

January 31, 2024

ACSL Ltd.

U.S. subsidiary ACSL, Inc. Signed a Memorandum of Understanding (MOU) for Strategic Partnership with Valmont Industries, Inc.

- ACSL, Inc., our U.S. subsidiary, has signed a Memorandum of Understanding (MOU) with Delaware-based Valmont Industries, Inc. in January 30, 2024, for a strategic partnership to facilitating the further adoption and use of drone technology in critical infrastructure industries in the U.S. market.
- Valmont serves two major markets, agriculture and the infrastructure industry, and manufactures its products in 84 facilities spread across six continents, doing business in 21 countries.

ACSL Ltd. (ACSL) hereby announces that ACSL, Inc., our U.S. subsidiary, has signed a Memorandum of Understanding (MOU) with Delaware-based Valmont Industries, Inc. (Valmont) , in January 30, 2024, for a strategic partnership to facilitating the further adoption and use of drone technology in critical infrastructure industries in the U.S. market.

■ Reason and details of the MOU

Policies related to economic security and environmental considerations are accelerating in the global drone market. In the U.S., the National Defense Authorization Act (NDAA) has been enforced, prohibiting government procurement of Russian and Chinese drones. In addition, DJI, Chinese drone manufacturer, has been designated by the U.S. Department of Defense as a "China Military Enterprise" from October 2022. In this market environment, ACSL believes that it is possible to formulate a positioning based on the keywords "economic security", "enterprise support", and "application-specific".

Against this background, ACSL established a U.S. subsidiary, ACSL, Inc. in California in January 2023 to meet the growing demand for secure, versatile, and high-performance small aerial drones, and in December, ACSL, Inc. delivered 50 SOTEN drones to General Pacific, Inc. strategic distributor^{*1}. Furthermore, in January 2024, the Company announced the price and distributor for SOTEN and began full-scale sales in the U.S.^{*2}.



SOTEN exported to the U.S.

Valmont is a company serving two major markets, agriculture and infrastructure industries, and seven diverse product lines: utility, lighting and transportation, telecom, solar, coatings, irrigation and agricultural technology. It manufactures its products in 84 facilities spread across six continents and does business in 21 countries. Valmont have a business unit dedicated to utilizing drones in infrastructure inspections and

related areas, and they are actively using drones in these areas.

ACSL, Inc. and Valmont recognize each other's strengths and expertise in their respective industries and the benefits of a strategic partnership in leveraging those respective strengths and expertise in facilitating the further adoption and use of drone technology in critical infrastructure industries.

This is the fifth MOU between ACSL Group and a U.S. company, following General Pacific, Inc., Conket2, Inc., Firmatek, LLC., and Ameren Corporation. ACSL Group will continue to further accelerate its sales and market development in the U.S. market in response to the trend toward greater emphasis on economic security in the drone market.

■About Valmont Industries, Inc.

Name : Valmont Industries, Inc. (NYSE : VMI)

Location : 15000 Valmont Plaza, Omaha, Nebraska 68154

Representative : President and CEO Avner Applbaum

Business : Manufacturing and services in the agricultural and infrastructure industries.

Operating revenues : 4,354.2 million USD (2022)

Establishment : 1946 年

■About ACSL, Inc.

Name : ACSL, Inc.

Location : 710 Lakeway Drive, Suite 200, Sunnyvale, CA 94085

Representative : President Cynthia Huang

Business: Sales of ACSL's industrial drones in the U.S. market, etc.

Shareholder : ACSL Ltd. 100%

Website : <https://acsl-usa.com/>

*1 [ACSL began SOTEN, a small aerial photography drone, in the U.S.](#)

*2 [U.S. Subsidiary ACSL, Inc. Announces Pricing and Authorized Dealers for Small Aerial Drone SOTEN in the United States](#)

ACSL Ltd.

ACSL develops, manufactures, and commercializes industrial drones in order to realize labor-saving unmanned operations in industrial applications. ACSL's core technology is in its proprietary autonomous control technology and industrial drones equipped with image processing and AI edge computing technology. ACSL drones are already used in a variety of applications such as infrastructure inspection, postal delivery and logistics, and disaster prevention.

For more information visit <https://www.acsl.co.jp/en/> .

Attention

This document is an unofficial translation of the timely disclosure on January 31, 2024 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.