

RISK FACTORS

A purchase of PMN Tokens involves a high degree of risk. PMN Tokens are exposed to Bitcoin-price, network-difficulty, energy-cost and counterpart-credit risks inherent in outsourced mining contracts. You should consider carefully the risks described below, together with all of the other information contained in this Private Placement Memorandum and the Offering Documents, before making a decision to participate in this Offering. The following risks entail circumstances under which the Company, the PMN Tokens, and their related operations and prospects could suffer. They may also be harmed by additional risks and uncertainties not currently known or that we currently do not believe to be material.

UNLESS EXPRESSLY SET OUT HEREIN, THE COMPANY SPECIFICALLY DOES NOT REPRESENT AND WARRANT AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION MATERIALS, THE PMN TOKENS, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR AS TO THE WORKMANSHIP OR TECHNICAL CODING THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. THE COMPANY DOES NOT REPRESENT OR WARRANT THAT PMN TOKENS ARE RELIABLE, CURRENT, OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN THE PMN TOKENS WILL BE CORRECTED. THE COMPANY CANNOT AND DOES NOT REPRESENT OR WARRANT THAT PMN TOKENS OR THE DELIVERY MECHANISM FOR THE PMN TOKENS IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

A significant amount of further work may be required in order for the Company to establish, administer and settle the PMN Token offering and much of that work may be subject to regulatory approval and dependent on third-party service providers (custodians, mining-infrastructure partners, wallet vendors and any regulated trading venue) that are not under the Company's control. Although the Company must satisfy certain funding, reserve and regulatory requirements (collectively, the "**Regulatory and Funding Requirements**") to administer the PMN Tokens, the commercial outcome for Token-holders will be driven primarily by the performance of the contracted hash-rate and prevailing Bitcoin-mining economics.

There is a meaningful risk that the PMN Token offering will not proceed exactly as presently contemplated. Management, in its sole and absolute discretion, may modify, extend, reduce, eliminate, add to or substitute the scale, scope, business lines, operations or any other characteristics of the PMN Token offering in response to actual or perceived commercial, legal or regulatory considerations at any time.

The Company may elect to issue PMN Tokens even if material changes have been made to the Token offering or if the Company or its affiliates have not yet satisfied—or may ultimately be unable to satisfy—one or more Regulatory and Funding Requirements or other commercial, legal or regulatory conditions applicable to the PMN Tokens. **No promise is made regarding future performance, continuing payments, inherent value or any particular market price of the PMN Tokens.** The PMN Tokens are designed solely to entitle each holder, on the Maturity Date, to receive (subject to limited recourse) the Purchase Price plus any applicable Variable Return, as described in the PMN Token Terms and Conditions

THE PMN TOKENS ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS, WITHOUT WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OR FREEDOM FROM DEFECTS OR VULNERABILITIES. ANY USE OR TRANSFER OF THE PMN TOKENS IS AT THE HOLDER'S OWN RISK. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE COMPANY SHALL NOT BE LIABLE FOR ANY CLAIMS, LOSSES, DAMAGES OR OTHER LIABILITIES (IN CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR IN CONNECTION WITH THE PMN TOKENS, THEIR OPERATION OR THEIR USE, NOR DOES THE COMPANY HAVE ANY OBLIGATION TO DEVELOP, SUPPORT, MAINTAIN OR PROMOTE ANY TECHNOLOGY PLATFORM OR OTHER INFRASTRUCTURE BEYOND WHAT IS NECESSARY TO FULFIL ITS CONTRACTUAL OBLIGATIONS UNDER THE PMN TOKEN DOCUMENTATION.

While the PMN Tokens are available only to contributors that are not Prohibited Persons there is the possibility that PMN Tokens could be acquired over time or following changes in the regulatory landscape by persons in other jurisdictions currently restricted from acquiring PMN Tokens and, accordingly, the risk factors set out below may include certain risk factors specific to certain jurisdictions even though the Company will not at present make the PMN Tokens available at this time to persons from such jurisdictions.

BY PARTICIPATING IN ANY ACQUISITION OF TOKENS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME ALL RISKS RELATED THERETO INCLUDING (WITHOUT LIMITATION) THE RISKS SET OUT BELOW.

No Guarantee that PMN Tokens Will be Released. Many factors could influence the success of the Company and the PMN Tokens, some of which are out of the Company's control, and there can be no guarantee that the Company will ultimately be successful in deploying and delivering the PMN Tokens. The Company may change its plans for issuing the PMN Tokens for a variety of reasons, including a change in business plan, technological challenges, lack of perceived demand, or other reasons. Finally, if the Company ceases operations, agrees to assign its assets and liabilities to a third-party for the benefit of creditors in the case of insolvency, or engages in a liquidation or winding up, it may never issue the PMN Tokens. If the Commencement Date does not occur or for other reasons the Company does not issue the PMN Tokens as planned, Purchasers will not receive some or all of their PMN Tokens. The Company has sole discretion to determine when, or if, the Commencement Date occurs.

Risk of Losing Access to PMN Tokens Due to Wallet Incompatibility. Your cryptocurrency wallet must be compatible and possess technical infrastructure that is compatible with the receipt, storage, and transfer of the PMN Tokens. ERC-1404 compliant Ethereum wallets, including but not limited to, MetaMask (subject to KYC and whitelisting), and custodial wallets provided by regulated custodians are compatible with PMN Tokens. Non-compatible wallet addresses will not be accepted, and any attempt to transfer PMN Tokens to a non-compatible wallet address may result in the loss of such PMN Tokens. In addition, your wallet address must not be associated with a third-party exchange or service that has custody over the private key. The Company reserves the right to prescribe additional conditions relating to specific wallet requirements at any time, acting in its sole discretion.

Risks Associated with 36-Month Fixed Mining Term

The PMN Token represents a right to receive Bitcoin mining yield over a fixed 36-month period, with no early redemption or exit options. This fixed term structure creates substantial investment risks that differ significantly from other Bitcoin investment options:

First, the extended duration exposes token holders to multiple Bitcoin market cycles without the ability to adapt their strategy. Bitcoin has historically experienced significant volatility, with price declines of 70% or more during bear markets. If such a decline occurs during the token term, PMN holders cannot exit their position to preserve capital, nor can they adjust their exposure based on changing market conditions.

Second, the Bitcoin mining landscape evolves rapidly, with changes in network difficulty, hash rate distribution, mining economics, and technological efficiency. The fixed term prevents the Company from pivoting to more advantageous mining arrangements if better options emerge. Specifically, the token holders will face: (i) the potential for diminishing mining returns over time due to Bitcoin halving events and increasing network difficulty; (ii) the inability to adjust mining operations in response to changing Bitcoin economics; (iii) the possibility that technological advancements will render the contracted mining hardware obsolete before the end of the term; and (iv) the potential for regulatory changes during the term that could impact mining operations or yield distribution.

