November 11, 2024

To Whom It May Concern

Company: Metaplanet Inc.
Representative: Representative Director
Simon Gerovich
(TSE Standard 3350)
Contact: IR Director Miki Nakagawa
Tel: 03-6772-3696

Regarding the Agenda for the Extraordinary General Meeting Scheduled on December 13, 2024

As announced in the "Notice of Record Date and Convening of the Extraordinary General Meeting (EGM) and Proposed Amendments to the Articles of Incorporation, Reduction of Capital, and Reallocation of Capital Surplus" dated November 8, 2024, we have scheduled an EGM on December 13, 2024. In response to questions received from shareholders regarding the agenda, we have prepared the following Q&A for reference. Please use this as a guide alongside the official EGM invitation, which will be sent at a later date, when exercising your voting rights.

1. About the Amendments to the Articles of Incorporation

Question	Answer
Q 1 － 1 Why are we increasing the total number of authorized shares?	A 1 － 1 As of November 8, 2024, we have issued 36,268,334 shares out of an authorized total of 65,000,000 shares, meaning more than half of our authorized capacity has already been utilized. To ensure flexibility for future capital planning, we have decided to increase the authorized share count at this time. In line with our Bitcoin accumulation strategy, we have announced plans to strategically leverage both equity and debt to fund additional Bitcoin acquisitions, and this increase in authorized shares aligns with that approach.
Q 1 － 2 How was the new total of authorized shares determined?	A 1 － 2 The total number of authorized shares can legally be raised to four times the current number of issued shares. With 36,268,334 shares issued as of November 8, 2024, the maximum authorized share count would be approximately 145,073,336 shares. Therefore, we decided on an authorized share total of 145,000,000, which is close to this legal limit
Q 1 － 3 Will new shares be issued?	A 1 － 3 Increasing the number of authorized shares provides us with the flexibility for potential future capital raises. We are actively exploring the most accretive means to accumulate additional Bitcoin and enhance shareholder value. Once the Board finalizes a plan for any issuance, we will promptly inform shareholders. This approach ensures a strong foundation for achieving our long-term growth objectives with agility and strategic foresight.

2. About the Reduction of Capital and Reallocation of Capital Surplus

Question	Answer
Q 2 － 1 What is the process for reducing capital?	A 2 － 1 Capital reduction, known as "capital reallocation," is primarily a bookkeeping adjustment that does not affect the number of shares

	issued. It involves transferring a portion or all of the capital amount to additional paid-in capital, thereby reducing the capital amount on record. Both capital and additional paid-in capital fall under shareholders' equity on the balance sheet, so this reallocation does not affect the total amount of shareholders' equity. As of June 30, 2024, our shareholders' equity totaled approximately 2,092 million yen, and this reallocation does not impact this amount. Importantly, this is a purely internal adjustment with no effect on our operations, financial stability, liquidity, or cash flow.
Q 2－2 Why is the capital amount being reduced to 1 yen?	A 2－2 As of November 8, 2024, our capital stands at 5,754,525,824 yen, which increased significantly after the stock acquisition rights were exercised in the recent rights issue conducted from September to October 2024. Under current Japanese tax laws, companies with capital under 100 million yen qualify for various tax benefits. In recent years, we have consistently reduced capital to 1 yen to secure these advantages. By minimizing capital to 1 yen, we can preserve shareholder value and allocate more funds toward strategic investments, such as Bitcoin acquisitions. This approach also leaves a buffer for future increases in capital, allowing us to keep capital below the 100 million yen threshold if any unexpected capital expansion occurs.
Q 2－3 Does reducing capital to 1 yen mean the stock price will also become 1 yen?	A 2－3 Capital is merely one component of shareholders' equity on the balance sheet, and reducing it to 1 yen by reallocating it to additional paid-in capital is a bookkeeping procedure only. It does not imply a reduction in the stock price. Stock prices are determined daily through market trading, and we cannot comment on specific price levels. However, this capital reduction serves to protect shareholder value.
Q 2－4 What is a deficit compensation?	A 2－4 Deficit compensation involves offsetting accumulated deficits on the balance sheet by transferring additional paid-in capital to retained earnings. This internal transaction within shareholders' equity does not affect the total amount of shareholders' equity. By eliminating past accumulated deficits, we increase flexibility for decisions regarding dividends and other corporate matters in the future.

3．Summary

The agendas in the upcoming Extraordinary General Meeting of Shareholders are intended to support our growth strategy through Bitcoin acquisitions while maintaining a flexible capital structure. They are designed with shareholder value maximization as a priority, strengthening our foundation for long-term growth. We sincerely appreciate your continued understanding and support.