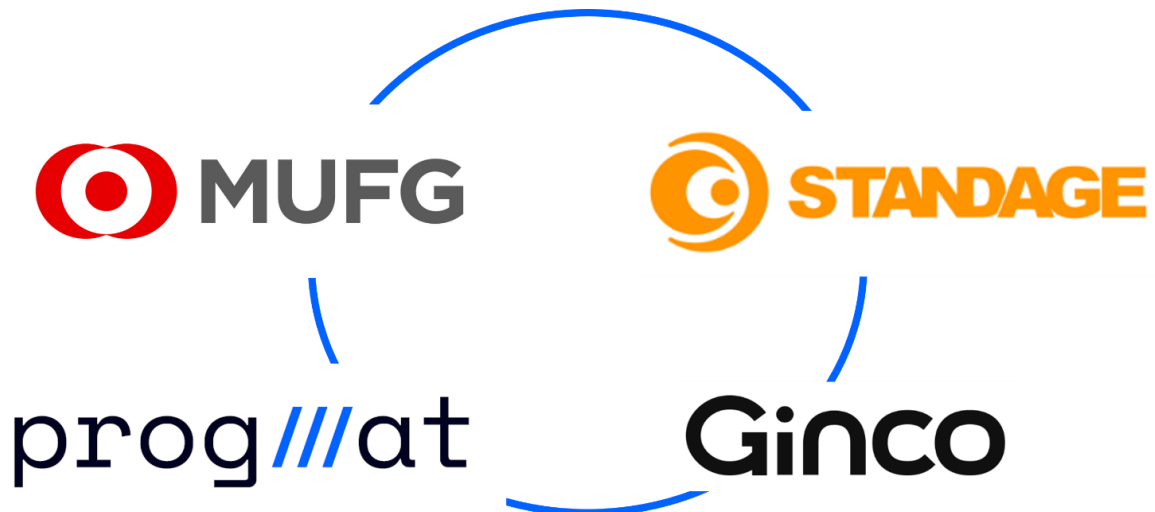


**Mitsubishi UFJ Trust and Banking Corporation**  
**Progmat, Inc.**  
**STANDAGE Inc.**  
**Ginco Inc.**

## **Collaborative Exploration of Japanese Stablecoin Utilization for Trade Settlements**

**Tokyo, January 31, 2024** - Mitsubishi UFJ Trust and Banking Corporation, Progmat, Inc., STANDAGE Inc. and Ginco Inc. have entered into a joint collaborative exploration (hereinafter, “Joint Exploration”) focused on the viability of Japanese Stablecoin (hereinafter, “Japanese SC”) for use in international trade settlements.

Through integration between STANDAGE Inc.'s blockchain-powered trade settlement system (in development since 2017) with Progmat, Inc.'s “Progmat Coin” platform, it is now possible to deliver quick, reliable and secure international / inter-corporate settlements. This Joint Exploration aims to, within 2024, create the first use case in Japan to address current challenges facing emerging trade markets – with a total market size exceeding 10 trillion USD and where fair transactions in U.S. dollars are hindered by foreign exchange regulations and restrictions on the use of letters of credit.

