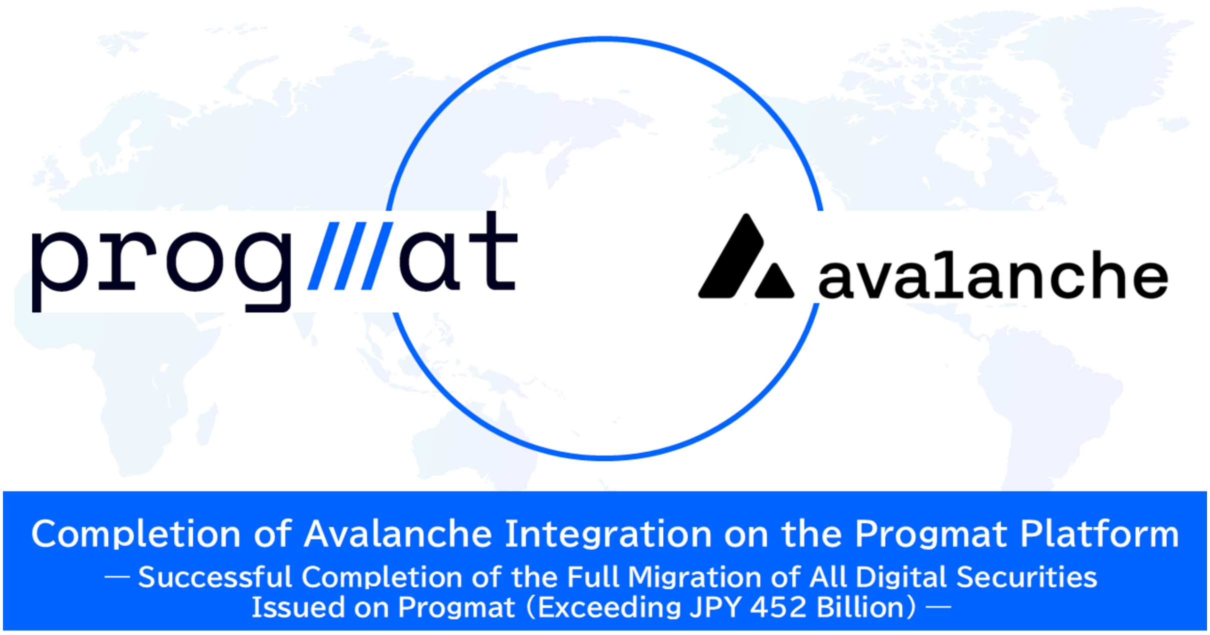
July 13, 2026

Progmat, Inc.
Avalanche

Completion of Avalanche Integration on the Progmat Platform

— Successful Completion of the Full Migration of All Digital Securities Issued on Progmat (Exceeding JPY 452 Billion) —



Progmat, Inc. (Founder &CEO: Tatsuya Saito; hereinafter “Progmat”) has completed the migration of “Progmat,” its issuance and management platform for digital securities (Security Tokens; hereinafter “ST”), from “Corda 5”[*1], the distributed ledger it was the first to adopt in the Asian region, to an “Avalanche L1.”[*2] Through this initiative, all ST projects managed on the platform—which holds the top share in the domestic market[*3] (exceeding JPY 452 billion as of today[*4])—have become EVM-compatible,[*5] making it possible to reconcile the requirements of financial institutions with composability[*6] in a public-chain environment. Compared with the pre-migration environment, the processing speed of rights transfers has been accelerated by a factor of approximately three to five,[*7] thereby preparing the platform for the rapid expansion in market scale and the number of investors.

2. Overview of “Project Keystone,” the Renewal of the Progmat Platform

(1) Advancement of the Architecture with an Eye to the Future

- By introducing a blockchain integration layer (the “mediator”), the ledger implementation has been abstracted, and by separating business functions from the blockchain, the architecture has been transformed into one that is not dependent on any specific blockchain.
- Optimization of the on-chain / off-chain allocation design, anticipating integration with stablecoins, tokenized deposits, and the like.

(2) Enhancement of Security

– Renewal to a cloud-native security infrastructure with the aim of eliminating risks associated with key management.

