June 6, 2025

To Whom It May Concern

Company: Metaplanet Inc.
Representative: Representative Director
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(TSE Standard 3350)
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Notice Regarding Issuance of the 20th to 22nd Series of Stock Acquisition Rights with Adjustment and Suspension Clauses via Third-Party Allotment, and Execution of Stock Acquisition Rights Purchase Agreement

Metaplanet Inc. (the "Company") hereby announces that, at the meeting of its Board of Directors held on June 6, 2025, it resolved to issue the 20th, 21st, and 22nd Series of Stock Acquisition Rights (collectively, the "Stock Acquisition Rights") through a third-party allotment to EVO FUND (Cayman Islands; Representatives: Michael Lerch and Richard Chisholm) (the "Allottee" or "EVO FUND"). The Company further resolved to enter into a purchase agreement concerning the Stock Acquisition Rights (the "Purchase Agreement") with EVO FUND, subject to the effectiveness of the securities registration pursuant to the Financial Instruments and Exchange Act. The issuance of the Stock Acquisition Rights and the execution of the Purchase Agreement shall be referred to collectively as the "Third-Party Allotment." The capital raise resulting from the issuance and potential exercise of the Stock Acquisition Rights is referred to herein as the "Financing" or the "Scheme." The summary of the Third-Party Allotment is as follows.

1. Overview of the Offering
<Stock Acquisition Rights>

(1)	Allotment Date	June 23, 2025
(2)	Number of Stock Acquisition Rights Issued	5,550,000 units in total (each unit entitles the holder to acquire 100 shares of common stock) – 20th Series of Stock Acquisition Rights: 1,850,000 units – 21st Series of Stock Acquisition Rights: 1,850,000 units – 22nd Series of Stock Acquisition Rights: 1,850,000 units
(3)	Issue Price	Total issue amount: 558,700,000 JPY (114 JPY per unit for each of the 20th Series, 99JPY for 21st Series, and 89 JPY for 22nd Series of Stock Acquisition Rights)
(4)	Number of Shares Underlying the Stock Acquisition Rights	555,000,000 shares of common stock (100 shares per stock acquisition right) There is no upper limit on the exercise price. The lower limit for the exercise price is 777 JPY. Even if exercised at the lower limit, the maximum number of potential shares is 555,000,000.
(5)	Expected Proceeds	767,377,700,000 JPY

(6)	Exercise Price and Adjustment Conditions	The initial exercise price shall be set at 1,388 JPY. The exercise price of each of the Stock Acquisition Rights shall be subject to the first adjustment on the second trading day (inclusive of the allotment date) following the allotment date on the Tokyo Stock Exchange (hereinafter, the "Exchange"). Thereafter, the exercise price shall be adjusted every three trading days (each such date of adjustment, individually or collectively, a "Price Adjustment Date"). If the exercise price is adjusted in accordance with these provisions, the revised price on each Price Adjustment Date shall be determined as follows: The exercise price will be calculated based on the average closing price of the Company's common shares in regular trading on the Exchange over the three consecutive trading days immediately preceding the relevant Price Adjustment Date (hereinafter, the "Pricing Reference Period"), excluding any days without a closing price. The adjusted price will be: - 100% of the average for the 20th Series of Stock Acquisition Rights - 101% of the average for the 21st Series of Stock Acquisition Rights - 102% of the average for the 22nd Series of Stock Acquisition Rights The resulting figure shall be rounded down to the nearest whole JPY. However, if the calculated exercise price is below the minimum exercise price stipulated in item (4) above, the exercise price shall be adjusted to that minimum value. If there is no closing price on all trading days during the Pricing Reference Period, no adjustment shall be made to the exercise price. Additionally, if during any Pricing Reference Period an event occurs that triggers an adjustment under Article 11 of the terms of issuance of the relevant Stock Acquisition Right, the average closing price used for calculation shall be reasonably adjusted to reflect the impact of such event. However, due to procedures required by the Japan Securities Depository Center, Inc., if the Stock Acquisition Rights cannot be exercised during the period from one trading day prior to (inclusive) the record date for a general meeting of shareholders to the record date itself (inclusive) (or any such period as may be revised by the Depository Center), no adjustment shall be made to the exercise price.

		In such cases, starting from the second trading day following the record date (inclusive), the exercise price shall be adjusted every three trading days in accordance with the provisions of Article 10, Paragraph (1), Item 1 of the terms of issuance of the respective Stock Acquisition Right.
(7)	Method of Offering or Allotment (Allottee)	All of the Stock Acquisition Rights shall be allotted to EVO FUND by way of third-party allotment.
(8)	Exercise Period	The exercise period for the 20th through 22nd Series of Stock Acquisition Rights shall be from June 24, 2025, to June 23, 2027.
(9)	Other	Following the effectiveness of the securities registration pursuant to the Financial Instruments and Exchange Act, the Company intends to enter into a Purchase Agreement with the Allottee. This agreement will include provisions such as an exercise suspension clause and a requirement for Board of Directors' approval in the event the Allottee intends to transfer the Stock Acquisition Rights, as further detailed in Section 3, “Overview and Rationale for the Financing Method,” item (1).

(Note) The amount of funds to be raised represents the total of (i) the aggregate issue price of the Stock Acquisition Rights and (ii) the aggregate amount of assets contributed upon the exercise of all Stock Acquisition Rights, less estimated issuance-related expenses.
The value of assets to be contributed upon exercise assumes that all Stock Acquisition Rights are exercised at the initial exercise price. Accordingly, if the exercise price is adjusted or revised, or if any Stock Acquisition Rights acquired by the Company are subsequently cancelled, the amount of funds raised may increase or decrease. In addition, if the Stock Acquisition Rights are not exercised during the exercise period, the total amount of funds raised will vary.

2. Purpose and Rationale for the Offering

The Company believes that the current global economy is undergoing a structural shift—from a traditional supply structure centered on capital and labor to a new economic foundation based on information technology. In addition, the postwar monetary system is reaching a major turning point, amid rising geopolitical risks, shifts in trade policy, and mounting concerns over cumulative debt.

Against this backdrop, the price of government bonds—long considered a safe asset—has declined (i.e., interest rates have risen). In October 2023, the yield on 10-year U.S. Treasury bonds temporarily exceeded 5%, and has remained above 4% since 2024. This has led to a significant decline in bond prices. Meanwhile, gold has been re-evaluated as a hedge against inflation and currency risk, with its U.S. dollar-denominated price exceeding $3,500 per troy ounce in May 2025—a record high. These developments suggest that gold is beginning to hold relatively stronger value against national currencies.

In this environment, the strategic significance of Bitcoin is rising rapidly. Bitcoin has a clear programmed issuance cap of 21 million coins, and its supply cannot be arbitrarily increased by central banks or governments, giving it exceptional scarcity. Furthermore, as long as there is internet access, it can be stored or transferred globally at low cost without physical constraints, offering a flexibility not found in traditional assets like gold or real estate. Additionally, Bitcoin transactions are verified and recorded via blockchain technology without relying on third-party trust, making it a reliable means of value storage and transfer free from credit risk.

The Company is convinced that Bitcoin will play a central role in the reconstruction of the financial system. Based on this belief, since April 2024, the Company has repositioned itself as a Bitcoin treasury company, strategically holding Bitcoin as a long-term store of value.

Our strategy is straightforward: "On behalf of our shareholders, we will prudently and swiftly accumulate as much Bitcoin as possible."

We believe this represents the most rational path toward enhancing our long-term corporate value.

Under this strategy, the Company issued Stock Acquisition Rights on February 17, 2025, under what we termed the “21 Million Plan.” Although the exercise period for these Stock Acquisition Rights was two years, the full allotment was exercised in a short span—by May 19, 2025. Through the issuance of 210 million new shares, the Company successfully raised approximately JPY 93.3 billion in capital.