Third, the fixed term creates opportunity cost risk. If more attractive Bitcoin mining investment products emerge during the 36-month period, token holders cannot reallocate their capital. Similarly, if Bitcoin experiences a significant bull market during the token term, the relative value of mining yield compared to direct Bitcoin appreciation may become less favorable, but token holders remain locked into the mining yield structure.

Fourth, while secondary market trading may be possible after the initial lockup period, there is no guarantee of liquidity, and market pricing may reflect a substantial discount to the expected yield value due to the remaining lock-up duration and prevailing market conditions.

The fixed 36-month term is a fundamental and intentional feature of the PMN Token design, but it significantly limits the Company's and token holders' ability to adapt to changing market conditions, potentially resulting in lower-than-expected returns compared to other Bitcoin investment strategies that offer greater flexibility.

Risks Associated with Bitcoin Halving Events

The Bitcoin protocol reduces the per-block reward paid to miners by 50% every 210,000 blocks (approximately every four years). The most recent halving occurred on 20 April 2024; the next is projected for Q1 2028, which will fall within the 36-month Term of the PMN Tokens (assuming a mid-2025 Commencement Date).

Because the Company's Net Bitcoin Mining Yield depends on the number of BTC earned under its fixed-hash rate contracts, a halving can materially lower the post-halving yield—even after the network's mining difficulty re-adjusts—if the market BTC price does not rise sufficiently. Any such decrease will flow directly into the Variable Return that accrues after the halving and, in turn, into the single-settlement payment due on the Maturity Date. The Company cannot predict how quickly, or to what extent, the Mining Infrastructure Partners, including BitFuFu, will adapt its operations or pricing to the new economics.

Under extreme conditions, such as prolonged mining unprofitability or unexpectedly high operating costs, the Variable Return could be reduced to zero, leaving only the residual Net Bitcoin Mining Yield (if any) for settlement. PMN Tokens are limited-recourse obligations payable solely out of Net Bitcoin Mining Yield; the Company has no obligation to supplement shortfalls with other assets and investors explicitly acknowledge that the Purchase Price is not guaranteed or protected in any way. Under adverse mining conditions, investors may receive substantially less than their initial Purchase Price or potentially nothing at all. Although Tokens become transferable once their lock-up expires (12 months for Reg D purchasers; 40 days for Reg S purchasers), holders who retain their Tokens through the Maturity Date bear the full economic impact of any post-halving reduction in mining profitability. Volatility in the market price of Bitcoin around a halving event could further affect the U.S.-dollar value of the final settlement amount.

Risks Associated with Mining Infrastructure Providers and Mining services agreements.

The Company's initial ability to generate Bitcoin mining yield for Token Holders may depend entirely on its strategic partnership with Mining Infrastructure Partners, including BitFuFu, for mining services agreements. These partnerships create specific dependencies and risks, including: (i) the possibility that a Mining Infrastructure Partner could terminate or fail to fulfill its contractual obligations under the 36-month agreement; (ii) potential disruptions in a Mining Infrastructure Partners' operations or mining infrastructure; (iii) a Mining Infrastructure Partners' exposure to electricity costs, regulatory changes, and operational challenges that could impact our mining yield; (iv) the possibility that more cost-effective or efficient mining partners could emerge during the 36-month contract period, preventing us from switching providers; and (v) geographic or jurisdictional risks associated with the physical location of a Mining Infrastructure Providers' mining operations.

Our agreement with BitFuFu specifies and agreements with other Mining Infrastructure Partners will specify performance standards for hash rate delivery, but these may contain force majeure provisions or other limitations that could reduce our remedies in case of underperformance. The contract may also contain early termination provisions, renewal options, or variable pricing components that could affect the stability of our mining yield. The Mining Infrastructure Provider will retain operational control over the actual mining hardware, facility management, and maintenance schedules, giving us limited oversight into day-to-day operations. Their decisions about hardware upgrades, power management, or cooling infrastructure directly impact the efficiency and uptime of the mining operations underlying PMN Tokens.

Additionally, a Mining Infrastructure Partner's financial stability is and will be critical to maintaining consistent operations throughout the token term. If a Mining Infrastructure Partner experiences financial difficulties, capital constraints, or bankruptcy, they may be unable to maintain optimal mining conditions or could potentially default on our hash rate contract. The Company has and will have limited visibility into a Mining Infrastructure Partners' financial condition beyond what is publicly disclosed. Any deterioration or termination of our relationship with a Mining Infrastructure Partner could materially impact our ability to generate the expected mining yield for Token Holders, and the Company may not be able to secure replacement mining services agreements on comparable terms.

Risks Associated with Mining Pool Participation

The Bitcoin mining operations contracted through Mining Infrastructure Partners like BitFuFu are likely to participate in mining pools to reduce variance in mining rewards. Mining pools combine the computational resources of multiple miners to increase the probability of successfully mining blocks, with rewards distributed proportionally among participants. This mining pool participation introduces several specific risks: (i) mining pools may experience technical failures, security breaches, or operational disruptions that could temporarily or permanently affect Variable Returns; (ii) pools charge fees that reduce the net mining yield and these fees could increase during the 36-month term; (iii) if a mining pool gains too much hashing power, it could theoretically conduct a 51% attack on the Bitcoin network, potentially causing network disruptions and affecting the value of Bitcoin; (iv) mining pools have specific payout methods and schedules that may not align optimally with the distribution structure of PMN Tokens; and (v) if a Mining Infrastructure Partner switches mining pools during the token term due to profitability or operational considerations, there may be transition periods with reduced yield. The Company has or is likely to have limited visibility into or control over any Mining Infrastructure Partner's mining pool strategies and

relationships. Additionally, the concentration of mining power in a small number of large pools creates systemic risks to the Bitcoin network that could indirectly affect the value of PMN Tokens and their associated mining yield. Any significant disruption to the mining pools utilized by a Mining Infrastructure Partner could temporarily or permanently reduce the mining rewards available for distribution to Token Holders

Risks Associated with Energy Price Volatility. Bitcoin mining profitability is highly dependent on electricity costs, which typically represent the largest operational expense for mining operations. While the Company has established one or more partnerships with Mining Infrastructure Partners to secure hash rate contracts, the underlying mining operations remain subject to energy price volatility. Significant increases in energy prices could substantially reduce the net mining yield available for distribution to Token Holders. Factors that could cause energy price increases include but are not limited to: geopolitical conflicts affecting energy markets, changes in government energy policies or subsidies, seasonal demand fluctuations, infrastructure failures, or natural disasters affecting power generation facilities. Our Mining Infrastructure Partners may have fixed-price energy contracts in place, but these contracts typically have expiration dates and may require renegotiation during the 36-month term of the PMN tokens. If energy prices rise substantially during the token term, our Mining Infrastructure Partner's profit margins could be compressed, potentially affecting their ability to maintain optimal mining operations and provide the expected hash rate performance. The Company has limited control over Mining Infrastructure Partner's energy procurement strategies and cannot guarantee that favorable energy rates will be maintained throughout the entire 36-month period of the PMN Tokens.

