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October 26, 2026

Company name:	FreeBit Co., Ltd.
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Notice Regarding Conclusion of Agreement with Former President and Representative Director and Additional Voluntary Return of Executive Compensation

As announced in the "Notice Regarding Publication of the Investigation Report of the Special Investigation Committee and Formulation of Measures to Prevent Recurrence" dated October 6, 2026, following the investigation report (the "Investigation Report") of the Special Investigation Committee, the Company has been in discussions with Mr. Atsuki Ishida ("Mr. Ishida"), former President and Representative Director of the Company, regarding a revision of the price of the shares of CountUp Ltd. ("CountUp") that the Company acquired from Mr. Ishida, and the sharing of the fees incurred by the Company as a result of the matters subject to the investigation.

The Company hereby announces that it has reached an agreement with Mr. Ishida, as set forth below. The Company also announces an additional voluntary return of executive compensation.

1. Conclusion of Agreement with Mr. Ishida

As announced in the Company's disclosure dated September 29, 2025 regarding the acquisition of shares of CountUp (available in Japanese only), on September 30, 2025, the Company acquired shares of CountUp from Mr. Ishida for a fixed consideration of 493,000,000 yen plus contingent consideration based on the degree to which CountUp achieves its business performance targets (the "Share Acquisition") up to the end of September of the fiscal year ending April 2031, and made CountUp a subsidiary. In the Share Acquisition, the valuation of CountUp shares (share price calculation) was conducted based on a business plan premised on the two patents held by CountUp (the "Patents") having been independently developed and acquired by CountUp.

However, the Investigation Report found that, at the time of the Share Acquisition, the Company held at least a statutory non-exclusive license (Article 35, paragraph (1) of the Patent Act) to the Patents, and also pointed out the possibility that the Patents may not belong to CountUp.

In light of these findings, as it became clear that the premise of the share valuation in the Share Acquisition was erroneous, the Company held discussions with Mr. Ishida, determined that the consideration for the Share

Acquisition was 1 yen as of the time of its execution, and agreed to receive a refund of 492,999,999 yen, which is the difference from the fixed consideration. The Company is scheduled to receive this amount on October 27, 2026. The Company and Mr. Ishida also agreed that the Company will bear no payment obligation with respect to the earn-out related to the Share Acquisition (up to 430,000,000 yen, depending on business performance, etc. through September 2030 of the fiscal year ending April 2031).

In addition, as of the end of September 2026, the total of the following costs amounted to 373,662,047 yen: costs related to the acquisition of CountUp shares borne by the Company and CountUp (such as legal, financial and tax due diligence costs); CountUp's office rent and other expenses, the appropriateness of which was questioned in the Investigation Report; the costs of the Investigation Committee; fees for the Company's legal counsel in connection with this matter; fees for the external advisors appointed by the Internal Review Committee described below; and additional audit fees charged by the accounting auditor. The Company and Mr. Ishida agreed that, of these costs, Mr. Ishida will pay the Company a settlement payment totaling 117,607,632 yen, consisting of 50% of the costs related to the acquisition of CountUp shares (34,793,143 yen), 100% of CountUp's office rent and other expenses (27,499,171 yen), and 20% of the other costs (55,315,318 yen). Although these other costs also cover matters necessary for the Company's own review, such as future measures to prevent recurrence and the improvement of governance, the Company considered it appropriate for Mr. Ishida to bear a certain portion of them. The Company is scheduled to receive this amount on October 27, 2026.

In order to review and make decisions while ensuring independence and neutrality, the Company decided on the above matters regarding the discussions with Mr. Ishida after consulting the Internal Review Committee, which is composed of outside directors and outside Audit & Supervisory Board members, as well as external advisors appointed by the committee who have no interests in the Company or Mr. Ishida.

The Company also plans to begin filing claims under the insurance policies it holds.

As a result of the above agreement, the Company is scheduled to receive a refund of 492,999,999 yen, representing the difference in the consideration for the Share Acquisition, and a settlement payment of 117,607,632 yen.

2. Impact on Business Results

The refund of the consideration for the Share Acquisition and the settlement payment for investigation costs, etc. to be paid by Mr. Ishida, as described in 1. above, are scheduled to be recorded as other accounts receivable in the consolidated and non-consolidated financial statements for the fiscal year ended April 2026. Upon receipt of payment on October 27, 2026, they are expected to be accounted for as collection of other accounts receivable in the second quarter of the fiscal year ending April 2027.

In addition, as a result of evaluating the impact on past financial reporting, the Company has determined that it is necessary to correct the accounting for the transaction for the acquisition of CountUp shares. Accordingly, the Company will correct the relevant sections, etc. of the consolidated financial statements included in the previously submitted Semi-Annual Securities Report for the fiscal year ending April 30, 2026 (available in Japanese only), the "Consolidated Financial Results for the 2nd Quarter of the Fiscal Year Ending April 30, 2026," and the "Consolidated Financial Results for the 3rd Quarter of the Fiscal Year Ending April 30, 2026." With respect to transactions with CountUp that occurred in or before the previous fiscal year, since their impact on the consolidated financial statements is immaterial, the Company will not correct the consolidated financial

statements for prior fiscal years and will instead reflect the cumulative effect in profit or loss for the fiscal year ended April 30, 2026.

3. Additional Voluntary Return of Executive Compensation

The Company announced the voluntary return of executive compensation in the "Notice Regarding Publication of the Investigation Report of the Special Investigation Committee and Formulation of Measures to Prevent Recurrence" dated October 6, 2026. Since then, at the Internal Review Committee, which has met five times to date, the Company has further examined the allocation of responsibility between the Company and its officers, in connection with the review of the legal assessment of this matter and following the agreement on the amount to be claimed from Mr. Ishida.

As a result, Takashi Shimizu, Director of the Company, sincerely taking to heart the finding in the Investigation Report that "there were problems from the perspective of the checks-and-balances function of the administrative division," has offered, from the standpoint of fulfilling his moral responsibility, to voluntarily return an additional amount equivalent to 50% of his executive compensation (for two months), on top of the 50% of executive compensation (for three months) announced previously.

Amount of the Additional Voluntary Return

Name	Position	Amount of Voluntary Return
Takashi Shimizu	Director	An additional amount equivalent to 50% of executive compensation (for two months), for a total equivalent to 50% of executive compensation (for five months)

(For reference) From the "Notice Regarding Publication of the Investigation Report of the Special Investigation Committee and Formulation of Measures to Prevent Recurrence" dated October 6, 2026

Name	Position (as of October 5, 2026)	Amount of Voluntary Return
Takashi Shimizu	Director, Executive Vice President and CFO	50% of executive compensation (for three months)
Takumi Shibata	Director, Executive Vice President	10% of executive compensation (for three months)
Ikuko Wada	Director and CSO	10% of executive compensation (for three months)
Nobuhiko Komeya	Outside Director	5% of executive compensation (for three months)
Seiji Takeda	Outside Director	5% of executive compensation (for three months)
Hideaki Doki	Outside Director	5% of executive compensation (for three months)