Notably, these Stock Acquisition Rights were publicly announced on January 28, 2025, at which time the Company’s share price (adjusted for stock splits) stood at 416 JPY. By the time full exercise was announced on May 20, 2025, the share price had significantly increased to 783 JPY. We believe this reflects both the high liquidity of our shares and strong market endorsement of our corporate vision.

This capital raise enabled the Company to meaningfully expand its Bitcoin holdings and validated our strategic direction of “Bitcoin First” and “Bitcoin Only” in the capital markets.

(For further details on the results of the 21 Million Plan, please refer to the May 20, 2025 disclosure titled: “Notice Regarding Full Exercise of the 13th to 17th Series of Stock Acquisition Rights with Adjustment and Suspension Clauses Issued via Third-Party Allotment under the 21 Million Plan.”)

Building upon this achievement, the Company formulated a new “555 Million Plan” as of June 6, 2025. This plan significantly raises the Bitcoin accumulation target set under the prior 21 Million Plan and aims to further accelerate capital raising activities in pursuit of additional Bitcoin acquisitions.

Specifically, while the 21 Million Plan resulted in the issuance of 210 million shares through the exercise of Stock Acquisition Rights, the 555 Million Plan increases that figure to 555 million shares.

In line with this initiative, we have revised our original target of holding 21,000 Bitcoin by the end of 2026, and have now set an updated target of 100,000 Bitcoin. Furthermore, by the end of 2027, we aim to hold more than 210,000 Bitcoin, thereby achieving 1% ownership of the total 21 million Bitcoin supply and joining the globally exclusive “1% Club”—a category of entities that hold at least 1% of all Bitcoin in existence.

Initially, our goal was to hold 0.1% of the circulating Bitcoin supply by 2026. However, considering the results of the “21 Million Plan” to date, we now believe that successful execution of the newly formulated “555 Million Plan” will allow us to pursue substantially more ambitious targets.Through these efforts, we intend to further strengthen our position as a leading Bitcoin-focused company in Asia.

Naturally, Bitcoin is subject to price volatility. Should prices decline contrary to expectations, the value of the Company’s holdings may decrease, potentially resulting in unrealized losses. However, the Company maintains a long-term perspective on the future value of Bitcoin and intends to retain its holdings without liquidation, regardless of short-term price fluctuations. We remain confident that Bitcoin’s value will ultimately exceed current levels.

3. Overview and Rationale for the Financing Method

(1) Overview of the Financing Method

The current financing will be conducted through the allocation of the Stock Acquisition Rights to EVO FUND, the designated allottee. The Company’s capital will increase upon the exercise of these Stock Acquisition Rights by the allottee.

Following the effectiveness of the securities registration statement related to the offering of these Stock Acquisition Rights, the Company intends to enter into a Purchase Agreement with EVO FUND. This agreement will include the terms outlined below.

① Adjustment of Exercise Price

The exercise price of the Stock Acquisition Rights will be adjusted for the first time on the second trading day (inclusive of the allotment date) following the allotment date, and subsequently every three trading days. In such cases, the exercise price will be revised on each adjustment date to the amount obtained by multiplying the average of the closing prices of the Company's common shares in regular trading on the Tokyo Stock Exchange for each trading day during the pricing reference period (excluding any days with no closing price) by 100% for the 20th Series of Stock Acquisition Rights, 101% for the 21st Series of Stock Acquisition Rights, and 102% for the 22nd Series of Stock Acquisition Rights, with any fraction below one JPY rounded down. However, if no closing price exists for all days within the pricing reference period, no adjustment will be made to the exercise price.

While it is generally common for the exercise price of stock acquisition rights with adjustment clauses to be set at a discount to the issuer's market price, no such discount will be applied in the case of these Stock Acquisition Rights. In fact, the 21st Series and the 22nd Series Stock Acquisition Rights are structured to include a premium. This structure ensures that exercises are conducted at prices closely aligned with market value, minimizing the impact on existing shareholders and reflecting careful consideration for their interests. Furthermore, because no discount is applied—and in some cases a premium is included—the amount of capital that may be raised through exercise is expected to be greater.

The minimum exercise price is set at JPY 777. This figure is subject to further adjustment based on the provisions of Article 11 of the terms of issuance of each Stock Acquisition Right. The level of the minimum exercise price was determined through discussions between the Company and the allottee, taking into account comparisons with similar financing transactions and the aim of enhancing the likelihood of successful capital formation.

② Suspension Request by the Company (Exercise Suspension Clause)

In the event the Company issues a request to suspend the exercise of the Stock Acquisition Rights (hereinafter referred to as a "Suspension Designation"), the allottee shall not be permitted to exercise all or part of the Stock Acquisition Rights remaining as of the commencement date of the designated suspension period (as defined below) during such period. The Company may issue a Suspension Designation at any time and as many times as it deems necessary. The details are as follows:

- The Company may designate any period during the exercise period of the Stock Acquisition Rights as a suspension period (hereinafter referred to as the "Suspension Period") during which the allottee is restricted from exercising all or part of the Stock Acquisition Rights.
- The Suspension Period shall begin on the fifth trading day (inclusive) following the date on which the Company notifies Evolution Japan Securities Co., Ltd. (address: 4-1 Kioicho, Chiyoda-ku, Tokyo; Representative Director and President: Shaun Lawson) (hereinafter, "EJS") of the Suspension Designation, and shall continue until a date specified by the Company (inclusive). The Company will disclose the issuance of each Suspension Designation by means of a press release at the time it is issued.
  The Suspension Period shall fall within the overall exercise period of the Stock Acquisition Rights.
- The Company may cancel a Suspension Designation by notifying EJS. In such cases, the Company will also disclose the cancellation through a press release.

Suspension Designations may be applied separately for each series of Stock Acquisition Rights. By issuing Suspension Designations for individual series, the Company aims to mitigate concerns about sharp increases in dilution and associated share price declines. This structure also enables the staged exercise of the Stock Acquisition Rights in alignment with capital needs, providing greater clarity and predictability to investors. For this reason, the Stock Acquisition Rights have been divided into three separate series.

③ Prohibition on Excessive Exercise Beyond Regulatory Limits

The Purchase Agreement shall include the following provisions:

(a) In accordance with Article 434, Paragraph 1 of the Securities Listing Regulations of the Tokyo Stock Exchange and Articles 436, Paragraphs 1 through 5 of the Enforcement Rules thereof, the Company shall, in principle, prohibit the allottee from exercising Stock Acquisition Rights if the number of shares to be acquired through such exercise in any single calendar month exceeds 10% of the number of listed shares as of the payment date for the Stock Acquisition Rights (hereinafter referred to as "Excess Exercise").

(b) The allottee shall agree not to conduct any exercise that constitutes an Excess Exercise, except in cases where specific exemptions apply. In connection with each exercise of Stock Acquisition Rights, the allottee shall confirm with the Company in advance that such exercise does not constitute an Excess Exercise.

(c) In the event the allottee transfers the Stock Acquisition Rights to another party, the allottee shall ensure in advance that the transferee undertakes the same obligations with respect to Excess Exercise as those owed to the Company, and that such obligations are likewise imposed on any subsequent transferee in the event of a further transfer.

(2) Rationale for Selecting the Financing Method

The Company considered financing methods aligned with the intended use of proceeds as described in “2. Purpose and Rationale for the Offering,” and in May 2025 received a proposal from Evolution Japan Securities Co., Ltd. (“EJS”) for this scheme, involving the issuance of Stock Acquisition Rights as a financing mechanism.

The proposed allottee, EVO FUND, has a consistent track record of supporting the Company’s financing initiatives by subscribing to previously issued common shares, Stock Acquisition Rights, and straight bonds.