Potential Conflicts of Interest in Related-Party Agreements. The Company may from time to time enter into mining-services, hosting, procurement, or other commercial arrangements with entities that are affiliates of its officers, directors, or significant shareholders. Transactions with related parties may not be negotiated on an arm's-length basis and could contain pricing, performance, or termination terms less favorable than those the Company might obtain from independent third-party providers. Such conflicts of interest could increase costs, reduce Net Bitcoin Mining Yield, or otherwise adversely affect the economic interests of Token Holders.

In particular, Magic Circle Technology Ltd., a firm controlled by our CEO, Doer Qu, and CSO, Merida Pan, may earn up to \$600,000 in consulting fees—\$300,000 of which is contingent on this Offering's raising at least \$5 million. These dual roles could create incentives that differ from those of other investors, and there is no assurance that the consulting arrangement is on terms as favorable as could have been obtained from an unaffiliated third party. The advisory-fee and success-bonus arrangements with Douglas Borthwick and Archer Xu, which have performance-based incentives, could likewise create incentives that differ from those of other Token Holders. Further, because any unused yield from the 20% Hash Power Reserve (as further described in the PTTC) accrues to the Company for its own account, management may face an incentive to limit activation of the reserve, which could reduce the Variable Return payable to Token Holders.

Risks Associated with Geographic Concentration of Mining Operations.

The mining operations contracted for by the Company may be concentrated in specific geographic regions, creating unique jurisdictional and operational risks. While our Mining Infrastructure Partners secure mining facilities in various locations, there may be significant concentration in certain countries or regions that offer favorable conditions for mining operations, such as low electricity costs, cooler climates, or supportive regulatory environments. This geographic concentration creates several specific risks: (i) local regulatory changes could disproportionately impact mining operations, including potential bans, restrictions, or increased taxation on cryptocurrency mining; (ii) regional power outages, grid failures, or natural disasters could cause extended downtime for mining equipment, reducing yield; (iii) political instability in key mining regions could threaten the security of mining infrastructure; and (iv) seasonal variations in power availability or pricing in certain regions could periodically affect mining profitability. The Company has and is expected to continue to have limited control over our Mining Infrastructure Partner's geographic allocation decisions and may not be able to mitigate these concentration risks. Additionally, our Mining Infrastructure Partners may not disclose the precise location of all mining facilities due to security concerns, limiting Token Holders' ability to assess geographic risks. Any significant disruption in key mining regions could materially reduce the mining yield available for distribution to Token Holders. Any delay between the final closing and the

Mining Activation Date could defer the commencement of PMN Token economics. Moreover, several jurisdictions have proposed – and could act in concert to implement, outright prohibitions on proof-of-work mining for environmental reasons; a broad, multi-jurisdictional ban could force the Company to cease mining altogether, eliminating Net Bitcoin Mining Yield and thereby nullifying any anticipated return on the PMN Tokens

Risks Associated with the Overarching Blockchain Industry in Which the Company Operates. The growth of the blockchain industry in general, is subject to a high degree of uncertainty regarding consumer adoption and long-term development. The factors affecting the further development of the cryptocurrency and digital assets industry, as well as blockchain networks, include without limitation, the worldwide growth in the adoption and use of digital assets and other blockchain technologies; governmental and quasi-governmental regulation of digital assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems; the maintenance and development of the open source software protocol of blockchain networks; changes in consumer demographics and public tastes and preferences; the availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using government-backed currencies or existing networks; the extent to which current interest in cryptocurrencies represents a speculative “bubble”; general economic conditions in the United States and the world; the regulatory environment relating to cryptocurrencies and blockchains; and a decline in the popularity or acceptance of cryptocurrencies or other block- based tokens. The digital assets industries as a whole have been characterized by rapid changes and innovations and are constantly evolving. Although they have experienced significant growth in recent years, the slowing or stopping of the development, general acceptance and adoption, and usage of blockchain networks and blockchain assets may deter or delay the acceptance and adoption of the PMN Tokens.

Risks Associated with Your Credentials. Any third-party that gains access to or learns of your wallet login credentials or private keys may be able to dispose of your PMN Tokens. To minimize this risk, you should guard against unauthorized access to your electronic devices. Best practices dictate that you safely store private keys in one or more backup locations geographically separated from the working location. In addition, you are responsible for giving us the correct wallet address to which to send your PMN Tokens. If you give us the incorrect address to which to send your PMN Tokens, we are not responsible for any loss of PMN Tokens that may occur.

Purchasers are Responsible for Securing and Maintaining their Private Keys and Otherwise Following Cybersecurity Best Practices. Failure to do so May result in the Loss of all the Purchaser's PMN Tokens.

The PMN Token balances are associated with the Purchasers' respective wallets with the Purchasers' respective token public keys, which in turn are associated with Purchasers' specific token private keys. Each Purchaser is responsible for knowing such Purchaser's private key and keeping it safe and a secret. A private key, or a combination of private keys, is necessary to control and use PMN Tokens stored in a digital wallet or vault. The loss of one or more of a Purchaser's private keys associated with such Purchaser's digital wallet or vault storing the PMN Tokens will result in the loss of the Purchasers' PMN Tokens. The Company will never ask for Purchasers' private keys, and Purchasers should never share any private keys with anyone. Further, the Purchaser is responsible for becoming and staying educated on best practices for securely keeping private keys, protecting any relevant personally identifiable information, and on cybersecurity best practices more generally. Holders of digital assets can be targeted by hackers in many ways which are out of our control. Holders' private keys can also be stolen. Any third-party that gains access to one or more of Purchaser's private keys, including by gaining access to login credentials of a hosted wallet service used by the Purchaser, may be able to misappropriate Purchaser's PMN Tokens. The Company has no control over such attacks and cannot stop hackers from stealing private keys of users. The Company will further accept no liability and will not reimburse the Purchaser for any theft of private keys or any malfunction of wallet software. As a result, any loss of the Purchaser's PMN Tokens due to such theft or malfunction or unauthorized use of any private keys may be final and result in the complete loss of the Purchaser's PMN Tokens purchased hereunder.

Securities Law Exemption Risks

This offering involves both U.S. and non-U.S. components, relying on distinct exemptions under applicable securities laws. If a court or regulator determines that the offering structure improperly integrates these components or fails to meet the requirements of either exemption, the consequences could include:

- Rescission rights for investors and repayment obligations;
- Recharacterization of the offering as a public, non-exempt offering subject to registration;
- Extension of lock-up or transfer restrictions;
- Regulatory enforcement actions and fines; and
- Adverse impacts on project development and available funds.

Although the Company believes it has taken reasonable steps to comply with applicable securities laws, purchasers bear the risk that one or more regulators may disagree with this assessment.

