

August 6, 2024

To Whom It May Concern

Company: Metaplanet Inc.  
Representative: Representative Director  
Simon Gerovich  
(TSE Standard 3350)  
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Notice Regarding the Gratis Allotment of Stock Acquisition Rights (Unlisted)

We are pleased to announce that at today's Board of Directors meeting, it was resolved to conduct a gratis allotment of the 11th series of stock acquisition rights (unlisted) (hereinafter referred to as the "Stock Acquisition Rights") to all shareholders as outlined below.

**Summary (Key Points of the Stock Acquisition Rights)**

1	In this issuance of Stock Acquisition Rights, we offer all common shareholders an opportunity to invest in the Company's common stock through the gratis allotment of these rights.
2	The Stock Acquisition Rights will be allotted gratis to all common shareholders as of September 5, 2024. These rights allow shareholders to acquire our common stock upon exercise. Each common shareholder will receive one Stock Acquisition Right for each share of common stock they hold, in proportion to their shareholding ratio.
3	Shareholders can freely decide whether to exercise the Stock Acquisition Rights. If a shareholder chooses not to exercise the rights, no further action is required.
4	The exercise price for each Stock Acquisition Right is 555 yen.
5	To exercise the Stock Acquisition Rights, shareholders must submit an exercise request form to the Company and remit the exercise price. The exercise request form and remittance must be completed within the period from the receipt of the notification and exercise request form until October 15, 2024.
6	Any Stock Acquisition Rights not exercised by October 15, 2024 will be acquired by the Company for no consideration. The Company may then allocate these rights at fair value to specific investors approved by the Board of Directors (hereinafter referred to as "Specific Investors").

For further details on the Stock Acquisition Rights, please refer to the Q&A regarding the 11th series of Stock Acquisition Rights published today.

Notice

1. Outline of the Gratis Allotment of the 11th Series of Stock Acquisition Rights

(1) Allotment Summary:

Record Date:	September 5, 2024
Allotment Date:	September 6, 2024

Type and Number of Shares Subject to the Stock Acquisition Rights:	Each Stock Acquisition Right entitles the holder to one share of the Company's common stock.
Total Number of Stock Acquisition Rights to be Issued and Total Potential Shares from the Allotment:	<p>( i ) Total Number of Stock Acquisition Rights to be Issued: The total number of Stock Acquisition Rights will be equivalent to the total number of shares held by all shareholders recorded in the final shareholder register as of the record date (excluding treasury shares). Based on the total number of issued shares as of August 1, 2024, which is 18,166,930 shares (after deducting 2,288 treasury shares), the total number of Stock Acquisition Rights will be 18,166,930. However, since the record date is September 5, 2024, the total number of issued shares (excluding treasury shares) may vary until that date.</p> <p>( ii ) Total Potential Shares from the Allotment: The total potential shares from the allotment will be equivalent to the total number of shares held by all shareholders recorded in the final shareholder register as of the record date (excluding treasury shares). Based on the total number of issued shares as of August 1, 2024, which is 18,166,930 shares (after deducting 2,288 treasury shares), the total potential shares will be 18,166,930. However, since the record date is September 5, 2024, the total number of issued shares (excluding treasury shares) may vary until that date.</p>

(Note) 1. The issuance of the Stock Acquisition Rights is based on the resolution of the Board of Directors dated August 6, 2024. This is subject to the effectiveness of the filing under the Financial Instruments and Exchange Act.

2. Regarding the application fee, application unit, application period, application deposit, application handling location, payment date, and payment handling location:

Since the Stock Acquisition Rights will be issued through the method of gratis allotment of stock acquisition rights as stipulated in Article 277 of the Companies Act, they will be granted on the effective date determined by the Company without any application procedures or new payments required. Therefore, there are no applicable matters related to the above items concerning application and payment.

3. Exercise or resale of the Stock Acquisition Rights by foreign shareholders:

The offering of the Stock Acquisition Rights has not been registered or filed in any jurisdictions outside Japan, nor is there any plan to do so. Consequently, foreign shareholders may be restricted from exercising or reselling the Stock Acquisition Rights under the applicable securities laws and other regulations of their respective jurisdictions. Foreign shareholders (excluding institutional investors not subject to such restrictions under applicable foreign laws) must take note of this. Additionally, U.S. resident shareholders (as defined under Rule 800 of the U.S. Securities Act of 1933) are not permitted to exercise the Stock Acquisition Rights.

(2) Details of the Stock Acquisition Rights

Type of Shares Subject to the Stock Acquisition Rights:	Our common stock (fully voting shares and the standard shares without any restrictions on rights. Note that the Company has adopted a unit share system with one unit being 100 shares).
Number of Shares Subject to the Stock	18,166,930 shares.

<p>Acquisition Rights:</p>	<p>The total number of shares subject to the Stock Acquisition Rights is the number of issued shares of our common stock as of the record date, minus the number of shares of our common stock held by the Company on the same date (with each Stock Acquisition Right entitling the holder to one share). The above total number of shares subject to the Stock Acquisition Rights is an estimated figure based on the total number of issued shares (excluding the number of shares of our common stock held by the Company) as of August 1, 2024.</p>
<p>Payment Amount at the Time of Exercise of the Stock Acquisition Rights:</p>	<p>The amount to be paid by holders of the Stock Acquisition Rights (hereinafter referred to as "Stock Acquisition Right Holders") for the exercise of each Stock Acquisition Right during the general investor exercise period (defined in Note 3, "Specific Procedures and Deadlines for Exercising the Stock Acquisition Rights") is 555 yen per Stock Acquisition Right. This price is set at 555 yen per Stock Acquisition Right, taking into account the average stock price of 577 yen over the past six months (From February 2, 2024 until August 2, 2024) and recent stock price declines, to make it as easy as possible for shareholders to exercise their rights. The exercise price during the specific investor exercise period (defined in Note 3, "Specific Procedures and Deadlines for Exercising the Stock Acquisition Rights") is also 555 yen per Stock Acquisition Right.</p>
<p>Total Amount of Issued Shares upon Exercise of the Stock Acquisition Rights:</p>	<p>10,082,646,150 yen.</p> <p>(Note) The total amount of the issued shares upon exercise of the Stock Acquisition Rights is an estimated amount calculated based on the total number of issued shares (excluding the number of shares of our common stock held by the Company) as of August 1, 2024, assuming an exercise price of 555 yen and that all Stock Acquisition Rights allotted through the gratis allotment are exercised.</p>
<p>Issuance Price and Capital Inclusion Amount upon Exercising the Stock Acquisition Rights</p>	<ol style="list-style-type: none"> <li>1. Issuance Price per Share upon Exercising the Stock Acquisition Rights: The issuance price per share of our common stock issued upon the exercise of each Stock Acquisition Right is set at 555 yen.</li> <li>2. Increase in Capital Stock and Capital Reserve upon Exercising the Stock Acquisition Rights: When issuing our common stock upon the exercise of the Stock Acquisition Rights, the amount of the increase in capital stock will be half of the maximum increase in capital stock as calculated under Article 17, Paragraph 1 of the Company Accounting Regulations (with any fractions of less than one yen rounded up). The amount of the increase in capital reserve will be the difference between the maximum increase in capital stock and the amount of the increase in capital stock.</li> </ol>
<p>Exercise Period for</p>	<p>The exercise period will be from September 6, 2024 (inclusive) to</p>