While the scheme proposed by EVO FUND entails potential dilution of existing shareholder rights, the anticipated improvement in liquidity of the Company’s shares is expected to enhance the ease with which shareholders can transact their holdings. From a medium- to long-term perspective, the scheme is viewed as beneficial to the interests of all shareholders.

The Company carefully evaluated the advantages and disadvantages of the scheme as detailed in “(3) Characteristics of the Scheme,” as well as other financing options presented in “(4) Alternative Financing Methods.” Based on this analysis, the Company determined that this scheme would provide a high probability of raising the necessary funds for each of the intended uses described in “4. Amount, Use, and Projected Timing of Funds – (2) Specific Use of Funds,” within a defined timeframe. Accordingly, the Company has made a comprehensive decision to adopt this scheme.

It should be noted that this financing is expected to increase the number of shares issued both currently and in the future. For the potential impact of this increase on existing shareholders, please refer to “6. Reasonableness of Issuance Terms – (2) Basis for Determining the Reasonableness of the Number of Shares Issued and Scale of Dilution.”

(3) Characteristics of the Scheme

This scheme has the following advantages and disadvantages:

<Advantages>

① Issuance of Shares Without Discount or With Premium

Ordinarily, stock acquisition rights that include price adjustment clauses are exercised at a discount of approximately 8–10% to the reference market price. In contrast, the Stock Acquisition Rights in this scheme provide for the issuance of shares at a value equivalent to 100% to 102% of the average closing price during the pricing reference period (excluding days with no closing price). As such, no discount is applied—or in some cases, a premium is applied—which is considered a significant benefit to existing shareholders.

② Cap on Maximum Number of Shares Issued

The number of shares of the Company's common stock to be issued upon exercise of the Stock Acquisition Rights is fixed at a total of 555,000,000 shares. Regardless of stock price fluctuations, the maximum number of shares to be issued is capped.

③ Call Option (Company's Right to Acquire Unexercised Rights)

Should the Company no longer require funding via these Stock Acquisition Rights in the future, or if a more favorable financing alternative becomes available, the Board of Directors may designate a date to acquire all or a portion of the unexercised Stock Acquisition Rights by providing notice to the allottee. The acquisition will be executed at the original issue price, with no cancellation fee or other additional cost incurred.

④ Increase in Funds Raised in the Event of Share Price Appreciation

Since the exercise price of the Stock Acquisition Rights is linked to the market price of the Company's shares, any increase in the share price will proportionally increase the total amount of funds raised.

⑤ Accelerated Exercise in a Rising Market

If the share price rises significantly during the exercise period for the planned 555,000,000 shares to be issued, the allottee may exercise the rights earlier than the scheduled expiration to realize capital gains as an investor. As a result, the Company may be able to complete the fundraising more quickly.

⑥ Mitigation of Impact on Share Price

The Stock Acquisition Rights include a lower limit for the exercise price. The exercise price, even when adjusted, cannot fall below this minimum. This structure is designed to prevent an oversupply of the Company's common shares in scenarios where the stock price declines—such as when it falls below the minimum exercise price—which could otherwise contribute to further downward pressure on the share price. In addition, since the Company may exercise a degree of control over the timing and volume of exercises through the exercise suspension clause, it can conduct financing in a flexible manner while considering its funding needs and prevailing market conditions. This helps prevent substantial dilution from occurring all at once. Furthermore, by issuing the Stock Acquisition Rights in three separate series and allowing the Company to designate suspension periods for each series individually, the scheme is structured to (i) reduce concerns over sudden dilution, and (ii) communicate to investors that dilution will occur gradually, in alignment with capital needs.

⑦ Transfer Restrictions on Stock Acquisition Rights under the Purchase Agreement

The Purchase Agreement is expected to include a restriction requiring prior approval by the Company's Board of Directors for any transfer of the Stock Acquisition Rights. Accordingly, unless such prior approval is obtained, the allottee may not transfer the Stock Acquisition Rights to any third party.

<Disadvantages>

① Inability to Raise Full Amount of Funds at Issuance

By nature, Stock Acquisition Rights do not result in capital infusion at the time of issuance. Funds are only raised upon the exercise of rights by the holder, based on the exercise price multiplied by the number of shares exercised. Therefore, the Company will not receive the full anticipated funding immediately upon issuance.

② Risk of Lower or No Capital Raised During Periods of Share Price Weakness

If the Company's share price remains consistently below the price on the business day prior to the Board resolution during the exercise period, the total funds raised may fall short of the amount initially anticipated based on the original exercise price. Furthermore, since a lower limit has been set for the exercise price, if the market price remains below that threshold, the Stock Acquisition Rights may not be exercised at all. The exercise price will not be adjusted below the minimum exercise price.

③ Risk of Share Price Decline Due to Market Sales by the Allottee

The allottee has indicated a short-term investment horizon for the Company's common shares. Therefore, there is a possibility that the shares acquired upon exercise of the Stock Acquisition Rights may be sold in the market, which could put downward pressure on the Company's share price. However, this risk is mitigated by the fact that the exercise price is set without a discount or with a premium, the Company has the ability to control the volume and timing of exercises under the exercise suspension clause (as described in Advantage ⑥ above), and the Stock Acquisition Rights are divided into three series to allow staged dilution.

④ Limited Access to a Broad Investor Base

Because this is a third-party allotment structured solely as an agreement between the Company and the allottee, the Company is unable to capture the potential benefits of raising capital from an unspecified, broad base of new investors.

⑤ Dilution

If all of the Stock Acquisition Rights under this scheme are exercised in full, a total of 555,000,000 shares (equivalent to 5,550,000 voting rights) will be issued. Based on the Company's total number of issued shares and voting rights as of December 15, 2024—362,683,347 shares and 3,624,984 voting rights, respectively (both figures reflecting the addition of 180,991,160 shares and 1,809,911 voting rights issued upon full exercise of the 11th Series Stock Acquisition Rights on October 22, 2024, as well as adjustments for the 1-for-2 stock consolidation on August 1, 2024, and the stock split conducted on April 1, 2025)—the dilution ratio will be 153.03% on a share count basis and 153.10% on a voting rights basis.

In addition, taking into account the following issuances within six months prior to the current Board resolution: 29,000,000 shares (290,000 voting rights) issued upon full exercise of the 12th Series Stock Acquisition Rights allocated to EVO FUND on December 16, 2024; 210,000,000 shares (2,100,000 voting rights) issued upon full exercise of the 13th through 17th Series Stock Acquisition Rights allocated to EVO FUND on February 17, 2025; and 3,600,000 shares (36,000 voting rights) to be issued upon full exercise of the 19th Series Stock Acquisition Rights allocated to Eric Trump and David Bailey on May 9, 2025; the total number of shares issuable when combined with the maximum shares under the current scheme would reach 797,600,000 shares (7,976,000 voting rights). This would result in a cumulative dilution ratio of 219.92% on a share count basis and 220.03% on a voting rights basis, based on the Company's total issued shares and voting rights as of December 15, 2024.

Accordingly, the issuance of these Stock Acquisition Rights will result in a certain degree of dilution to the Company's common shares. However, as described in "6. Reasonableness of Issuance Terms – (2) Basis for Determining the Reasonableness of the Number of Shares Issued and the Scale of Dilution," the Company has determined that the dilution arising from this financing is not of a scale that would exert excessive influence on the market value of the Company's shares, and that the impact of such dilution is limited.