Failure of the Regulation S Safe Harbor Could Adversely Affect U.S. Purchasers in This Regulation D Offering.

U.S. purchasers acquiring PMN Tokens in reliance on Regulation D face additional risk if the concurrent offshore tranche fails to comply with Regulation S. Should the Regulation S exemption be unavailable:

- the SEC could view the offshore sales as part of a single, integrated U.S. offering, calling into question the validity of this Regulation D exemption and exposing the entire offering to registration requirements;
- loss of the exemption could constitute a "general solicitation," impairing the ability to rely on Rule 506(b) and potentially forcing rescission or reimbursement to U.S. investors;
- any subsequent transfer of PMN Tokens by U.S. purchasers might be restricted beyond the customary Rule 144 holding period because of uncertainty over the tokens' status as "restricted securities"; and
- additional compliance costs - including curative filings, supplemental disclosure, or a post-closing registration statement - could reduce the proceeds available for project development and delay the Company's roadmap.

Prospective U.S. investors should therefore evaluate whether potential defects in the offshore tranche could diminish the value or liquidity of their investment.

Foreign Corporate Law Structure.

Pivotal Trend Service Co., Ltd. is a Japanese kabushiki-kaisha (KK). Any lawsuit or regulatory action would likely have to proceed, or be enforced, in Japan, adding cost and delay for non-Japanese investors. Differences between Japanese and U.S. corporate law, and future changes in either jurisdiction's digital-asset rules, could make it harder for Purchasers to enforce contractual rights or obtain timely regulatory relief than if the issuer were a U.S. corporation.

Financial Statements Prepared Under Japanese GAAP.

The Company's unaudited financial statements included in Addendum A have been prepared in accordance with accounting principles generally accepted in Japan ("J-GAAP"), which differ in certain significant respects from accounting principles generally accepted in the United States ("U.S. GAAP"). These differences may affect the comparability of the Company's financial information to that of U.S.-based issuers. The Company has not undertaken any reconciliation of its financial statements from J-GAAP to U.S. GAAP, and no assurance can be given that such a reconciliation would not reflect material differences in reported financial condition or results of operations. Investors should therefore exercise caution when evaluating the Company's financial statements and not assume that they are directly comparable to the financial statements of U.S. issuers prepared under U.S. GAAP.

Risk of Money Transmission Regulation and Virtual Currency Licensing Requirements The Company has taken the position that it is not engaged in regulated virtual currency business activity under the New York BitLicense framework or similar laws in other U.S. states. However, regulators may disagree. If the Company is deemed to operate a money transmission business, it may be required to obtain licensure, cease operations in affected jurisdictions, or restructure token delivery. The BitLicense framework imposes extensive operational burdens, including cybersecurity, AML, and capital standards. States such as California and Texas may apply varying interpretations of money transmission laws. Enforcement actions could delay or suspend ecosystem development and impair token value.

Federal and State Money Services Business (MSB/MTL) Risks. State or Federal regulators could take the position that the Company is subject to federal MSB registration under the Bank Secrecy Act and FinCEN rules. MSB status would impose AML obligations, transaction monitoring, recordkeeping, and potential reporting requirements. FinCEN guidance suggests token issuers, custodians, or transfer agents may fall within MSB scope. Failure to register or comply may expose the Company to civil or criminal penalties and force a change in token issuance or ecosystem operations.

Risks Related to ERC-1404 Token Standard Implementation. The PMN Token implements the ERC-1404 token standard to ensure regulatory compliance and transfer restrictions. This implementation creates specific risks, including: (i) potential vulnerabilities or bugs in the ERC-1404 smart contract code; (ii) limitations on wallet compatibility that could restrict token holders' ability to store or transfer their tokens; (iii) dependence on the Ethereum blockchain and its continued support for the ERC-1404 standard; (iv) potential complications in secondary market trading due to the transfer restriction features; and (v) risks associated with the whitelisting mechanism required for compliant transfers. While the ERC-1404 standard is designed to enhance compliance, its implementation adds complexity that could impact token functionality or liquidity.

Risk of Litigation and/or Third-Party Claims. From time to time, third parties may assert claims against the Company, its affiliates, their respective directors and officers, or the vendors that support the PMN Token offering (such as Mining Infrastructure Partners, transfer agents, and custodians). Whether or not any such claim has merit, actual or threatened litigation, arbitration or regulatory enforcement could divert management attention and Company resources; lead to injunctions or adverse judgments that restrict the Company's use of hash rate contracts or custodial arrangements; or diminish market confidence in the Company's ability to honor its obligations under the PMN Tokens. Any of these outcomes could impair holders' ability to hold or transfer PMN Tokens—or ultimately to receive the Purchase Price and any Variable Return at Maturity—and could adversely affect the market value of the Tokens.

Risks Associated with Net Bitcoin Mining Yield Distribution

The Company will not make periodic distributions; instead, it will settle all PMN Tokens once, on the Maturity Date, by delivering Bitcoin funded solely from Net Bitcoin Mining Yield. For the avoidance of doubt, the Variable Return accrues on a simple, non-compounding basis; it is not interest and does not earn yield on previously accrued amounts. That single-payment mechanism is subject to several risks: (i) a flaw in the ERC-1404 smart-contract, a security breach at the Custodian, or an error in wallet whitelisting could delay or prevent delivery of the settlement amount; (ii) elevated transaction fees or network backlog at the Maturity Date could reduce the Net Bitcoin Mining Yield available for settlement or slow the transfer process; (iii) new rules could restrict the Company's ability to deliver Bitcoin directly to token holders or to use stable-coins as a cash equivalent, forcing last-minute process changes or additional withholding; (iv) if tax authorities treat any portion of the Variable Return as withholdable income, the Company may have to deduct withholding tax, reducing the net amount delivered; (v) settlement requires moving a concentrated amount of Bitcoin in a single transaction window; any custody failure or operational mistake could expose holders to loss or delay; (vi) due to lack of interim payouts, any disruption at the Maturity Date—technical, regulatory, or otherwise—could affect the entire economic return on the Token.

If one or more of these risks materializes, the amount, timing, or security of the final settlement payment could be adversely affected, and holders have no recourse beyond the Net Bitcoin Mining Yield available at that time. Accordingly, if the Net Bitcoin Mining Yield available at Maturity are insufficient, the aggregate amount you receive may be less than your original Purchase Price, and you will have no further claim against the Company or any other assets.”