the Stock Acquisition Rights	November 5, 2024 (inclusive).
Locations for Submission, Handling, and Payment of Exercise Requests	<p>1. Location for Submission of Exercise Requests: IR Japan, Inc. (3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo)</p> <p>2. Location for Handling Exercise Requests: Not applicable.</p> <p>3. Location for Payment Handling of Exercise Requests: GMO Aozora Net Bank, Ltd.</p>
Conditions for Exercising the Stock Acquisition Rights	Partial exercise of a single Stock Acquisition Right is not allowed.
Conditions and Terms for the Acquisition of Own Stock Acquisition Rights	On October 16, 2024, the Company will acquire all remaining Stock Acquisition Rights (partial acquisition is not allowed) without consideration.. The total number of acquired Stock Acquisition Rights will be referred to as the "Total Number of Acquired Stock Acquisition Rights."
Transfer of Stock Acquisition Rights	The transfer of Stock Acquisition Rights requires approval from the Board of Directors.
Matters Concerning Substituted Payments	Not applicable.
Matters Concerning the Issuance of Stock Acquisition Rights Due to Organizational Restructuring	Not applicable.

(Note) 1. Method of Exercising and Paying for the Stock Acquisition Rights

- (1) Stock Acquisition Right Holders who wish to exercise their rights must fill out the exercise request form prescribed by the Company, sign and seal it, and submit it to the designated location during the exercise period specified in Section 9.
  - (2) Stock Acquisition Right Holders who wish to exercise their rights must transfer the full amount of money required for the exercise in cash to the Company-designated account at the payment handling location.
2. Effective Date of Exercise Request for Stock Acquisition Rights
- The exercise request for the Stock Acquisition Rights becomes effective on the day when the notification of the required items for the exercise request reaches the designated location, and the full amount of the exercise price is deposited into the Company-designated account at the payment handling location.
3. Specific Procedures and Deadlines for Exercise Requests of Stock Acquisition Rights

Exercise Period for the Stock Acquisition Rights:

1. General Investor Exercise Period: The period during which Stock Acquisition Right Holders (hereinafter referred to as "General Investors") can exercise their rights before the Company acquires the rights under the acquisition clause. This period is from September 6, 2024, to October 15, 2024.
2. Specific Investor Exercise Period: The period during which those who acquired the Stock Acquisition Rights from the Company after the Company acquired the rights under the acquisition clause (Specific Investors) can exercise their rights. This period is from October 16, 2024, to November 5, 2024.

This is to be noted.

Currently, Specific Investors have not been determined. However, the Company will select Specific Investors by contacting investors who have previously underwritten the Company's financing or those introduced by such investors, between the submission date of this securities registration statement and August 22, 2024. The selection will involve compliance checks and verification of funding sources, with the Board of Directors approving the transfer. Upon determination of Specific Investors, the Company will submit a correction registration statement and make timely disclosures. The Board of Directors will decide the number of Stock Acquisition Rights to be transferred to Specific Investors. If the total number of transfers to Specific Investors is less than the total number of Stock Acquisition Rights acquired by the Company, the remaining rights will expire. The transfer price to Specific Investors will be determined by the Board of Directors based on an evaluation of the value of the Stock Acquisition Rights by an independent third party.

The exercise period for the Stock Acquisition Rights, as stipulated under the Companies Act, combines the General Investor Exercise Period and the Specific Investor Exercise Period. As stated in the section "Conditions and Terms for the Acquisition of Own Stock Acquisition Rights," the Company will acquire all remaining Stock Acquisition Rights (partial acquisition is not allowed) on October 16, 2024, without any charge. Therefore, General Investors must submit their exercise requests during the General Investor Exercise Period. The effectiveness of the exercise request is established when the notification of the required items for the exercise request reaches the designated location, and the full amount of the exercise price is deposited into the Company-designated account at the payment handling location. Thus, for General Investors to exercise their Stock Acquisition Rights, the notification of the required items for the exercise request must be accepted at the designated location, and the payment must be confirmed. Please note that the exercise process may take up to 4-5 days so kindly bear that in mind. Please refer to the notification to be sent later for specific exercise methods.

4. Trading of the Stock Acquisition Rights:

The Stock Acquisition Rights are not scheduled to be listed on the Tokyo Stock Exchange or any other financial instruments exchange.

5. Issuance of Stock Acquisition Rights Certificates to Holders:

The Company will not issue certificates for the Stock Acquisition Rights.

(3) Schedule for Gratis Allotment:

Date	Event
August 6, 2024	Board of Directors resolution, submission of securities registration statement
August 30, 2024	Effective date of the securities registration statement (planned)
September 5, 2024	Record date for shareholders (planned)
September 6, 2024	Effective date of the gratis allotment of Stock Acquisition Rights (planned)

September 18, 2024	Mailing date of the notification of Stock Acquisition Rights allotment to shareholders (planned)
September 21, 2024	Expected arrival date of the notification to General Investors (planned)
October 15, 2024	Final day of the General Investor Exercise Period (planned)
October 16, 2024	Date the Company acquires all remaining Stock Acquisition Rights (planned)
October 16, 2024	Start date for the transfer of acquired Stock Acquisition Rights to Specific Investors (planned)
November 5, 2024	Final day of the Specific Investor Exercise Period

- (4) Underwriting of Stock Acquisition Rights Certificates  
Not applicable.

## 2. Purpose and Reason for the Allotment

### (1) Purpose of Fundraising

The majority of the funds raised will be strategically allocated to the purchase of Bitcoin. This decision is based on a thorough analysis indicating that, despite the significant decline in Bitcoin prices in recent weeks, there is potential for a substantial long-term increase. Additionally, Bitcoin can serve as a hedge against currency depreciation, particularly the depreciation of the yen. Holding Bitcoin as a core asset aligns with Metaplanet's long-term growth strategy and is expected to significantly enhance the Company's profitability and corporate value.

#### ①Purchase of Bitcoin

Purpose: To leverage the potential long-term appreciation of Bitcoin and its ability to hedge against currency depreciation by building a substantial reserve of Bitcoin.

Expected Outcomes: An increase in Bitcoin prices is expected to strengthen our balance sheet, enhance asset value, and positively contribute to our earnings.

#### ②Potential Related Businesses Associated with Bitcoin

While there are no specific plans at this time, these matters are being considered as potential future business ventures.

