November 10th, 2026

Progmat, Inc.
Digital Asset Holdings, LLC

Strategic Collaboration toward Accelerating the On-Chain Transformation of Real World Assets Transactions

— Conclusion of a Memorandum of Understanding on Canton Network Support on the Progmat Platform and Joint Deployment for Financial Institutions —



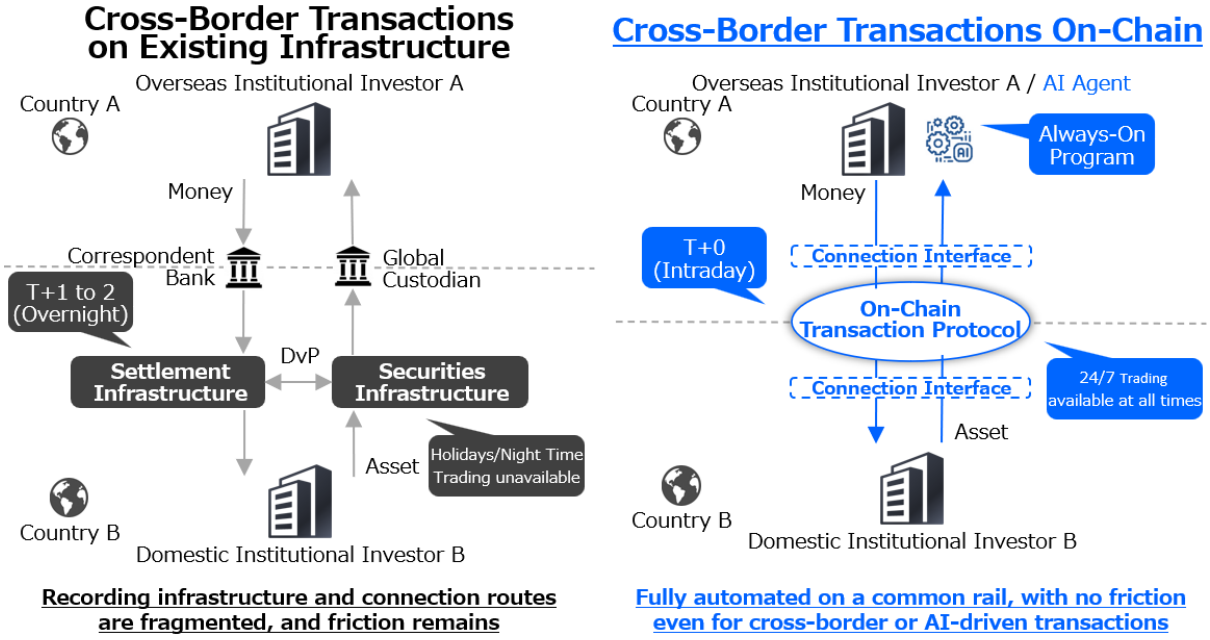
Progmat, Inc. (Representative Director: Tatsuya Saito; hereinafter "Progmat") and Digital Asset Holdings, LLC (CEO: Yuval Rooz; hereinafter "DA") have concluded a Memorandum of Understanding (MOU) to commence a strategic collaboration aimed at accelerating the on-chain transformation of Real World Assets including Japanese Government Bond (JGB) transactions and settlement, utilizing "Canton Network," a blockchain built specifically for institutional finance. As the first step of this collaboration, the two companies will advance Canton Network support for "Progmat"—the digital-asset issuance and management platform holding the top share in the domestic Japanese market[*1]—and the book-entry transfer account register integration to tokenize JGBs (tJGB) while preserving their nature as book-entry government bonds. In addition, the two companies will begin examining services to facilitate the utilization of Canton Network nodes by financial institutions, and will progressively expand collaboration with financial institutions seeking to conduct demonstrations.

