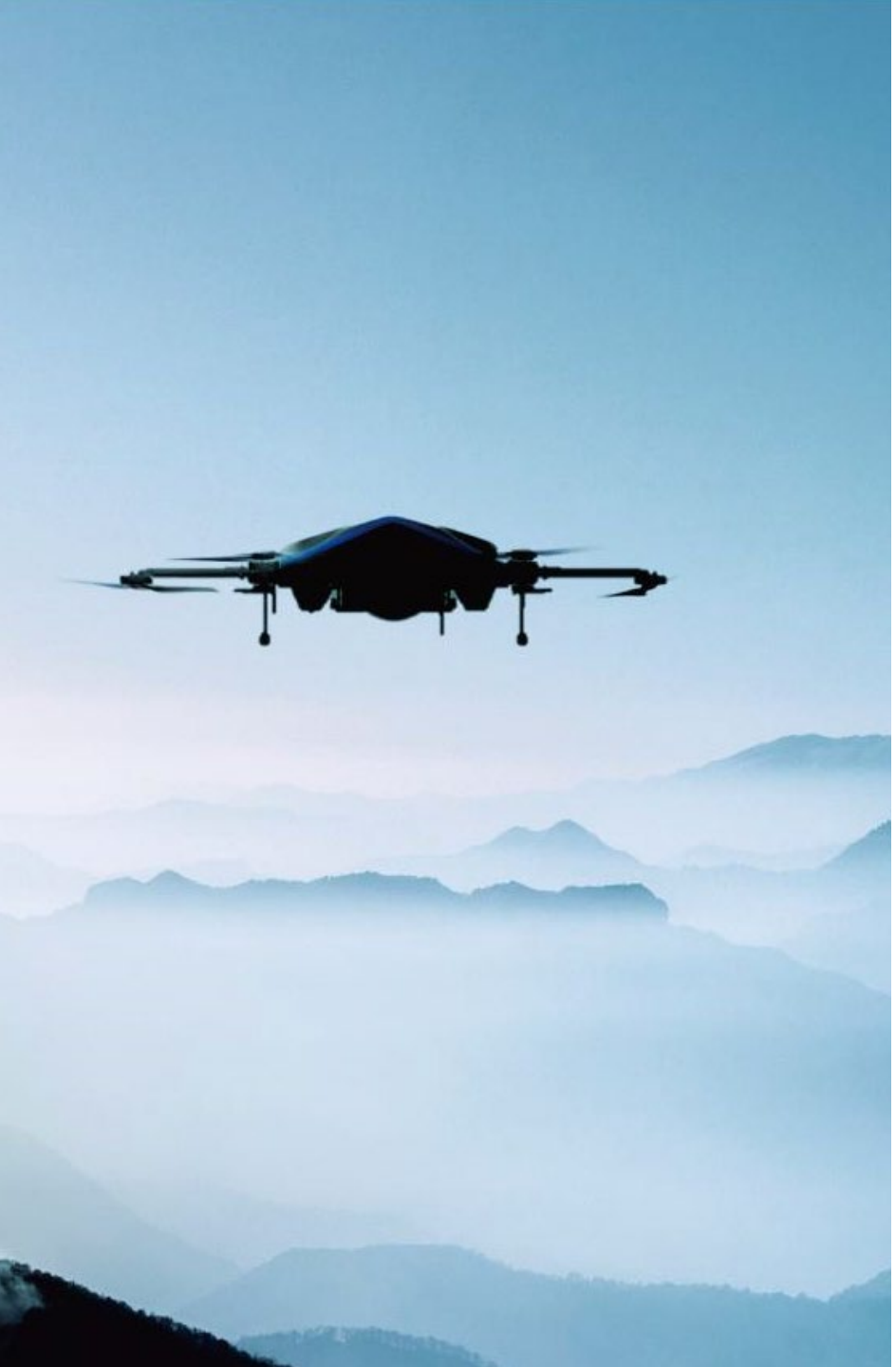
Supporting safety and securit through technology

- Supporting public safety through disaster response experience
- Promoting drones for infrastructure, logistics, and disaster response

Governance

Enhancing transparency and independence

- Oversight by two internal and three independent directors (Audit and supervisory committee)
- Compensation and nomination committees ensure independence



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FAQs (Performance 1/2)