#### Income Generation Strategy

Purpose: To generate additional income from holding Bitcoin through an income generation strategy.

Method: Selling covered calls on a portion of the Bitcoin holdings to earn premium income and improve overall returns.

Expected Outcomes: The revenue generated from these strategies is expected to complement the Company's main revenue sources and further enhance its profitability and financial stability.

#### ③Complementary Business Investments:

Licensing of Bitcoin Magazine Japan: Developing the Bitcoin Magazine Japan business to enhance the Company's media presence and influence within the Bitcoin ecosystem.

Hotel Business: Transforming the hotel business to strategically cater to Bitcoin enthusiasts and businesses, offering unique services and generating additional revenue sources.

Expected Outcomes: Strategic focus on Bitcoin and related businesses is expected to create synergistic effects. The anticipated increase in Bitcoin prices, combined with revenue from complementary businesses, will position Metaplanet for solid performance. This multifaceted approach is expected to enhance the Company's profitability and corporate value, leading to sustainable growth and shareholder returns.

Conclusion: Metaplanet aims to effectively improve profitability and enhance corporate value by carefully allocating the funds raised to acquire Bitcoin and invest in complementary businesses. This strategic capital utilization leverages the unique opportunities presented by Bitcoin and its ecosystem, positioning Metaplanet as a forward-thinking leader in the global financial sector.

Our past performance, particularly in the hotel division, has experienced five consecutive periods of declining revenue, operating losses, and recurring losses. Major factors include the inability to scale the business to a significant size and the substantial impact of the COVID-19 pandemic, which has caused industry-wide challenges beyond our control. As previously communicated, we have implemented the following strategic shifts:

① Strategic Withdrawal from the Hotel Business:

We have strategically withdrawn from most of our hotel business, retaining only one optimized and currently well-performing hotel. This optimization has improved the performance indicators of our assets, demonstrating our adaptability and effective resource management.

② Pivot to Bitcoin:

Recognizing the need for a more sustainable and scalable business model, we made a strategic decision to shift our focus to Bitcoin and related businesses. This decision was almost unanimously approved by our shareholders at the extraordinary general meeting held on June 28, 2024, reflecting broad support for our new direction.

③ Rationale for the Pivot and Future Outlook:

Shifting our focus to Bitcoin represents a fundamental change in our business strategy, transitioning from a challenging hotel division to a high-growth innovative financial asset. The potential long-term appreciation of Bitcoin and its role as a hedge against currency depreciation align with our vision of sustainable growth and enhancing corporate value. Furthermore, investments in Bitcoin Magazine Japan and complementary businesses within the Bitcoin ecosystem will further diversify our revenue sources and strengthen our market position.

By strategically withdrawing from the unprofitable hotel business and focusing on the more promising and scalable Bitcoin strategy, our past performance no longer serves as an indicator of our future potential. The overwhelming shareholder approval of this pivot reflects confidence and anticipation for our new direction. The funds raised through this allotment will be primarily allocated to acquiring Bitcoin and complementary investments, significantly enhancing our corporate value and addressing concerns about past performance from a rational standpoint.

Additionally, at the same extraordinary general meeting, shareholders approved the expansion of our share issuance capacity for further Bitcoin purchases and appointed five prominent individuals well-versed in Bitcoin to our Board of Directors. With this strengthened board, we will continuously review Bitcoin acquisitions and holdings, striving to enhance corporate value through diligent management.

(2) Reasons for Selecting This Fundraising Method:

The Company considered and compared the issuance of these Stock Acquisition Rights with other fundraising methods before making the decision.

(1) Third-Party Allotment of Shares:

This fundraising aims to provide all shareholders with an equitable opportunity, so allotting shares only to specific investors does not align with this principle. Therefore, this method was not selected.

(2) Loans:

While loans have the advantage of not diluting shares, the Company has already issued 1 billion yen in corporate bonds, and the hotel assets owned by the subsidiary are indirectly used as collateral. Therefore, additional loans are challenging to secure at this time.

(3) Rights Offering:

Rights offerings can be either committed or non-committed, with both types providing shareholders the opportunity to trade the newly issued stock acquisition rights. However, the Company has posted recurring losses in previous years, failing to meet the issuance standards for non-committed rights offerings. Additionally, the costs associated with underwriting a committed rights offering are prohibitively high, making this option impractical.

On the other hand, the Gratis Allotment of Stock Acquisition Rights to shareholders takes into account the trading conditions of our stock and the impact of dilution on existing shareholders

while raising funds related to our new Bitcoin strategy, thereby stabilizing our financial foundation. It provides equal investment opportunities to shareholders, potentially enhancing our corporate value, making it the most rational fundraising method for our company at this time. Additionally, by setting a low exercise price for these stock acquisition rights, we make it easier for existing shareholders to exercise their rights, allowing them to broadly benefit from the increase in corporate value resulting from our Bitcoin strategy. As described in Section 5(3), the exercise restrictions for foreign resident shareholders are due to legal regulations and do not violate the principle of shareholder equality. Therefore, we believe that the conditions of this gratis allotment are appropriate. Finally, if existing shareholders choose not to exercise their stock acquisition rights, we have established a period during which specific investors can exercise these rights, providing a means for the company to raise funds. While we aim for all shareholders to exercise their stock acquisition rights and raise the full potential amount, if the rights are not exercised and expire, the company's fundraising amount will be reduced. By transferring the unexercised stock acquisition rights to specific investors at a fair price and having them exercised, we can maximize the fundraising amount.

#### <Advantages>

##### ( i ) Equal Investment Opportunities for Shareholders:

This fundraising method is characterized by the gratis allotment of Stock Acquisition Rights to all existing shareholders, other than the Company itself, in proportion to the number of shares they hold. This provides all existing shareholders with equal investment opportunities.

##### ( ii ) Exercise of Stock Acquisition Rights at a Discount to Market Price:

The exercise price of these Stock Acquisition Rights is set 17% lower than the Company's stock price as of August 5, 2024. This lower price is intended to make it easier to exercise the rights and to allow shareholders to enjoy investment benefits sooner.

##### ( iii ) Increased Certainty of Fundraising:

For the Stock Acquisition Rights, there is a mechanism in place to increase the certainty of fundraising. After the General Investor Exercise Period ends, the remaining Stock Acquisition Rights, which the Company acquires under the acquisition clause, can be transferred to willing investors for exercise. This increases the likelihood that the remaining Stock Acquisition Rights will be exercised, thus ensuring the certainty of fundraising.

