Shareholder Q&A

Dilution · Use of Funds · Value Creation

Written responses to the questions shareholders are asking about the ¥9.66 billion third-party allotment of Convertible Bonds and Moving Strike Warrants — and how this capital is expected to create long-term intrinsic value per share.

JULY 2026 · Prepared for the shareholders of Bitcoin Japan Corporation

Disclaimer

Purpose and scope. This material has been prepared by Bitcoin Japan Corporation (the “Company”) solely to provide information in response to questions raised by shareholders concerning the third-party allotment of Convertible Bonds with Stock Acquisition Rights and Stock Acquisition Rights to EVO FUND. It supplements, and does not replace, the Company’s disclosures published on TDnet. Where this material differs from those disclosures, the TDnet disclosures prevail.

No offer or solicitation. This material does not constitute, and should not be construed as constituting or forming any part of, an offer to sell or a solicitation of an offer to purchase or subscribe for any securities, in Japan or in any other jurisdiction.

Transaction terms and dilution figures. Figures relating to the Convertible Bonds and the Stock Acquisition Rights reflect the July 2026 issuance-resolution disclosure. Dilution figures are stated at the ¥138 initial strike price as of today: 95.33% on a share basis and 100% on a voting basis. Actual issuance and dilution depend on exercise prices over the exercise period and could be higher, subject to the ¥69 floor. Actual issuance depends on future share prices and on the monthly exercise limit, and may be materially lower.

Portfolio valuations. The Group holds fund interests, not shares of the underlying companies directly. SpaceX figures are stated per the Company’s reference valuation disclosure (100,800 shares corresponding to the Group’s fund interest; acquisition at US$122 per share; NASDAQ closing price of US$170.86 on the June 30, 2026 reference date; ¥162.39/US$; post-listing trading range of US$135.00–US$225.64 through July 10, 2026). A US$10 change in the SpaceX share price changes the yen reference valuation by approximately ¥160 million at the stated exchange rate. Reference valuations are unrealized, are informational as of their reference date only, are not accounting or audited valuations, and do not guarantee future results. The Figure AI position is carried at cost; no reference valuation has been disclosed for it as of the date of this material.

Third-party information. Certain information, including the track record of EVO FUND and its affiliates, has been provided by the counterparty and has not been independently verified by the Company.

Forward-looking statements. This material contains forward-looking statements concerning the Company’s future plans, investments, timing, returns, dividends and share repurchases, including expressions such as “believe,” “expect,” “plan,” “anticipate” and similar terms. Such statements reflect the judgment of management based on information available as of the date of this material and are subject to risks and uncertainties. Actual results may differ materially, and undue reliance should not be placed on them. The Company undertakes no obligation to update, revise or correct any forward-looking statement, except as required by applicable laws and regulations.

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Language. This material was originally prepared in the Japanese language. In the event of any discrepancy between the Japanese-language version and this English translation, the Japanese-language version shall prevail.

Bitcoin Japan

Five facts shareholders should know

1	**Dilution is a maximum, not an expected outcome**	95.33% (share basis; 100% voting basis) is stated at the ¥138 initial strike. Actual dilution depends on exercise prices over ~12 months, under a 10% monthly cap by principle, and could be higher — subject to the ¥69 floor.
2	**Every yen has been allocated**	Five disclosed allocations — private equity, rare earth, RaaS, Bitcoin, working capital — deployed August 2026 to February 2028 in a disclosed priority order. Undeployed funds sit in bank deposits. (If proceeds exceed the expected amount, the excess is allocated to private equity.)
3	**¥1.5B arrives regardless of market conditions**	The convertible bond is paid in full on day one. The remaining ¥8.16B tracks the market through staged warrant exercise, bounded by hard price floors.
4	**Existing shareholders' rights are protected through the Company's agreements with the planned allottee**	Price floors, the 10% monthly exercise cap, an issuer's redemption right at issue price, a Board-approval transfer lock, ~12-month staging, and an independent third-party committee review.
5	**Progress will be measured quarterly, on stated metrics**	NAV per share, deployment against plan, and dilution actually incurred versus the maximum — the same measures, every quarter, starting with the first post-payment earnings release.

The remainder of this document answers 24 shareholder questions **against the published materials.**

Bitcoin Japan

Before any question: the test every capital raise must pass

Adopted in our Capital Raising Framework and reaffirmed at the 122nd AGM, this document answers each shareholder question against a single standard.

Opportunistic & Disciplined

Capital is raised only for clearly identified investment opportunities — never for its own sake.

Most Efficient Capital

We seek the most efficient source of capital available at the time we need it.

Accretive Use of Capital

Dilution is accepted only where expected value creation exceeds the dilution required to fund it.

Long-Term Focus

We remain disciplined regardless of short-term market conditions.

Aligned with Shareholders

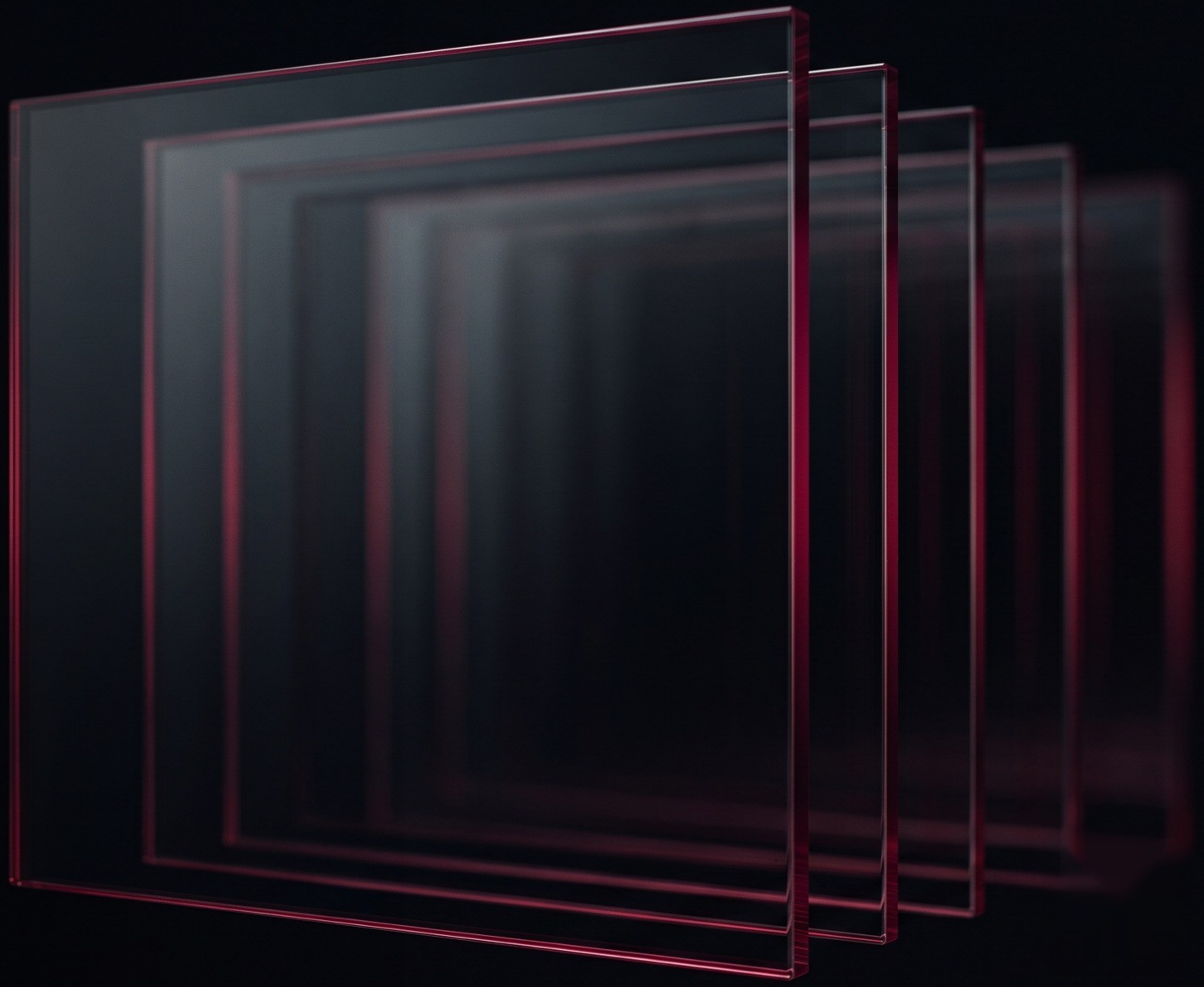
Every decision is measured by long-term shareholder value — not transaction size.

