Supplemental Information Regarding the International Offering

ACSL Ltd. (Securities Code: 6232)
August 24, 2026

Offering Overview

Class/Number of Shares to be Offered	3,800,000 shares of common stock of ACSL Ltd.[1]
Offering Format	Regulation S
Markets	Oversea markets, mainly in Europe and Asia (excl. the United States and Canada)
Launch Date	August 24, 2026 (Mon)
Pricing Date	August 25, 2026 (Tue) - August 26, 2026 (Wed)
Payment Date	September 8, 2026 (Tue)
Delivery Date	September 9, 2026 (Wed)
Lock-up	The issuer and Kensuke Hayakawa (Representative Director/Co-CEO): 180 days

1：The final number of shares to be offered shall be determined on the Pricing Date by the underwriter based on investor demand for the shares of common stock of the Company and market conditions up to a maximum of 4,800,000 shares.

Strategic Rationale and Use of Proceeds

Strategic Rationale

- **In the defense sector, the need for cost reduction, mass deployment, increased technological capacities such as AI and multi-platform teaming, as well as the need to procure from domestic and allied-nation sources are accelerating further.**
- **Due to the tightening of regulatory and certification requirements for foreign and specifically, Chinese manufactured drones in North America, there is an increased demand in replacing Chinese drones. This has led to the increased need to establish an early lead in product and feature development, regulatory and certification compliance, mass production and procurement, and local sales and service infrastructure**
- **ACSL intends to raise additional growth capital to accelerate investment in two proven growth areas with tangible demand — defense and North America — across R&D, mass production, procurement, sales, and maintenance**

Use of Proceeds / Contributions to Improvements in ACSL's Enterprise Value

1 Investments to Expand Defense-related Business

- **Ability to respond to technical advancements in the defense sector**
  - Addressing large-scale drone deployment and advances in AI, autonomous control, and multi-drone coordination
  - Development of airframes and solutions, expanded mass production, and manufacturing and procurement systems for cost competitiveness
- **Strengthening of business development capabilities**
  - Business development to expand adoption of our solutions in the domestic defense market
  - Business development activities in overseas defense and security markets
  - Collaboration with external partners, including M&A and capital/business alliances, to achieve business development goals described above

2 Investments to Advance Global Business Expansion with Focus on North America

- **Ability to respond to enhanced regulatory requirements in North America**
  - Stronger sales and maintenance capabilities to meet tightening regulatory and certification requirements as well as strengthening production and development to meet local customer needs especially in North America
- **Strengthening of business foundation in response to economic security requirements**
  - Establishment of a stable and flexible supply chain and production and procurement systems to avoid dependence on specific countries/suppliers
  - Expansion of technologies, products, services, and sales networks through partnerships with local companies and external partners, including M&A and alliances

- **To accelerate growth and scale, ACSL intends to combine organic investment in technology and business infrastructure with inorganic initiatives such as M&A and business alliances, with the aim of acquiring and strengthening technologies, products, manufacturing capabilities, customer base, and its sales and service networks.**
- **Proceeds will be invested in product development, manufacturing and purchasing capabilities, sales networks, and external partnerships, strengthening product competitiveness, production capacity, and go-to-market capabilities in an integrated manner to enhance mid- to long-term enterprise value**

Key FAQs

Category	Question	Answer
Macro	To what extent does ACSL benefit from rising global defense spending?	We believe that rising global defense spending and growing awareness of economic security across various countries represent medium- to long-term tailwinds
Macro	To what extent does fluctuations in raw material prices and foreign exchange rates impact ACSL's financial results?	Fluctuations in raw material prices and foreign exchange rates affect both procurement costs and overseas sales. We are working to mitigate negative impacts through the diversification of our suppliers, optimization of product design and procurement methods, and implementation of appropriate pricing strategies
Business Environment	What are ACSL's key competitive advantages over Chinese drone manufacturers?	We believe our competitive advantages lie in our proprietary flight control technologies, R&D capabilities to address economic security requirements, capabilities for domestic mass-production of small aerial photography drones, proven track record of order fulfillment in the defense sector, and established sales network in North America. Combined with the evolving regulatory and procurement environment due to increasing concerns for Chinese-made drones, these strong business foundations position us favorably in the market
Offering	Why did ACSL choose to issue new shares instead of debt financing?	We intend to utilize our internal cash resources, borrowings, government subsidies, and equity financing, depending on the intended use of funds and expected investment payback period. Given that the planned investments in product development, mass production and procurement capabilities, and overseas business infrastructure are growth investments with a medium- to long-term payoff horizon, we believe equity financing is the most appropriate financing method from the perspective of maintaining financial soundness while executing these initiatives in a timely and flexible manner
Offering	Please provide specific details of the use of proceeds	The proceeds will be allocated primarily to (1) investments aimed at expanding our defense-related business and (2) investments to support overseas expansion, particularly in North America. Specifically, the funds will be used for the development of airframes and related solutions, the establishment of manufacturing and procurement capabilities, regulatory and certification compliance, strengthening sales and maintenance networks, and collaboration with external partners, including M&A, strategic capital and business alliances, and other partnership opportunities
Offering	What are the reasons for selecting an international offering format?	We selected an international offering format in order to raise a meaningful amount of capital efficiently by accessing overseas institutional investors, while also diversifying our shareholder base in anticipation of future expansion of our overseas business

Key FAQs (Cont'd)

Category	Question	Answer
Offering	Why is ACSL raising additional capital despite having completed a financing in 2025?	Through our previous financing, we secured sufficient funding for R&D, mass production expansion and overseas business development under our existing business plan, as well as near-term business operations. Since then, however, tangible order opportunities and sales prospects have emerged in the defense and North American markets, alongside significant changes in market dynamics, technological requirements and procurement environments. Against this backdrop, we aim to advance investments in these two proven growth areas and raise additional growth capital to further accelerate the execution of our medium-term management strategy
Offering	Is this offering intended to fund working capital or to cover operating losses?	We have already secured sufficient funds for our near-term business operations. The primary purpose of this international offering is to accelerate growth investments in the defense sector and our overseas businesses, particularly in North America
Offering	How does ACSL view the dilution resulting from this international offering?	There will be dilution of up to 24.5% as a result of this international offering, and we are keenly aware of its impact on existing shareholders. At the same time, securing funds for additional investments is necessary at this stage to capitalize on emerging growth opportunities and enhance both long-term enterprise value and per-share value
M&As and Investment Discipline	How does ACSL define its target areas for M&As, and what investment discipline will it apply?	We will focus on opportunities that are strategically aligned with our defense and security businesses and international expansion initiatives by acquiring assets accretive to our technological capabilities, product portfolio, manufacturing capacity, customer base, and sales and maintenance networks. Any investment will be evaluated in a disciplined manner based on expected returns, valuation, strategic fit and potential synergies. If no suitable transaction is identified, the proceeds will be allocated to other high-priority growth investments within the use-of-proceeds framework
Company Forecast / Medium-term Management Plan	What impact will this transaction have on ACSL's earnings outlook and medium-term management strategies?	This international offering is intended to accelerate the key strategic initiatives outlined in our medium-term management strategy, particularly those related to the defense and security sector and the expansion of our North American business and does not represent a change in strategic direction. The impact on our consolidated financial results for the fiscal year ending December 2026 is currently under review, and we will promptly disclose any material developments as required

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