August 22, 2024

Company: Metaplanet Inc.
Representative: Representative Director
Simon Gerovich
(Standard Code: 3350)
Contact: IR Manager Miki Nakagawa
Tel: 03-6690-5801

(Update on Disclosure Matters) Regarding the Planned Transferee of the 11th Stock Acquisition Rights Acquired by Our Company

As announced in the 'Notice Regarding the Allocation of Unlisted Stock Acquisition Rights' dated August 6, 2024, Metaplanet Inc. will acquire the 11th series of unlisted stock acquisition rights (hereinafter referred to as 'Stock Acquisition Rights') that have not been exercised by October 15, 2024, without charge. These rights may then be transferred to specific investors (hereinafter referred to as 'specific investors' or 'planned transferees') approved by the company's Board of Directors for an appropriate transfer consideration. We have now selected a candidate for the specific investor and wish to inform you accordingly. Please note that the transfer to specific investors requires the approval of the company's Board of Directors.

1. Overview of the Planned Transferee and Relationship with the Applicant

a. Overview of the Planned Transferee	Name	EVO FUND
	Registered Office	c/o Intertrust Corporate Services (Cayman) Limited, One Nexus Way Camana Bay Grand Cayman KY1-9005, Cayman Islands
	Legal Foundation	Exempted limited liability company under Cayman Islands law
	Formation Purpose	Investment purposes
	Formation Date	December 2006
	Total Capital Contribution	Paid-in capital: USD 1; Net assets: approximately USD 75 million
	Main Office in Japan	No applicable details. However, contact details in Japan are as follows: EVOLUTION JAPAN Securities Co., Ltd., 4-1 Kioicho, Chiyoda-ku, Tokyo Sean Lawson (CEO)
	Representatives	Michael Lerch (Representative Director) Richard Chisholm (Representative Director)
	Business Activities	Fund management, financial instruments business
	Major Investors and Their Investment Ratio	Voting rights: Evolution Japan Group Holding Inc. 100% (100% indirectly held by Michael Lerch)

	Investment Relationship	Shareholder holding 1.37% of the total issued shares of the company (as of July 31, 2024)
b. Relationship Between the Applicant and the Planned Transferee	Personnel Relationship	Not applicable
	Financial Relationship	Creditor holding JPY 1 billion in the company's ordinary bonds.
	Technical or Trading Relationships	Not applicable

(Note) The section regarding the outline of the planned transferee and the relationship between the submitter and the planned transferee is as of August 22, 2024, unless otherwise noted.

2. Reason for Selecting the Planned Transferee

EVO FUND has a history of supporting our fundraising efforts, including underwriting the 9th series of stock acquisition rights issued by our company in the past and fully underwriting 1 billion yen in corporate bonds issued by our company in June 2024. Given this track record, we considered EVO FUND to be an appropriate transferee of these stock acquisition rights. From August 6, 2024, our representative director Simon Gerovich negotiated with Michael Lerch, the representative of EVO FUND, who agreed to the transfer of the unexercised stock acquisition rights that our company acquired under the acquisition clause at the end of the exercise period for general investors. As noted later, we are not considering other transferees since the maximum number of these stock acquisition rights will be transferred to EVO FUND.

3. Number of Stock Acquisition Rights Planned for Transfer

As of October 16, 2024, based on the acquisition clause, our company will transfer the maximum number of these stock acquisition rights that have been acquired, and the number will be determined by the quantity that EVO FUND wishes to purchase. The quantity will be within the limits of the TOB regulation (acquisition of one-third or more of the issued shares of our company). Any stock acquisition rights not transferred to EVO FUND will expire at the end of the exercise period. The transfer contract is scheduled to be signed between October 16, 2024, and October 18, 2024.

4. Policy on Holding of Shares

EVO FUND has indicated that they intend to hold the common shares acquired through the exercise of the stock acquisition rights to maximize shareholder value and investment value through the growth of our business. However, our Representative Director, Simon Gerovich, has received an explanation from their Representative Director, Michael Lerch, that depending on the stock price and trading volume at the time, they may sell some shares to fulfill their management responsibilities to their investors. Regarding the common shares they already hold, they plan to exercise the stock acquisition rights allocated to those shares and make a decision by the final day of the general investor exercise period. The stock acquisition rights obtained through the transfer from our company are prohibited from being transferred, and EVO FUND has also explained that they intend to exercise all such rights within the exercise period. Furthermore, EVO FUND has verbally indicated that if they sell any of the shares, they will do so while considering market trends as much as possible.

5. Situation of Funds Required for Purchase

The reasons for judging that the planned transferee has sufficient funds to purchase and exercise these stock acquisition rights are as follows. EVO FUND's past experience in underwriting our fundraising efforts, the verbal confirmation obtained by our representative director Simon Gerovich from their representative director Michael Lerch, and the representations and warranties in the stock acquisition rights transfer agreement with EVO FUND that they have secured sufficient funds to pay the total purchase amount and exercise these stock acquisition rights on the purchase date.

6. Actual Status of the Planned Transferee

EVO FUND, the planned transferee, has a history of underwriting our fundraising efforts on multiple occasions. Our company also conducted a third-party investigation when we issued the 9th series of stock acquisition rights in December 2022, and our representative director Simon Gerovich verbally confirmed with their representative director Michael Lerch that there have been no changes to their attributes as of the present time. Furthermore, in the stock acquisition rights transfer agreement to be signed with the planned transferee, it is planned that they and their key officers and main investors will represent and warrant that they are not anti-social forces and that they have no relationship with anti-social forces. Based on the above, our company has judged that EVO FUND, their officers, and their main investors are not anti-social forces and that they have no relationship with anti-social forces.

7. Conditions Related to the Transfer

(1) Basis and Specifics for Calculating the Payment Amount

Our company has requested Tokyo Financial Advisors, an independent third party, to calculate the value of these stock acquisition rights to determine the transfer price. The calculation will be based on the closing price on the day before the transfer date, and the transfer will be conducted at a fair price based on that valuation. The transfer is scheduled to take place between October 16, 2024, and October 18, 2024, and the value assessment results and transfer price will be announced as soon as they are determined.

(2) Reason for Judging that the Transfer Quantity and Dilution Scale are Reasonable

The exact number of stock acquisition rights subject to transfer will not be determined until the exercise period for general investors has ended. However, this transfer pertains to stock acquisition rights that have already been issued. If all of these stock acquisition rights are exercised by general investors, no transfer will occur. The maximum number of stock acquisition rights that may be transferred is assumed to be up to one-third of the outstanding shares (as of October 15, 2024) to avoid triggering TOB (Takeover Bid) regulations, including the existing holdings. This number is already included in the total number of issued stock acquisition rights, and no additional issuance of stock acquisition rights will occur. Therefore, even in the event of a transfer to EVO FUND, no additional dilution will occur. Shareholders who do not exercise their stock acquisition rights will experience a dilution of their shares, but by selling to the transferee at an appropriate price, the company expects to realize revenue and preserve shareholder value. Furthermore, by having EVO FUND exercise the rights on behalf of general investors who do not exercise them, the company will be able to raise funds and purchase even more Bitcoin.