



November 8, 2021  
FISCO Ltd. (JASDAQ Code 3807)

## Notice Regarding Burn of FISCO Coin and 28th Business Year Shareholder Benefit Program

FISCO Ltd. (“the Company”) announced that at a meeting of its Board of Directors held today, the Company resolved to conduct a burn of the crypto asset FISCO Coin (“FSCC”), issued by FISCO, and to offer FSCC to registered shareholders as of December 31, 2021, in addition to the CLUB FISCO IPO Navi (Limited) that is already provided as a shareholder benefit.

### 1. Purpose of the FSCC burn

The Company recognizes that increasing the value of FSCC will help to widen operating revenue opportunities for FISCO by expanding the economic zone of FSCC, and that FSCC is an important asset related to increasing the Company’s stock price.

The Company plans to conduct a continuous burn over the next five years of FSCC calculated using the calculation method described in “2. Outline of the burn,” with the amount of consolidated operating income for each business year as the upper limit.

Currently, approximately 35% (17.3 billion FSCC) of the authorized coins (50 million FSCC), are non-circulating coins held by the Company, which is the issuer of FSCC, and it is these coins that are to be burned. The burn is analogous to a cancellation of treasury shares in the context of share investment: the burn will reduce the Company’s own holdings of FSCC, and thereby reduce the number of authorized FSCC.

FSCC is actually in use as a currency for payment, such as CLUB FISCO payments. In addition, the FSCC Project is being developed under a coalition of multiple partner companies including the Company.

Purpose	Increase the value of the FSCC platform	
Strategic initiatives	Expand services using FSCC	
	Promote FSCC circulation	Expand the FSCC economic zone
	Expand the number of FSCC holders	through the initiatives to the left
Principle project members	FISCO Ltd.	Support increase of FSCC's value in the real economy
	FISCO Decentralized Application Platform Ltd.	Support increase of FSCC's value via the digital domain
	CAICA Technologies Inc., Kushim Inc.	Support various developments in the digital domain
	CAICA Exchange Inc. (*)	Promote coin circulation and expansion of coin holders

(\*) Formerly Zaif Inc.

FSCC Project members, including the Company, aim to develop distributed finance in Japan and provide new kinds of financial service through the sustainable development of the FSCC economic zone, and serve to promote the formation of national wealth.

The Company has customers among over 500 of the approximately 3,700 companies listed on the Tokyo Stock Exchange. Moreover, the Company's financial information distribution services are used by over 600,000 members. Through these networks, the Company aims to form a new economy in which not only corporations, but users participating in the economic zone can receive various benefits by various companies using FSCC as a payment currency.

As the Company's networks become linked through FSCC, a beneficial cycle will be generated in which the increase in FSCC's value stimulates the FSCC economic zone, which being invigorated will in turn bring further increase to FSCC's value. In this way, the Company aims to increase FISCO's earnings, increase shareholder value, and provide a stable return of profits to shareholders.

Executing the burn will not have any impact on the Company's earnings.

## 2. Outline of the burn

This time, the number of coins to be burned will be calculated based on the amount of consolidated operating income for the fiscal year ending December 31, 2021 to execute the burn. All transactions will be conducted on the blockchain.

The number of coins to be burned shall be calculated as the number of FSCC coins

obtained by dividing the amount of the Company's consolidated operating income for the fiscal year ending December 31, 2021 by the price of FSCC on the crypto asset exchange "Zaif" as of 11:59 p.m. on March 31, 2022. The Company plans to execute a burn once a year.

Reference: Calculated based on the consolidated operating income of ¥125 million announced in "Notice Regarding Revision of Full-Year Forecast for the Fiscal Year Ending December 31, 2021 (Japanese)" issued on August 31, 2021 and the price of FSCC as of 11:59 p.m. on September 30, 2021 of ¥342.7, the number of coins to be burned would be 367,411.

The number of coins actually burned will be disclosed once the earnings and FSCC price have been determined. Moreover, the Company plans to continue conducting burns by the same calculation method from fiscal 2022 onward.

### 3. Shareholder benefits

Continuing from the fiscal year ended December 2020, the Company has decided to express its appreciation to shareholders as of December 31, 2021 for their support, and for the purpose of enhancing the attractiveness of investing in the Company's shares, by presenting them with gift coupons for CLUB FISCO IPO Navi (Limited), according to its current practice, and in addition, giving shareholders who have Zaif accounts as of December 31, 2021 FSCC equivalent to the value of ¥500.

#### ■Eligible shareholders

Shareholders who are listed or recorded on the Company's shareholder register at the end of the shareholder benefits reference date (December 31, 2021).

#### ■Presentation method

To receive FSCC, the shareholders must have a Zaif account in the same name.

<Zaif>

<https://zaif.jp/> (Japanese)

Details on how to receive the FSCC are provided in the guidance notice on shareholder benefits for shareholders recorded in the shareholders' register as of the end of the fiscal year ending December 31, 2021. (The notice is scheduled for dispatch around the end of

March 2022.)

■Benefit gift

FSCC equivalent to ¥500 will be distributed to shareholders (shareholders as of the reference date on December 31, 2021).

■Distribution schedule

May 2022 (Planned)

\* Details of current shareholder benefit program

Number of shares held as of the reference date	Benefit details
100 to 2,499 shares	CLUB FISCO IPO Navi (Limited) 1 month free coupon
2,500 to 4,999 shares	CLUB FISCO IPO Navi (Limited) 3 months free coupon
5,000 shares or more	CLUB FISCO IPO Navi (Limited) 6 months free coupon