Category	Question	Answer
Macro	Is global defense spending expansion a tailwind for us?	Against a backdrop of rising economic security concerns, governments and related agencies in many countries are accelerating the shift away from China made drones. We see procurement needs moving toward Japan made products or suppliers in allied and like minded countries. In the U.S., regulations to reduce reliance on China made drones are becoming more concrete.
Macro	Are we impacted by inflation and foreign exchange?	Inflation is pushing up component and procurement costs. We are addressing this through design changes, cost reduction initiatives, and evaluating appropriate pricing actions. As for FX, a weaker yen is expected to be positive on the sales side, and we do not expect FX movements to have a material impact on the business overall.
Macro	What is the situation regarding regulations and tariffs in the U.S.?	The shift away from China made drones is becoming more explicit, which we view as an opportunity. In 2025, restrictions on China made drones are expected to be implemented. While additional requirements may also apply to foreign made drones, SOTEN has already obtained the required approvals and can continue to be sold, with no significant impact expected. Tariffs could become a cost increase factor, and we will manage this through measures such as pricing adjustments while maintaining competitiveness.
Domestic business	What is the specific order outlook for our domestic existing business?	We expect SOTEN sales mainly to Ministry of Defense related customers as well as domestic infrastructure operators. For FY2025, we have already delivered a large defense related order of approximately JPY 0.55 bn. In addition, we plan to recognize approximately JPY 0.37 bn from deliveries to ATLA that were ordered in FY2024. For FY2026, we expect domestic full year revenue of JPY 1.64 bn, mainly from defense projects.
Domestic business	Outlook for engagement with the Ministry of Defense and profitability versus other businesses?	We have secured orders for SOTEN deliveries to ATLA and are steadily executing deliveries. We continue proposals and discussions to create follow on projects for subsequent years. On profitability, the FY2024 delivery was the first year and was taken at a strategically lower margin, while from FY2025 onward we expect profitability in line with other businesses.
Overseas	Progress in the U.S. and outlook going forward?	In FY2025, we delivered 500 units. During 2025, we received orders for 400 units and additionally secured a 200 unit order for Canada, which is scheduled for delivery in FY2026. In FY2026, we expect demand to remain strong and, including these deliveries, we expect sales of over 1,000 units in total. In addition to the SOTEN airframe, we aim to expand sales of accessories such as controllers and cameras, targeting total North America revenue of JPY 2.36 bn.
Overseas	Outlook for other overseas regions and background of India?	We are prioritizing North America and do not currently factor in sales to other overseas regions. For India, regulatory changes and other factors made achievement of the prior business plan difficult, and we recorded an equity method investment loss.
Local government projects	What are the specific initiatives for local government projects?	We promote drone utilization in partnership with municipalities, including collaboration with the Ministry of the Environment. Initiatives include drone logistics, sewer inspection, disaster response and preparedness, and public safety measures.

FAQs (Performance 2/2)

Category	Question	Answer
Profitability	Performance Outlook	To improve contribution margin, we are working on unit price optimization including options for SOTEN, as well as cost reduction initiatives. As revenue grows, the fixed cost ratio is expected to decline. In FY2025, contribution margin decreased due to product mix, with a higher share of airframe only sales and other items.
Profitability	Sustainability of SG&A reduction, and impact of lower R and D spend on competitiveness?	We will continue structural reforms and cost optimization to reduce fixed costs. This is not a one time measure, and will be executed as ongoing initiatives including tighter profitability management. R and D efficiency will be improved by selecting and focusing development themes and reallocating resources to priority areas. By leveraging grants and subsidies, we will maintain a competitive R and D capability.
Performance Outlook	How certain are backlog and next year revenue?	As of end December, backlog is JPY 1.11 bn. We expect to secure additional large domestic orders, and in North America, 600 units are already in backlog. We will further increase the certainty of revenue timing based on delivery and inspection progress.
Performance Outlook	Why did we change the revenue categories and KPIs in the presentation?	We revised the categories to make it easier to monitor progress of key strategies under the mid term plan. Unit volumes and revenue for airframe sales span multiple categories, so we plan to disclose them separately.
Performance Outlook	When do we expect to turn profitable?	We expect to achieve operating profitability at revenue of JPY 5.0 bn or more. Along with revenue growth, improving gross margin and maintaining an appropriate cost structure are key.
National Project	How are SBIR costs and subsidies recognized?	SBIR related costs are recorded in SG&A, and subsidies are recognized as non operating income when receipt becomes certain after inspections and related processes. As a result, there is a timing difference between expense recognition and income recognition. In FY2025, we recorded JPY 0.87 bn of costs and recognized JPY 1.20 bn of subsidy income. In FY2026, we plan to record JPY 0.60 bn of costs and recognize JPY 0.90 bn of subsidy income.
Finance	What is our financial strategy?	In FY2025, we conducted fundraising of JPY 3.5 bn, up to JPY 4.6 bn, and ended the year with cash of JPY 2.0 bn, which is sufficient for operations. Going forward, we will consider multiple funding options including equity, debt, and grants depending on funding needs such as working capital and growth investments.
Misconduct	What is the impact of the recent misconduct by the former representative director?	There is no direct impact on the business. Projects with government agencies, domestic customers, and U.S. customers continue without disruption. Ongoing national projects continue and we expect to receive related subsidies. We recorded approximately JPY 0.25 bn of fraud related costs as a special loss. Management has transitioned to Co CEOs Hayakawa and Terayama following the former CEO's resignation, with no impact on operations. We are proceeding with criminal complaint procedures against the former representative director.