No Guarantee of Purchase Price or Variable Return. The PMN Tokens entitle holders to receive the Purchase Price plus any applicable Variable Return at Maturity, subject to limited recourse. However, it is important to understand that neither the Purchase Price nor the Variable Return is guaranteed in any way. Both components of the settlement payment are entirely dependent on the Net Bitcoin Mining Yield generated during the Term. There is a significant risk that the Net Bitcoin Mining Yield may be insufficient to cover even the Purchase Price, let alone any Variable Return, due to various factors including but not limited to: unfavorable Bitcoin mining economics, increased network difficulty, Bitcoin price volatility, Bitcoin halving events, operational challenges with mining infrastructure, regulatory changes, or other factors detailed in this PPM. Even in scenarios where the Company successfully secures and maintains the contracted hash-rate, external market conditions could result in minimal or insufficient Net Bitcoin Mining Yield being available for distribution. Investors should not interpret any reference to the Purchase Price or Variable Return in the PPM or Token Terms as a promise, guarantee, or assurance that either component will be received in full or at all. The limited recourse nature of the PMN Tokens means that Token Holders have recourse only to the Net Bitcoin Mining Yield available at Maturity, which may be less than the Purchase Price.

Third-Party Intellectual-Property Claims Could Adversely Affect the PMN Token Program

The PMN Token offering does not rely on proprietary media content or a bespoke technology “platform.” It is built on widely used, open-source blockchain standards (e.g., ERC-1404), ordinary commercial contracts for Bitcoin hash-rate, and customary wallet, custodial and settlement software supplied by third-party vendors. For that reason, we believe the risk that the Company will infringe, misappropriate or otherwise violate another party's copyrights, patents or trade-secret rights is limited. Nevertheless, intellectual-property disputes can arise in any technology-enabled business, and third parties, including competitors, vendors or non-practicing patent holders, could in the future assert claims that the smart-contract code, mining-management software or other tools we use infringe their rights.

Defending even unfounded claims could divert management time and Company resources. An adverse judgment or settlement could require us to pay damages, obtain a license on unfavorable terms, replace or redesign affected software, or temporarily suspend the issuance or settlement of PMN Tokens until the matter is resolved. Any of these outcomes could increase our costs and impair our ability to meet our contractual obligations to Token-holders.

Operating History and Evolving Business Model

The Company has only a brief operating track-record in digital-asset finance and no prior experience running a hash-rate-backed token offering. Its historical performance in unrelated lines of business is not a reliable indicator of the future results, performance or viability of the PMN Tokens. Success of the PMN Token offering depends on the Company's ability to:

- secure and maintain contracted Bitcoin hash-rate at commercially viable terms until Maturity;
- navigate complex and evolving regulation of tokenized securities, Bitcoin mining and digital-asset custody across multiple jurisdictions;
- raise and manage sufficient working capital to fund mining fees, custodial costs, reserve capacity and administration;
- maintain robust internal controls, cybersecurity safeguards and wallet-management procedures to protect Token-holder assets; and
- adapt to external factors—including Bitcoin price volatility, network-difficulty adjustments, halving events, power-cost fluctuations and changes in market demand for digital-asset yields.

The Company's current expansion into Bitcoin mining—pursuant to a newly formed partnership with BitFuFu—marks a substantial departure from its legacy telecommunications activities. Managing this new business line while overseeing the PMN Token offering introduces operational, technical and regulatory challenges with which the Company has limited direct experience. Failure to meet any of the foregoing challenges could impair the Company's ability to deliver the contracted Net Bitcoin Mining Yield and, ultimately, to satisfy its obligations to Token Holders.

In order for the Company to compete and grow, it must attract, recruit, retain and develop the necessary personnel who have the needed experience.

Recruiting and retaining highly qualified personnel is critical to our success. These demands may require us to retain additional personnel and require the development of additional expertise. We face intense competition for personnel, making recruitment time-consuming and expensive. The failure to attract and retain personnel or to develop such expertise could delay or halt the development and commercialization of our product candidates. If we experience difficulties in retaining key personnel, we could suffer from delays in product development, loss of customers and sales and diversion of management resources, which could adversely affect operating results. Our consultants and advisors may be employed by third parties and may have commitments under consulting or advisory contracts with third parties that may limit their availability to us, which could further delay or disrupt our product development and growth plans.

We need to rapidly and successfully develop and introduce new products and services in a competitive, demanding and rapidly changing environment. To succeed in our intensely competitive industry, we must continually improve, refresh and expand our product and service offerings to include newer features, functionality or solutions, and keep pace with changes in the industry. Shortened product life cycles due to changing customer demands and competitive pressures may impact the pace at which we must introduce new products or implement new functions or solutions. In addition, bringing new products or solutions to the market entails a costly and lengthy process, and requires us to accurately anticipate changing customer needs and trends. We must continue to respond to changing market demands and trends or our business operations may be adversely affected.

The development and commercialization of our products and services is highly competitive. We face competition with respect to any products or services that we may seek to develop or commercialize in the future. Our competitors include major companies worldwide. Many of our competitors have significantly greater financial, technical and human resources than we have and superior expertise in research and development and marketing approved products and services and thus may be better equipped than us to develop and commercialize products and services. These competitors also compete with us in recruiting and retaining qualified personnel and acquiring technologies. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Accordingly, our competitors may commercialize products and services more rapidly or effectively than we are able to, which would adversely affect our competitive position, the likelihood that our products and services will achieve initial market acceptance, and our ability to generate meaningful additional revenues from our products and services.

Risk that the PMN Tokens Will Not Meet Expectations.

Any expectations or assumptions regarding the performance of the PMN Tokens (including the size of any Variable Return, the timing of settlement, secondary-market liquidity, or participant behavior) may prove incorrect. Outcomes depend on numerous factors that are outside the Company’s full control, including:

- changes in the design, execution, or timing of the Token offering;
- the reliability of third-party mining-infrastructure providers, custodians, wallet vendors, and any regulated trading venue;
- Bitcoin network conditions (difficulty adjustments, halving events, fee economics, orphan rates); and
- unexpected regulatory or tax developments in one or more jurisdictions.

As a result, the PMN Tokens, once fully issued and administered, may not meet your economic or liquidity expectations, and there is no assurance that you will receive any Variable Return—or even recover your full Purchase Price—at Maturity.

Value of the PMN Tokens Depends on Bitcoin-Mining Performance, Not a Technology Platform. The PMN Tokens do not confer access to a proprietary “platform” or utility ecosystem. Their value is tied almost entirely to (i) the Company’s ability to maintain the contracted hash-rate that backs each Token and (ii) prevailing Bitcoin-mining economics. If the Company fails to secure sufficient hash rate, if mining profitability declines (because of Bitcoin price drops, rising network difficulty, or higher power costs), or if mining-infrastructure partners experience downtime, the Net Bitcoin Mining Yield—and therefore any Variable Return—will fall, which could depress the market price of the Tokens. Token Holders have only limited-recourse rights to the Net Bitcoin Mining Yield and no direct claim on the underlying mining equipment; a shortfall in yield will directly translate into reduced Token value.

