

December 18, 2024

To Whom It May Concern

Company: Metaplanet Inc.
Representative: Representative Director
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(TSE Standard 3350)
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Addition of Bitcoin Treasury Operations as a New Business Line

Our Board of Directors, at a meeting held today, has resolved to commence Bitcoin Treasury operations as a new business line. The details are as follows.

1. Purpose of Initiating Bitcoin Treasury Operations as a new business line

As disclosed in the announcement titled “Regarding the Purchase of Bitcoin” dated April 8, 2024, Metaplanet resolved to hold Bitcoin as part of its treasury management strategy. Further, as detailed in the announcement “Strategic Shift in Financial Management and Adoption of Bitcoin by Metaplanet” dated May 13, 2024, the company clarified its prioritization of a “Bitcoin First, Bitcoin Only” approach. This strategy involves leveraging long-term debt and periodic equity issuances to continually accumulate Bitcoin as an alternative to holding a weakening yen.

At the Extraordinary General Meeting of Shareholders held on June 28, 2024, we amended the company’s Articles of Incorporation to include the following as new business objectives: investment in, holding, and management of Bitcoin; Bitcoin-based asset management; and other businesses related to or associated with Bitcoin.

Subsequently, at the Extraordinary General Meeting of Shareholders held on December 13, 2024, we received overwhelming shareholder support to increase the authorized shares to 145,000,000, enabling further Bitcoin purchases.

Moving forward, Metaplanet is committed to its role as Japan’s leading Bitcoin Treasury Company, recognizing its responsibility as a pioneer in the country’s Bitcoin ecosystem. By strategically raising yen through various financial instruments and converting these funds into Bitcoin, the company aims to preserve asset value while expanding its Bitcoin holdings.

The importance of Bitcoin has only grown, as evidenced by Bitcoin surpassing \$100,000 on December 4, 2024, setting a new all-time high, while the Japanese yen continues to lose value against the U.S. dollar, remaining at around the 150-level in the foreign exchange market. In this environment, increasing Bitcoin holdings is critical. Metaplanet believes it is imperative to accelerate capital raising and Bitcoin purchases.

In light of these circumstances, Metaplanet has decided to move beyond simply accumulating Bitcoin as part of its treasury management strategy. The company will now establish Bitcoin accumulation and management as a formal business line, employing a range of financial instruments such as loans, equity, and convertible bonds to efficiently purchase and hold Bitcoin. Additionally, the company will leverage Bitcoin’s volatility by engaging in put option sales to generate revenue while increasing Bitcoin holdings.

Furthermore, Metaplanet will utilize its exclusive license for Bitcoin Magazine in the Japanese market to establish revenue streams from Bitcoin-related marketing activities.

Going forward, this new Bitcoin Treasury business will serve as a core pillar of our operations, complementing our existing hotel business. By integrating these business lines, we aim to drive sustainable growth and strengthen our position as a leader in Japan’s evolving Bitcoin ecosystem.

2. Overview of the Bitcoin Treasury Business

(1) Bitcoin Purchases and Accumulation

As disclosed in the announcement titled “Adoption of ‘BTC Yield’ as a Key Performance Indicator” dated October 25, 2024, Metaplanet has adopted BTC Yield as its primary

performance metric. BTC Yield measures the rate of change in the ratio of the company’s total Bitcoin holdings to the fully diluted number of outstanding common shares compared to the previous period. A positive BTC Yield indicates that the amount of Bitcoin per share has increased beyond the impact of dilution. To maximize BTC Yield, Metaplanet will actively explore and utilize various capital-raising options such as loans, equity issuances, and convertible bonds to purchase and accumulate Bitcoin.

(2) Put Option Sales

As disclosed in the announcement titled “Bitcoin Put Option Sales and Increase in Holdings” dated October 3, 2024, Metaplanet engages in Bitcoin put option sales. This strategy enables the company to generate premium income while leveraging Bitcoin's price volatility. Metaplanet plans to continue utilizing put option sales as a key revenue driver moving forward.

(3) Bitcoin Magazine

As disclosed in the announcement titled “Official Agreement to Launch ‘Bitcoin Magazine Japan’ to Promote Bitcoin Adoption in Japan” dated November 25, 2024, Metaplanet has acquired the exclusive operating rights for Bitcoin Magazine Japan from BTC Media Inc. Through this groundbreaking partnership, Metaplanet is introducing the world’s leading Bitcoin media brand to Japan, reinforcing its commitment to becoming a global leader in Bitcoin adoption and education.

3. Key Dates

Date of Board Resolution	December 18, 2024
Business Commencement Date	December 18, 2024