Simple Test: Dilution is acceptable only when expected value creation exceeds dilution.

SECTION 01

The Financing

Why this instrument, on these terms —
and what limits the dilution it can create.



Bitcoin Japan

Q1 Why raise ¥9.66B through an instrument that could dilute shareholders by over 95%?

A. *The financing is sized to fully fund five identified investments while maintaining execution certainty across a range of market conditions.*

95.33%

Dilution at the ¥138 initial strike

70.25M new shares vs 73.69M issued, at the ¥138 strike. Actual issuance depends on exercise prices, subject to the ¥69 floor.

¥9.66B

Estimated net proceeds

¥1.5B bond on day one; up to ¥8.16B via staged exercise.

~12 mo

Staged, not instant

Exercise expected in stages over approximately one year.

The previous raise delivered 54% of plan

The 1st Series warrants generated ¥3.1B net of ¥5.7B planned, reflecting share price weakness; the Bitcoin allocation received ¥0. Allocation followed the disclosed priorities throughout. This financing re-raises the previously unfunded Bitcoin allocation.

Capital only against identified opportunities

All ¥9.66B is mapped to five disclosed allocations with an 18-month deployment schedule — not a blank cheque.

Sized for the downside

Given our share price volatility, the size ensures that even if exercise proceeds fall below plan in a depressed market, committed investments do not trigger a default.

Independently reviewed

A third-party committee under TSE listing rules examined necessity and appropriateness and obtained an opinion that the financing's necessity and appropriateness are recognized is acceptable (July 15, 2026).

The potential dilution is significant — **and management believes it is necessary and proportionate to the Company's strategic objectives.**

Bitcoin Japan

Q2 Why a third-party allotment to EVO FUND — not a public offering, rights issue, or debt?

A. *The Board evaluated primarily four financing routes against certainty of proceeds, execution risk, cost of capital, and balance-sheet impact.*

Public offering	Amount capped by our market capitalization and liquidity; long preparation timeline; execution dependent on favorable market windows.	**Cannot raise the required amount**
Rights issue	Commitment-type: immature in Japan, heavy underwriting cost. Non-commitment type: unavailable — two consecutive years of ordinary losses fail the listing criteria.	**Not available or economically viable**
Bank debt / straight bonds	Raises cash at once, but no equity conversion; the full amount sits as debt, weakening financial soundness and closing off future fundraising capacity.	**Damages the balance sheet**
MSCB + Moving Strike Warrants (chosen)	¥1.5B certain cash on the payment date; the remaining ¥8.16B raised in stages at prices that track the market — with floors, caps, and an issuer's redemption right protecting shareholders.	**Certainty now + price-sensitive scale**

The chosen structure is, at this time, **the optimal choice** — meeting future funding needs while giving consideration to the interests of existing shareholders.

Q3 Who is EVO FUND — and how do we know they can and should be trusted?

A. *EVO FUND has invested in Japanese equities for more than 25 years. Across the group, it has completed more than 150 third-party-allotment transactions for over 70 listed companies and has ranked first in Japan's third-party-allotment league table every year since 2023*

Who they are

A Cayman-domiciled investment fund wholly funded by Michael Lerch, with Richard Chisholm as director, affiliated with Evolution Japan Securities — a group with an established record of moving-strike financings for Japanese listed companies.

Why they were selected

When exercise of the 1st Series warrants (Macquarie) stalled on share-price weakness, the Company examined funding methods from February 2026. The EJS proposal — certain cash via the bond plus staged, price-tracking warrants — was judged the most effective option after comparative review.

Funds verified

The Company reviewed EVO FUND's net-asset statements across multiple prime brokers (as of Feb 28, 2026) and confirmed sufficient assets for the ¥1.5B payment and the exercise cycle — which recycles proceeds, so large sums are never needed at a single point in time.

Background screened

An independent investigation agency (JP Research & Consulting) screened the fund, its contributor and its officer: no anti-social-force involvement found. A written pledge was obtained and confirmation submitted to the TSE.

Source: EVOLUTION JAPAN Securities Co., Ltd.

Pure investment, no control: EVO FUND has stated it will not intervene in management or seek a controlling stake — and cannot transfer the instruments without Board approval.

SECTION 01 · THE FINANCING

Q4 Why EVO's Terms Mitigate Shareholder Risk

A. *Five terms — each written into the instruments and the purchase agreement.*

01	**No fees**	Each party bears its own costs under the purchase agreement. No arrangement, advisory, commitment, or cancellation fees are payable to EVO FUND.
02	**No discount to market**	The bonds were issued at 100% of face value, and conversion and exercise prices are set at zero discount to the average closing prices — no discounted share allocation.
03	**No ROFR or exclusivity**	The Company remains free to raise capital from any source at any time. EVO FUND holds no right of first refusal and no exclusivity over future financings.
04	**No governance or control rights**	No board seats, no observer rights, no covenants over strategy. EVO FUND has stated it will not intervene in management or seek a controlling stake.
05	**Callable at cost**	If cheaper capital becomes available or the need lapses, the Board can buy back the instruments at issue price — no penalties, no cancellation fees.