#### <Disadvantages >

##### ( i ) Uncertainty of Fundraising Amount:

In this fundraising method, the Company relies on the exercise of the issued Stock Acquisition Rights to raise funds. Therefore, the amount of funds raised may fall short of expectations depending on the investment actions of the shareholders who receive the allotment of these Stock Acquisition Rights. We request that shareholders thoroughly understand this fundraising method and the Company's situation through this document ("Notice Regarding the Gratis Allotment of Stock Acquisition Rights (Unlisted) to Shareholders"), the "Explanation Regarding the Gratis Allotment of Stock Acquisition Rights (Unlisted) to Shareholders (Q&A)," and the securities registration statement related to these Stock Acquisition Rights (including subsequent amendments, if any). As noted in the Merits (iii), a mechanism is in place to enhance certainty by allowing specific investors to exercise the Stock Acquisition Rights transferred by the Company.

##### ( ii ) Restrictions on Selling the Stock Acquisition Rights:

In this issuance, the stock acquisition rights will not be listed on any securities exchange. Therefore, shareholders who do not wish to exercise these stock acquisition rights will have limited opportunities to offset the disadvantages caused by the dilution of stock value through the sale of these rights. Consequently, we have set the record date for determining the allocation of these stock acquisition rights approximately one month after the submission date of the securities registration statement and the publication date of this press release. This gives shareholders who do not wish to exercise these rights ample time to consider whether to continue holding the company's shares to receive the allotment of these stock acquisition rights.

##### ( ii i ) Compulsion to Exercise:



Due to the unlisted nature of these stock acquisition rights, there is an element of compulsion for general investors to exercise their rights to avoid dilution. To mitigate this, we have set the exercise price at a 17% discount to the previous day's closing price to make it easier for existing shareholders to exercise their rights.

(iv) Gratis Acquisition of Unexercised Rights by the Company:

Even though the exercise period for general investors will have ended when the company acquires the unexercised rights, the remaining exercise period for the stock acquisition rights may still have value. However, under this scheme, the company will acquire these unexercised rights without compensation. To address this, after acquiring the unexercised stock acquisition rights, the company will have an independent third-party evaluation agency assess the value of the rights, and we will strive to preserve shareholder value by transferring them at a fair price.

Given the above considerations, we believe that issuing unlisted stock acquisition rights through a gratis allotment to existing shareholders is the best fundraising method at this time, achieving the company's objectives while adequately protecting the interests of existing shareholders as described in the merits.

### 3. Use of Proceeds from the New Issuance

#### (1) Amount of Proceeds from the New Issuance:

The amount of funds raised through the gratis allotment of these Stock Acquisition Rights will vary depending on the exercise price and the exercise status of the Stock Acquisition Rights. The maximum amount that can be raised by the Company through the gratis allotment of these Stock Acquisition Rights will be reached if all the Stock Acquisition Rights are exercised at the exercise price of 555 yen (the subscription amount is 555 yen). The amounts are as listed below:

Total Subscription Amount (Yen)	Estimated Issuance Costs (Yen)	Net Proceeds (Yen)
10,082,646,150	86,289,000	9,996,357,150

- (Note) 1. The total subscription amount above is the sum of the subscription amounts for all the Stock Acquisition Rights, assuming all Stock Acquisition Rights allotted through the gratis allotment are exercised at an exercise price of 555 yen, based on the total number of issued shares as of August 1, 2024 (excluding the number of common shares held by the Company).
- The estimated issuance costs consist of 35,289,000 yen for registration-related costs, 5,000,000 yen for legal fees, and 46,000,000 yen for other miscellaneous costs.
  - The estimated issuance costs do not include consumption tax, etc.
  - If the Stock Acquisition Rights are not exercised during the exercise period or if the Stock Acquisition Rights acquired by the Company are canceled, the net proceeds listed above will decrease.

#### (2) Use of Proceeds

The total amount of funds expected to be raised through the issuance of these Stock Acquisition Rights and their exercise by the scheduled allottees is approximately 10,000 million yen. The specific uses of the funds to be raised are planned as follows:

Specific Use	Amount (Million Yen)	Scheduled Disbursement Period
1 Redemption of corporate bonds	1,000	October 2024 – June 2025
2 Purchase of Bitcoin	8,500	September 2024 – December 2024
3 Working capital	500	October 2024 – December 2026
Total	10,000	

- (Note) 1. Until the funds raised are actually disbursed, they will be managed in a bank account.
- The priority order for the use of funds is from (i) to (iii), but the order may change depending on

the necessary timing for each item.

3. There is a possibility of reducing the amount allocated to (iii) working capital and reallocating it to (ii) the purchase of Bitcoin.
4. The scheduled disbursement period for (ii) the purchase of Bitcoin may vary depending on the market price of Bitcoin. Unless the price of Bitcoin rises beyond a reasonable range, the Company plans to purchase Bitcoin as early as possible, aiming to complete the purchase by the end of 2024. Any changes to the use of funds or the scheduled disbursement period will be promptly disclosed.

(3) Use of Proceeds

1 Redemption of Corporate Bonds:

On June 26, 2024, the Company issued the 2nd series of ordinary corporate bonds (annual interest rate of 0.5%) amounting to 1 billion yen to EVO FUND. The funds raised from the issuance of these bonds were allocated for the purchase of Bitcoin. The redemption date for these bonds is June 25, 2025. However, starting from September 26, 2024, which is three months after the issuance date, the bondholders may request early redemption of all or part of the outstanding bonds by providing the Company with written notice at least one month in advance. Therefore, to prepare for the possibility of an early redemption request, the Company plans to secure repayment funds through the issuance and exercise of these Stock Acquisition Rights. While the scheduled disbursement period is set for October 2024 as mentioned above, it may be delayed depending on the timing of the bondholders' requests.

② Purchase of Bitcoin:

Considering Japan's current challenging economic environment, characterized by high debt levels, prolonged negative real interest rates, and continued yen depreciation, the Company has shifted its financial management focus to strategically adopt Bitcoin as a primary reserve asset, as disclosed in "Metaplanet's Strategic Shift in Financial Management and Utilization of Bitcoin" on May 13, 2024. This decision aims to mitigate asset risks associated with yen depreciation and leverage the potential long-term appreciation of Bitcoin.

The issuance of these Stock Acquisition Rights and the subsequent increase in Bitcoin holdings are believed to enhance the Company's financial stability and promote long-term growth, thereby achieving a sustained increase in corporate value. Specifically:

**Strengthening the Balance Sheet:** By acquiring and holding additional Bitcoin as a core reserve asset, the Company will enhance its liquidity, build a foundation for exploring new business lines and opportunities, and grow existing business operations.

**Using Bitcoin as Effective Collateral:** The inherent value and liquidity of Bitcoin make it an effective collateral asset. The Company will explore the possibility of securing additional debt financing using its Bitcoin holdings. This approach reflects traditional methods where companies use assets like real estate or stocks for fundraising, enabling strategic investments and business expansion.

**Generating Income through Futures and Options:** Similar to options available to producers/holders of other commodities, the Company can utilize its Bitcoin holdings to generate income through futures and options. By selling futures contracts or options, the Company can earn premiums and establish additional revenue streams. This financial strategy maximizes the utility of Bitcoin assets, enhances overall financial stability, and promotes growth potential, thus increasing shareholder value.