FAQs (Our business)

Category	Question	Answer
Competitive environment	China made drone manufacturers have high market share. How do we compete?	While China made manufacturers have high share in consumer drones, the industrial drone market is accelerating its shift away from China made drones. We see three key competitive advantages: (1) industrial grade technology and product readiness, including autonomous control technology, mission specific platforms, and certifications, (2) deep understanding of local customer requirements and the ability to build operational support, and (3) secure and reliable platforms that address security concerns. With heightened security concerns, some overseas markets have clearly restricted import or use of China made drones, which we view as favorable for us.
Competitive environment	Possibility of new competitors or new entrants?	Companies that possess autonomous flight control system technology at the source code level, especially advanced model based control like ours, are rare globally. Considering security compliance requirements, we believe direct competition remains limited, including from overseas players. While some companies develop drones for military use, industrial drone development is less common. Autonomous control system development requires extensive field validation, and by leveraging our strong customer base, continuous dialogue, and demonstrations in real environments, we can develop products aligned with actual needs and strengthen competitiveness.
Sales Structure	What overseas sales structure do we plan?	The approach varies by region. In the U.S., we have established a subsidiary with sales capabilities and expect to expand sales by leveraging distributor and dealer networks with proven track records. In India, we established a joint venture with a partner. In all regions, local sales and support are critical, and we will deepen collaboration with local partners.
Production Capacity	Is there a risk of insufficient manufacturing capacity?	We operate as a fabless manufacturer and outsource production to external partners in Japan. We can respond to increased demand by expanding production capacity with these partners.

Revenue Categories

Going forward, we will disclose revenue by categories that better track progress on key strategies under the Mid Term Plan

Current Categories				Mid term Plan Categories
Application Specific Drone	**SOTEN**	**US**	Sales of SOTEN airframes and SOTEN related parts and accessories in the U.S.	North America (No Change)
		Japan	Domestic sales related to SOTEN (across all segments such as defense and infrastructure; same below)	Defense Infrastructure Others
	Non SOTEN		Sales of mass production platforms such as Air Truck and PF4	
Solution development			PoCs, custom development, and sales of platform drones (PF2)	
Others			Parts and accessories sales, maintenance, and revenue from certain national projects	

