

TRANSLATION - FOR REFERENCE ONLY

Company METAWATER Co., Ltd.
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 (Securities code: 9551 First Section of Tokyo Stock Exchange)
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Notice Regarding Completion of Payment for Disposal of Treasury Stock, Partial Forfeiture of Rights, and Retirement of Treasury Stock

Payment procedures for the disposal of treasury stock through third-party allotment as resolved by METAWATER at a Board of Directors' meeting held on November 25, 2020 were completed today, and the number of shares to be cancelled, as resolved at the Board of Directors' meeting held on that day, was also determined today. METAWATER Co., Ltd. hereby announces that due to the partial forfeiture of rights, the number and total value of shares to be disposed of has changed from our initial plans, as outlined below. For further details on this matter, please refer to "Regarding Disposal of Treasury Stock Through Third-Party Allotment and Cancellation of Treasury Stock," issued on November 25, 2020.

1. Outline of disposal of treasury stock (underline indicates changes)

	After changes	Before changes
(1) Date of disposal	January 15, 2021	January 15, 2021
(2) Class and number of shares to be disposed	Common shares in METAWATER <u>88,500</u> shares	Common shares in METAWATER <u>175,400</u> shares (Note)
(3) Disposal price	2,484 yen per share	2,484 yen per share
(4) Total disposal value	<u>219,834,000</u> yen	<u>435,693,600</u> yen (Note)
(5) Disposal method	Through third-party allotment	Through third-party allotment
(6) Intended recipient of disposed shares	Metawater Employee Shareholding Association	Metawater Employee Shareholding Association
	<u>Deletions</u>	(Note) <u>Following a resolution at a shareholding association council meeting scheduled for today, the shareholding association will recruit new applicants to join the shareholding association by establishing a sufficient publicity period and carrying out an enrollment promotion for METAWATER employees. Therefore, the number of shares to be disposed of (number of shares for subscription) and the total disposal value (total amount paid) will be determined after the completion of the promotion.</u>

2. Reason for change

The changes in the number of shares to be disposed of and the total disposal value resulted from the completion of the enrollment promotion for employees and confirmation of the number of shareholding association members.

3. Future outlook

The impact of the announced disposal of treasury stock through third-party allotment on the Company's full-year consolidated earnings forecast is reflected in "Revision to Full-year Consolidated Earnings Forecast," issued on October 28, 2020.

4. Outline of cancellation of treasury stock

- (1) Class of shares to be cancelled: Common shares in METAWATER
- (2) Number of shares to be cancelled: 88,500 shares
- (3) Scheduled date of cancellation: January 29, 2021

(Reference)

Because the number of shares cancelled will be the same as the number of shares disposed of, as stated in "1. Outline of disposal of treasury stock," the total number of issued shares after cancellation will be 51,758,500 shares (including 8,223,432 shares of treasury stock).