1. Background: The Trend of "Finance × On-Chain Transformation" in Japan and Abroad

As initiatives utilizing blockchain technology in financial markets, in Japan the structuring and on-chain issuance of Security Tokens (ST)—backed by assets such as bonds and real estate—have expanded in the

primary market. In recent years, abroad, demonstrations and practical-application initiatives have been advancing to implement financial transactions in the secondary market on blockchains (on-chain transformation), with the aims of improving operational efficiency through the automation of the transaction lifecycle and the like, and enhancing capital and investment efficiency through real-time settlement available 24 hours a day, 365 days a year. In the United States, for example, initiatives utilizing tokenized U.S. Treasuries and digital money for collateral applications and intraday (commencing and concluding on the same trading day) repo transactions are rapidly taking concrete shape.

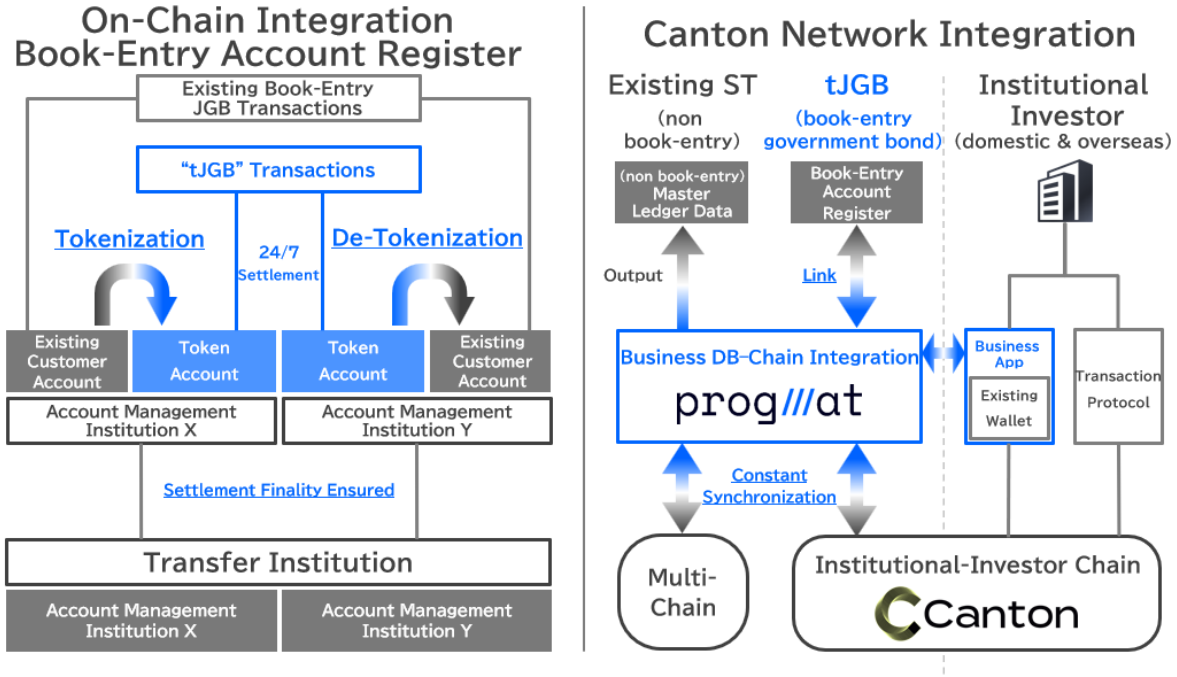
As with U.S. Treasuries, JGBs—owing to their high reliability and liquidity—are widely utilized for collateral applications and repo transactions, primarily by a wide range of domestic and overseas market participants, and momentum and expectations for their on-chain transformation are mounting. In particular, in the area of cross-border transactions and settlement between domestic Japanese financial institutions and overseas residents, certain challenges—such as constraints on transaction hours in existing infrastructure—remain, and the significance of resolving these challenges through on-chain repo transactions and collateral transactions utilizing JGBs is considered substantial.



2. Overview of the Collaboration and Specific Cases

(1) Overview of the "tJGB" Solution

In order to enable programmable 24/7 settlement as tokens on a blockchain (tJGB)—while preserving the legal nature of JGBs as book-entry government bonds and the finality of settlement—a mechanism will be built to link on-chain data with the book-entry transfer account register held by account management institutions under the Book-Entry Transfer Act[*2]. As the trading and settlement infrastructure for tJGB by institutional investors, the platform will connect to Canton Network, and implementation will proceed of measures such as the sharing of functions with those for existing STs provided by Progmat, and off-chain data linkage between the book-entry transfer account register and financial-services operators.