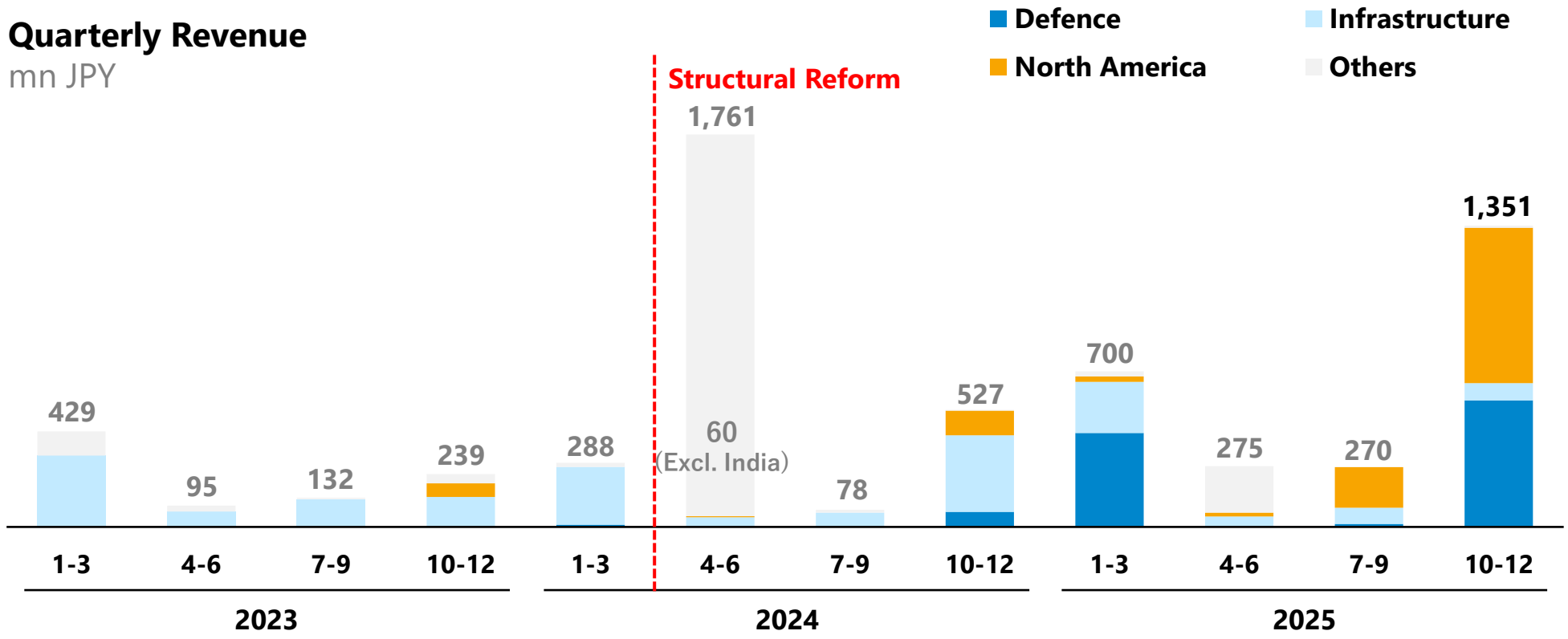
Mid term Plan Categories	Summary
North America	U.S. sales of SOTEN airframes and SOTEN related parts and accessories (serving segments such as infrastructure and public safety)
Defense	Revenue from defense related customers (airframes, accessories and parts; customization; and services such as demonstrations)
Infrastructure	Revenue from logistics and inspection customers (same as above)
Others	Revenue from customers other than defense and infrastructure (same as above), including revenue from certain national projects
(Airframe Sales)	As airframe volumes and revenue span the above categories, we will disclose them separately (units and revenue)

Income Statement Overview

Item		Explanation
Revenue	①	**Revenue from sales of airframes, services, and equipment rental. Some national projects are recorded as revenue.**
Direct costs	②	Costs directly tied to revenue, such as materials and outsourced processing.
Contribution Profit	**③ (①－②)**	
Indirect costs	④	Production related costs not directly attributable to revenue.
Gross Profit	**⑤ (③ - ①)**	
SG&A	⑥ (⑦+⑧+⑨)	
Selling and admin expenses	⑦	Personnel costs for sales and administrative functions and company wide costs.
R&D expenses	⑧	R&D costs, including materials and outsourced processing.
National project costs	⑨	Costs for national projects (SBIR, etc.). Recorded as SG&A. Related subsidies, when received, are recorded as non operating income(⑫).
Operating profit (excl. National project)	**⑩ (⑤-⑦-⑧)**	**Operating income excluding national project costs. A key KPI to track underlying profitability of the business.**
Operating Profit	⑪ (⑩-⑨)	Operating income including national project costs.
Non Operating income	⑫	Subsidy income from national projects. Subsidies are recognized when receipt becomes certain; timing may lag expense recognition.
Non Operating expenses	⑬	Financing related expenses, interest expense, and other financial costs.
Ordinary income	⑭ (⑪＋⑫-⑬)	
Net income	⑮	

Quarterly Revenue Trend and Backlog

Revenue increased by JPY 0.82 bn year on year driven by higher sales to defense and the U.S.

