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Securities code: 9348; Growth Market
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Notice Regarding Results of Review by Mission 2 "External Review Task Force" and Report on "Seven Recommendations" by Co-Chairs

ispace inc. ("ispace") hereby announces the results of the External Review Task Force, including seven recommendations, commissioned following the conclusion of HAKUTO-R Mission 2.

1. Purpose and Background of Establishing the Task Force

ispace takes seriously the fact that it failed to achieve a soft landing in its two previous lunar landing missions and emphasized the necessity of seeking opinions from an independent third-party perspective. The primary purposes of the task force are as follows:

- To verify the validity of the company's technical factor analysis regarding the M2 landing failure from a third-party perspective and to provide additional perspectives on the technical and systemic factors that are thought to have contributed to it.
- To provide a series of recommendations from a third-party perspective for future ispace missions, thereby raising the maturity of lunar landing technology to a level suitable for commercialization.
- To clearly define ispace's current situation from a professional perspective, disclose this information transparently, and maintain trust with all stakeholders, including shareholders, customers, governments, and the media.

For this review, the task force utilized the CAST method (Causal Analysis based on Systems Theory), an incident analysis technique used to identify the causes of failures in complex socio-technical systems. As a result, the factors behind the failure to achieve a soft landing in Mission 2 were examined not merely as technical hardware issues with the laser rangefinder identified as the cause by ispace's technical analysis, but by analyzing the broader system comprehensively.

2. Overview of the task force and seven recommendations

(1) Members	<p>Olivier L. de Weck (co-chair) Apollo Program Memorial Professor at the Massachusetts Institute of Technology (MIT)</p> <p>Naohiko Kotake (co-chair) Professor, Graduate School of System Design and Management,</p>
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	<p>Keio University Visiting Professor, Center for Design Research, Stanford University</p> <p>Koji Yamanaka Director of Space Exploration Center, JAXA</p> <p>Christopher N. D'Souza Technical Fellow for Guidance, Navigation and Control, NASA</p> <p>Miguel San Martín Chief Engineer, Guidance and Control, NASA Jet Propulsion Laboratory</p> <p>Olivier Dubois-Matra Guidance, Navigation and Control System Engineer, ESA</p> <p>Takashi Makino Member of ispace External Board of Directors, former CEO of IHI Aerospace</p> <p>Kevin Duda Program Manager, Draper Laboratory</p> <p>Ryo Ujiie Chief Technology Officer, ispace, inc.</p> <p>Jeremy Fix Chief Engineer, ispace-U.S.</p> <p>Yoshi Hitachi Executive Vice President, Japan Engineering Office, ispace inc.</p> <p>David Rousseleau Safety and Product Assurance Manager, ispace – Liaison to Task Force</p>
(2) Activities	Conducted a total of five meetings since September 10, 2025.
(3) Seven recommendations for improvements	<p>Operating Level</p> <ol style="list-style-type: none"> 1. Implement Terrain Relative Navigation (TRN) 2. Take advantage of fuel remaining opportunity to reduce landing risk <p>System Development Level</p> <ol style="list-style-type: none"> 3. Improve Vendor Selection Process 4. Increase Project resources allocated for testing 5. Improve fault detection, isolation, and recovery (FDIR) design and validation <p>Management Decision Level</p> <ol style="list-style-type: none"> 6. Improve interaction between ispace and Draper 7. Reinforce company management risk approach

3. ispace Management Response

In response to the Task Force's recommendations, ispace management announced specific measures that are currently feasible and plans to implement them for future missions.

As a key example, regarding the recommendation to introduce terrain-relative navigation (TRN) at the operational level (recommendation 1), as planned, ispace fully leverage the expertise of JAXA's SLIM lander successes and install the TRN system which has been in development into the incoming mission. The inclusion of the selection by Japan's Space Strategy Fund Second Phase of the proposal "High-Precision Landing Technology in the Lunar Poles" announced in January of this year. Regarding the recommendation to increase project resources allocated to testing at the system development level (recommendation 4), management will expand ispace's existing Flight Operations unit into a Test and Flight Operations unit. By having a single unit handle both testing and operations, it will leverage synergies to expand resources for test preparation and execution, and establish a system that enables more efficient planning, preparation, and execution of operations based on the insights and know-how gained from testing. In response to the recommendation regarding strengthening the company's risk management approach at the management decision-making level (recommendation 7), a Technical Risk Assessment Committee will be established. This committee will function to identify, evaluate, and propose improvements for mission-related technical risks from an independent perspective from management strategy. The goal is to foster a better risk management system and corporate culture by promoting company-wide risk reduction processes and enhancing the transparency and sophistication of management decisions.

For details on the seven recommendations and improvement measures in response, please watch the video on our official YouTube channel. Materials from this press conference will also be posted on our IR website at a later date.

YouTube: <https://www.youtube.com/@ispace9464/streams>

IR Site: <https://ir.ispace-inc.com/news/>

ispace takes these recommendations seriously and considers it a major responsibility to learn from failure and apply those lessons to the future. We will strive to maintain and strengthen trust with all stakeholders by raising our technology to a commercial level and disclosing our efforts with high transparency.

4. Impact on financial results

The impact associated with this matter on our forecast of consolidated financial results for the fiscal year ending March 31, 2026 is not expected to be material. ispace will promptly announce if it is determined that there are any matters that require disclosure.