

May 24, 2021

Autonomous Control Systems Laboratory Ltd.

Notice Regarding Partial Amendment to the Articles of Incorporation

Autonomous Control Systems Laboratory Ltd. (ACSL) hereby announces that ACSL has decided at the meeting of the Board of Directors held on 24 May 2021 to propose "Partial Amendment to the Articles of Incorporation" to the 9th Ordinary General Meeting of Shareholders scheduled for June 24, 2021.

1. Reasons for Proposed Amendments

ACSL has been developing "Made-in-Japan" industrial drones, which have been adopted in various fields such as delivery, infrastructure inspection, and disasters. ACSL has developed its proprietary flight controller which enable autonomous control of drones, and has been promoting the social implementation of secure and safety drones.

① Change of corporate name

"ACSL", which stands for the initials of "Autonomous Control Systems Laboratory", which is English name of the current corporate name, “自律制御システム研究所” (“JIRITSU SEIGYO SYSYSTEM KENKYUZYU”). ACSL has been developing business using the name "ACSL" as its product name and logo.

In accordance with its mid-term management direction, "ACSL Accelerate" ACSL will also standardize company name to "ACSL" to gain recognition globally at the timing when ACSL accelerates overseas expansion such as India and Singapore.

② Change of fiscal term

ACSL books sales on an acceptance basis by client at completion of project.

Because projects for large companies or projects related to government are following client budget cycle, and the completion of large-scale projects is concentrated at the end of the fiscal year, ACSL has sales seasonality concentrated in 4th quarter, January 1 to March 31, of fiscal year, April to March 31.

Regarding these circumstances, ACSL recognizes that its quarterly results may not provide sufficient information for shareholders and investors to analyze its full-year results. Therefore, ACSL decided to change of fiscal term from January 1st to December 31st every year for the purpose of improving the visibility of its business results.

Regarding change of fiscal term, please refer "Notice Regarding Change of Fiscal Term (Closing Date of Business Term) and Amendment to Forecast of Financial Results due to Change of Fiscal Term", and regarding change of corporate name, please refer "Notice Regarding Change of Corporate Name" disclosed today.

2. Contents of amendment of Articles of Incorporation

(The underlined parts indicate the changes.)

Current Articles of Incorporation	Proposed Articles of Incorporation after amendments
<p>Article 1. (Trade name)</p> <p>The company shall be called KABUSIKI GAISYA <u>自律制御システム研究所(JIRITSU SEIGYO SYSYSTEM KENKYUZYUO)</u>, which shall be expressed in English as <u>Autonomous Control Systems Laboratory Ltd.</u></p>	<p>Article 1. (Trade name)</p> <p>The company shall be called KABUSIKI GAISYA <u>ACSL</u>, which shall be expressed in English as <u>ACSL, Ltd.</u></p>
<p>Article 38. (Fiscal Term)</p> <p>The fiscal term of the company shall be an annual period from <u>April 1</u> of each year to <u>March 31</u> of the following year.</p>	<p>Article 38. (Fiscal Term)</p> <p>The fiscal term of the company shall be an annual period from <u>January 1</u> to <u>December 31</u> of each year.</p>
<p>Article 40. (Interim Dividends)</p> <p>The Company may, by the Board of Directors' decision, distribute surplus (Interim Dividends) as provided for in Article 454, Paragraph 5 of the Companies Act to the shareholders or registered pledgees of shares appearing or recorded in the latest shareholder registry as of <u>September 30</u> of each year.</p>	<p>Article 40. (Interim Dividends)</p> <p>The Company may, by the Board of Directors' decision, distribute surplus (Interim Dividends) as provided for in Article 454, Paragraph 5 of the Companies Act to the shareholders or registered pledgees of shares appearing or recorded in the latest shareholder registry as of <u>June 30</u> of each year.</p>
<p>(New provision)</p>	<p><u>Supplementary Provisions</u></p> <p><u>Article 1.</u> <u>Regardless the provisions of Article 38,</u> <u>the 10th fiscal term shall be from April 1,</u> <u>2021 to December 31, 2021.</u></p>
<p>(New provision)</p>	<p><u>Article 2.</u> <u>Regardless the provisions of Article 40,</u> <u>the record date for interim dividends for</u></p>

(New provision)	<p><u>the 10th fiscal term shall be September 30, 2021.</u></p> <p><u>Article 3</u></p> <p><u>The previous two articles and this article shall be removed after end of the 10th fiscal term.</u></p>
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Attention

This document is an unofficial translation of the timely disclosure on May 24, 2021 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.