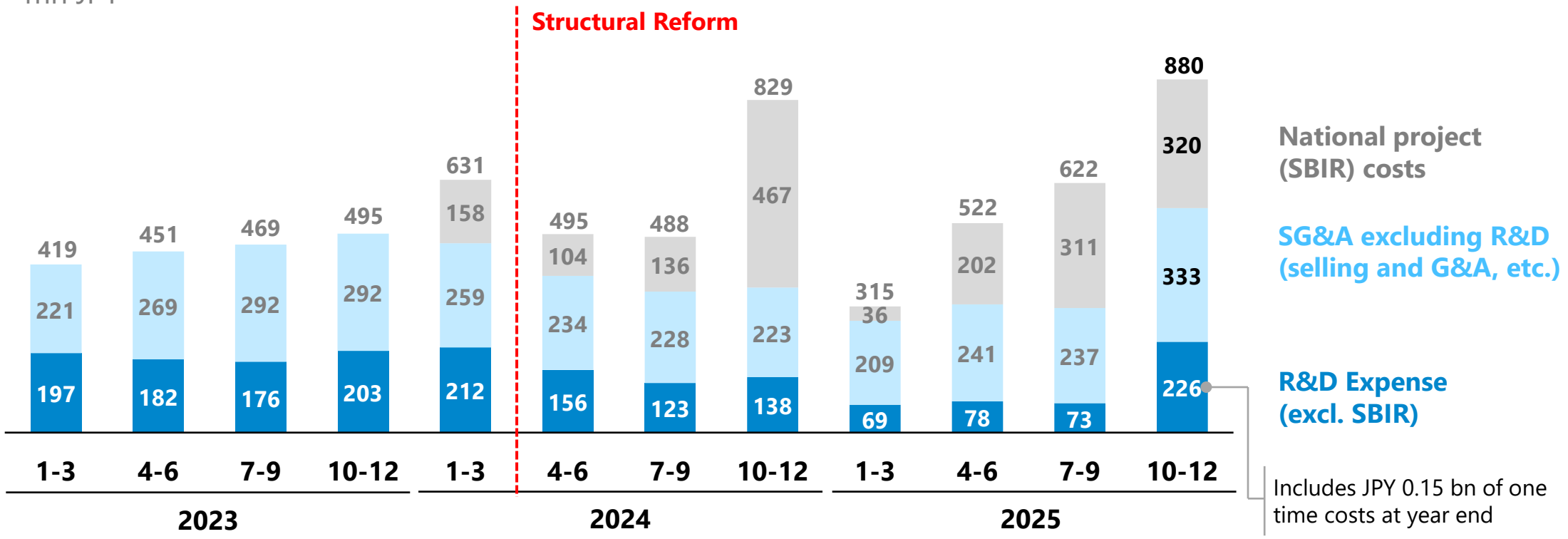


SG&A Expenses

SG&A excluding R&D increased due to expansion of the U.S. business. R&D for the core business excluding national projects (SBIR[1]) decreased year on year. SBIR costs totaled JPY 0.87 bn for the year.

Quarterly SG&A expense

mn JPY



1: SBIR: a national innovation program. For development of a new high performance compact aerial imaging drone with economic security and security considerations, with up to JPY 2.6 bn of subsidies expected during Dec 2023 to Dec 2025.

貸借対照表

mn JPY	FY25/12 Actual	FY25/12 YoY Change	FY24/12 Actual	FY23/12 Actual
Current assets	5,346	＋38%	3,877	4,203
Cash	2,018	＋62%	1,243	1,499
Fixed assets	318	▲54%	685	891
Current liabilities	1,045	▲51%	2,129	1,603
Fixed liabilities	2,863	＋28%	2,238	1,227
Total liabilities	3,909	▲11%	4,368	2,830
Net assets	1,755	＋802%	194	2,264
Total assets	5,665	＋24%	4,563	5,094