Capital without strings — no fees, no discount, no control, and an exit at cost.

Q5 What specific protections limit dilution for existing shareholders?

A. *Six structural safeguards are written into the instruments and the purchase agreement — not left to goodwill.*

Hard price floors

A ¥69 floor exercise price on the warrants and a ¥69 floor conversion price on the bonds. Resets track the market down in phases — but can never go below the floor.

10% monthly exercise cap

In any calendar month, by principle, exercises are capped at 10% of listed shares as of the payment date. Supply reaches the market in measured steps, not a single wave.

Issuer's redemption right — at cost

If cheaper capital becomes available or the need lapses, the Board can buy back the instruments at issue price. No penalties, no cancellation fees.

Transfer restriction

EVO FUND cannot transfer the bonds or warrants to any third party without prior written approval by resolution of our Board.

Staged over ~one year

Conversion and exercise are expected in stages over approximately 12 months, dispersing share price impact instead of concentrating it.

Independent committee

Under Article 432 of the TSE Securities Listing Regulations, an independent third-party committee reviewed necessity and appropriateness and issued a supporting opinion.

Dilution has a ceiling, a pace, and an exit — each is contractual.

Q6 EVO FUND is a short-term holder. Won't its selling depress the share price?

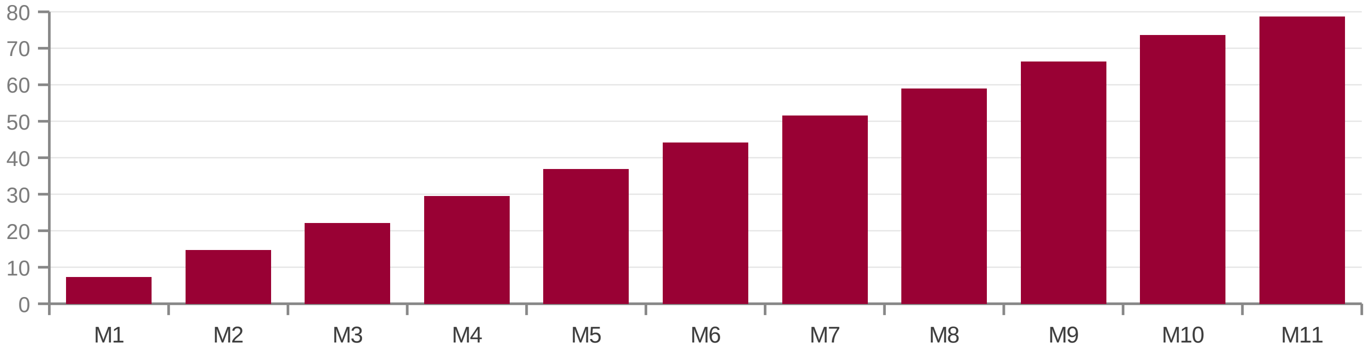
A. *Secondary-market sales may create short-term price pressure — the disclosure states this plainly. The structure incorporates specific mechanisms to moderate that effect.*

The risk, explicitly disclosed

EVO FUND's holding policy is short-term. Shares acquired on exercise may be sold into the market, and such sales may cause the share price to decline.

This is disclosed verbatim as a demerit of the structure. Shareholders should hear it from the Company — not from online forums.

Contractual ceiling on cumulative new shares — 10% monthly cap (millions)



A ceiling, not a forecast: actual issuance follows exercise, which follows the market. Even at maximum pace, full issuance cannot occur in fewer than 11 months.

Selling expected to follow strength

As an investor, EVO is expected to exercise early into rising prices to capture gains — supply tends to arrive into demand.

We hold an issuer's redemption right

Remaining instruments are repurchasable at issue price if better financing emerges — future supply can be switched off.

No third-party overhang

Transfer requires Board approval, keeping the instruments with a known, vetted counterparty.

Transparency first: the risk is disclosed, paced, and future issuance can be halted via the issuer's redemption right.

Bitcoin Japan

Q7 Our largest shareholder is lending 2 million shares to EVO FUND. Should that worry us?

A. *No — it is a capped, purpose-limited bridge that facilitates orderly settlement of warrant exercises, and Bakkt retains all economic rights in its shares.*

THE AGREEMENT

2,000,000

shares maximum (≈2.7% of shares issued)

0% / none

lending fee and collateral — a facilitation, not a trade

Aug 5, 2027

final repayment date; early return permitted

Hedge selling only — by contract

EVO may sell borrowed shares only within the number of shares it will acquire by exercising the warrants and bonds, premised on actual exercise. The agreement permits no other use.

Why it helps, not hurts

Borrowed shares let EVO deliver stock and pace its sales while exercise proceeds settle — instead of dumping large blocks of newly issued shares at once. Smoother execution means steadier funding for the Company.

Bakkt keeps the economics

Dividends and distributions on loaned shares are passed back to Bakkt; shares are returned before each record date so Bakkt retains its shareholder rights; equivalent shares must be returned in full.