(4) Alternative Financing Methods

① Capital Increase Through Issuance of New Shares

(a) Public Offering

Although a public offering allows for capital to be raised in a single tranche, the total amount that can be raised is limited by the Company's market capitalization and the liquidity of its shares. Considering the Company's current market capitalization and liquidity, it is believed to be difficult to raise the required funds through this method. Furthermore, public offerings typically require a long lead time for review and preparation, and their feasibility is highly susceptible to fluctuations in share prices and overall market conditions at the time. If the timing of execution is missed, the offering may be delayed by at least several months due to the need to coordinate with disclosure events such as financial results announcements, semi-annual reports, and securities filings. For these reasons, public offerings are considered to lack flexibility, and from the standpoint of funding agility, the present scheme is deemed to offer superior advantages. In addition, given the Company's current business performance and financial condition, it is considered difficult to secure a securities firm willing to underwrite a public offering of the Company's common shares. Taking all of the above into consideration, the Company has determined that a public offering is not an appropriate financing method for this transaction.

(b) Shareholder Allotment (Rights Issue)

As disclosed in the "Notice Regarding Gratis Allotment of Unlisted Stock Acquisition Rights" dated August 6, 2024, the Company executed a capital increase on September 6, 2024, through a gratis allotment of stock acquisition rights to all shareholders. Many shareholders have expressed interest in another shareholder allotment capital increase, and the Company considers this a future topic for consideration. It may adopt this financing method again once the proper timing and preparations are in place; however, to prioritize swift execution in this instance, the method has been set aside for this round of financing.

(c) Third-Party Allotment of New Shares

While the issuance of new shares through a third-party allotment enables capital to be raised in a single tranche, it also results in immediate dilution of earnings per share, which may directly impact the share price. At this time, the Company has not identified a suitable allottee. According to the proposed allottee, it is only prepared to contribute capital by exercising the stock acquisition rights in stages and selling the shares acquired through exercise as appropriate based on prevailing market risk. For these reasons, a standard third-party allotment of new shares is not deemed viable for this financing.

② Convertible Bonds with Stock Acquisition Rights (including MSCBs)

Although bonds with stock acquisition rights allow the full subscription amount to be received at issuance, enabling early satisfaction of funding needs, if conversion does not occur, the bonds must be redeemed upon maturity. In the case of MSCBs, because the number of shares delivered upon conversion is determined based on the conversion price, the total number of shares to be delivered remains unfixed until conversion is completed. If the conversion price is revised downward, the number of potential shares increases accordingly, resulting in a greater dilutive effect. This could have a significant direct impact on the share price. For these reasons, the Company has determined that this is not an appropriate financing method for the current transaction.

③ Capital Increase through Gratis Allotment of Stock Acquisition Rights (Rights Issue)

A capital increase through the gratis allotment of stock acquisition rights—commonly known as a rights issue—can be implemented either as a commitment-type rights issue, where the Company enters into an underwriting agreement with a securities firm, or as a non-commitment-type rights issue, in which no such agreement is executed and the exercise of rights is at the discretion of the shareholders. However, the commitment-type structure has seen limited adoption in the domestic market and remains underdeveloped as a financing method. It also involves increased costs such as underwriting fees and is subject to limitations on the amount of capital that can be raised based on market capitalization and share liquidity. Accordingly, the Company has determined that it is not an appropriate financing method for the current offering. Regarding the non-commitment-type rights issue, the Company concluded that the method is also inappropriate for the current financing because of the uncertainty surrounding the participation rate of existing shareholders. As disclosed in the "Notice Regarding Gratis Allotment of Unlisted Stock Acquisition Rights" dated August 6, 2024, the Company previously implemented a capital increase on September 5, 2024, through a gratis allotment of stock acquisition rights to all shareholders. Many shareholders have requested that the Company conduct another rights issue, and the Company has categorized this as a matter for future consideration. It may be adopted at an appropriate time when preparations are complete; however, in the interest of timely execution, it was not selected for this round of financing.

④ Financing Through Borrowings, Bonds, or Subordinated Debt

Raising the full amount of the intended proceeds through debt instruments would significantly increase the Company's debt ratio and is therefore deemed inappropriate as a financing method for this offering.

4. Amount of Funds to Be Raised, Use of Proceeds, and Expected Timing of Disbursement

(1) Estimated Net Proceeds from the Issuance of the Stock Acquisition Rights

①	Total Amount of Proceeds	770,898,700,000 JPY
	Total Subscription Amount:	558,700,000 JPY
	Total Issue Price of the Stock Acquisition Rights: Total Assets Contributed Upon Exercise of the Stock Acquisition Rights:	770,340,000,000 JPY
②	Estimated Issuance Expenses	3,521,000,000 JPY
③	Estimated Net Proceeds (After Expenses)	767,377,700,000 JPY

(Notes):

1. The total amount of proceeds above represents the sum of the following components:
   Total Issue Price of the 20th Series of Stock Acquisition Rights: 210,900,000 JPY
   Total Issue Price of the 21st Series of Stock Acquisition Rights: 183,150,000 JPY
   Total Issue Price of the 22nd Series of Stock Acquisition Rights: 164,650,000 JPY
   Total Assets Contributed Upon Exercise of the 20th Series: 256,780,000,000 JPY
   Total Assets Contributed Upon Exercise of the 21st Series: 256,780,000,000 JPY
   Total Assets Contributed Upon Exercise of the 22nd Series: 256,780,000,000 JPY

2. The estimated issuance expenses consist of due diligence fees, registration costs, shareholder services fees, legal fees, fair value assessment fees for the Stock Acquisition Rights, and third-party committee expenses. Consumption tax and local consumption tax are not included.

3. The total amount of proceeds assumes that all Stock Acquisition Rights are exercised at the initial exercise price. If the exercise price is adjusted or revised, the total amount of proceeds and the estimated net proceeds may increase or decrease accordingly. Additionally, if any Stock Acquisition Rights remain unexercised during the exercise period or are acquired and canceled by the Company, the total amount of proceeds and estimated net proceeds will decrease.

(2) Specific Use of Funds to Be Raised

The total amount of funds to be raised through the issuance and exercise of the Stock Acquisition Rights by the allottee is expected to be approximately JPY 767,377 million. The intended uses of proceeds are as follows:

Specific Use	Amount (JPY, millions)	Expected Disbursement Period
① Redemption of Bonds	12,045	June 2025 - November 2025
② Purchase of Bitcoin	733,832	June 2025 – June 2027
③ Bitcoin Income Generation	20,000	June 2025 – June 2027
④ Working Capital	1,500	June 2025 – December 2026
Total	767,377	

(Note)

1. Until disbursement, all raised funds will be managed in a bank account.
2. The order of priority for fund usage will follow the order listed above (① to ④), though funds will be allocated flexibly depending on the timing and need of each item.
3. If the total proceeds fall short of the required amount, the Company will consider supplementing the shortfall through additional short-term borrowings or other financing arrangements, taking cost and feasibility into account.
4. Depending on market conditions, the Company may execute bridge financing through bond issuance to purchase Bitcoin in advance of the exercise of the Stock Acquisition Rights. In such cases, proceeds from the exercise will be used to redeem the bonds, and a revised disclosure will be issued to reflect the change in use of proceeds.

Details of Use of Funds

① Redemption of Bonds

The Company will redeem, in the order listed below, each of the following bonds ahead of maturity using proceeds obtained from the exercise of the Stock Acquisition Rights, as they are exercised, during the period from June to November 2025: the 3rd Series Straight Bond (1.75 billion JPY, issued on November 18, 2024, maturing on November 17, 2025, with an annual interest rate of 0.36%), the 16th Series Straight Bond (USD 50 million, issued on May 28, 2025, maturing on November 27, 2025, with an interest rate of 0.00%), and the 17th Series Straight Bond (USD 21 million, issued on May 29, 2025, maturing on November 28, 2025, with an interest rate of 0.00%).