Long-term Viability of Digital Assets. Digital assets, including those like the PMN Tokens, are a new and relatively untested product. There is considerable uncertainty about their long-term viability, which could be affected by a variety of factors, including many market-based factors such as economic growth, inflation, and others. In addition, the success of digital assets (including the PMN Tokens) will depend on the long-term utility and economic viability of blockchain and other new technologies related to digital assets. Due in part to these uncertainties, the price of digital assets are volatile and the PMN Tokens may be hard to sell at favorable prices—or at all—especially if interest in yield-linked digital assets wanes. The Company does not control any of these factors, including the ability of the PMN Tokens to maintain their value over time.

Exchange Rate Risk Between Bitcoin and Fiat Currencies. PMN Tokens are priced and sold in U.S. dollars, but the final settlement on the Maturity Date is denominated in Bitcoin—delivered either in Bitcoin itself or, if elected or required, in a cash-equivalent amount based on the prevailing BTC/USD rate at that time. This creates an inherent exchange-rate risk for Token Holders. Bitcoin’s value relative to the U.S. dollar has historically been highly volatile, with significant price swings over short periods. During the 36-month Term, the USD value of Bitcoin could fall sharply, directly reducing the effective dollar return on a Token even if the mining operations achieve the expected Bitcoin output. Conversely, a rise in Bitcoin’s price could enhance returns beyond initial projections. The Company does not hedge Bitcoin price volatility and offers no guarantee of a minimum USD value at settlement. Market sentiment around Bitcoin can also affect the perceived value of mining-related assets like PMN Tokens, influencing any secondary-market price after the applicable transfer restrictions expire. Purchasers should therefore be prepared for substantial fluctuations in the fiat-denominated value of their eventual settlement proceeds.

Further Innovations in Digital Assets may Cause the PMN Tokens to Lose Value. The development and acceptance of the cryptographic and algorithmic protocols governing the issuance of, and transactions in, digital assets is subject to a variety of factors that are difficult to evaluate and predict. The use of digital assets to, among other things, transact in goods and services is part of a new and rapidly evolving commercial practice that employs digital assets based on a computer-generated mathematical and/or cryptographic protocol. The growth of this commercial practice in general, and the use of digital assets in particular is subject to a high degree of uncertainty. Factors affecting further development of the digital asset

industry include, among other things, the continued worldwide adoption of digital assets; governmental and quasi-governmental regulation of digital assets and/or digital asset exchanges; changing consumer demographics, tastes, and preferences; sustained development and maintenance of open-source software protocols; the popularity and availability of alternative and/or new payment services; and general economic conditions. If these factors negatively affect or impede the development of the digital asset industry, the value of holding PMN Tokens may also be negatively affected.

Risks from Taxation. The tax characterization of the PMN Tokens is uncertain as described above, which may lead to inefficient tax outcomes for Purchasers and/or the Company and/or its affiliates. You must seek your own tax advice in connection with acquiring and holding PMN Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes, and tax reporting requirements. The purchase of Interests may result in adverse tax consequences to Purchasers, including withholding taxes, income taxes, and tax reporting requirements. Additionally, subsequent transactions in digital assets such as the PMN Tokens may cause Purchasers to incur tax liabilities. Further, any reward received in the form of, or through the use of, PMN Tokens may result in additional tax liability. Each Purchaser should consult with and must rely upon the advice of its own professional tax advisors.

Risk of Theft and Hacking. Smart contracts, software applications, and the PMN Tokens may be exposed to attacks by hackers or other individuals, groups, organizations, or countries that interfere with the availability of the PMN Tokens in any number of ways, including denial of service attacks, sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks, or phishing, or other novel methods that may or may not be known. Any such successful attacks could result in theft or loss of PMN Tokens, adversely impacting the ability to further derive any usage or functionality from PMN Tokens. The Company must take appropriate steps to ensure the integrity of its smart contracts, systems, and other vectors of potential attack. You must take appropriate steps to satisfy yourself of the integrity and veracity of relevant websites, systems, and communications. Furthermore, because the PMN Tokens employs open-source software, there is a risk that a third-party or a member of the Company's team may intentionally or unintentionally introduce weaknesses or defects into the core infrastructure of the PMN Token and negatively affect it.

You acknowledge, understand, and accept that if your private key or password gets lost or stolen, the PMN Tokens associated with your wallet address may be unrecoverable and permanently lost. Additionally, any third-party that gains access to your private key, including by gaining access to the login credentials relating to your wallet, may be able to misappropriate your PMN Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store PMN Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your PMN Tokens, for which the Company shall have no liability.

Operational Risk—Misconduct and Errors by Employees and Third-Party Providers

The Company relies on its own personnel and on critical third-party service providers, including Bitcoin-mining partners, custody and wallet vendors, compliance consultants, accountants, and technology contractors, to service the PMN Token offering. Misconduct (such as fraud, theft of private keys, or intentional misreporting) or unintentional errors (such as coding mistakes, settlement miscalculations, or data-handling lapses) by any of these parties could expose the Company to significant financial loss, regulatory sanctions, and reputational damage.

Because many employees and vendors have access to sensitive information and, in some cases, direct or indirect control over Token-related assets, it is not always possible to detect or prevent every instance of malfeasance or human error, despite encryption, multi-signature controls, background checks, and other safeguards. A material operational failure could:

- delay or reduce the Net Bitcoin Mining Yield available for distribution at Maturity;
- compromise Token-holder data or digital-asset security;
- trigger regulatory investigations or civil litigation; or
- impair the Company's ability to raise additional capital or retain key service providers.

Any of these outcomes could diminish the Company's ability to administer the PMN Token offering and

could adversely affect the market value of the PMN Tokens.

Risks Associated with Blockchain Platforms and Security Weaknesses. Any malfunction, breakdown, abandonment, unintended function, unexpected functioning of, or attack on the platform upon which the PMN Tokens are issued may have an adverse effect on the PMN Tokens, including causing them to malfunction or function in an unexpected or unintended manner. The PMN Tokens consist, at least in part, of open-source software that may, in turn, be based on other open-source software. There is a risk that the Company or third parties may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of the PMN Tokens to interfere with the use of or cause the loss of PMN Tokens. In addition, a contentious or unanticipated 'hard fork' or chain split in the Bitcoin protocol could invalidate work performed under our mining-pool shares, delay block-reward attribution, or require re-alignment of pool software, any of which could materially reduce the Net Bitcoin Mining Yield available for distribution to Token Holders.

Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography. Advances in cryptography, or technical advances such as the development of quantum computing, could present risks to cryptocurrencies (like PMN Tokens) by rendering ineffective the cryptographic consensus mechanism that underpins the PMN Tokens, which could result in the theft, loss of the PMN Tokens. Smart contracts, blockchain application software, and blockchain platforms and protocols are still in an early development stage and relatively unproven. There is no warranty or assurance that the process for creating PMN Tokens will be uninterrupted or error-free and there is an inherent risk that the software could contain defects, weaknesses, vulnerabilities, viruses, or bugs causing, inter alia, the complete loss of contributions and/or PMN Tokens.