Disclosed

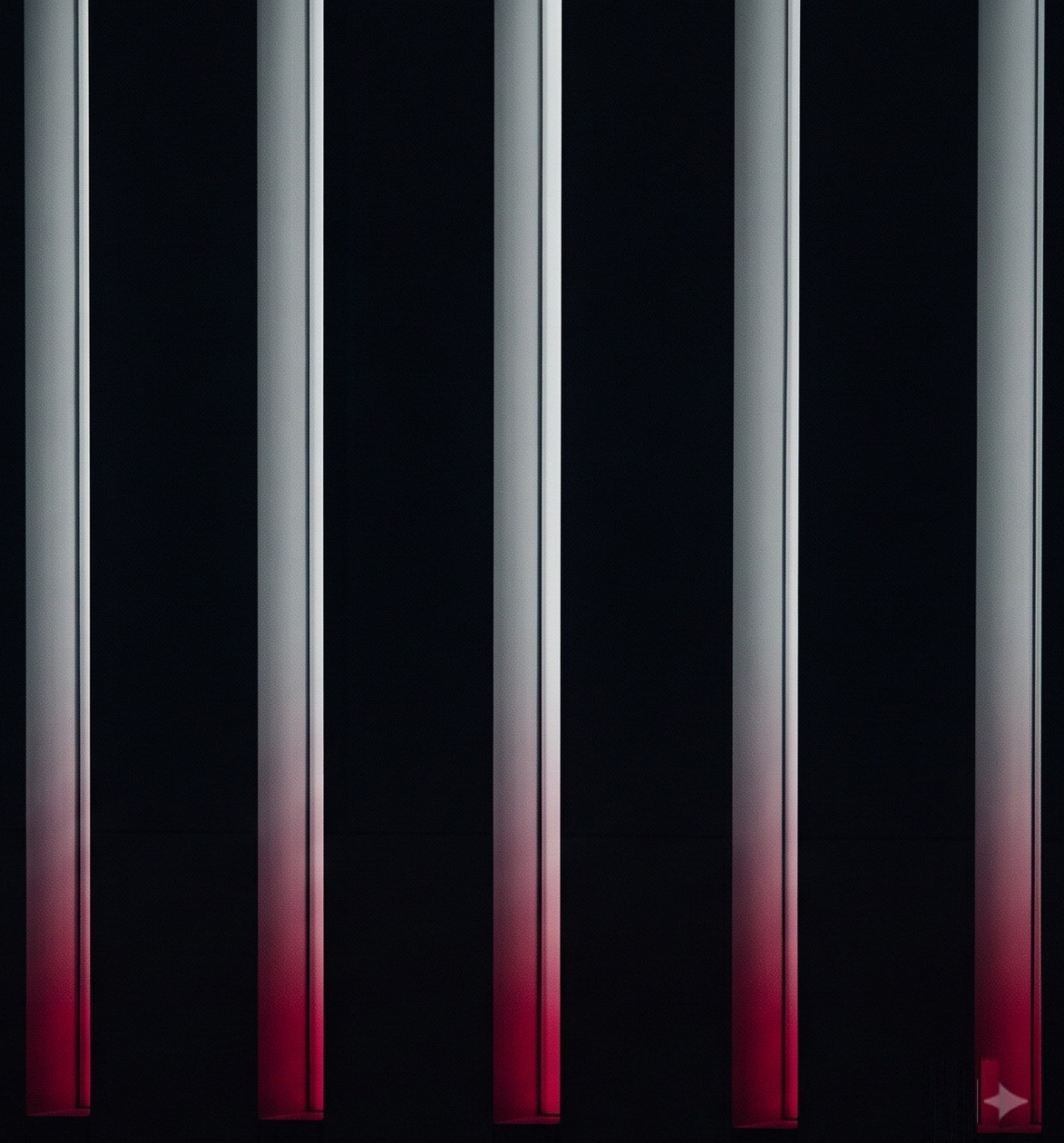
The arrangement is disclosed in the issuance documents and both parties are bound by anti-social-forces exclusion clauses under Japanese law, with Tokyo District Court jurisdiction.

A 2.7% capped bridge for orderly execution — **not a bet against the Company.**

SECTION 02

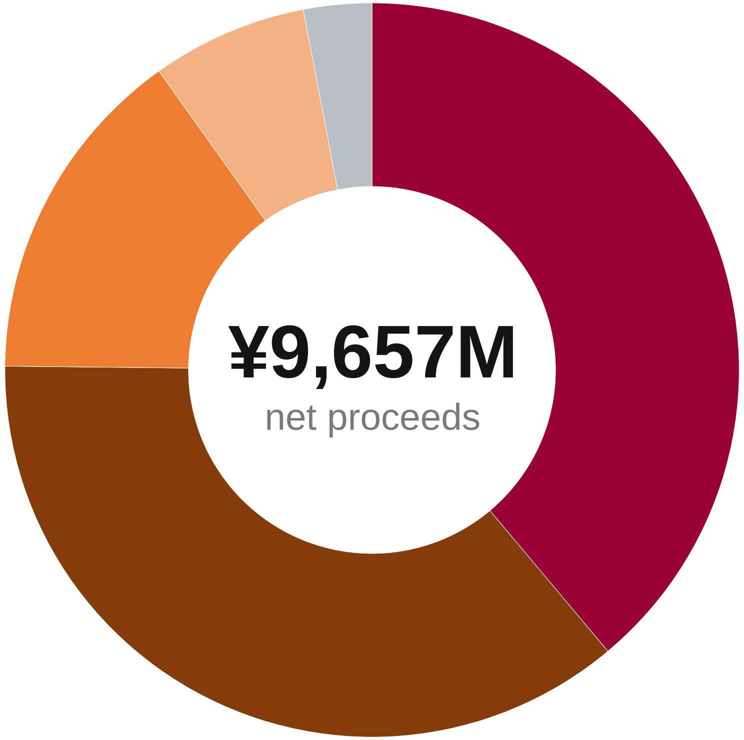
Use of Funds

Five capital allocations, the priority order between them, and what happens if proceeds fall short.



Q8 Where exactly will the ¥9.66B go?

A. *Five capital allocations, disclosed line by line, deployed August 2026 through February 2028.*



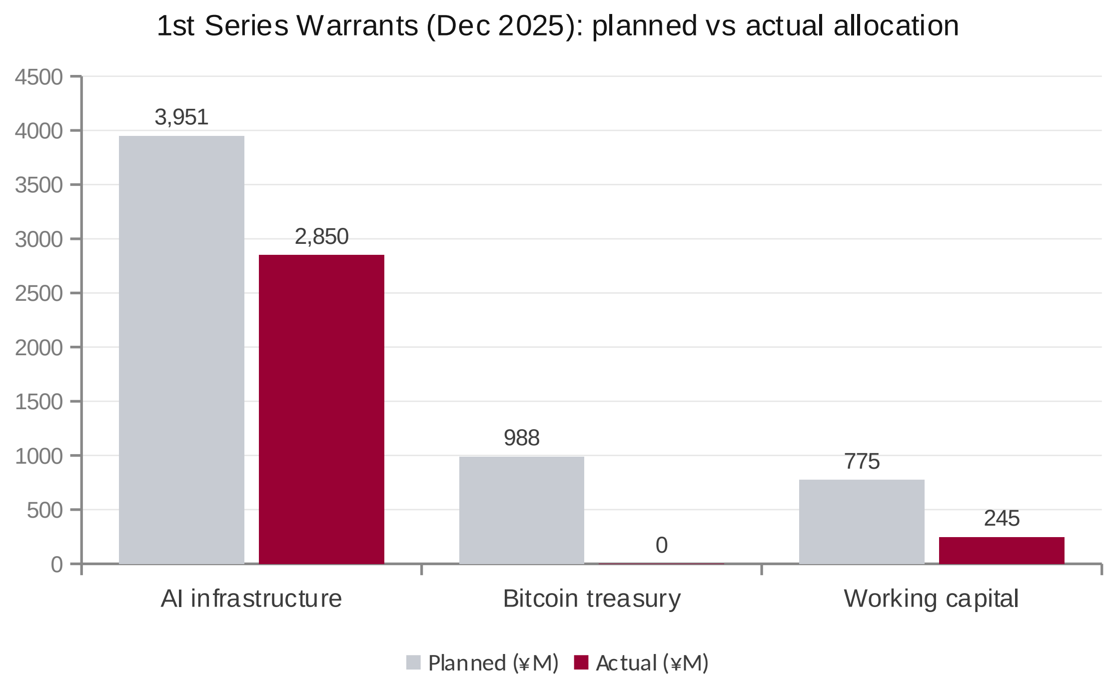
Private equity — pre-IPO AI (3 named deals + reserve)	**¥3,756M**	38.9%
Rare earth mine investment (US$20M)	**¥3,503M**	36.3%
Robot-as-a-Service operating unit — Tokyo	**¥1,446M**	15.0%
Bitcoin investment (re-raise of unfunded allocation)	**¥662M**	6.8%
Increased working capital (CSO/COO, legal, IR, IT)	**¥290M**	3.0%

Sequencing: the ¥1.5B bond proceeds fund private equity first; remaining uses are funded in the priority order above as warrant exercise proceeds arrive.