② Purchase of Bitcoin

In light of the current economic conditions in Japan—characterized by elevated levels of national debt, prolonged real negative interest rates, and an ongoing depreciation of the yen—the Company announced in its May 13, 2024 disclosure, “Strategic Treasury Transformation and Bitcoin Adoption by Metaplanet” that it has transitioned its treasury management policy to strategically adopt Bitcoin as its primary reserve asset. This decision was made to hedge against asset risk caused by yen depreciation and to capitalize on Bitcoin’s long-term appreciation potential. Through the issuance and exercise of stock acquisition rights, the Company intends to increase its Bitcoin holdings and believes it can isolate its treasury from the yen’s decline, eliminate inflation risk, and achieve sustained enhancement of corporate value.

Accordingly, JPY 733.832 billion is planned to be allocated to Bitcoin purchases between June 2025 and June 2027. As of June 2, 2025, the Company holds 8,888 Bitcoins, with a market value of approximately JPY 133.7 billion.

③ Bitcoin Income Generation

Holding Bitcoin does not generate interest or yield by itself. Therefore, as part of its Bitcoin treasury operations, the Company has been generating revenue by selling put options. As disclosed in the "Q1 FY2025 Financial Results (Japanese GAAP, Consolidated)" dated May 14, 2025, the Company recorded JPY 770 million in profit from this business in Q1 FY2025. The Company aims to continue growing this income during the fiscal year to achieve full-year operating profitability. Consequently, it plans to allocate JPY 20 billion to this business from June 2025 through June 2027.

④ Working Capital

As general working capital, the Company plans to allocate JPY 1.5 billion to expenses such as personnel costs (approx. JPY 463 million), office rent (approx. JPY 130 million), professional service fees including audit, legal, and shareholder services (approx. JPY 410 million), general and selling expenses (approx. JPY 1.9 billion), costs related to Hotel Royal Oak Gotanda (approx. JPY 190 million), and marketing expenses (approx. JPY 114 million). This allocation is expected to be completed by December 2026.

5. Reasonableness of Use of Proceeds

As stated in "2. Purpose and Reason for the Offering" above, the Company intends to allocate the funds raised through this financing to the specific uses outlined in "4. Amount of Funds to Be Raised, Use of Proceeds, and Expected Timing of Disbursement – (2) Specific Use of Funds," in order to facilitate additional purchases of Bitcoin and increase our holdings. This is also intended to isolate our assets from the collapse in the value of the Japanese yen and thereby contribute to the stabilization of our financial base.

Accordingly, we believe that the intended use of proceeds is aimed at enhancing corporate value and is reasonable in terms of serving the interests of our existing shareholders.

Furthermore, the Company considers the market risk of Bitcoin to be largely short-term in nature, based on the historical price appreciation of Bitcoin over the past ten years. In the event that such risks materialize, we will examine our acceptable risk parameters and respond accordingly on a case-by-case basis.

6. Reasonableness of Issuance Terms, etc.

(1) Basis and Specific Details for the Judgment that the Issuance Terms are Reasonable

The Company engaged a third-party valuation agency, Akasaka International Accounting Co., Ltd. (Representative Director: Kenzo Yamamoto; Address: 1-1-8 Motoakasaka, Minato-ku, Tokyo), to evaluate the stock acquisition rights based on the terms outlined in the issuance documentation and the purchase agreement to be executed with the prospective allottee. This firm has an extensive track record of valuing third-party allotment transactions and has conducted valuations in numerous large-scale financing cases. It was selected due to its recognized expertise and experience in the issuance and valuation of stock acquisition rights. There are no material conflicts of interest between the valuation agent, the Company, or the prospective allottee.

The valuation agency evaluated various pricing models, including the Black-Scholes model and the binomial model, and ultimately selected the Monte Carlo simulation method as the most suitable model to reflect the specific conditions of the stock acquisition rights and the related purchase agreement. The simulation was conducted based on assumptions reflective of market conditions as of the valuation date (June 5, 2025), and considered the expected behavior of the allottee. The inputs included the Company's stock price (1,363 JPY), expected dividend (0 JPY), risk-free interest rate (0.8%), and volatility (109.7%). Additionally, based on the trading volume observed over the previous two years, the model assumed a daily liquidity limit of 859,000 shares (calculated by applying a 12.5% sellable volume factor). The model also incorporated stock disposal costs anticipated to arise from exercise-related market impact.

Taking into account the valuation provided by this third-party agent, and after consultation with the prospective allottee, the Company determined that the subscription price per stock acquisition right would be set equal to the calculated fair value. As a result, the issue prices were determined as follows: 114 JPY for the 20th series, 99 JPY for the 21st series, and 89 JPY for the 22nd series.

The initial exercise price was set at 1,388 JPY, which represents a 1.83% premium over the closing price of the Company's common shares on the Tokyo Stock Exchange on June 5, 2025—the trading day immediately prior to the resolution date. The minimum exercise price was set at 777 JPY. After issuance, the exercise price will be adjusted based on the average of the closing prices over the three consecutive trading days preceding each adjustment date, with the exercise price revised to 100% of that average for the 20th series, 101% for the 21st series, and 102% for the 22nd series. In no case will the exercise price be adjusted below 777 JPY.

The Company selected an initial exercise price of 1,388 JPY and set the adjustment ratios at 100% or higher based on prevailing share price levels and the strong market response to this financing announcement. This structure is intended to send a positive signal to the market, reflecting the Company's expectation that its share price may continue to appreciate leading up to and during the exercise period. The minimum exercise price of 777 JPY was determined through benchmarking against similar financing transactions and finalized through direct consultation with the prospective allottee. The Company believes this level strikes an appropriate balance between protecting shareholder value and ensuring the practical feasibility of raising capital at scale.

In determining the subscription prices for the stock acquisition rights, the Company relied on the Monte Carlo simulation-based valuation conducted by the independent valuation agency. The valuation incorporated all relevant factors that could affect fair value, and the subscription prices were set equal to those fair values following negotiations with the allottee. As such, the Company has determined that the issuance does not constitute a favorable issuance and that the subscription prices are fair and appropriate.

Additionally, all three of the Company's statutory auditors (all of whom are outside auditors) have expressed the opinion that the issuance is legally valid and does not constitute an issuance on particularly favorable terms. Their opinion is based on the fact that Akasaka International Accounting Co., Ltd., an independent third-party with no business relationship with the Company, conducted a fair value assessment using the Monte Carlo simulation method, which appropriately reflected assumptions including the exercise price, share price and volatility, and exercise period. The auditors confirmed that the resulting valuation was reasonable and that the subscription prices were appropriately determined based on that valuation.

(2) Basis for Judging the Reasonableness of the Issuance Volume and the Degree of Share Dilution

If all of the stock acquisition rights are exercised, the maximum number of shares to be issued will be 555,000,000 shares (equivalent to 5,550,000 voting rights). Based on the total number of issued shares (362,683,347) and total voting rights (3,624,984) as of December 15, 2024 (adjusted to reflect the stock split on April 1, 2025), the resulting dilution rate would be 153.03%, or 153.10% on a voting rights basis.

In addition, within six months prior to the date of this board resolution, the 12th series of stock acquisition rights allotted to EVO FUND on December 16, 2024, were fully exercised, resulting in the issuance of 29,000,000 shares (290,000 voting rights; both figures adjusted to reflect the stock split carried out on April 1, 2025). On February 17, 2025, the 13th through 17th series of stock acquisition rights allotted to EVO FUND were also fully exercised, resulting in the issuance of 210,000,000 shares (2,100,000 voting rights; post-split). If the 19th series of stock acquisition rights allotted to Eric Trump and David Bailey on May 9, 2025, are fully exercised, an additional 3,600,000 shares (36,000 voting rights) will be issued.

The total number of shares to be issued, including the maximum number of shares issuable through the exercise of the stock acquisition rights described above, amounts to 797,600,000 shares (7,976,000 voting rights), which corresponds to 219.92% relative to the total number of issued shares (362,683,347) and 220.03% relative to the total number of voting rights (3,624,984), both as of December 15, 2024.