**Transparent Reporting and Shareholder Engagement:** The Company commits to transparent reporting on Bitcoin holdings and related investment performance. Regular reports to shareholders will clearly communicate the number of Bitcoins held, their market value, and revenue generated from yield activities. This transparency embodies the Company's commitment to sound business operations and shareholder trust.

By strategically integrating Bitcoin into its corporate strategy, the Company is poised to enhance corporate value sustainably. Through strengthening the balance sheet, securing funds, generating income via futures contracts and options, and effectively managing risks, the

Company aims to drive long-term growth and increase shareholder value.

Key Strategic Aspects:

1. Protection against Currency Depreciation: Continuous yen depreciation poses significant asset risks. By holding Bitcoin, which has achieved remarkable growth with a market capitalization exceeding \$1 trillion, the Company can safeguard its assets against currency depreciation by accumulating a globally traded "currency" outside of yen.
2. Leveraging Market Opportunities: The Company plans to strategically engage in currency arbitrage and acquire Bitcoin using long-term yen-denominated debt, effectively utilizing funds. This approach leverages Japan's favorable low-interest rate environment, enabling the accumulation of Bitcoin at a low cost. This is akin to companies issuing corporate bonds or loans to invest in real estate, stocks, or other commodities for returns. Similarly, companies often use corporate finance for stock investments or business acquisitions to achieve capital gains. Borrowing funds to invest in commodities like gold or oil to exploit market conditions is another example. In our case, the focus will be on leveraging market opportunities to accumulate Bitcoin.
3. Enhancing Shareholder Value: Our Bitcoin-first strategy aims to increase earnings per share by growing our holdings of Bitcoin, which has the potential to appreciate significantly over time, thereby increasing the market value per share and enhancing shareholder value. Naturally, we recognize that Bitcoin carries inherent risks. The main potential risks include the following:
  - ①Volatility of Bitcoin: The price of Bitcoin can fluctuate significantly due to various factors, such as supply and demand movements, regulatory announcements, media influence, technological changes, and broader economic trends. This volatility could greatly impact our financial health and business performance. However, for our long-term holding strategy, the long-term market capitalization and liquidity growth of Bitcoin are paramount, and based on past performance, we believe it is a suitable financial reserve asset.
  - ②Regulatory Risk: Changes in regulations or new government measures could negatively affect the execution of investments in Bitcoin, the market price of Bitcoin, the use of Bitcoin in business operations, and its convertibility into fiat currency. However, with the ongoing approval of Bitcoin ETFs and the adoption of Bitcoin by governments and corporations worldwide, we believe that regulatory risks for Bitcoin will continue to diminish.
  - ③Security and Operational Risk: Our Bitcoin storage relies on external service providers. If these external service providers encounter issues, it could lead to the loss, theft, or destruction of our Bitcoin holdings, posing significant risks to our assets. Nevertheless, security environments are evolving rapidly, and we anticipate further security enhancements in the future.
  - ④Adoption and Usage: While Bitcoin has experienced remarkable growth in acceptance and usage, with a market capitalization exceeding \$1 trillion, driven by the introduction of ETFs and increased mainstream interest, its future adoption scope remains uncertain. There is a possibility that Bitcoin may not be universally accepted by all businesses, consumers, and organizations, or that its popularity may decline over time, affecting its value. However, compared to other so-called "cryptocurrencies," Bitcoin already boasts the highest levels of liquidity, trading volume, convertibility to fiat currencies, and market capitalization, making its holding risks manageable.
4. Improvement of Tax Efficiency: Under Japan's current tax system, holding Bitcoin can be more advantageous for companies than other assets, as unrealized gains on Bitcoin are not taxed if certain conditions are met. For individuals, capital gains from listed stocks are subject to a separate withholding tax (20.0%), which is lower than the progressive tax rates applied to other types of income. Thus, by holding Bitcoin through the Company and realizing gains through the trading of Company shares, shareholders can benefit from the separate withholding tax regime. This tax discrepancy makes holding Bitcoin through the Company particularly advantageous. Additionally, the Company can utilize its

accumulated tax loss carryforwards of 10.6 billion yen (as of the end of December 2023) to offset future realized gains, thereby minimizing tax burdens.

5. Long-Term Growth: By adopting Bitcoin as a core asset, the Company aims to establish itself as a forward-thinking entity within the global financial sector. Positioning Bitcoin as a strategic financial reserve asset aligns with the Company's vision of leveraging innovative financial strategies to enhance corporate value and growth.

The majority of the purchased Bitcoin will be held for long-term purposes, contributing to an increase in the Company's corporate value as Bitcoin's asset value appreciates in the future. Furthermore, a certain portion of Bitcoin will be used as an operating asset to generate income from yields. As of July 31, 2024, the Company's Bitcoin holdings are as follows:

Number of Bitcoins Held: 245.992 Bitcoins

Market Value of Bitcoin Holdings: 2,461 million yen

The Company is preparing to navigate the challenges of the Japanese economy while continuously enhancing shareholder value by aligning its financial management strategy with future outlooks.

③ Working Capital:

The funds allocated for working capital will be used for corporate expenses such as personnel costs, rent, and administrative fees. The allocation is expected to be completed by December 2026. However, if surplus funds arise from existing hotel operations or future Bitcoin-related income, these will not be used for working capital but rather for additional Bitcoin purchases.

4. Rationale for the Use of Funds

The Company plans to allocate the funds raised as described in "3. Use of Proceeds from the New Issuance (2) Use of Proceeds" mentioned above. As previously stated, the Company has decided to raise additional funds to purchase Bitcoin as a strategic means to pivot from the hotel industry to becoming a leader in Bitcoin and Bitcoin-related businesses. This shift to Bitcoin received overwhelming support from our shareholders at the extraordinary general meeting held on June 28, 2024, and is based on the potential long-term appreciation of Bitcoin, its ability to hedge against currency depreciation, and our commitment to innovative financial strategies. This approach aims to enhance corporate value, strengthen our financial foundation, and align with the vision of shareholders seeking sustainable growth.

By implementing this gratis allotment of Stock Acquisition Rights to our shareholders who support the Company's new strategy, we aim to promote business development for the future growth of the Group and ultimately increase shareholder value.

5. Rationale for the Issuance Conditions, etc.

(1) Exercise Price and Basis for Its Calculation:

The exercise price for each Stock Acquisition Right has been set at 555 yen. This price was determined by referencing the average stock price over the past six months, which was 577 yen, and taking into account the recent decline in stock price to make it easier for shareholders to exercise their rights. The exercise price represents a 17% discount based on the closing price of our common stock on the Tokyo Stock Exchange on the business day prior to the resolution to issue the Stock Acquisition Rights, which was August 5, 2024. The Stock Acquisition Rights are allotted through a gratis allotment, meaning shareholders will not directly gain or lose economically from the setting of the exercise price.