Every yen has been allocated. Undeployed funds are held in bank deposits — never in speculation.

Q9 The previous raise delivered 54% of plan. What happened — and why trust this one?

A. *Share price weakness limited exercise proceeds to ¥3.1B of the ¥5.7B plan. Allocation followed the disclosed priorities throughout.*



Why the shortfall

Warrant proceeds only arrive when rights are exercised, and proceeds depend on the share price. The market weakened; ¥3,095M net was raised of ¥5,715M planned.

Where the money went

¥2,850M — the entire net proceeds — into the AI infrastructure allocation (the SpaceX investment, since listed); ¥245M to working capital; ¥0 to Bitcoin, exactly per the disclosed priority order.

What we changed this time

The new raise re-raises the previously unfunded Bitcoin allocation, adds a ¥1.5B certain tranche on day one, and carries price floors that protect shareholders from a dilution spiral, with a ¥1.5B day-one payment that keeps top-priority investments funded even in a weak market.

The shortfall reflected market conditions — **the allocation discipline held.**

Bitcoin Japan

Q10 Why proceed now, while the share price is weak? Why not wait for a better price?

A. *Because the opportunities are time-sensitive and waiting has already cost us once. The structure was chosen precisely because it works in the current market environment.*

Deal windows don't wait for our chart

The pre-IPO allocations are three named opportunities sourced through our platform; the rare-earth participation and the Tokyo RaaS build-out have their own timelines. Capital that arrives late buys nothing.

Waiting already cost us once

Holding out through 2025's weakness delivered ¥3.1B of a ¥5.7B plan and left the Bitcoin allocation at ¥0. The lesson is not “wait longer” — it is “structure for the market you actually have.”

This structure is built for weak markets

¥1.5B arrives with certainty on day one regardless of price. The warrants track the market with hard floors: a recovery accelerates proceeds; continued weakness delays them without killing the plan, unless the price falls below the floor exercise price.

Weak prices raise the bar — we sized for it

Issuing into weakness makes the Simple Test harder to pass, which is exactly why the raise contains only identified, underwritten uses against objective, pre-set criteria — and why the issuer's redemption right lets us refinance the moment better terms exist.

Investment timing is driven by asset opportunities, not by short-term movements in the Company's share price.

Bitcoin Japan

Q11 What happens if the Company does not raise this capital?

A. *The Board compared both scenarios before resolving. Not raising does not preserve the status quo — it forfeits the current investment pipeline and repeats the delay of 2025.*

IF THE COMPANY DOES NOT RAISE		WITH THE FINANCING
⊖ Private-equity windows lapse	→	▸ Additional private-equity deals funded
⊖ Rare earth and RaaS unfunded	→	▸ Recurring-revenue engine begins
⊖ Bitcoin acquisition deferred a second time	→	▸ Acquirable once warrant exercise raises sufficient funds
⊖ Dependent on realization events alone	→	▸ ¥1.5B certain on the payment date
⊖ Earnings recovery slows	→	▸ Progress reported every quarter

The situation described on the left is not hypothetical — it happened in 2025.

54%	¥0	¥2,620M
of planned proceeds raised — ¥3,095M of ¥5,715M	allocated to Bitcoin	of the plan left unfunded

Doing nothing is also a decision. 2025 already showed its cost: ¥2.6B of plan unfunded and the Bitcoin allocation at zero.

Bitcoin Japan

Q12 Is Bitcoin still core to the strategy — and has AI infrastructure been dropped?

A. *Bitcoin remains part of the strategy through a defined, strategically-sized allocation. AI infrastructure was never dropped — it simply is not funded from this raise.*

Bitcoin — funded in this raise

- ¥662M allocation — a re-raise of the prior allocation that received ¥0. Held as strategic treasury capital and a long-term hedge against the debasement of fiat currencies. Bitcoin ownership is not the KPI — long-term intrinsic value per share is. We buy selectively, generate yield within Board-approved limits, and recycle capital when superior opportunities arise.

AI infrastructure — ongoing strategy

- **Not among this raise's uses of proceeds — but explicitly not abandoned.**
- Remains a strategic investment area: terrestrial and orbital compute, data platforms, physical AI (humanoids), and supply chain.
- Future AI investments funded from realized gains and available funds, subject to internal criteria and Board approval.
- Executed to date: ¥3.12B deployed into SpaceX (since listed) and Figure AI through the US investment platform.

One framework, two engines: Bitcoin as strategic treasury capital, AI as the growth pipeline.

Q13 Why is Bitcoin still zero — and what is the policy from here?

A. *Because governance was built before capital was committed. Bitcoin is strategic treasury capital — held on the same test as every other yen, not a total to be maximised.*

Custody — built first

Institutional-grade custody required segregated cold-storage arrangements, multi-signature governance protocols and an audited internal control framework. Established before any purchase, not after.

J-SOX controls — completed

Bitcoin at scale demands dedicated internal-control procedures for trade approval, custody reconciliation, mark-to-market valuation, and disclosure. We completed these before purchasing, not after.

Legal & accounting opinions — obtained

Specialist opinions secured on the FSA's classification and on treatment under J-GAAP and IFRS 9, elaborated for the scale of the contemplated allocation.

Timing discipline — maintained

We declined to deploy at past price levels when our investment criteria were not simultaneously satisfied. Management believes patience protected long-term value per share; it was never abandonment.

THE POLICY

Strategic treasury capital

Buy selectively — we accumulate Bitcoin when we believe the risk-adjusted opportunity is attractive.

Generate yield — we seek to enhance shareholder returns through institutional-grade yield and financing strategies, within Board-approved risk limits.

Recycle capital — we will monetize Bitcoin when superior value-accretive AI or blockchain investment opportunities arise.

Bitcoin ownership is not the KPI. Long-term intrinsic value per share is the only KPI that matters.

We are not maximizing Bitcoin owned — we are maximizing shareholder value, using Bitcoin as strategic capital.

Bitcoin Japan

Q14 Is this raise subsidizing the loss-making legacy business — and what is the plan for it?