Risk of an Illiquid Market for PMN Tokens. There may never be any marketplace for PMN Tokens despite the Company's stated intention to pursue listings on regulated Alternative Trading Systems (ATSS) such as INX following the applicable lock-up periods. While the Company has identified potential secondary trading venues, there can be no assurance that such venues will accept PMN Tokens for trading, that regulatory approval for such listings will be obtained in a timely manner or at all, or that sufficient trading volume will develop even if the tokens are listed. Currently, there are no exchanges upon which the PMN Tokens would trade, and any exchanges that do develop will likely be relatively new and subject to poorly understood regulatory oversight. These emerging trading venues may be more exposed to fraud, security breaches, operational failures, and regulatory scrutiny than established markets, potentially resulting in trading halts, delisting, or other disruptions that could negatively impact the value and transferability of PMN Tokens. Even with successful listing on one or more ATSS, trading volumes may be insufficient to provide meaningful liquidity, particularly during early trading periods, and token holders may face significant challenges in finding counterparties willing to purchase their tokens at fair market prices. If you are holding PMN Tokens as a form of investment on a speculative basis or otherwise, with the expectation or desire that their inherent, intrinsic or cash-equivalent value may increase with time, you assume all risks associated with such speculation or actions, and any errors associated therewith, and accept that the PMN Tokens are not offered by the Company or its affiliates on an investment basis.

Risk of Dissolution or Abandonment of the PMN Token Program. The PMN Token offering could become commercially or legally unviable for many reasons, for example, loss of key mining-infrastructure partnerships, an extended downturn in Bitcoin-mining economics, adverse regulatory action, failure to raise additional working capital, or a material data-security incident. If the Company were forced to wind down or abandon the offering before the scheduled Maturity Date, Token-holders might receive less than the full Purchase Price and could lose any opportunity to earn a Variable Return. There is no assurance that you will receive any economic benefit from holding PMN Tokens.

Risk of Malfunction or Security Failure. PMN Tokens rely on smart-contract code, wallet software, custodial systems, and third-party application-programming interfaces (APIs). Any bug, coding error, cyberattack, or operational failure in these components could result in the permanent loss, theft, or freezing of Tokens or of the Bitcoin earmarked for settlement. Although the Company employs multi-signature controls, penetration testing, and third-party code audits, no technical safeguard can eliminate all risks of malfunction or compromise.

Reliance on Licensed and Third-Party Technology. The Company depends on open-source blockchain standards (such as ERC-1404), licensed custody and wallet software, and the proprietary systems of its mining-infrastructure partners to administer to the PMN Token offering. The Company does not own or fully control this technology. If a licensor or service provider restricts, discontinues, or materially changes its technology, or if the Company is unable to renew a key license on acceptable terms, the Company may need to replace or retrofit critical systems. That process could be costly, time-consuming, and uncertain, and it could delay or reduce Net Bitcoin Mining Yield, impair settlement, or otherwise harm Token-holder value.

Risk Associated with Underlying Technology.

There can be no guarantee that the technology required for Bitcoin mining operations will function as anticipated or maintain competitive efficiency throughout the 36-month term of the PMN Tokens. The Bitcoin mining industry is characterized by rapid technological advancement, with newer, more efficient mining hardware regularly entering the market. During the 36-month token term, multiple generations of more efficient ASIC miners will likely be released, potentially rendering the hardware used in our Mining Infrastructure Partner's contracted operations less competitive and less profitable relative to the overall network.

The mining difficulty algorithm of Bitcoin automatically adjusts approximately every two weeks to maintain a consistent block time, meaning that as more efficient hardware enters the network, the difficulty increases proportionally. This creates a technological "arms race" where miners must continually upgrade hardware to maintain profitability. While our Mining Infrastructure Partner may have provisions to upgrade or optimize hardware during the contract term, there is no guarantee these upgrades will be sufficient to maintain optimal efficiency relative to the broader network.

Additionally, the underlying technology may malfunction because of internal problems such as hardware failures, firmware bugs, or cooling system inadequacies, or as a result of external factors such as cyberattacks, security breaches, power surges, or environmental conditions. The Company might not be able to compel our Mining Infrastructure Partner to quickly remediate such issues or successfully implement technological improvements. Further, there may be no alternatives available if the mining technology does not work as anticipated, as the hash rate contracts specify particular mining facilities and equipment configurations.

Software issues could also impact mining operations, including mining pool software, blockchain client software, or monitoring systems. Critical updates to the Bitcoin protocol itself may require software changes at the mining level, and any delays or complications in implementing these updates could temporarily or permanently affect mining operations. As a result, failure of the underlying mining technology to remain competitive or function as intended may adversely affect the Bitcoin yield generation and have a material adverse impact on Variable Return accruing to Token Holders.

Risks Associated with Incomplete Information regarding the PMN Tokens. You will not have full access to all the information relevant to the Company and the PMN Tokens. The Company is not required to update you on the progress of the PMN Tokens. You are responsible for making your own decision in respect of the acquisition of the PMN Tokens. The Company does not provide you with any recommendation or advice in respect of the acquisition of the PMN Tokens. You may not rely on the Company to provide you with complete or up-to-date information.

The Holders of PMN Tokens will not be in any Fiduciary, Partnership, Trustee, Agency, or Similar Relationship with the Company or any of its Affiliates and will not be Owed any Fiduciary Duty by the Company or any of its Affiliates. The Holders of PMN Tokens have no direct management, equity, voting, or similar rights in the Company or any of its affiliates. However, without limitation to the above, the Company reserves all rights with respect to pursuing any form of decentralized governance should it so determine that doing so would be in the best interests of the holders of PMN Tokens from time to time.

In order to seek compliance with (or to seek to mitigate the impact of) any laws, statutes, ordinances, rules, regulations, judgments, injunctions, orders, treaties, administrative acts or decrees of any nation or

government, any state or other political subdivision thereof, any entity exercising legislative, judicial or administrative functions of or pertaining to government, including, without limitation, any government authority, agency, department, board, commission or instrumentality, and any court, tribunal or arbitrator(s) of competent jurisdiction, and any self-regulatory organization believed by the Company or its affiliates to apply to or affect the Company or its affiliates, the PMN Tokens, the Company may in its sole and absolute discretion take such steps as it considers necessary or convenient to comply with such matters including, without limitation, the termination of the PMN Tokens. In addition, the Company may take such steps as it considers necessary or convenient where it believes or suspects the PMN Tokens may be used, trafficked, or applied in the attempted furtherance of money laundering, terrorist financing, tax evasion, or other unlawful activity or where it believes the PMN Tokens are no longer viable.