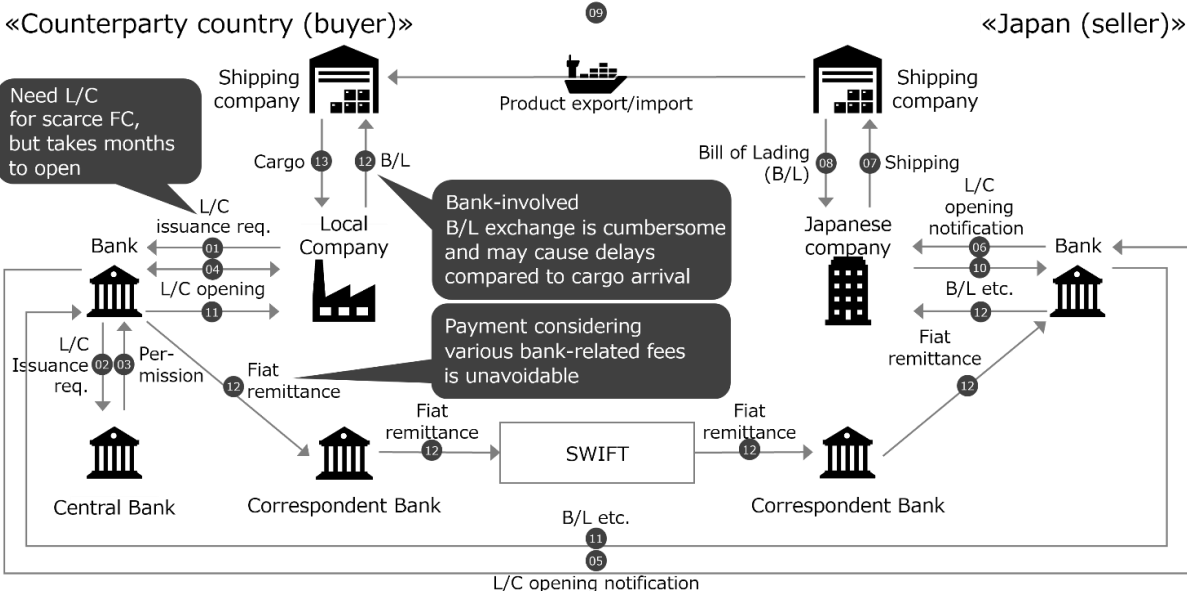


### **1. Background and Objectives**

The current total global trade volume amounts to approximately 25.4 trillion USD, with emerging market trade constituting about 40%, totaling around 10 trillion USD. In contemporary trade settlements, transactions between advanced countries are relatively smooth, mainly conducted through bank-mediated U.S. dollar settlements utilizing the SWIFT (Society for Worldwide Interbank Financial Telecommunication)

system. While there is room for improvement in terms of speed and cost efficiency in settlement transactions, especially for advanced country-to-country dealings, the process is generally manageable.

In the case of trade in emerging markets, despite transaction volumes exceeding 10 trillion USD, challenges such as foreign exchange restrictions due to geopolitical situations, economic sanctions, as well as limitations related to the use of letters of credit, impede the seamless execution of U.S. dollar settlements. This often results in extended transfer times, (spanning up to several months) and high fees due to the involvement of numerous banks. Consequently, inequities and disadvantages persist, illustrating the reality that trade transactions worldwide continue to be conducted with such challenges in place.



With the goal of realizing a world where trade settlements are certain and equitable across all countries, independent of opaque national regulations and unstable currency situations, STANDAGE Inc. has been actively advancing the development of a new trade settlement system utilizing blockchain and Stablecoins (SC) since its inception in 2017.

While USD-denominated SCs such as USDC issued by Circle in the United States and USDT issued by Tether in Hong Kong exist, their lack of clear legal standing in Japan hinders conversion into Japanese yen. Consequently, practical implementation within Japan is expected to require some time yet.

To address this situation, Mitsubishi UFJ Trust Bank and Progmatt, Inc. are taking the lead in development of the "Progmatt Coin" platform – a permission-less public blockchain based infrastructure for SC issuance in accordance with the recently amended Payment Services Act (put into effect in June 2023). The platform is expected to be eligible for issuance and circulation of various SCs in Japan as soon as necessary

licensing has been completed.