A. *Not one yen. The legacy apparel business must fund itself — it is ring-fenced, being optimized, and evaluated against the same capital-allocation framework.*

Not one yen of proceeds

The working-capital allocation consists exclusively of transaction-execution and new-business establishment costs. The legacy apparel business (Marusho Hotta) operates from its own cash flow and receives no portion of the proceeds.

Ring-fenced and run separately

Under the structure approved at the November 11, 2025 EGM, the fashion, kimono and materials businesses are maintained — but managed separately from the investment business, with a focus on operational improvement and AI-enabled efficiency.

The honest numbers

FY2026 consolidated: sales ¥2,959M, operating loss ¥462M — reflecting legacy weakness plus the one-off costs of building the new structure. The optimization program targets operating discipline line by line.

Under continuous review

Restructuring and partnership options are assessed against the same value-per-share test as any investment. If the analysis produces a decision — restructure, partner, or otherwise — it will be disclosed, with a timetable.

Self-funding, ring-fenced, and evaluated against the same capital-allocation framework.

Q15 What happens if the share price falls and the warrants aren't exercised?

A. *The plan scales back in a defined order — it does not collapse. Priorities, floors and the redemption right are designed precisely for that scenario.*

1 ¥1.5B is certain

The convertible bond is paid in full on day one and flows to the top-priority allocation: private equity. This tranche does not depend on the share price.

→

2 Priority waterfall

If exercise stalls, remaining allocations are funded strictly in the disclosed priority order — shareholders know in advance what gets funded first and what waits.

→

3 Floors bound the downside

Reset prices can step down with the market but never below the floor exercise / ¥69 floor conversion price — proceeds can undershoot plan, never collapse to zero economics.

→

4 No default trigger

The raise was sized so that a proceeds shortfall in a depressed market does not put committed investments — or the Company — into default.

→

5 Exit ramp

If a superior financing method emerges, the Board can redeem the remaining instruments at issue price and refinance. Undeployed cash sits in bank deposits.

A weak market slows the plan — **it cannot break it.**

SECTION 03

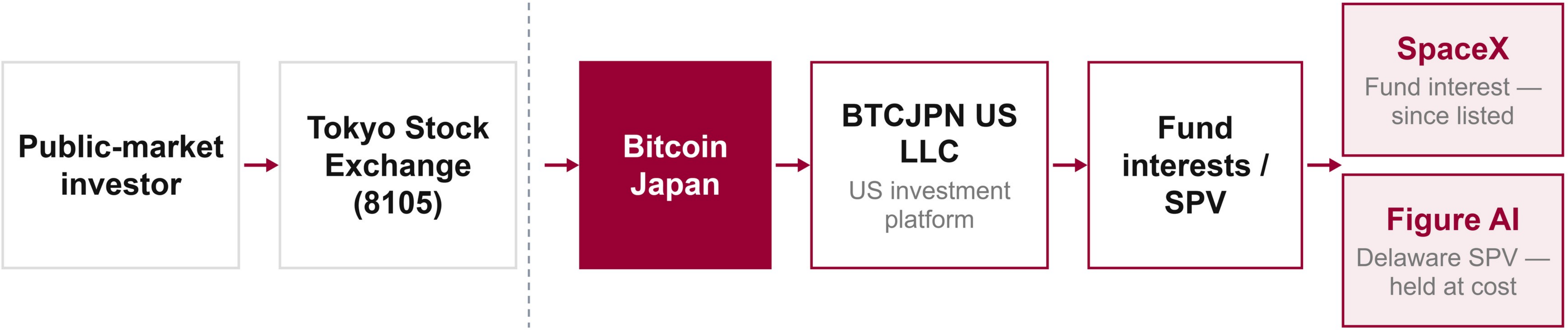
Value Creation

The track record to date, the arithmetic of accretion, and the metrics we will report each quarter.

Bitcoin Japan

Q16 How does management ensure value creation actually exceeds the dilution?

A. *By underwriting every allocation against objective, pre-set investment criteria, restraining operating risk, and reporting the result every quarter.*



Access to private opportunities generally unavailable to public-market investors.

Quarterly
disclosure of deployment, returns and dilution incurred

One value chain
complementary exposure across AI infrastructure

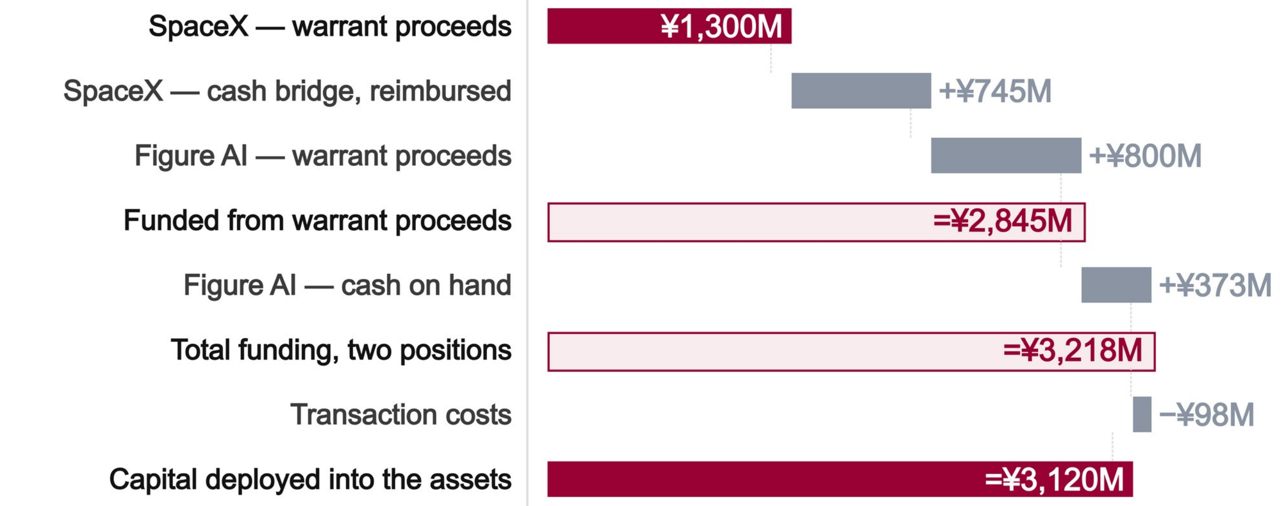
¥3.12B
already deployed — SpaceX and Figure AI

Our objective is not to raise capital. Our objective is to increase long-term intrinsic value per share.

Q17 From capital raised to current value — what is the track record, to the yen?

A. *Every yen of the 2025 raise is reconciled below, including transaction costs. One position carries a market-based reference mark; the other is held at cost until its first mark is published.*

1st Series Warrants — funding the two AI-infrastructure positions



SpaceX ¥2,044.9M · Figure AI ¥1,173.2M. Transaction costs: third-party valuation, legal due diligence, bank transfer, currency exchange and escrow set-up fees.

