

Timely Disclosure of ELF Token-related Information

bitFlyer, Inc. (Head office: Minato-ku, Tokyo; Representative Director: Yuzo Kano; hereinafter referred to as “bitFlyer”) announces the following information regarding the ELF Token that was sold on bitFlyer IEO, as released by the ELF Token issuer HashPalette Inc. (hereafter "HashPalette"), and in accordance with the "Rules on the Sale of New Cryptographic Assets" and related guidelines, which are self-regulatory rules of the Japan Virtual and Crypto assets Exchange Association (JVCEA).

Announcement from HashPalette

Dissolution of the Palette Consortium and Discontinuation of PLT Staking Rewards

We would like to inform you that the Palette Consortium was dissolved as of January 31st, 2025, and that PLT staking rewards will no longer be distributed in the future.

1. Dissolution of the Palette Consortium

HashPalette Inc. (hereinafter referred to as “HashPalette”) proposed the dissolution of the Palette Consortium on December 18th, 2024, with an effective date of January 31st, 2025. This proposal was approved on January 10th, 2025, with the unanimous consent of all members of the Palette Consortium. As a result, the Palette Consortium was officially dissolved on January 31st, 2025.

Following the dissolution of the Palette Consortium, Palette Chain will continue to be operated by HashPalette until its termination date. The termination date of Palette Chain will be announced once determined. Additionally, HashPalette will coordinate with crypto asset exchange operators handling PLT and ELF to ensure all token holders are given adequate advance notice.

2. Discontinuation of PLT Staking Rewards

The distribution of staking rewards for PLT staking on Palette Chain, currently available through PLT Place and PLT Wallet, will cease (*1) after block height 7,568,640 (*2).

(*1) Even after the discontinuation of staking rewards, staking itself will remain available until the termination of Palette Chain. Users will also have the option to unstake their assets if they wish.

(*2) As of February 14th, 2025, block height 7,568,640 is expected to be reached around 11:00 am on March 31st, 2025. However, the exact timing may vary depending on block generation speed.

Please find the disclosures made by HashPalette below:

https://document.hashpalette.com/notification_2025-01.pdf

Remarks

If you wish to receive further information regarding this matter and the ELF Token, please contact HashPalette directly.

About the bitFlyer Group

Founded in 2014 with the mission to "Simplify the World with Blockchain", bitFlyer has achieved the No. 1* in Bitcoin trading volume in Japan for nine consecutive years thanks to the patronage of its customers. The company has developed its crypto asset trading business globally with its group companies bitFlyer USA, Inc. and bitFlyer EUROPE S.A. bitFlyer Blockchain, Inc. has developed and is offering its proprietary blockchain platform, Miyabi, which is being utilized as the underlying infrastructure for tokens listed on crypto asset exchanges. Additionally, Custodiem, Inc. is preparing to launch a new crypto custody business, anticipating the increasing demand from institutional investors entering the crypto asset market. By harnessing synergies across the group to expand globally within the web3 ecosystem, the Group is striving to become Asia's leading web3 company.

Official website: <https://bitflyer.com>

*Annual trading volume, including contract for difference trading and futures trading, among domestic crypto asset exchange operators from 2016 to 2024.

(This data was aggregated by bitFlyer based on statistical information published by the Japan Virtual and Crypto assets Exchange Association and trading data disclosed by domestic crypto asset exchange operators. For the statistical information from the Japan Virtual and Crypto assets Exchange Association, data from 2018 onwards was referenced.)

Disclaimer (Please read carefully):

- Crypto assets are not a legal tender.
- Crypto assets may be used to settle a payment only in the event that the person receiving the payment agrees.
- Buying/selling crypto assets or exchanging them for other crypto assets are transactions which may result in losses incurred from price fluctuations of crypto assets. It is possible that the price of crypto assets declines due to influences from changes in balance of supply and demand, trends on prices of goods, currencies and other markets, as well as changes in situation related to crypto assets.
- Trading with over-the-counter crypto asset derivatives may cause losses, because their trading price may fluctuate in either way due to influence from changes in balance of supply and demand of over-the-counter crypto asset derivatives on our platform as well as indirect influence from price changes of the crypto assets referred by those over-the-counter crypto asset derivatives.
- Over-the-counter crypto asset derivative trades are trades in which the notional amount, which is the product of the trading price and the open interest volume, can be larger than the amount of the margin deposit. Therefore, the amount of loss incurred may be larger than the amount of margin deposit if the notional amount fluctuates to a greater extent than the amount of margin deposit to your disadvantage due to changes in balance of supply and demand of over-the-counter crypto asset derivatives or price fluctuations of the crypto assets referred by the derivatives.
- The margin deposit size for over-the-counter crypto assets derivatives must be no less than 50% of the notional amount, while the notional amount must be no more than 2 times the margin deposit. (Both for individual customers.) More information can be found on our "[What is bitFlyer Crypto CFD?](#)" page.
- When making purchases or sales of crypto assets on Buy/Sell, or exchanging them for other crypto assets, customers bear the spread. The spread is the difference between the purchase and selling prices. The fees incurred when buying or selling crypto assets, exchanging them for other crypto assets or over-the-counter crypto asset derivatives as well as the calculation methods for the corresponding fees can be found on our "[Fees and Taxes](#)" page.
- Over-the-counter crypto asset derivatives are negotiated transactions between you and bitFlyer, Inc. which is the counterparty for you on those derivatives.
- You should thoroughly read and understand all of our documents that require user agreement. Trade at your own risk and judgment.

bitFlyer, Inc.

Director-General of the Kanto Finance Bureau No. 00003

Financial Instruments Business Kanto Local Finance Bureau (FIBO) No. 3294

Member of Japan Virtual and Crypto asset Exchange Association, which is Certified Association for Payment

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