The exercise price is essentially determined based on the total amount to be raised and the allocation ratio (the number of Stock Acquisition Rights allotted per share of common stock held by each shareholder and the number of shares subject to each Stock Acquisition Right). Specifically, the allocation ratio is set at 1:1:1 (one Stock Acquisition Right per share of common stock held, and each Stock Acquisition Right entitles the holder to one share). The exercise price takes into account the number of shares to be issued upon exercise of the Stock Acquisition Rights, the likelihood of exercise (with the exercise price set below market value to facilitate easy exercise), the liquidity of

our common stock, the Company's financial condition, and the amount required for future use of funds as outlined in "2. Use of Proceeds from the New Issuance (2) Use of Proceeds."

(2) Acquisition Clauses and Their Consideration

1 Acquisition Clauses and Consideration:

As stated in "Conditions and Terms for the Acquisition of Own Stock Acquisition Rights" under "Details of the Stock Acquisition Rights," these Stock Acquisition Rights include acquisition clauses. The Company will acquire all remaining Stock Acquisition Rights on October 16, 2024, without any compensation (partial acquisition is not allowed).

Existing shareholders who do not exercise or sell their Stock Acquisition Rights during the exercise period may not be able to offset the economic disadvantages caused by the dilution of the economic value per share. However, since existing shareholders are granted the opportunity to mitigate the economic disadvantages caused by the dilution through the exercise of the Stock Acquisition Rights, and newly acquired shares through exercise can be sold on the market, we believe there is no absolute necessity for the Company to pay consideration when acquiring the Stock Acquisition Rights through the gratis allotment.

(3) Exercise of Stock Acquisition Rights by Foreign Resident Stock Acquisition Right Holders:

The offering of these Stock Acquisition Rights has not been registered or filed in jurisdictions outside Japan, nor is there any plan to do so. Consequently, foreign resident shareholders may face restrictions on exercising or reselling these Stock Acquisition Rights under the securities laws and other regulations applicable in their respective jurisdictions. Foreign resident shareholders (excluding qualified institutional investors not subject to such restrictions under applicable foreign laws) need to be aware of this. U.S. resident shareholders (as defined in Rule 800 of the U.S. Securities Act of 1933) are not permitted to exercise these Stock Acquisition Rights.

We carefully considered whether the restrictions on foreign resident shareholders receiving the allocation of these Stock Acquisition Rights would violate the principle of shareholder equality under the Companies Act. The Company determined that:

1. We identified and investigated countries, such as the United States, where local securities laws might apply. We also examined whether foreign resident shareholders reside in those countries. If we allowed shareholders residing in those countries to exercise their rights, the costs of complying with registration and other procedures required by those countries would be an extremely significant burden.
2. In this case, foreign resident shareholders are allowed to transfer these Stock Acquisition Rights with the approval of the Company's Board of Directors before exercising them.

Given these points, we carefully concluded that restricting the exercise of rights was necessary due to the administrative and cost burden associated with allowing foreign resident shareholders to exercise these rights. Furthermore, if foreign resident shareholders can purchase shares on the Japanese market, they can maintain their equity ratios through stock purchases. Therefore, we ultimately determined that these restrictions are reasonable, legitimate, and do not violate the principle of shareholder equality.

6. Reason for Selecting This Funding Method

In considering this funding round, the Company reviewed various financing options such as third-party allotment and others to protect the interests of existing shareholders. After a comprehensive evaluation, we decided on the gratis issuance of non-listed Stock Acquisition Rights allocated to shareholders, at an exercise price of 555 yen, which is 17% below the market price. This method ensures equal investment opportunities for existing shareholders who support our future growth.

(1) Third-Party Allotment:

This funding method was not chosen as it would not provide equal opportunities to all shareholders. The aim is to offer fair chances to all shareholders, not just specific investors.

- (2) **Public Offering:**  
Given that the Company has recorded operating losses for more than three consecutive fiscal years, it is unlikely that shares issued through a public offering would be stably traded in the market, making it difficult to secure a certain amount of funds. Therefore, this method was deemed inappropriate.
- (3) **Loans:**  
While loans do not dilute shares, the Company has already issued 1 billion yen in corporate bonds, with subsidiary hotel assets indirectly pledged as collateral. Additionally, due to the continuous operating losses over the past three fiscal years, obtaining further loans from financial institutions is not feasible. Hence, additional financing through loans is difficult.
- (4) **Rights Offering:**  
Rights offerings can be either commitment-type or non-commitment-type, both of which allow shareholders to trade the newly issued stock acquisition rights. However, our company has posted ordinary losses in past years and does not meet the issuance criteria for non-commitment-type rights offerings. Additionally, the underwriting fees for commitment-type rights offerings are prohibitively high, making this option impractical.

On the other hand, the gratis allotment of these stock acquisition rights to shareholders is a method that takes into account the trading conditions of our shares and the impact of dilution on existing shareholders while raising funds related to our new Bitcoin strategy to stabilize our financial base. We chose this method as it provides equal investment opportunities for all shareholders, which can contribute to enhancing our corporate value. Additionally, by setting a low exercise price for these stock acquisition rights, we make it easier for existing shareholders to exercise their rights, allowing them to broadly benefit from the increase in corporate value resulting from the execution of our Bitcoin strategy. Moreover, as mentioned above, the exercise restrictions for foreign resident shareholders do not violate the principle of shareholder equality. Given these circumstances, we believe that the terms of the gratis allotment of these stock acquisition rights are appropriate.

#### 7. Trends Among Existing Shareholders

We have not investigated the demand trends or the likelihood of exercise by shareholders. As mentioned above, the gratis allotment of Stock Acquisition Rights aims to provide shareholders with direct benefits from the enhancement of corporate value. Therefore, the Company hopes that shareholders will exercise these Stock Acquisition Rights as much as possible.

#### 8. Method of Disclosing Exercise Status

The Company plans to announce the exercise status and the total number of issued shares after the general investor exercise period and after the specific investor exercise period ends.

#### 9. Future Outlook

The impact of the gratis allotment of Stock Acquisition Rights on the Group's performance is currently undetermined due to the uncertainty regarding the timing and scale of the exercise of the Stock Acquisition Rights. If any matters requiring disclosure or if any impact on performance arises, we will promptly disclose the information.

#### 10. Other Matters Necessary for Investors to Properly Understand and Judge Company Information

##### (1) Regarding transactions of each shareholder:

Shareholders who have been allocated Stock Acquisition Rights will be able to acquire the Company's common stock by exercising these rights. As stated in "1. New Issuance of Stock Acquisition Rights Certificates (2) Details of the Stock Acquisition Rights" under "Reasons and Conditions for Acquisition of Own Stock Acquisition Rights," the Company will acquire all remaining Stock Acquisition Rights on October 16, 2024, without any consideration, based on the acquisition clauses. Therefore, shareholders need to be fully aware of this aspect.