Allocation of proceeds: of ¥3,095M net proceeds, ¥2,850M was allocated to the AI-infrastructure business and ¥245M to working capital, in the disclosed priority order. Bitcoin received ¥0.

CURRENT POSITION

SpaceX fund interest — marked by reference. ≈¥2,796M reference valuation at June 30, 2026 against ¥1,997M acquisition (c. +40%, unrealized), on the disclosed basis; refreshed quarterly.

Figure AI position — held at cost. ¥1,173.2M invested via a Delaware SPV (June 26, 2026). No reference valuation has been disclosed yet; the position is carried at cost until one is.

Policy extension. The standing quarterly reference-valuation policy is being extended to Figure AI; its first mark will be published with the quarterly value scoreboard (see Q24). A portfolio-level return will be published from that point — not before, as a return computed with one position unmarked is assertion, not measurement.

Raised, allocated, deployed, marked — reconciled to the yen, transaction costs included.

Q18 When does issuing shares create value per share — and when does it destroy it?

A. *The arithmetic is mechanical. Moving-strike exercise issues shares at the prevailing market price, so accretion depends on where that price sits relative to NAV per share.*

THE ARITHMETIC

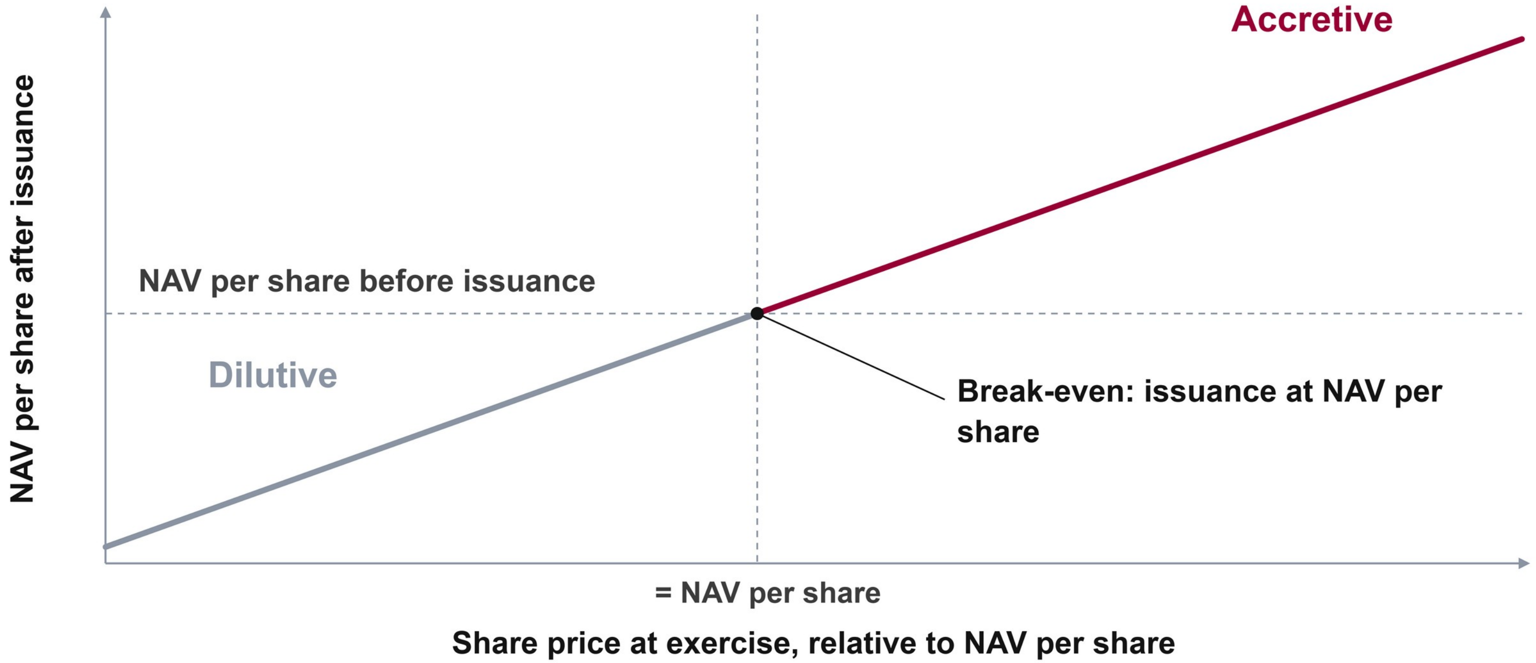
≈¥137

of cash enters the Company per new share if the warrants are exercised at the ¥138 initial strike: estimated net proceeds ¥9,657M ÷ 70.25M new shares. A blended figure — each actual exercise prices at ~100% of the then-prevailing market price.

NAV per share after issuance

= (NAV + proceeds received)
÷ (shares + new shares)

We will publish: Board-approved NAV per share, the populated pro forma, and a quarterly refresh on the same formula (see Q24).



Below NAV/share Mechanically dilutive — deployed capital must earn back the gap	**At NAV/share** Neutral — value depends entirely on deployment returns	**Above NAV/share** Mechanically accretive — before any investment return

No invented inputs: the formula is published now; the pro forma follows on Board-approved marks with the first quarterly report.

Bitcoin Japan

Q19 What exactly do we own in SpaceX — at what cost, and what is it worth today?

A. *A fund interest corresponding to 100,800 SpaceX shares, acquired at US$122 — the stock has traded above that price on every trading day since its NASDAQ listing.*

THE POSITION

100,800

SpaceX shares corresponding to our group's fund interest

US$122 / share

acquisition price, ≈¥1,997M including direct upfront fees

US$170.86

NASDAQ close on the June 30, 2026 quarter-end reference date

≈¥2,796M

reference valuation (US$17.2M at ¥162.39) — c. +40% unrealized

Post-listing trading range versus acquisition price

Reference valuations are unrealized and informational as of their reference date only.

What we hold — and how it was funded

A fund interest (the Viva Fund), not direct SpaceX shares; the fund is contractually required to dissolve upon listing and deliver the shares to the Company. Funded with ¥2,044.9M through subsidiary BTCJPN US LLC — ¥1,300M from 1st Series warrant proceeds plus ¥744.9M of cash on hand, since fully reimbursed from exercise proceeds.

What the mark is — and isn't

A reference valuation under our standing quarterly valuation policy, disclosed on July 16, 2026. It is not an audited or accounting valuation, is unrealized until a realization event, and moves ≈¥160M for every US$10 change in the SpaceX price at the stated exchange rate. Refreshed quarterly with the value scoreboard (see Q24).