(2) Specific Case: The "On-Chain Repo Transactions of Tokenized JGBs" Working Group (WG)

Within the "Digital Asset Co-Creation Consortium" (abbreviated as "DCC"; ● member organizations) hosted by Progmat, the "On-Chain Repo Transactions of Tokenized JGBs" Working Group (WG) was established in May 2026, commencing cross-industry joint study with more than 68 organizations in Japan and abroad.

In this joint study, discussions are proceeding with the aim of leading to the commercialization of on-chain repo transactions of tJGBs that reflect the actual demand of institutional investors—after concretely organizing, from each of the legal, accounting, tax, practical, and technical perspectives, the methodologies relating to the tokenization of tJGBs as well as the various transactions and participating entities involved in lending protocols (decentralized finance, DeFi). DA has likewise participated in the study from the outset of the WG, contributing through the sharing of knowledge such as the technical characteristics of Canton Network and precedent cases in the United States.

■ **Press release (May 8, 2026)**

"Launch of Joint Study on On-Chain Repo Transactions Using Tokenized JGBs – Bringing institutional repo activity on-chain via stablecoins –"

https://progmat.co.jp/en/news/2026-5-8-press_en/

In addition, the WG plans to transition to "Phase 2 | Live Verification Phase" around November 2026, providing a "sandbox environment" in which tJGBs, as well as tokenized deposits / stablecoins (tokens for live verification), can be issued and managed on Canton Network. By progressively linking with multiple repo / collateral platforms in Japan and abroad, the WG will prepare a framework that enables market participants to smoothly carry out the hypothesis testing and refinement necessary prior to practical implementation.

■ **Press release (October 22th, 2026)**

"Publication of the 'Interim Summary' on 'Tokenized Government Bonds' and 'On-Chain Repo

Transactions,' and Commencement of the 'Live Verification Phase'"
https://progmat.co.jp/en/news/2026-10-22-press_en/

(3) Specific Case: "Demonstration with Mitsubishi UFJ Financial Group (MUFG)"

Mitsubishi UFJ Financial Group, Inc., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Mitsubishi UFJ Trust and Banking Corporation, and MUFG Bank, Ltd.—four companies in total—have announced, together with Progmat and DA, that they will commence a collaboration concerning the "Verification of the Simultaneous Settlement (DvP) of JGBs and Digital Money" and the "Verification of the On-Chain Transformation of the Entire Repo Transaction Lifecycle."

■ **Press release (August 13, 2026)**
"Commencement of a Demonstration on the On-Chain Transformation of Japanese Government Bond (JGB) Repo Transactions"
https://www.mufg.jp/dam/pressrelease/2026/pdf/news-20260813-002_ja.pdf

3. Future Plans

The two companies will advance joint study with a view to (i) Progmat's Canton Network connectivity support and the development of node-utilization services, (ii) demonstrations with financial institutions concerning book-entry transfer account register integration and the trading and settlement of tJGBs, and (iii) commercialization as a service for financial institutions. Based on the networks and expertise of the two companies, they will expand to domestic and overseas financial institutions and market participants—including banks, trust banks, securities firms, and money-market brokers (tanshi companies)—aiming to expand the trading and settlement network for tJGBs.

The results of the WG's study, the results of individual demonstrations, and the roadmap for services for financial institutions, will be disclosed in a timely manner, while conducting appropriate and in-depth communication with the relevant authorities.

End

[*1] Number of ST projects handled that have been publicly disclosed: 51 (out of 103 total projects); ST handling amount: exceeding JPY 2,906 billion (out of a total exceeding JPY 4,703 billion); number of combinations of ST platform and distributor for the aforementioned eligible projects: 10 companies (according to Progmat's research).

[*2] "Act on Book-Entry Transfer of Corporate Bonds, Shares, etc.": https://laws.e-gov.go.jp/law/413AC0000000075