Accordingly, the issuance of these stock acquisition rights will result in a significant level of dilution of the Company's common shares. However, because the rights are expected to be exercised incrementally over approximately two years, the associated share issuance is also expected to be conducted in stages. Therefore, the dilution resulting from the issuance of new shares will also occur gradually. In other words, it is not the case that all 5,550,000 rights will be exercised at once or that all 555,000,000 shares will be issued simultaneously. (For reference, if the total of 5,550,000 stock acquisition rights were exercised evenly over the 496 trading days during the exercise period, the average daily exercise would be approximately 11,189 rights (equivalent to 1,118,900 shares), which corresponds to a dilution rate of just around 0.31% relative to the Company's total issued shares of 362,683,347 as of December 15, 2024.)

Moreover, by using stock acquisition rights as the financing mechanism, the Company can raise funds incrementally. By including an exercise suspension clause, as described in "3. Overview and Reason for Selecting the Financing Method – (1) Overview of the Financing Method," the Company can limit the impact of dilution while securing the necessary funding at its preferred timing. Additionally, by setting the exercise price adjustment ratios at 100% or more, the structure is designed with due consideration for existing shareholders.

The Company intends to allocate the funds raised through the exercise of these rights to the uses specified in "4. Amount of Funds to Be Raised, Use of Proceeds, and Expected Timing of Disbursement – (2) Specific Use of Funds." This includes investments in key strategic areas, which are expected to enhance the Company's corporate value and contribute to the stabilization of its financial foundation. Although the scale of the offering is substantial, the Company believes that the benefits to existing shareholders will outweigh the impact of dilution, and that this issuance will contribute positively to shareholder value from a medium- to long-term perspective.

In fact, within the past year, the Company has conducted multiple financings through the issuance and exercise of stock acquisition rights. These funds have supported new initiatives in the Bitcoin-related business domain. In prior fiscal years, the Company had continuously recorded operating losses, ordinary losses, and negative operating cash flows, which raised substantial doubts about its ability to continue as a going concern. However, in the fiscal year ended December 2024, the Company successfully returned to profitability at both the operating and ordinary income levels, and also achieved positive operating cash flow. Additionally, the Company's financial position has improved through capital increases resulting from stock acquisition rights exercises.

Furthermore, the prospective allottee is expected to sell the shares acquired through the exercise of stock acquisition rights on the open market from time to time. While this may result in a substantial number of new shares being issued, it is also expected that the shares will gradually flow into the market through these sales. This will provide more investors with opportunities to invest in the Company's shares, leading to improved market liquidity and, potentially, a positive effect on the Company's share price.

Indeed, despite multiple financings involving the issuance and exercise of stock acquisition rights over the past six months, the Company's share price and trading volume have remained strong. The

average daily trading volume over the past six months was 47,264,271 shares; over the past three months, 52,884,406 shares; and over the past month, 71,215,995 shares. The share price has also increased by approximately 416% compared to six months ago, 206% compared to three months ago, and 186% compared to one month ago, showing favorable market reception.

During the exercise period of the stock acquisition rights, the Company expects that sufficient market liquidity and positive price trends will allow the prospective allottee to smoothly sell shares in the market. Based on the above, the Company has concluded that the dilution resulting from this financing is not excessive in light of market conditions and is reasonable from the standpoint of enhancing shareholder value.

Because the dilution ratio exceeds 25%, in accordance with Article 432 of the Securities Listing Regulations set by the stock exchange, the Company has established a third-party committee composed of three attorneys—Mr. Yosuke Koike, Ms. Maho Takenoshita, and Mr. Akito Hiratsuka—who are affiliated with Koike Ito Law Office and are independent from the Company and its stakeholders. This committee has previously reviewed the Company's financing activities and has a track record of deliberation. After careful review of the reasonableness of the degree of dilution, the appropriateness of the financing method, and the suitability of the prospective allottee, the committee expressed the opinion, as stated in "10. Matters Related to Procedures under the Corporate Governance Code," that the necessity and appropriateness of this financing have been confirmed. Accordingly, the Company has concluded that the dilution resulting from this issuance of stock acquisition rights is not excessive in terms of its impact on the market and is reasonable from the perspective of enhancing shareholder value.

7. Reason for Selecting the Prospective Allottee, etc.

(1) Overview of the Prospective Allottee

(a)	Name	EVO FUND (Evo Fund)	
(b)	Address	c/o Intertrust Corporate Services (Cayman) Limited One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands	
(c)	Legal Incorporation	Exempted limited liability company under the laws of the Cayman Islands	
(d)	Formation Purpose	Investment purposes	
(e)	Formation Date	December 2006	
(f)	Total Investment	Paid-in capital: 1 USD Approximately USD 124.9 million (as of March 31, 2025)	
(g)	Investors/Investment Ratio	Voting rights: 100% Evolution Japan Group Holding Inc. (100% of the voting rights of Evolution Japan Group Holding Inc. are indirectly held by Michael Lerch)	
(h)	Representatives	Representative Director Michael Lerch Representative Director Richard Chisholm	
(i)	Overview of Domestic Agent	Name	EVOLUTION JAPAN Securities Co., Ltd.

		Location	4-1 Kioicho, Chiyoda-ku, Tokyo
		Representative's title and name	Representative Director and President Sean Lawson
		Business content	Financial products trading business
		Capital	999,058,875 JPY
(j)	Relationship between the Company and the Fund	Relationship between the Company and the Fund:	As of May 23, 2025, the prospective allottee holds 19,000,000 shares of the Company's common stock.
		Relationship between the Company and the Fund Representative	None applicable.
		Relationship between our company and domestic agents	None applicable.

(Note) The information in the "Overview of the Prospective Allottee" section is as of June 5, 2025, unless otherwise noted.

※ The Company has received a written pledge from EVO FUND, the prospective allottee—which is 100% indirectly owned and operated by Michael Lerch, and whose officer is Richard Chisholm—stating that neither the fund nor its officers have any relationship whatsoever with antisocial forces.
Additionally, the Company commissioned JP Research & Consulting Co., Ltd. (Representative Director: Keisuke Furuno; Address: Toranomon Annex 6F, 3-7-12 Toranomon, Minato-ku, Tokyo), a third-party investigative agency specializing in corporate and credit investigations, to conduct a background check on EVO FUND, Michael Lerch, and Richard Chisholm. On June 4, 2025, the Company received a report confirming that no facts suggesting any involvement with antisocial forces were found with respect to the prospective allottee, its investor(s), or officers, based on database cross-checks and other investigations conducted by the firm.
Based on this comprehensive evaluation, the Company has determined that there are no connections between the prospective allottee, its investors, or its officers and any antisocial forces, and has submitted the relevant confirmation to the stock exchange.

(2) Reason for Selecting the Prospective Allottee

As described in "2. Purpose and Reason for the Offering" and "4. Amount, Use, and Expected Timing of Disbursement of Raised Funds – (2) Specific Use of Funds," the Company reviewed multiple options for a flexible and reliable financing method to meet its capital needs.

While exploring such options, the Company received a proposal from EJS in May 2025 regarding fundraising through stock acquisition rights. Following internal discussions and comparative analysis, the Company determined that the proposed scheme offered a highly probable means of securing the necessary capital, while also minimizing short-term impact on the share price and avoiding undue burden on existing shareholders. Therefore, it was judged to be an effective method of financing.

The prospective allottee, EVO FUND, has a proven track record of supporting the Company's capital raising efforts by continuously subscribing to newly issued shares, stock acquisition rights, and corporate bonds. Given that this scheme allows the Company to raise funds incrementally through the exercise of the stock acquisition rights, it aligns well with the Company's financing needs. After weighing the advantages and disadvantages and discussing with the prospective allottee, the Company concluded that this financing method is the optimal choice.