(3) Greater Efficiency and Speed

– The addition of a Corda node for each participating company is no longer required, thereby reducing the lead time and cost associated with building environments for newly participating companies.

– Through the redesign of the architecture and other measures, the processing speed of rights transfers has been accelerated (by a factor of approximately three to five), with transaction finality on the Avalanche L1 reached in under two seconds, enabling near-instant settlement.

(4) Avalanche Integration

– The switch from Java-based Corda smart contracts to Solidity-based EVM smart contracts has been achieved without altering the behavior, specifications, or non-functional requirements of existing functions, and in a manner that minimizes the impact on existing issued projects and existing participating companies.

– Assurance of the standards required by financial-services operators through the additional acquisition of SOC 1& 2 TypeII certification for "AvaCloud," provided by Ava Labs.

– Establishment of an incident-response framework, including nights and holidays, through collaboration between Progmat and Ava Labs.

3. Overview of and Comments from the Relevant Organizations

(1) Progmat, Inc.

Representative: Tatsuya Saito, Representative Director, Founder & CEO

Head Office: Marunouchi Kitaguchi Building (within WeWork), 1-6-5 Marunouchi, Chiyoda-ku, Tokyo

Date of Establishment: October 2, 2023

URL: https://progmat.co.jp/

Comment: We are delighted to have completed, without delay, the large-scale platform renewal advanced under the name "Project Keystone," and to have successfully migrated all ST projects on Progmat to the new environment. We regard the completion of this Avalanche integration as a symbolic achievement marking the full-fledged connection of Japan's ST market with the global RWA ecosystem. Through the advancement of our architecture—including the introduction of the "mediator"—we will respond proactively to the increasingly sophisticated business requirements that accompany the full-scale entry of institutional investors and others, such as the flexible accommodation of multi-chain selection based on differences in the characteristics of target assets and investor preferences, as well as simultaneous settlement across different chains, both of which are anticipated in the near future.

(2) Ava Labs, Inc.

Representative: Emin Gün Sirer, CEO

Head Office: 1177 Avenue of the Americas, 5th Floor, Suite 50922, New York, NY 10036, United States

Date of Establishment: 2018

URL: https://www.avalabs.org/
Comment: Migrating more than JPY 452 billion in regulated securities without interrupting a single issuer or participant is the bar institutional infrastructure has to clear, and it's the proof point we're most proud of. AvaCloud delivered the compliant, purpose-built Avalanche L1 and the 24/7 operational framework behind the migration, backed by the SOC 1 and SOC 2 Type II assurance financial institutions require.
Nick Mussallem, CEO of AvaCloud

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*1 Press release, "Commencement of the Provision of 'Progmat SaaS' and 'Implementation Support Services' toward the Realization of a 'National Infrastructure' in the Digital-Asset Market" (November 1, 2024).
https://progmat.co.jp/en/news/2024-11-01-press/

*2 A framework that enables the construction of application-specific, independent networks within the Avalanche ecosystem. Each L1 operates as an independent network and can define its own rule set, token economics, and technical specifications. This independence allows an L1 to customize its environment to suit specific use cases.
https://support.avax.network/en/articles/4064861-what-is-an-avalanche-l1

*3 Number of ST projects handled that have been publicly disclosed: 45 (out of 89 total projects); ST handling amount: exceeding JPY 231.3 billion (out of a total exceeding JPY 364.3 billion); number of combinations of ST platform and distributor for the aforementioned eligible projects: 10 companies (according to Progmat's research).

*4 Calculated as the total asset amount stated in the securities registration statements for ST issuance projects and the issuance amounts based on publicly disclosed information for ST bonds, with redeemed projects calculated as JPY 0 at the point of redemption (according to Progmat's research; the latest figures are published in the monthly report).
[Progmat] Monthly ST Market Report (latest month)

*5 The Ethereum Virtual Machine refers to an environment specialized for executing smart contracts on Ethereum. Having compatibility with the EVM makes available the same development tools and libraries as Ethereum, improving development efficiency and facilitating integration with various smart contracts, thereby enabling connection with the entire Ethereum ecosystem.

*6 Refers to the property of connecting different protocols and applications on a blockchain in a modular and interoperable manner, thereby enabling the construction of new applications and services.

*7 Based on Progmat's internal estimates and verification.