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December 13, 2024

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 (Securities Code: 186A; Tokyo Stock Exchange Growth Market)
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Notice Regarding Revision to Consolidated Financial Forecast for the Fiscal Year Ending April 2025

Astroscale Holdings Inc. ("we") hereby announces that in light of the most recent operating trends, the meeting of the Board of Directors held on December 13, 2024 resolved to revise the consolidated financial forecast for the fiscal year ending April 2025 (from May 1, 2024 to April 30, 2025) as described below, which was initially disclosed together with the announcement of the consolidated financial results for the fiscal year ended April 2024 on June 13, 2024.

1. Revision to Consolidated Financial Forecast for the Fiscal Year ending April 2025 (from May 1, 2024 to April 30, 2025)

	Project Income	Revenue	Operating profit	Profit before tax	Profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	18,000	-	-	-	-	-	-
Revised forecast (B)	12,000	8,000	(17,000)	(18,500)	(18,500)	(18,500)	(162.31)
Change (B-A)	(6,000)	-	-	-	-	-	
Change (%)	(33.3)	-	-	-	-	-	
(Reference)							
Results for the previous fiscal year ended April 2024 (C)	4,667	2,852	(11,555)	(9,219)	(9,181)	(9,181)	(101.45)
Change (B-C)	7,332	5,147	-	-	-	-	
Change (%)	157.1	180.4	-	-	-	-	

2. Background of the Revision to Consolidated Financial Forecast

The revision to the full-year project income forecast is attributed to shift in revenue recognition timing due to delays in the signing of contracts for significant non-contracted projects compared to initial assumptions. However, there has been no change in our outlook regarding the viability of these projects or the likelihood of contract award. Additionally, current contracted projects are generally expected to progress as planned, with no changes to our assumptions.

Profit items were previously not disclosed, as it was deemed difficult to reasonably estimate financial impact prior to tendering, bidding, selection, and contract negotiation processes. This is due to revenue and expense recognition methods depending on specific contract details. After carefully reviewing the terms and conditions of these significant non-contracted projects, we are now disclosing our full-year financial forecast, including profit items. Regarding gross margin, we have set the full-year forecast at 0% (breakeven).

We present above project income, which includes revenue from customers and government subsidy income only related to grants for which use is tied to specific projects. We believe project income provides investors with additional information in relation to the sources of income derived from our project-related activities, as we pursue a wide range of project activities regardless of the funding scheme. Management monitors project income as the primary indicator of income of project-related activities. Project income is not a financial measure prescribed by IFRS but is a supplemental financial measure that we believe is useful for investors to assess income derived from projects and their funding sources. However, non-IFRS measures have a number of important limitations and should not be viewed as a substitute for financial information prepared in accordance with IFRS. Due to the limitations inherent in non-IFRS measures, investors should not solely rely on non-IFRS measures in assessing our performance and financial condition.

Forecast in this disclosure is made by management in light of information currently available. A number of factors could cause actual results to differ materially from those disclosed as above.

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