KPI and key financial items by fiscal year

mn JPY	Fiscal Year[1]		FY19/03	FY20/03	FY21/03	FY21/12	FY22/12	FY23/12	FY24/12	FY25/12
Revenue			807	1,278	620	501	1,635	896	2,655	2,598
	Small aerial photography drone (SOTEN)	mn JPY	-	-	-	-	939	206	402	2,007
		Unit					645	101	240	1,276
	Japan	mn JPY					939	144	276	1,086
		Unit					645	51	128	776
	Overseas	mn JPY					-	61	125	921
		Unit						50	112	500
	Other airframes	mn JPY	384	304	145	67	177	199	229	113
		Unit	106	101	46	18	45	41	49	21
	Others	Mn JPY	423	973	475	433	518	489	2,024 (India 1,700)	477
Gross Profit			403	808	68	0	▲124	▲235	150	501
Gross Margin			50%	63%	11%	0%	▲8%	▲26%	6%	19%
SG&A (excl. SBIR)			733	792	1,207	1,189	2,079	1,836	1,576	1,470
R&D expense			366	275	583	604	1,168	759	631	448
Operating Profit(excl. SBIR)			▲330	15	▲1,139	▲1,188	▲2,203	▲2,071	▲1,425	▲969
SBIR costs			-	-	-	-	-	-	867	870
Operating Profit			▲330	15	▲1,139	▲1,188	▲2,203	▲2,071	▲2,293	▲1,840

1: Figures are based on consolidated financial statements for the third quarter of FY2021 and thereafter, for earlier quarters figures in the non-consolidated financial statements FY21/03 through April to March of the following year. FY21/12 is an irregular accounting period from April to December; FY22/12 and beyond are from January to December

Quarterly KPI and key financial items

百万円	Fiscal Year[1]	FY21/03				FY21/12			FY22/12				FY23/12				FY24/12				FY25/12			
Quarterly actual		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue		36	42	46	495	267	133	100	952	78	130	473	429	95	132	239	288	1,761	78	527	700	275	270	1,351
Small aerial photography drone (SOTEN)	**mn JPY**								590	21	25	301	33	49	37	86	46	19	30	304	504	28	200	1,274
	Unit								475	6	7	157	13	17	12	59	31	15	12	182	416	-	101	759
Japan	**mn JPY**			-			-		590	21	25	301	33	49	37	24	46	14	20	194	479	10	17	578
	Unit								475	6	7	157	13	17	12	9	31	8	7	82	416	-	1	359
Overseas	**mn JPY**										-			-		61	-	5	9	110	24	17	182	696
	Unit															50	-	7	5	100	-	-	100	400
Other airframes	**mn JPY**	4	10	13	116	15	34	17	45	19	67	44	74	9	49	66	35	0	36	156	36	28	44	5
	Unit	1	3	5	37	6	6	6	9	6	17	13	13	3	11	14	5	-	11	33	4	2	12	3
Others	**Mn JPY**	32	31	33	378	251	98	82	316	37	37	127	322	35	45	86	206	1,740	11	65	158	219	26	72
Gross Profit		▲6	▲6	▲13	94	17	5	▲22	133	▲30	▲23	▲204	62	▲71	▲48	▲177	36	64	▲8	58	75	8	26	390
Gross Margin		▲19%	▲16%	▲28%	19%	7%	4%	▲23%	14%	▲39%	▲18%	▲43%	15%	▲76%	▲37%	▲74%	13%	4%	▲11%	11%	11%	3%	10%	29%
SG&A (excl. SBIR)		230	173	314	488	325	348	515	535	442	431	670	419	451	469	495	472	390	351	361	279	320	311	560
R&D expense		60	77	129	315	153	165	285	292	228	224	424	197	182	176	203	212	156	123	138	69	78	73	226
Operating Profit(excl. SBIR)		▲237	▲180	▲328	▲393	▲308	▲342	▲538	▲401	▲473	▲454	▲874	▲356	▲523	▲517	▲672	▲435	▲326	▲360	▲302	▲203	▲312	▲284	▲169
SBIR costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158	104	136	467	36	202	311	320
Operating Profit		▲237	▲180	▲328	▲393	▲308	▲342	▲538	▲401	▲473	▲454	▲874	▲356	▲523	▲517	▲672	▲594	▲431	▲496	▲770	▲239	▲514	▲596	▲490

1: Figures are based on consolidated financial statements for the third quarter of FY2021 and thereafter, for earlier quarters figures in the non-consolidated financial statements FY21/03 through April to March of the following year. FY21/12 is an irregular accounting period from April to December; FY22/12 and beyond are from January to December

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