

(Progress of disclosure items) Notice Concerning the Launch of Training Trainer for the Japanese Industrial Drone "SOTEN Virtual Trainer"

ACSL Ltd. (ACSL) announced the commencement of sales of the "SOTEN Virtual Trainer," a dedicated training trainer for the SOTEN, which has been developed jointly with VFR Inc. (VFR) and Rikei Corporation (Rikei) as reported in our May 10, 2022 press release titled "Notice Concerning the Joint Development of a Training Trainer for the Japanese Industrial Drone "SOTEN" Training Trainer".

1. Outline of Business

ACSL, in collaboration with VFR and Rikei, has been developing the "SOTEN Virtual Trainer", a virtual reproduction of the SOTEN, that enables pilot training. Sales of this "SOTEN Virtual Trainer" will begin at the end of August 2023. In addition, prior order will begin on July 25, 2023, prior to the start of sales at the end of August 2023.

The "SOTEN Virtual Trainer" enables drone training in a variety of situations at any time and any place, using a PC and a proportional controller* to reproduce the same user interface and aircraft performance as actual drone operation, even in a small space. The "SOTEN Virtual Trainer" has two training modes: "Free Flight Mode" allows users to freely practice drone operation, while "Scenario Mode" recreates emergency situations that require special response and allows users to practice how to respond to them.

* Proportional controller: A transmitter commonly used for drone operations. A transmitter with the same shapes as an actual SOTEN standard radio is used.

2. Background and Objectives of the Project

The small aerial photography drone "SOTEN" provided by ACSL has been utilized by public offices, companies, and local governments since its sales launch in December 2021. Under such circumstances, ACSL decided to develop the "SOTEN Virtual Trainer" in order to respond to the many requests we received from our customers, such as "I cannot practice manipulating drones sufficiently because there is no place to fly them" and "I am worried about emergency operations when operating a drone operation when operating a drone and want to practice."

3. Outlook

ACSL has decided to postpone the disclosure of earnings forecasts for the fiscal year ending December 31, 2023 although net sales in Japan are expected to be at least at the same level as the previous fiscal year, the company has determined that it is difficult at this point in time to appropriately and reasonably calculate figures for net sales overseas.

ACSL currently expects the impact of the above-mentioned start of sales for this product on our business performance to be minor, but we are currently examining other factors as well, and will promptly disclose the earnings forecast it becomes possible to do.

Attention

This document is an unofficial translation of the timely disclosure on July 25, 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.