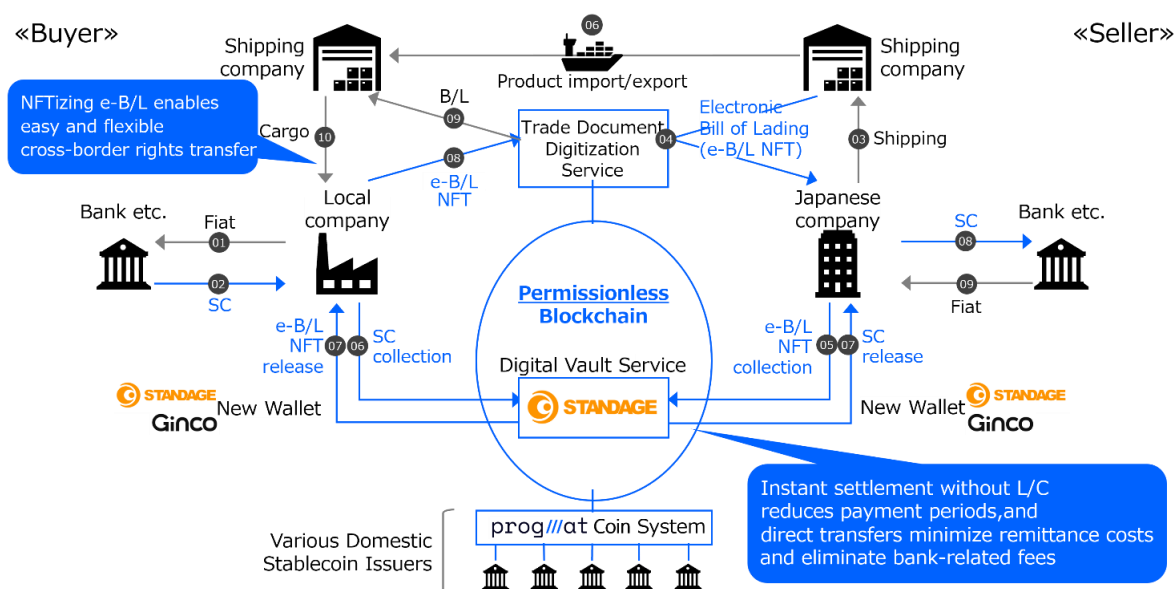
With Progmatt, Inc. heading development of the “Progmatt Coin” platform, Mitsubishi UFJ Trust Bank handling practical aspects of the trust-type SC scheme, STANDAGE Inc. leading development of the SC based trade settlement system, and Gincoc Inc. supporting trade wallet development, this Joint Exploration expects to deliver real-world use cases for Japanese trade-related companies, taking the first step towards a practical implementation of a fully compliant Japanese SC based trade settlement system.

### Joint Exploration Partners and Roles

Company	Roles
<b>Progmatt, Inc.</b>	Development of the “Progmatt Coin” platform
<b>Mitsubishi UFJ Trust Bank</b>	Execution of trust operations for the trust-type SC scheme
<b>STANDAGE Inc.</b>	Development of an SC based trade settlement system
<b>Gincoc Inc.</b>	Provision and development of the Gincoc Enterprise Wallet optimized for trade settlement operations

## 2. Specific Collaboration Details

Overall trade settlement flow and main activities currently undertaken by this Joint Exploration are as follows:



### i. Validation of Japanese SC Based Trade Settlements Utilizing the “Progmatt Coin” Platform

In collaboration with Japanese companies currently engaged in trade with emerging markets, will conduct testing and demonstrations of Japanese SC fund transfers using STANDAGE Inc.'s trade settlement system over permissionless public blockchain.

ii. **Development of a New Specialized Trade Settlements Wallet (Inter-Corporate Use)**

Japanese SCs issued through the “Progmatic Coin” platform adhere to global standards and impose no constraints on wallet accessibility. However, for cross-border trade related fund transfers, support for various business workflow processes, including approval flows, regulatory compliance and Japanese localization are indispensable. STANDAGE Inc. and Ginco Inc. will collaboratively develop a new wallet fully supporting trade required business workflow processes and acceptable to trade-related companies using Japanese SCs for trade settlements.

### 3. Future Plans

The goal for the aforementioned 2-i is to create the first PoC (Proof of Concept) by around spring 2024.

In alignment with the above PoC, 2-ii anticipates completion of a beta version by around spring 2024, with the objective of providing official release within the year 2024.

## Appendix

### Joint Exploration Partners Info

- “Progmatic Coin” Platform Development  
Company name: Progmatic, Inc.  
Representative: Tatsuya Saito, Founder and CEO  
URL: <https://progmatic.co.jp/en/>
- Trustee in the Trust-Type SC Scheme (Execution of Trust Operations)  
Company name: Mitsubishi UFJ Trust and Banking Corporation  
Representative: Iwao Nagashima, President and Group CEO  
URL: <https://www.tr.mufg.jp/english/>
- SC Based Trade Settlement System Development  
Company name: STANDAGE Inc.  
Representative: Akinori Adachi, Founder and CEO  
URL: <https://standage.co.jp/en>
- Joint Development of a Trade Settlement Optimized Wallet  
Company name: Ginco Inc.  
Representative: Muuto Morikawa, CEO  
URL: <https://www.ginco.co.jp/>