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Securities code:	9348; Growth Market
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Notice Regarding New Business Initiative Utilizing Proprietary Lunar Orbiting Satellites

ispace, inc. (ispace) hereby announces that it has approved, by resolution of its Board of Directors dated March 27 ,2026, to commence the consideration of launching a new business initiative, "Lunar Connect Services," to provide communication and positioning services, as set forth below.

1. Purpose of Commencing Service Consideration

In recent years, international efforts toward lunar infrastructure development have intensified, led by programs such as the U.S.-led Artemis Accords. Consequently, there is a rapidly increasing potential demand for services utilizing lunar orbiting assets, including communication, positioning, extensive lunar observation, and Space Situational Awareness (SSA) to support lunar activities. Under these circumstances, ispace intends to actively deploy its proprietary lunar orbiting satellites into lunar orbit by utilizing its "capability to deliver and deploy spacecraft into lunar orbit and operate in lunar orbit," which was demonstrated through its previous two lunar landing missions. ispace plans to deploy at least five proprietary lunar orbiting satellites by 2030 and has decided to commence consideration of the "Lunar Connect Services" business to provide communication and positioning services to customers operating on the lunar surface and in lunar orbit.

Critical to the new business will be the development of ground station services on Earth capable of stably receiving large-capacity communications and data from the Moon. ispace has signed a Memorandum of Understanding (MOU) with KDDI Corporation (KDDI), a major ground station provider in Japan, to jointly explore the operation and utilization of these ground stations. Based on this agreement, KDDI will provide ispace with technical and business information regarding ground station functions and the nature of communication services on the Moon, and both companies plan to work together to develop future plans.

KDDI was selected in November 2024 by Japan’s Space Strategy Fund as a contractor for the "Development and Demonstration of a Moon-Earth Communication System (Feasibility Study)" project. KDDI is currently conducting the basic design of the ground station and ground station network for this system, as well as a feasibility assessment for establishing a lunar mobile communication environment. Moving forward, the two companies plan to discuss specific roles and responsibilities for jointly providing Lunar Connect Services.

2. Overview of the new service

(1) Service Name	Lunar Connect Services
(2) Services Provided	**Communication Service** A service providing stable, high-speed communication capabilities across a wide range of lunar and lunar orbit domains, including surface to surface, between lunar surface and lunar orbit, and between lunar surface and Earth. **Lunar Positioning Service** A service providing position information (latitude, longitude, time, etc.) with a specified accuracy to various payloads operating on the lunar surface.
(3) Target Customers	To be announced once finalized
(4) Service Start Date	As early as fiscal year 2027

3. Estimated Market Size and Service Commencement

Based on internal estimates, the market for the Lunar Connect Service and data services is expected to grow to at least $3 billion USD (450 billion yen) annually by the 2040s. ispace is currently considering the deployment of its proprietary satellites into lunar orbit. As a first step, ispace has reached a delivery reservation agreement with U.S.-based Argo Space Corp to transport its satellites using their in-space transportation vehicles. ispace aims to place its first lunar orbiting satellite into orbit (Mission 2.5) as early as 2027 and commence communication services by the end of fiscal year 2027. Customers for these services will be announced once agreements are finalized. Furthermore, ispace plans to deploy at least five proprietary lunar orbiting satellites by 2030 and intends to sequentially explore more advanced and multi-layered services utilizing multiple satellites.

As part of ispace's vision of building the cislunar economy, ispace expects to accelerate the launch and realization of the new Lunar Connect Services business utilizing lunar orbit assets, in addition to its existing businesses involving transportation services to the lunar surface and lunar orbit, as well as lunar data services. ispace will promptly disclose further details regarding the services as they are determined.

4. Impact on financial results

This matter will have no impact on the consolidated earnings forecast for the fiscal year ending March 31, 2026.