July 6, 2026

Company Name: Astroscale Holdings Inc.
Representative: Mitsunobu Okada
Representative Director and President, Group CEO
(Securities Code: 186A; Tokyo Stock Exchange Growth Market)
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Director and Deputy President, Group CFO
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Notice Regarding Reduction of Capital and Legal Capital Surplus and Appropriation of Surplus

Astroscale Holdings Inc. ("the Company") hereby announces that it has resolved at a meeting of its Board of Directors held on July 3, 2026 to submit the resolution of "Reduction of Capital and Legal Capital Surplus and Appropriation of Surplus" to the 8th Annual General Meeting of Shareholders of the Company scheduled to be held on July 30, 2026.

1. Purpose of reduction of capital and legal capital surplus and appropriation of surplus

As of April 30, 2026, the Company has recorded a deficit of ¥7,726,644,457 in retained earnings brought forward. The purpose of this matter is to compensate for the deficit in retained earnings brought forward and to strengthen the Company's financial foundation.

2. Summary of reduction of capital and legal capital surplus and appropriation of surplus

(1) Reduction of capital

Pursuant to the provisions of Paragraph 1 of Article 447 of the Companies Act, the Company will reduce capital and transfer such amounts to other capital surplus.

(i) Amount of capital to be reduced
Capital 2,130,727,494 yen

(ii) Amount of other capital surplus to be increased
Other capital surplus 2,130,727,494 yen

(iii) Amount of capital after the reduction
Capital 7,086,983,601 yen

(2) Reduction of legal capital surplus

Pursuant to the provisions of Paragraph 1 of Article 448 of the Companies Act, the Company will reduce legal capital surplus and transfer such amounts to other capital surplus.

(i) Amount of legal capital surplus to be reduced
Legal capital surplus 5,595,916,963 yen

(ii) Amount of other capital surplus to be increased
Other capital surplus 5,595,916,963 yen

(iii) Amount of legal capital surplus after the reduction
Legal capital surplus 0 yen

(3) Appropriation of Surplus

Pursuant to the provisions of Article 452 of the Companies Act, on the condition that the reduction in the amount of capital and legal capital surplus described in (1) and (2) above becomes effective, the entire amount of other capital surplus arising from the reduction in the amount of capital and legal capital surplus shall be reduced and transferred to retained earnings brought forward to be carried forward to compensate for the deficit.

(i) Item of surplus to be reduced and amount of reduction

Other capital surplus 7,726,644,457 yen

(ii) Item of surplus to be increased and amount of increase

Retained earnings brought forward 7,726,644,457 yen

3. Schedule of reduction of legal capital surplus and appropriation of surplus

(1)	Date of resolution of the meeting of the Board of Directors:	July 3, 2026
(2)	Date of resolution of the Annual General Meeting of Shareholders:	July 30, 2026 (Scheduled)
(3)	Effective date:	September 1, 2026(Scheduled)

4. Future Outlook

There is no impact on net assets per share since this matter is a transfer between accounts in the net assets section of the balance sheet and there is no change in the Company's net assets or the total number of shares issued and outstanding. There will be no impact on our group financial results for the fiscal year ending April 30, 2027.

This matter is subject to the approval of the "Reduction of Capital and Legal Capital Surplus and Appropriation of Surplus" at the 8th Annual General Meeting of Shareholders scheduled to be held on July 30, 2026.

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