July 29, 2025

Dear Sirs,

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| Name of the Company: | Beat Holdings Limited<br>(URL: www.beatholdings.com) |
| Representative: | Chief Executive Officer,<br>Chin Siang Hui<br>（TSE Standard Market, Code：9399） |
| Inquiries to: | IR Division Manager,<br>Yuta Takayama<br>（TEL: Tokyo 03-4570-0741） |

# Signing Multi-Series BTC Bonds Subscription Agreement and Issuance of Series 1 BTC Bonds

In our press release "Received Proposal from Shareholders" dated July 11, 2025, we have received a proposal ("**H.a.N Proposal**") from Mr. Lian Yih Hann ("**Mr. Lian**") and 4 entities 100% owned by him (collectively **"H.a.N Group**"). In the H.a.N Proposal, H.a.N Group are proposing a fundraising scheme by way of the Company to issue moving-strike stock acquisition rights, and multi-series bonds ("**Multi-Series BTC Bonds**" (Note)) up to a total of JPY5 billion.

Today, the Board of Directors has resolved to sign a multi-series BTC bonds subscription agreement for Multi-Series BTC bonds issuance (**"Multi-Series BTC Bonds Subscription Agreement"**) with Mr. Lian with total amount of JPY5 billion (USD34.5 million), and issue 10 bonds of JPY100 million (USD691 thousand) each, totally JPY1 billion (USD6.9 million) ("**Series 1 BTC Bonds**" (Note)) to Mr. Lian. For the key terms and others of the Multi-Series BTC Bonds Subscription Agreement and Series 1 BTC Bonds, please refer to the following sections.
(Note) In H.a.N Proposal these had been called revolving bonds and initial bonds, however, after negotiation with H.a.N Group, we have decided to change to these names, under the following key terms.

1. **Reason of signing Multi-Series BTC Bonds Subscription Agreement and issuance of Series 1BTC Bond**
   Since February this year, the Company has started to invest in cryptocurrencies including Bitcoin and related ETF ("**BTC**") as our primary treasury reserve, (Reserves to enable the Company to launch important projects, or to make other important payments in the future) and we have to raise funds to continue/operate such investment activities. In the H.a.N Proposal, H.a.N Group proposed to issue 4,500,000 stock acquisition rights ("**SAR1**") convertible to 24.7% of total shares outstanding by the Board's resolution first, and then issue 49,500,000 stock acquisition rights ("**SAR2**") convertible to 271.9% of total shares outstanding by shareholders' approval at shareholders' meeting.

   As announced in our press release "Partial Repayment of Loans from the Revolving Credit Facility" dated July 16, 2025, the Company had been considering to issue Multi-Series BTC Bonds. The HK$200 million (JPY3.69 billion) revolving credit facility ("**Credit Facility**") provided by Mr. Lian bears 8% interest per annum (compounded basis) which is higher than the Multi-Series BTC Bonds interest rate of 3.0%-7.5%. In addition, the term of Credit Facility will end on 30 March 2026, and the remaining balance is not sufficient to meet the Company's target fund requirement for further investment in BTC.

Therefore, currently the Company is considering to issue SAR1 and SAR2, and exploring other financings available, however, as it is expected to take some time to raise funds through such, this time, the Company has decided to sign the Multi-Series BTC Bonds Subscription Agreement and to issue the Series 1 BTC Bonds, in order to raise bridging fund for the Company to continue to invest in BTC.

The Multi-Series BTC Bonds Subscription Agreement allows the Company to issue up to JPY5 billion in a series of bonds which proceeds are to be dedicated to solely buying BTC. At any time, the amount of outstanding bonds shall not exceed JPY5 billion. However, with the redemption of part or all of the outstanding bonds, new Multi-Series BTC Bonds are issuable up to JPY5 billion, thereby allowing the Company to raise beyond JPY5 billion from such bond issuance, and to purchase BTC beyond JPY5 billion even when market conditions may temporarily discourage the exercise of stock acquisition rights ("**SARs**") after being issued.

