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July 24, 2026

Company name: FreeBit Co., Ltd.
Name of representative: Atsuki Ishida, President, CEO and CTO
(Securities code: 3843; Prime Market)
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Notice Regarding Acquisition and Cancellation of Class A Preferred Shares by Consolidated Subsidiary

We hereby announce that our consolidated subsidiary LERZ Inc. ("LERZ") resolved, at its shareholders' meeting held today, to acquire all of the Class A Preferred Shares (the "Shares") issued by LERZ in exchange for cash, and that, by a decision of its director(s) dated today, LERZ determined to cancel all of the Shares so acquired, conditional upon such acquisition, pursuant to Article 178 of the Companies Act, as set forth below.

1. Details of the Acquisition of the Shares

1)	Type of shares to be acquired	Class A Preferred Shares of LERZ Inc.
2)	Total number of shares to be acquired	2,000 shares
3)	Consideration for the acquisition of shares	Cash
4)	Total acquisition price of shares	¥2,239,253,918 (Note)
5)	Acquisition date	July 31, 2026 (planned)
6)	Seller (transferor)	SMBCCP Investment Limited Partnership No. 1

(Note) The total acquisition price of the Shares set forth above represents the total amount agreed between LERZ and the seller (transferor) based on the preferred share investment agreement, etc. relating to the issuance of the Shares.

2. Details of the Cancellation of the Shares

1)	Type of shares to be cancelled	Class A Preferred Shares of LERZ Inc.
2)	Total number of shares to be cancelled	2,000 shares
3)	Effective date of cancellation	July 31, 2026 (planned)

The cancellation of the Shares is conditional upon the acquisition of the Shares by LERZ as set forth in 1. above.

3. Reasons for the Acquisition and Cancellation of the Shares

The Shares were issued for the purpose of financing LERZ's acquisition of the common shares of the target company in connection with a series of transactions aimed at making Gigaprize Inc. a wholly owned subsidiary held solely by the Company and LERZ, the tender offeror, as disclosed in our announcement dated January 31, 2025, titled "Notice Regarding Commencement of Tender Offer for Shares of Gigaprize Inc. (Securities Code: 3830)," as well as for the purpose of maintaining the financial base of our group.

Since the issuance of the Shares, our group's steady business performance has enabled us to secure prospects for maintaining and improving our financial base and cash flow, and accordingly, this acquisition and cancellation are being carried out for the purpose of reducing the dividend burden associated with the Class A Preferred Shares, among other reasons.

4. Impact on Business Performance

The impact of the acquisition and cancellation of the Shares on our company's consolidated business performance is minimal.