The prospective allottee, EVO FUND, is an exempted limited liability company incorporated under the laws of the Cayman Islands in December 2006, primarily for the purpose of investing in listed stocks. EVO FUND has a history of contributing to capital formation in multiple cases by exercising all of the stock acquisition rights allotted through third-party placements. The fund is 100% owned by Michael Latch and does not have any other investors. Aside from short-term borrowings from its prime broker, all operating funds are internally sourced.

EJS, a related party of the allottee, served as the arranger for this financing as part of its business of facilitating acquisitions by affiliated companies. EJS is a wholly owned subsidiary of Tiger In Enterprise Limited, located in the British Virgin Islands (Craigmuir Chambers, PO Box 71, Road Town, Tortola VG1110, British Virgin Islands; Representatives: Michael Lerch and Richard Chisholm).
(Note: The allotment of these stock acquisition rights was arranged through EJS, a member of the Japan Securities Dealers Association (JSDA), and this offering is conducted in accordance with the JSDA's "Rules Concerning the Handling of Third-Party Allotment Capital Increases" (self-regulatory rules).)

(3) Investment Policy and Exercise Restrictions of the Prospective Allottee

The prospective allottee has indicated that its purpose is purely for investment and that it does not intend to hold the common shares of the Company acquired through the exercise of these stock acquisition rights for an extended period. In fulfilling its fiduciary duties to its investors, the allottee will determine the timing of share disposals based on market conditions of the holdings and, in principle, will sell the shares in the market. However, it has verbally confirmed that such sales will be conducted with due consideration to their impact on the market.

Furthermore, the Company and the prospective allottee will enter into a purchase agreement concerning these stock acquisition rights that includes the following provisions:

(a) In accordance with Article 434, Paragraph 1 of the Securities Listing Regulations and Article 436, Paragraphs 1 through 5 of the Enforcement Regulations of the Tokyo Stock Exchange, the Company shall, in principle, prohibit the prospective allottee from exercising stock acquisition rights that would result in the allottee acquiring, within a single calendar month, a number of shares exceeding 10% of the total number of listed shares as of the payment date for the stock acquisition rights. In calculating this 10%, if there are other convertible securities (e.g., bonds with stock acquisition rights subject to exercise price adjustment clauses) with overlapping exercise periods issued within the same month (including other stock acquisition rights under this issuance), the total number of shares deliverable through their exercise shall also be included.

(b) The prospective allottee agrees not to engage in any such excessive exercises unless otherwise exempted, and further agrees to confirm with the Company in advance whether any intended exercise falls under this restriction.

(c) In the event the prospective allottee transfers any of the stock acquisition rights, it must ensure the transferee agrees in advance to assume the same obligations related to restricted exercises as exist between the Company and the prospective allottee. If the transferee then wishes to transfer the rights again, it must also ensure the same obligations are assumed by the subsequent transferee.

Additionally, the purchase agreement will require that any transfer of the stock acquisition rights be subject to approval by the Company's Board of Directors. If the prospective allottee wishes to transfer all or part of the stock acquisition rights, the Company will review the transferee's identity, the source of funds for exercising the rights, and the transferee's holding policy for the acquired shares. Approval will only be granted if the Board determines the transferee to be appropriate. If such approval is given, the Company will promptly disclose the details of the transfer.

At present, the prospective allottee has verbally confirmed that it does not intend to transfer any of the stock acquisition rights.

(4) Confirmation of the Availability of Funds Required for Payment by the Prospective Allottee

The Company has reviewed balance reports dated April 30, 2025, from multiple prime brokers, which detail the net assets (cash, securities, etc., minus liabilities such as borrowings) held by the prospective allottee. Based on this review, the Company has determined that the prospective allottee possesses sufficient funds to make full payment of the total subscription amount (issue price) for the stock acquisition rights on the allotment date, as well as to cover the funds required for the exercise of such rights.

Furthermore, regarding the exercise of the stock acquisition rights, the prospective allottee is expected to repeatedly follow a cycle of exercising the rights and then recovering funds by selling the shares acquired through such exercise. As such, a large amount of capital is not required all at once. Therefore, the Company has judged that the prospective allottee possesses adequate funds to execute the exercise of the stock acquisition rights.

Although the prospective allottee is currently underwriting stock acquisition rights of several companies in addition to the Company, the same exercise-and-sale cycle is expected to be employed for each. Consequently, even after deducting the total amount needed for those transactions from the prospective allottee's net asset balance, the Company has concluded that there remains more than sufficient funding capacity to make full payment of the total subscription amount (issue price) and to fund the exercise of the stock acquisition rights in this case.

(5) Share Lending Agreement

In connection with the issuance of these stock acquisition rights, the Company's major shareholder, MMXX Ventures Limited, and the prospective allottee, EVO FUND, are scheduled to enter into a share lending agreement. (Contract period: June 9, 2025 – June 30, 2027; Maximum number of shares to be loaned: 30,000,000 shares; Collateral: None.)

8. Major Shareholders and Shareholding Ratios

Before the Offering (As of March 31, 2025)	
MMXX VENTURES LIMITED (Standing Proxy: EVOLUTION JAPAN Securities Co., Ltd.)	9.14%
INTERACTIVE BROKERS LLC (Standing Proxy: Interactive Brokers Securities Co., Ltd.)	7.17%
BNP PARIBAS LONDON BRANCH FOR PRIME BROKERAGE CLEARANCE ACC FOR THIRD PARTY (Standing Proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	4.15%
STATE STREET BANK AND TRUST COMPANY 505001 (Standing Proxy: Mizuho Bank, Ltd.)	3.77%
Simon Gerovich	3.38%
David Jonathan Spencer (Standing Proxy: EVOLUTION JAPAN Securities Co., Ltd.)	3.26%
TRIUMPH KING WORLDWIDE CORP (Standing Proxy: Citibank, N.A. Tokyo Branch)	2.08%

BNYM AS AGT/CLTS 10 PERCENT (Standing Proxy: MUFG Bank, Ltd.)	2.03%
Batara Eto	1.63%
Rakuten Securities, Inc.	1.42%

(Notes):

1. The shareholding ratios are based on the shareholder register as of March 31, 2025.
2. The purpose of holding the stock acquisition rights by the prospective allottee is for investment. The allottee has stated its intention to sell the common shares of the Company acquired through the exercise of the rights. Therefore, since the allottee is not expected to hold such shares long-term following exercise, the post-offering major shareholders and shareholding ratios are not disclosed.
3. Shareholding ratios are rounded to the nearest third decimal place.
4. The number of shares held by MMXX VENTURES LIMITED is based on the large shareholding report dated April 23, 2025, and the number of shares held by Simon Gerovich is based on the large shareholding report dated April 28, 2025.

9. Future Outlook

The impact of this third-party allotment on the Company's consolidated financial results for the fiscal year ending December 2025 is expected to be minimal. However, should any matters arise that require disclosure, the Company will promptly make such announcements.

10. Matters Related to Procedures Under the Corporate Governance Code

As this financing will result in dilution of 25% or more, in accordance with Article 432 of the Securities Listing Regulations established by the stock exchange, either (i) an opinion from an independent party regarding the necessity and appropriateness of the allotment or (ii) confirmation of shareholder intent through a resolution at a general meeting of shareholders is required.

The Company has determined that, unlike a direct issuance of shares, this third-party allotment does not immediately result in dilution. Given the Company's current financial condition and the need to execute this financing in a timely manner, obtaining a shareholder resolution at a general meeting would require approximately two months, along with significant costs associated with convening an extraordinary general meeting. After careful consideration, the Company chose to obtain an opinion from a third-party committee that is reasonably independent of management, regarding the necessity and appropriateness of this financing.