Regulation of (i) tokens (including the PMN Tokens); (ii) cryptocurrencies; (iii) blockchain technologies; and (iv) cryptocurrency exchanges; is currently underdeveloped and is likely to evolve rapidly, vary significantly among international, national, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States, South Korea, China, Singapore, India, among other countries, are currently considering, or may in the future consider, laws, regulations, guidance, or other actions, which may severely impact the development and growth of the PMN Tokens and the Company. Other countries may adopt similar approaches. Failure by the Company or users of the PMN Tokens to comply with any laws, rules, and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines. New or changing laws and regulations or interpretations of existing laws and regulations would likely have numerous material adverse consequences on the Company and the PMN Tokens. Therefore, there can be no assurance that any new or continuing regulatory scrutiny or initiatives will not have a material adverse impact on the value of the PMN Tokens or impede the activities of the Company.

Representation by Legal Counsel. Certain counsel (the “*Law Firm*”) represents the Company solely with respect to the specific matters pertaining to the preparation of this Memorandum. Other matters may exist that could have a bearing on the Company as to which the Law Firm has been neither retained nor consulted. The Law Firm does not undertake to monitor compliance by the Company and its affiliates with the guidelines and procedures set forth in this Memorandum, nor does the Law Firm monitor compliance by the Company and/or its affiliates with applicable laws, unless in each case the Law Firm has been specifically retained to do so. The Law Firm does not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning the Company. Furthermore, the Law Firm does not provide any advice, representation, warranty, or other assurance of any kind as to any matter to any prospective purchasers of the PMN Tokens. No separate counsel has been engaged by the Company to represent any purchasers with respect to a purchase of the PMN Tokens.

The Company has the exclusive right, in its sole and absolute discretion, to address and remediate any of the operational, legal, or regulatory risks presented as of the date hereof or hereafter. In the exercise of such rights, it is possible that the Company may determine that the continued development of the PMN Tokens is not feasible. Accordingly, there is a material risk that the Company and its affiliates may not successfully continue to develop, market, and operate the PMN Tokens.

Unanticipated Risks. Cryptographic tokens are a relatively new and comparatively untested technology. In addition to the risks discussed herein, there are risks that the Company cannot anticipate. Further risks may materialize as unanticipated combinations or variations of the discussed risks or the emergence of new risks.

Risk of Competitors

The Company operates in two highly competitive arenas. First, the PMN Token offering depends on locking in long-term, cost-effective contracts for Bitcoin hash-rate. The same ASIC hardware, hosting space, and electricity contracts the Company seeks are also sought by large public miners, privately funded pools, and other sponsors of hash-rate tokens—many of whom have deeper pockets, longer operating histories, and larger procurement teams. As more players chase the same capacity, the Company may have to pay higher prices, accept shorter contract terms, or settle for lower-quality facilities. Any of those outcomes would squeeze mining margins and could reduce the Net Bitcoin Mining Yield that underpins the Variable Return available to token-holders.

Second, the technical foundation of the PMN Token, open-source smart-contract code in the ERC-1404 framework, is publicly accessible. Competitors can study, copy, and even improve upon that code without bearing the Company's development costs. A rival sponsor could launch a similar or better-engineered token that offers investors higher yield, lower fees, or stronger counterparties. If such copycat products gain traction, demand and liquidity for PMN Tokens could fall, putting downward pressure on their market price.

Because the Company cannot prevent others from competing for mining capacity or from cloning the token structure, continued success will hinge on how effectively it secures reliable hash-rate and differentiates the PMN Token offering in an increasingly crowded marketplace.

Risk of Future Token Releases and Program Expansion

Under the current Plan of Distribution, the Company has minted 720,000 PMN Tokens in total, of which only a small portion is being sold in this offering; more than 570,000 Tokens (about 79% of the total supply) are held in reserve for potential future tranches. Holders do not have voting or governance rights, so the decision to release additional Tokens rests solely with the Company.

While each new Token is intended to be backed by an equivalent 1 TH/s hash-rate allocation, several risks remain:

- **Timing and market impact.** A large secondary issuance, even one that is proportional to new mining capacity, could increase circulating supply suddenly and put downward pressure on the market price of outstanding Tokens.
- **Execution risk.** If the Company cannot secure additional hash-rate contracts on terms identical to the existing pool, the Net Bitcoin Mining Yield per Token could fall, reducing any Variable Return at Maturity.
- **Allocation changes.** The Company may also create successor series of tokens or shift Tokens among sale channels; such moves could alter liquidity dynamics or investor perception.

Because Token Holders have no consent right over future issuances, your proportional economic interest and the market value of your PMN Tokens could be diluted or otherwise adversely affected if additional Tokens are released under less-favorable conditions.

Officers, directors, employees, advisers, and early participants in the PMN Token offering may hold Tokens or other digital assets whose value is affected by decisions the Company makes, such as when to release additional Tokens, how to allocate mining capacity, or whether to unwind reserve contracts. Because Token-holders have no governance rights, these insiders could avoid a loss, or even realize a gain, when other purchasers experience losses. In addition, purchasers may have differing investment horizons, tax positions, and risk tolerances. Decisions that benefit one group of holders, for example, accelerating settlement or modifying reserve policy, may disadvantage others. Although the Company intends to manage such conflicts fairly, there is no assurance that every decision will favor all Token Holders equally.

Dependence on Key Personnel and Third-Party Service Providers. The PMN Token offering relies on (i) a small number of Company managers who negotiate and supervise critical contracts and (ii) external vendors that perform Bitcoin-mining, custody, wallet-management and other essential services. Loss of a key manager or the failure of a major vendor could delay contract renewals, disrupt operations, increase costs or reduce Net Bitcoin Mining Yield. Replacing personnel or transitioning to substitute vendors may be costly and time-consuming, and any prolonged disruption could adversely affect the value of PMN Tokens.

Risks Associated with the TPA and PTTC.

Your acquisition of PMN Tokens is first documented in a TPA and thereafter governed by the PTTC, a contract that defines every economic and procedural right you will have for the life of the Tokens. These agreements are novel and suitable only for sophisticated purchasers of substantial means who (i) do not need immediate liquidity, (ii) do not view this as a complete investment program, (iii) fully understand and can withstand the risks involved, and (iv) can bear the possible loss of their entire investment. There is no assurance that an investment made under these agreements will be profitable; you could lose part or all of the amount invested.

Both the TPA and the PTTC permit certain terms, including settlement mechanics, reporting requirements, and other key provisions, to be modified, waived, or amended without your individual consent, provided the amendment procedures in the PTTC are followed. Because future tranches may be sold under TPAs containing different commercial terms, and because the PTTC allows amendments approved by the Company and a requisite majority of Token Holders, changes you do not favor could be adopted after you invest.

Risks Associated with Potential Public Listings of PMN Tokens Could Negatively Impact Their Price. The Company may, in the future, list PMN Tokens on digital asset trading platforms (aka. “***Exchanges***”). Any such listing could negatively impact the price of PMN Tokens, especially if there is significant selling activity on any such exchange. Lockups applicable to any Interests purchased in this Offering may prevent participants in this Offering from selling their stake in PMN Tokens while such PMN Tokens remain subject to a lock-up.