##### (2) Regarding the Issuance of Fractional Shares

In this free allocation of new stock acquisition rights, the number of shares underlying each new

stock acquisition right is one share, and since the Company's unit of stock is 100 shares, less than 100 new stock acquisition rights exercised will result in the issuance of a number of shares less than one unit. According to the Company's Articles of Incorporation, shareholders with less-than-unit shares are not allowed to exercise rights other than the following, nor can they sell such shares on the Tokyo Stock Exchange:

- 1 Rights specified in Article 189, Paragraph 2 of the Companies Act
- 2 Rights to request the acquisition of shares with acquisition rights
- 3 Rights To receive allocation of new shares or new stock acquisition rights

However, shareholders with less-than-unit shares can request the Company to purchase these shares according to the provisions of the stock handling rules.

(3) Number of Issued Shares, Reserved Shares, and Treasury Shares (As of August 1, 2024) and Potential Shares from Allocation

	Number of Shares	Ratio to Issued Shares
Issued Shares	18,169,218 shares	100.0%
Reserved Shares	4,600,000 shares	25.3%
Treasury Shares	2,288 shares	0.1%
Potential Shares Related to This New Stock Acquisition Right	18,166,930 shares	100.0%

(4) Use of Funds Raised in the Past

On June 11, 2024, the Company announced a change in the use of funds for the 9th series of stock acquisition rights in the "Notice of Change in Use of Funds," stating that it will proceed with the purchase of Bitcoin. Specifically, expenditures for development, operations, and promotion in the core business were completed at 206 million yen, and the allocation for consulting business personnel costs was canceled. The remaining 234 million yen was allocated for investment in Bitcoin. As of today, the funds for this purpose have been fully raised and utilized.

(Allocation Status of the 9th Series of Stock Acquisition Rights)

Specific Use	Amount (Million Yen)	Expenditure Period
Working Capital	400	February 2023 – December 2024
Development, Operations, and Promotion Costs in Core Business	290 (revised to 206)	February 2023 – December 2024
Personnel Costs for Consulting Business	150 (revised to -)	February 2023 – December 2025
Investment Capital for Investment Business	474 (revised to 708)	February 2023 – December 2025
Loan Repayment	41	February 2023 – March 2023
Total	1,355	

Date	Bitcoin Purchased (BTC)	Average Purchase Price (JPY/BTC)	Total Purchase Amount
April 22, 2024	97.8519	10,219,524	1 billion yen
May 10, 2024	19.8698	10,065,548	200 million yen
June 11, 2024	23.351	10,706,180	250 million yen
July 1, 2024	20.195	9,903,441	200 million yen
July 8, 2024	42.466	9,419,300	400 million yen
July 16, 2024	21.877	9,142,021	200 million yen
July 22, 2024	20.381	9,813,061	200 million yen

## 11. Recent Three Years' Performance and Equity Financing Situation

### (1) Recent Three Years' Performance (Consolidated)

Fiscal Year Fiscal Year End	23rd Term December 2021	24th Term December 2022	25th Term December 2023
Revenue (Thousand Yen)	518,451	366,121	261,633
Ordinary Loss (△) (Thousand Yen)	△1,230,727	△836,658	△414,710
Net Income or Net Loss (△) Attributable to Parent Company Shareholders (Thousand Yen)	△737,240	977,845	△683,923
Comprehensive Income (Thousand Yen)	△777,978	993,985	△632,639
Net Assets (Thousand Yen)	△373,414	617,518	1,152,087
Total Assets (Thousand Yen)	13,091,183	5,357,296	1,666,137
Net Assets per Share (JPY)	△6.66	10.72	9.86
Net Income or Net Loss per Share (△) (JPY)	△12.89	17.10	△6.29

(Note) The "Accounting Standards for Revenue Recognition" (Accounting Standard No. 29, March 31, 2020) and other related standards have been applied from the beginning of the 24th Term, so the key management indicators for the 24th Term and beyond are based on these accounting standards.

### (2) Recent Stock Price Performance

#### 1 Status Over the Past 5 Years (End of Fiscal Year)

Fiscal Year Fiscal Year End	21st Term December 2019	22nd Term December 2020	23rd Term December 2021	24th Ter December 2022	25th Term December 2023
Opening Price (JPY)	140 (15)	112	56	41	47
Highest Price (JPY)	174 (21)	120	68	107	48
Lowest Price (JPY)	101 (13)	44	38	30	14
Closing Price (JPY)	113 (14)	55	40	47	17

(Note) 1. The highest and lowest stock prices are based on Tokyo Stock Exchange (Standard Market) data from April 4, 2022, and earlier data is based on Tokyo Stock Exchange (JASDAQ (Standard)) data.

2. The company conducted a 1-for-10 stock consolidation on April 10, 2019. The stock prices for the 21st Term reflect the post-consolidation highest and lowest prices, with pre-consolidation prices shown in parentheses.)

#### 2 Recent Six-Month Performance

	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024
Opening Price (JPY)	170 (17)	220 (22)	200 (20)	290 (29)	510 (51)	1000 (100)	1089
Highest Price (JPY)	230 (23)	290 (29)	420 (42)	1200 (120)	1200 (120)	3000 (300)	1099



Lowest Price (JPY)	140 (14)	180 (18)	180 (18)	280 (28)	500 (50)	720 (72)	670
Closing Price (JPY)	220 (22)	200 (20)	290 (29)	520 (52)	990 (99)	1179	670

(Note) 1. The Company conducted a 10-for-1 reverse stock split of its common shares on August 1, 2024.

The stock prices from February to July 2024 reflect the highest and lowest prices after the reverse stock split, with the pre-split highest, lowest, and closing prices shown in parentheses.

### 3 Stock Price on the Business Day Before the Resolution Date of Issuance

	August 5, 2024
Opening Price (JPY)	675
Highest Price (JPY)	678
Lowest Price (JPY)	670
Closing Price (JPY)	670

### (3) Equity Finance Status

#### 1 10th Stock Acquisition Rights

Allocation Date:	February 8, 2023
Number of Stock Acquisition Rights Allocated (Initial), Category, and Number of Recipients:	Directors: 2 Employees: 5 Total: 7
Number of Stock Acquisition Rights Allocated:	Directors: 335,000 rights Employees: 125,000 rights Total: 460,000 rights
Exercise Period for Stock Acquisition Rights:	From February 8, 2026 (inclusive) to February 7, 2033 (inclusive)
Amount of Funds Expected to be Raised at Issuance (Yen):	468,280,000 Breakdown: Amount paid upon issuance of stock acquisition rights: 8,280,000 Amount paid upon exercise of stock acquisition rights: 460,000,000
Exercise Price (Yen):	10
Number of Issued Shares on Allocation Date:	114,692,187
Exercise Status (Rights):	0
Initial Use of Funds:	Working capital, investment projects, loan repayment, etc.
Planned Expenditure Period:	From February 2023 to December 2025
Current Allocation Status:	Working capital, investment projects, loan repayment, etc.