Since listing, SpaceX has traded above the Company's acquisition cost. Future performance remains subject to market conditions.

Q20 What are NAV and the NAV premium — and why do they drive the share price?

A. *NAV is what the portfolio is worth per share. The premium or discount to NAV is the market's real-time assessment of whether management creates or destroys value with it.*

THE MATH

NAV

= market value of assets − liabilities

NAV / share

= NAV ÷ shares outstanding

mNAV

= market cap ÷ NAV
> 1.0× = premium · < 1.0× = discount

For us: listed stakes (incl. SpaceX) at market, private stakes at fair value, Bitcoin and cash at market, less debt (¥1.5B CB) — divided by shares outstanding.

The anchor

Investors can always compare the share price to NAV per share. Persistent gaps attract action: discounts invite buybacks and activists; premiums invite issuance.

The flywheel

Issuing shares above NAV adds more assets per share than shares — NAV per share rises. Issuing below NAV does the reverse. The premium decides whether a raise passes our Simple Test.

The signal

A premium means the market pays today for expected accretion — deal access and execution. A discount means it doubts the asset marks or the capital discipline.

Who runs on NAV as a primary KPI

SoftBank Group (9984)
Reports NAV and loan-to-value as its core KPIs; its persistent, wide NAV discount is the defining investor debate — and the trigger for its record buybacks.

Strategy (MSTR)
mNAV and BTC per share define the equity story; it issues stock at a premium precisely because doing so grows BTC per share.

Metaplanet (3350)
BTC NAV and BTC Yield are its stated KPIs; expanding BTC NAV underpins its preferred-share capacity.

Holdcos & closed-end funds
Exor, Prosus, Pershing Square Holdings and every investment trust publish NAV; sustained discounts trigger buybacks and tenders.

Issuance and repurchases sit in one framework — long-term NAV per share. The premium or discount is the market's real-time assessment of it.

Q21 How will value actually reach shareholders?

A. *Through a defined chain: deploy → grow net asset value per share → monetize at liquidity events → return capital or reinvest, whichever creates more value.*

Deploy

Capital enters the five allocations on the disclosed schedule, against objective, pre-set criteria.

→

Grow NAV per share

Long-term intrinsic value per share is the KPI — not Bitcoin owned, not assets gathered, not transaction size.

→

Monetize

IPOs of investees (SpaceX already listed), secondary sales, and securities-lending yield on listed holdings after lock-ups.

→

Return capital or reinvest

Realized value is recycled into higher-return opportunities or returned — dividend policy and buybacks are under active study.

On buybacks: if the shares were to trade materially below a transparent net-asset-value estimate for a sustained period, repurchases are among the capital-allocation options the Board would weigh against new investment — by the same value-over-dilution test, in reverse.

Bitcoin ownership is not the KPI. **Long-term intrinsic value per share is the only KPI that matters.**

Q22 What governance ensures this discipline holds after the money arrives?

A. *Independent review before the raise, Board control during deployment, and standing structural limits on what we can become.*

Independent review — before

A three-member third-party committee (an outside director / Audit & Supervisory Committee member and two outside attorneys) examined the financing under TSE Article 432 and issued a written opinion on necessity and appropriateness.

Board control — during

Every investment requires Board approval against internal criteria; any transfer of the bonds or warrants requires a Board resolution; the redemption right stays in the Board's hands throughout.

Structural limits — always

We maintain our character as a financial investment company: minority stakes and SPV structures by default, balance-sheet discipline, and a stated policy of no undisciplined expansion and no speculative activity.

Accountability — quarterly

Deployment, returns and dilution actually incurred will be reported on consistent metrics every quarter (see Q24), so shareholders can audit discipline rather than take it on faith.

Robust governance protects shareholders and drives long-term value.

Bitcoin Japan

Q23 After two consecutive years of ordinary losses, is there any risk to our listing?

A. *No delisting criterion is in play. The losses close off certain financing routes — they do not threaten the listing itself.*

What the losses actually affect

Two years of ordinary losses (FY2025: ¥300M; FY2026: ¥482M) make non-commitment rights offerings unavailable — a product-eligibility rule, and one reason this structure was chosen. Ordinary losses are not, in themselves, a TSE continued-listing criterion.

Where we stand on the criteria that do matter

Net assets are strongly positive — the equity ratio stood at 86.2% at FY2026 year-end — and the issuance review confirmed a degree of trading liquidity in the shares. The continued-listing tests on TSE Standard concern net assets, tradable shares and shareholder base, not two loss years.

How this raise helps

The financing is equity-linked and the bond carries a zero coupon: proceeds strengthen the equity base rather than adding debt. Preserving financial soundness was precisely why straight debt was rejected (see Q2).

The path back to profit

The recovery plan is the four funded initiatives plus legacy optimization — recurring revenue from RaaS, returns from the investment portfolio, and cost discipline. Progress is reported quarterly on the metrics in Q24.

The listing is not the question. Returning to profitability is the priority — and this financing is intended to support it.

Bitcoin Japan

Q24 What measurable commitments will management make for the next 12 months?

A. *Three. Reported on the same metrics every quarter, so progress — or the lack of it — is visible.*

1 · Capital-allocation bridge

Every quarter, a bridge from gross proceeds received to date, through each allocation's spending, down to remaining unrestricted cash — reconciled to the yen, and including portfolio holdings with the quarterly reference valuation of the SpaceX fund interest on the disclosed basis.

You will always know where the money is.

2 · Deployment vs plan

Progress of all five allocations against the August 2026 – February 2028 schedule: committed, contracted, in due diligence, or not yet started — labelled honestly, never blended.

Facts separated from aspirations.

3 · Value scoreboard

Net asset value per share, realized and unrealized investment results, and dilution actually incurred versus the disclosed maximum — the value-over-dilution test, scored in public.

The test we set is the test we report.

First report: with the earnings release for the quarter in which the payment date falls.

On future financing: the Company will raise capital again only where a specific, identified use is expected to add more intrinsic value per share than the dilution required to fund it — the same test applied here, measured on the same quarterly metrics.

Set three measurable commitments. Report the same measures every quarter.

VALUE OVER DILUTION

Measured quarterly, against stated metrics.

Management will report quarterly against the metrics described in this document, enabling shareholders to assess whether capital deployment has created value in excess of the dilution incurred.

Important notice. **This document must be read together with the Disclaimer on page 1, which applies in full. It is not an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction. Transaction figures reflect the July 2026 issuance-resolution disclosure; dilution figures are stated at the ¥138 initial strike and actual issuance may differ, subject to the ¥69 floor. Portfolio reference valuations are unrealized, are informational as of their reference date only, and are not accounting or audited valuations. Forward-looking statements are subject to risks and uncertainties, and actual results may differ materially. For definitive terms, refer to the Company's disclosures on TDnet.**