

February 22, 2023  
ACSL Ltd.

## Notice of Change of Directors and New Management Structure

ACSL Ltd. (ACSL) hereby announce that has informally determined the candidates for directors after the transition to a company with an Audit and Supervisory Committee, as follows. The matter will be formally decided at the 11th Ordinary General Meeting of Shareholders to be held on March 24, 2023, and at the Board of Directors' Meeting and Audit and Supervisory Committee Meeting to be held after the Ordinary General Meeting of Shareholders. In addition, the transition to a company with an Audit and Supervisory Committee was separately disclosed in the "Notice of Partial Amendments to the Articles of Incorporation (Japanese only)" dated February 22, 2023.

1. Candidates for Directors (Excluding Those who are Members of the Audit and Supervisory Committee)

Name	New Position	Former Position
Satoshi Washiya	Representative Director, CEO	Representative Director, President
Kensuke Hayakawa	Board Director, CFO	Board Director, CFO
Masanori Sugiyama	Director (External)	Director (External)
Tadaharu Shimazu	Director (External)	Director (External)

(Note) Masanori Sugiyama and Tadaharu Shimazu currently meet the requirements for independent directors as stipulated by the Tokyo Stock Exchange, and are registered with the Exchange as independent directors.

2. Candidates for Directors as Audit and Supervisory Committee Members

Name	New Position	Former Position
Kentaro Shizuka	Director (External) Audit and Supervisory Committee Member	Advisor
Kaori Nejihashi	Director (External) Audit and Supervisory Committee Member	—
Ayumi Daimon	Director (External) Audit and Supervisory Committee Member	—

(Note) Kaori Nejihashi and Ayumi Daimon currently meet the requirements for independent directors as stipulated by the Tokyo Stock Exchange, and are registered with the Exchange as independent directors.

### 3. Brief Personal Histories of Candidates for New Directors

Name	Brief Personal Histories	
Kentaro Shizuka	December 2008 March 2013 July 2019 July 2019 October 2020 June 2021	Joined Deloitte Touche Tohmatsu Co. (Current Deloitte Touche Tohmatsu LLC) Registered as a Certified Public Accountant Established Shizuka CPA Office, Representative (Incumbent) ASO International, Inc., Director (External) as Audit and Supervisory Committee Member (Incumbent) Alpha Audit Corporation, Partner (Incumbent) ACSL Ltd., Advisor (Incumbent)
Kaori Nejihashi	October 2000 October 2000 November 2006 October 2007 June 2019	Registered as a Lawyer Joined Watanabe International Law Office (Current O'Melveny & Myers Gaikokuho Kyodojigyo Horitsujimusho) Joined Tsujimaki Law Offices (Incumbent) Registered as the New York State Bar, U.S.A. ASTI Co., Director (External) as Audit and Supervisory Committee Member (Incumbent)
Ayumi Daimon	December 2011 August 2012 June 2020 December 2020 December 2020 December 2021	Registered as a Lawyer Joined Liaison Law Firm (Current Liaison Law Office) Established UNSEEN Law Office, Representative Lawyer (Incumbent) Established UNSEEN Law Firm, Partner (Incumbent) Established ERAWAKE Co., Ltd., Representative Director (Incumbent) KONAKA Co., Ltd., Director (External) (Incumbent)

#### 4. Retiring Directors

Name	New Position	Former Position
Christopher Thomas Raabe	ACSL Inc., Board Director and Global CTO, ACSL Ltd.	Board Director, CTO

(Note) ACSL Ltd., CTO, Christopher Thomas Raabe (Chris), has been appointed as Director of our US subsidiary, ACSL Inc. Chris will lead ACSL's overall overseas strategy and focus on the execution of overseas business operations. Chris will retire from ACSL Ltd., Board of Directors, but will continue to oversee all of ACSL's technology as Global CTO. Please refer to the "ACSL, Established a subsidiary in California to enter the U.S. market " dated February 22, 2023 for details on the establishment of the U.S. subsidiary ACSL Inc.

#### 5. New Management Structure

ACSL is aiming for sales of 10 billion yen and operating income of 1 billion yen by 2025, as defined in ACSL Accelerate FY22, to realize the "Master Plan," which is the vision of what we should be aiming for in 10 years, and we believe that accelerated growth from the current pace of growth is essential. Therefore, on the strength of ACSL's ability to meet economic security needs, ACSL will enjoy stable growth in the Japanese market while entering overseas markets, including India and the United States in FY2023.

Overseas, policies related to economic security and environmental considerations are more accelerated than in Japan. In the drone market, the National Defense Authorization Act (NDAA) has been enacted in the United States, prohibiting government procurement of drones from Russia and China. In addition, Chinese drone manufacturer DJI has been designated a "China Military Affiliate" by the U.S. Department of Defense in October 2022. In this context, we believe that ACSL can formulate a positioning based on the keywords "economic security," "enterprise," and "application-specific."

At an exhibition in the U.S., SOTEN was highly evaluated for its potential use in inspection and surveying, and roadshows were held at several customer sites in October 2022 and January 2023, with evaluations that SOTEN can be applied in practice, as well as confirming purchase requests.

In order to promote business development in the U.S., it is important to develop products that meet local customer needs and regulations, develop business for potential customers, and build a support system after the drone is sold, etc. Members with deep knowledge of drone technology and business, and who can communicate closely with local customers, are needed.

As part of the new management structure, Chris, who is currently the CTO of the ACSL Ltd., with such experience and achievements, has been appointed as Director of the U.S. subsidiary ACSL Inc. Chris will lead the overall overseas strategy of ACSL and focus on the execution



of overseas business operations, and will retire from ACSL Ltd., Board of Directors, but will continue to oversee the overall technology of ACSL as Global CTO.

In addition, in anticipation of global business development, the Company will transition to a company with an Audit and Supervisory Committee in order to further strengthen the audit and supervisory functions of the Board of Directors, further enhance corporate governance, and increase corporate value.

ACSL is formulating a specific plan for the U.S. business plan and will promptly disclose the earnings forecast as soon as it becomes possible to do so, based on the progress of the plan.

*Attention*

*This document is an unofficial translation of the timely disclosure on February 22, 2023 by ACSL and this is for reference purpose only. In case of a discrepancy between the English and Japanese versions, the Japanese original shall prevail.*