## 2. Multi-Series BTC Bonds Subscription Agreement

Key terms of the Multi-Series BTC Bonds Subscription Agreement:

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| 1. Total face value of all issued bonds (authorized amount) | JPY10 billion (USD69.1 million) (including issued, redeemed, cancelled & matured bonds) | |
| 2. Total maximum face value of all outstanding bond (at any time) | Up to JPY5 billion (USD34.5 million) | |
| 3. Maximum face value of each series of bonds | Up to JPY1 billion (USD6.9 million) | |
| 4. Interest rate | Period | Coupon Rate |
| | 6 months<br>9 months<br>12 months<br>15 months | 3.0%<br>4.5%<br>6.0%<br>7.5% |
| 5. Available Period of the Bonds | 2 years | |
| 6. Use of Proceeds | Purchase of BTC | |
| 7. Redemption Method | • full redemption at face value on the scheduled redemption date;<br>• early redemption may be requested by Beat by written notice no later than 2 business days prior to the desired redemption date | |
| 8. Transferability | Bonds are transferable subject to prior approval by the Company's board of directors, which shall not be unreasonable delayed, withheld or denied | |
| 9. Guarantee / Collateral | None | |
| 10. Others | Each series of bonds' notional value is up to JPY1 billion (USD6.9 million). Subsequent issue of bonds is conditional upon the following terms:<br>(1) provided that the total amount of funds raised from the exercise of SARs is not less than 75% of the notional value of the outstanding bonds,<br>(2) the cumulative total trading volume of the shares on days, where the closing price of the Company is not lower than JPY1,500, is not lower than JPY2.5 billion for the period between the previous bond and the subsequent bond, and | |

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| | (3) there no restriction on the sale of shares by H.a.N Group |

**3. Issuance of Series 1BTC Bonds**

Key Terms of the Series 1 BTC Bonds:

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| 1. Total Face value | JPY1 billion (USD6.9 million) |
| 2. Number of bonds | 10 |
| 3. Face value of each bond | JPY100 million (USD691 thousand) |
| 4. Coupon Rate | 6.0% |
| 5. Period | 1 year |
| 6. Issue Date | July 29, 2025 |
| 7. Mature Date | July 28, 2026 |
| 8. Interest Payment Date | Semi-annually on January 28, 2026 and July 28, 2026 |
| 9. Use of Proceeds | Purchase of BTC |
| 10. Redemption Method | ● full redemption at face value on the scheduled redemption date;<br>● early redemption may be requested by Beat by written notice no later than 2 business days prior to the desired redemption date |
| 11. Guarantee / Collateral | None |

**4. Holder of Series 1 BTC Bonds**

Mr. Lian used to be the director/CEO of the Company, and currently, he is a major shareholder and the Chairman of Bitcoin Treasury Board of the Company.

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| 1. Name | Mr. Lian Yih Hann |
| 2. Address | North Point, Hong Kong |

**5. Future outlook**

The Company is not expecting to change our forecast of the year ending December 31, 2025, due to this case at this moment. However, in case any event occurred or had been decided related to this case and required to be disclosed, we will announce such on a timely basis.

(Note) Exchange rate applied in this press release is USD1 = JPY144.81; HKD1 = JPY18.44; buying and selling spot middle rate of telegraphic transfer at MUFG Bank, Ltd. as of June 30, 2025.

This document is the English translation of the official Japanese version of the Press Release ("Official Japanese Version"). This English translation was prepared for your reference. In the event of any discrepancy between the Official Japanese Version and this English translation, the Official Japanese Version shall prevail.

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**About Beat Holdings Limited**

Beat Holdings is a global investment company, incorporated in and registered at Cayman Islands under the laws of Cayman, headquartered in Hong Kong, with subsidiaries in Japan, Singapore, Malaysia, Indonesia, China and Canada. Through our subsidiary, Xinhua Mobile Limited (HK), we acquire and license intellectual property rights. Through our subsidiary, GINSMS Inc. (listed on Toronto Venture Exchange, TSXV: GOK), provides mobile messaging service, software products and services as well. Beat is listed on Tokyo Stock Exchange's Second Section (TSE: 9399).

For more information, please visit https://beatholdings.com/

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