

## Providing Earth observation data and images using proprietary small SAR satellites

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### 【290A Synspective Sector : Information & Communication】

Fiscal Year	Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit	YoY	EPS	BPS	DPS
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(yen)	(yen)	(yen)
Dec. 2022	492	-	-4,290	-	-4,340	-	-6,272	-	-88.4	-180.0	0.0
Dec. 2023	1,386	2.8x	-1,795	-	-1,951	-	-1,520	-	-20.6	-193.9	0.0
Dec. 2024 f	2,283	64.7	-2,990	-	-3,465	-	-3,471	-	-41.3	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending December 2024 is the company's forecasts.

It conducted 1:150 stock split on June 24, 2024. Per share indices are adjusted retroactively.

### Providing Earth Observation Data and Images Using Proprietary Small SAR Satellites

Synspective develops and manufactures small synthetic aperture radar (SAR) satellites. It also operates a satellite data business through which it sells Earth observation data and images acquired through the operation of a satellite constellation launched into orbit and provides solutions that utilize data analysis technology.

The company was founded by members who had been developing small SAR satellites under the Impulsing Paradigm Change through Disruptive Technologies (ImPACT) program, which looks to develop high-risk, high-impact technologies under the jurisdiction of Japan's Cabinet Office, with the aim of implementing the technological achievements in society.

Synspective's satellites have been launched a total of six times on rockets from Rocket Lab, which is a U.S. rocket launch operator. The SAR satellites developed, manufactured and operated by Synspective are characterized by their ability to acquire data at any time, regardless of weather conditions or time of day.

The company's net sales comprise data sales, which entails the selling of data acquired from a constellation of small SAR satellites, and solution provision, where the company automatically analyzes and processes SAR satellite data into information clients can use in their operations. In fiscal year ended December 2023, data sales accounted for 54.6% of net sales, solution provision for 27.6%, and other, including research commissioned by Japan's Ministry of Defense, for 17.8%.

The main customers for data sales are national government agencies such as defense-related ministries and agencies of various countries. The primary purposes for data usage are security, disaster prevention and mitigation, as well as the development of infrastructure and national land. Clients acquiring the company's solutions include, in addition to governments of various countries, private companies engaged in non-life insurance, infrastructure development, civil engineering and resource and energy development. Typical solutions include those for land displacement monitoring and flood damage assessment.

## Financial Statements

Statement of income	Fiscal Year	Dec. 2022		Dec. 2023		Nine months to Sep.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		492	100.0	1,386	100.0	1,608	100.0
Cost of sales		134	27.3	569	41.1	1,348	83.9
Gross profit		357	72.7	816	58.9	259	16.1
Selling, general and administrative expenses		4,648	944.1	2,612	188.4	2,228	138.6
Operating profit		-4,290	-	-1,795	-	-1,969	-
Non-operating income		15	3.1	24	1.8	2	0.1
Non-operating expenses		65	13.2	180	13.0	224	13.9
Ordinary profit		-4,340	-	-1,951	-	-2,190	-
Profit before income taxes		-6,268	-	-1,505	-	-2,182	-
Profit attributable to owners of parent		-6,272	-	-1,520	-	-2,189	-

Balance sheet	Fiscal Year	Dec. 2022		Dec. 2023		Sep.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		7,450	75.3	5,980	52.9	9,526	49.0
Cash and deposits		6,603	66.7	4,468	39.5	8,433	43.3
Accounts receivable		257	2.6	843	7.5	674	3.5
Inventories		60	0.6	202	1.8	59	0.3
Non-current assets		2,442	24.7	5,334	47.1	9,929	51.0
Property, plant and equipment		2,391	24.2	5,253	46.4	9,717	49.9
Intangible assets		6	0.1	12	0.1	31	0.2
Investments and other assets		43	0.4	68	0.6	180	0.9
Total assets		9,893	100.0	11,314	100.0	19,456	100.0
Current liabilities		1,800	18.2	1,505	13.3	1,676	8.6
Short-term borrowings		500	5.1	1,000	8.8	1,000	5.1
Current portion of long-term borrowings		0	0.0	91	0.8	130	0.7
Income taxes payable		4	0.0	15	0.1	6	0.0
Contract liabilities		5	0.1	8	0.1	0	0.0
Provision for loss on contract		949	9.6	16	0.1	16	0.1
Non-current liabilities		1	0.0	1,938	17.1	6,158	31.6
Long-term borrowings		1	0.0	1,938	17.1	6,158	31.6
Net assets		8,092	81.8	7,870	69.6	11,621	59.7
Owners' equity		8,094	81.8	7,874	69.6	11,385	58.5

Statement of cash flows	Fiscal Year	Dec. 2022	Dec. 2023
		(mn yen)	(mn yen)
Cash flows from operating activities		-4,136	-2,221
Depreciation		89	115
Cash flows from investing activities		-2,499	-3,636
Cash flows from financing activities		5,885	3,722
Dividends paid		0	0
Net increase in cash and cash equivalents		-746	-2,134
Cash and cash equivalents		6,603	4,468

Note: Consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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