#### 2 9th Series Stock Acquisition Rights

Allocation Date:	February 8, 2023
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Number of Stock Acquisition Rights Allocated (Initial), Category, and Number of Recipients:	By third-party allocation: MMXX Ventures Limited EVO FUND
Number of Stock Acquisition Rights Allocated (Initial):	By third-party allocation: MMXX Ventures Limited: 335,000 EVO FUND: 335,000
Exercise Period for Stock Acquisition Rights:	From February 8, 2026 (inclusive) to February 7, 2033 (inclusive)
Amount of Funds Expected to be Raised at Issuance (Yen):	1,355,410,000 Breakdown: Amount raised through issuance of stock acquisition rights: 15,410,000 Amount raised through exercise of stock acquisition rights: 1,340,000,000
Exercise Price (Yen):	20
Number of Issued Shares on Allocation Date:	114,692,187
Exercise Status (Rights):	670,000
Initial Use of Funds:	Working capital, investment projects, loan repayment, etc.
Planned Expenditure Period:	From February 2023 to December 2025
Current Allocation Status:	Working capital, investment projects, loan repayment, etc.

(Note) As announced in the "Notice on Full Exercise of the 9th Series Stock Acquisition Rights" dated June 10, 2024, the exercise of the 9th Series Stock Acquisition Rights has been completed.

**【For Reference】**

## Issuance Terms for Metaplanet Corporation's 11th Series Stock Acquisition Rights

1. Name of Stock Acquisition Rights:	Metaplanet Corporation 11th Series Stock Acquisition Rights
2. Method of Allocation:	Allocated to shareholders. One Stock Acquisition Right will be allotted for each share of the Company's common stock held by shareholders listed or recorded in the shareholder register as of the record date (as defined in Section 4). However, the Stock Acquisition Rights will not be allotted for the shares held by the Company itself.
3. Payment Amount for Stock Acquisition Rights:	0 yen
4. Record Date:	September 5, 2024
5. Effective Date of Allotment of Stock Acquisition Rights:	September 6, 2024
6. Type and Number of Shares Subject to Stock Acquisition Rights:	<p>The Company's common stock (fully voting shares and the standard shares without any restrictions on rights. Note that the Company has adopted a unit share system with one unit being 100 shares).</p> <p>The total number of shares subject to the Stock Acquisition Rights is the number of issued shares of our common stock as of the record date, minus the number of shares of our common stock held by the Company on the same date (with each Stock Acquisition Right entitling the holder to one share). The above total number of shares subject to the Stock Acquisition Rights is an estimated figure based on the total number of issued shares (excluding the number of shares of our common stock held by the Company) as of Aug 1, 2024, which is 18,166,930 shares.</p>
7. Payment Amount at the Time of Exercise of Stock Acquisition Rights:	The amount to be paid by holders of the Stock Acquisition Rights (hereinafter referred to as "Stock Acquisition Right Holders") for the exercise of each Stock Acquisition Right during the general investor exercise period (defined in Section 9) is 555 yen per Stock Acquisition Right. The exercise price during the specific investor exercise period (defined in Section 9) is also 555 yen per Stock Acquisition Right.
8. Increase in Capital Stock and Capital Reserve upon Exercising Stock Acquisition Rights:	When issuing our common stock upon the exercise of the Stock Acquisition Rights, the amount of the increase in capital stock will be half of the maximum increase in capital stock as calculated under Article 17, Paragraph 1 of the Company Accounting Regulations (with any fractions of less than one yen rounded up). The amount of the increase in capital reserve will be the difference between the maximum increase in capital stock and the amount of the increase in capital stock.
9. Exercise Period for the Stock	September 6, 2024, to November 5, 2024

<p>Acquisition Rights:</p>	
<p>10. Locations for Submission, Handling, and Payment of Exercise Requests:</p>	<p>1. Location for Submission of Exercise Requests: IR Japan, Inc. (3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo)</p> <p>2. Location for Handling Exercise Requests: Not applicable.</p> <p>3. Location for Payment Handling of Exercise Requests: GMO Aozora Net Bank, Ltd.</p> <p>4. Method of Exercising and Paying for the Stock Acquisition Rights: (1) A holder of the stock acquisition rights who intends to exercise such rights must complete and sign the exercise request form prescribed by the Company, and submit it to the designated place of acceptance during the exercise period specified in Item 9. (2) The effectiveness of the request for exercise of these stock acquisition rights shall occur on the day when the notice containing the necessary details for the exercise request reaches the place for receiving exercise requests described in Item 1 of this section, and when the full amount of the contribution value for these stock acquisition rights is deposited into the account designated by our company at the payment handling location described in Item 3 of this section.</p>
<p>11. Conditions for Exercising Stock Acquisition Rights</p>	<p>It is not permitted to partially exercise a single stock acquisition right.</p>
<p>12. Reason and Conditions for the Acquisition of Stock Acquisition Rights</p>	<p>On October 16, 2024, the Company shall acquire, without compensation, all (partial acquisition is not permitted) of the outstanding stock acquisition rights as of that date (hereinafter referred to as the "Total Acquired Stock Acquisition Rights").</p>
<p>13. Matters Concerning the Transfer of Stock Acquisition Rights</p>	<p>The transfer of these stock acquisition rights shall require the approval of the Company's Board of Directors.</p>
<p>14. Matters Concerning the Issuance of Stock Acquisition Rights in Relation to Organizational Restructuring Activities</p>	<p>Not applicable.</p>

<p>15. Issuance of Stock Acquisition Right Certificates</p>	<p>The Company will not issue stock acquisition right certificates for these stock acquisition rights.</p>
<p>16. Exercise of Stock Acquisition Rights by Foreign Resident Shareholders</p>	<p>The offering of these stock acquisition rights has not been registered or filed in any jurisdiction outside of Japan, nor is there any intention to do so. Consequently, foreign resident shareholders may be restricted from exercising or reselling these stock acquisition rights due to applicable securities laws and other regulations. Foreign resident shareholders (excluding qualified institutional investors or other entities not subject to the above restrictions under applicable foreign laws) must be aware of these restrictions. Additionally, U.S. resident shareholders (as defined in Rule 800 of the U.S. Securities Act of 1933) are prohibited from exercising these stock acquisition rights.</p>
<p>17. Other</p>	<p>(1) In the event of amendments to the Companies Act or other laws that necessitate revisions or other measures to the provisions of these terms, the Company shall take the necessary actions.  (2) The effectiveness of the above items is subject to the approval of filings under the Financial Instruments and Exchange Act.  (3) Other detailed matters necessary for the issuance of these stock acquisition rights shall be entrusted to the Representative Director of the Company.</p>