Accordingly, the Company established the third-party committee described in "6. Reasonableness of Issuance Terms – (2) Basis for Judging the Reasonableness of the Issuance Volume and the Degree of Share Dilution," and requested an objective opinion on the necessity and appropriateness of the financing. The Company received a formal opinion dated June 5, 2025.

(Summary of the Third-Party Committee's Opinion)

1. Opinion Content:

The necessity and appropriateness of this third-party allotment are recognized.

II. Reasoning Behind the Opinion

On the Need for Financing

According to the Company, in light of global developments, "prudently and swiftly accumulating as much Bitcoin as possible on behalf of shareholders" is viewed as the most rational means of enhancing long-term corporate value.

The global economy is entering a structural transition, shifting from a traditional capital-and-labor-based supply structure to a new digital economy supported by information technology. The postwar monetary system is also at a major turning point, driven by factors such as rising geopolitical risk, trade policy revisions, and concerns over cumulative debt burdens. In this environment, funds are flowing out of traditionally safe assets such as long-term government bonds, and gold has reached record highs against major currencies.

Against this backdrop, Bitcoin—a scarce asset that is easy to store and transfer and does not require trusted intermediaries—is rapidly gaining strategic value.

In this context, the Company is convinced that Bitcoin will play a central role in the restructured financial system and began its new chapter as a Bitcoin treasury company in April 2024. Its strategy is clear: to "prudently and swiftly accumulate as much Bitcoin as possible on behalf of shareholders," which it positions as the most rational approach to increasing corporate value over the medium to long term.

Under this strategy, the Company issued stock acquisition rights on February 17, 2025, under its "21 Million Plan." All rights were quickly exercised, demonstrating strong market liquidity and widespread support for the Company's vision. As detailed in the May 20, 2025 disclosure, "Notice Regarding Full Exercise of the 13th to 17th Series of Stock Acquisition Rights (with Adjustable Strike Prices and Suspension Clauses) Issued Under the 21 Million Plan," the Company was able to significantly increase its Bitcoin holdings through this success and believes that its "Bitcoin First" and "Bitcoin Only" strategic direction has been validated by the market.

Building on that momentum, the Company launched a new "555 Million Plan" on June 6, 2025. This plan significantly revises upward the Bitcoin accumulation targets set out in the "21 Million Plan" and aims to accelerate Bitcoin purchases through additional financing. Specifically, whereas the "21 Million Plan" led to the issuance of 210 million shares, the "555 Million Plan" aims to issue 555 million shares. In line with this, the initial goal of holding 21,000 BTC by the end of 2026 has been revised upward to a new target of 100,000 BTC.

Furthermore, according to the Company, it now aims to hold over 210,000 BTC by the end of 2027, thereby joining the so-called "1% Club," which refers to entities that hold 1% of Bitcoin's total capped supply of 21 million. Initially, the Company aimed to hold 0.1% of Bitcoin's supply by 2026, but following the results of the "21 Million Plan," it is now targeting even more ambitious goals under the "555 Million Plan." Through this effort, the Company intends to solidify its position as a leading Bitcoin-focused company in Asia.

Naturally, Bitcoin is subject to significant price volatility, and the risk of price declines must be noted. If the price falls below expectations, the value of the Company's holdings may decline, resulting in unrealized losses.

However, the Company maintains a long-term view of Bitcoin's future value and has stated that it will not sell its holdings regardless of the current price. It anticipates that the price will eventually exceed current levels.

The majority of funds raised through this offering are expected to be used strategically for Bitcoin purchases. As disclosed in its April 8, 2024 "Notice Regarding the Purchase of Bitcoin," the Company has already committed to making Bitcoin the core of its financial strategy. This intent was further clarified in the May 13, 2024 release "Strategic Shift in Financial Management and Bitcoin Utilization" and the December 18, 2024 notice "Commencement of Bitcoin Treasury Operations." The Company has emphasized its strategic financial approach of "Bitcoin First" and "Bitcoin Only," utilizing debt and recurring equity issuance, minimizing its yen holdings, and focusing on a Bitcoin-based treasury and business model.

As a Bitcoin Treasury Company, the Company is committed to leading Japan's Bitcoin strategy, and will continue to raise yen to convert into BTC, preserving asset value and steadily increasing its BTC position.

In this context, swiftly increasing Bitcoin holdings is not only central to the Company's business model—it is the business itself. Thus, financing to achieve that objective is deemed highly necessary.

Accordingly, the necessity of this third-party allotment is recognized.

2. Appropriateness of the Means

(1) Regarding the Financing Method

The current financing method involves the Company allocating stock acquisition rights to EVO FUND, the prospective allottee. The Company's capital will increase upon exercise of those rights. The Company plans to enter into a purchase agreement with EVO FUND after the securities registration statement for this stock acquisition right becomes effective. This agreement will include the following provisions:

① Adjustment of Exercise Price

The exercise price of the stock acquisition rights will first be adjusted on the second trading day (inclusive) after the allotment date and will be continuously adjusted every three trading days thereafter. On each adjustment date, the exercise price will be revised to the average closing price of the Company's common shares during the valuation period, multiplied by:100% for the 20th series, 101% for the 21st series, and 102% for the 22nd series. Any amount less than one yen is rounded down. If no closing price is available on all days during the valuation period, no adjustment will be made.

In general, stock acquisition rights with exercise price adjustment clauses are often issued with discounts from market prices. However, these stock acquisition rights will be issued without discounts, and in the case of the 21st and 22nd series, with premiums. This allows the exercise price to closely reflect market prices, minimizing dilution for existing shareholders. The absence of discounts or the inclusion of premiums also increases potential funding capacity.

A minimum exercise price of JPY 777 will be set and adjusted according to the exercise price adjustment rules in Article 11 of the issuance terms. The minimum price was determined through discussions with the allottee, referencing comparable financing cases and aiming to enhance the likelihood of successful financing.

② Company-Initiated Suspension of Exercise (Exercise Suspension Clause)

If the Company requests a suspension of exercise (hereinafter "suspension designation"), the allottee may not exercise any or all of the unexercised rights during the designated suspension period. The Company can invoke this suspension multiple times and at any time.

The suspension period starts five trading days after the Company notifies Evolution Japan Securities Co., Ltd. (President: Sean Lawson; 4-1 Kioicho, Chiyoda-ku, Tokyo; hereinafter "EJS") and lasts until the date specified by the Company (inclusive). Each suspension will be disclosed via press release and can be applied per individual series. Dividing the rights into three series allows flexible exercise timing and dilution control, providing transparency for investors.

③ Prohibition on Excessive Exercise

The purchase agreement includes provisions prohibiting "excessive exercise":

(a) The Company, in accordance with Article 434(1) and Article 436(1)–(5) of the Listing Rules, will not allow the allottee to exercise rights that would result in new shares exceeding 10% of the total listed shares in any single calendar month.

(b) The allottee agrees not to conduct excessive exercise except under pre-approved exceptions and will confirm with the Company in advance whether any exercise would fall under this restriction.

(c) If the allottee transfers the rights, it must impose the same obligations on the transferee, including onward transfers to third parties. Prior approval of the Board of Directors is required for any such transfers.

Advantages and Disadvantages of the Scheme

Advantages:

- No Discount; Includes Premium: Whereas stock acquisition rights with exercise price adjustment clauses typically involve an 8–10% discount to market price, in this case, shares will be delivered at 100–102% of the average closing price during the pricing period. This lack of discount—and even the presence of a premium—makes this favorable for existing shareholders.

- Capped Share Issuance: The maximum number of shares to be delivered is fixed at 555,000,000, regardless of share price fluctuations.
- Callable by the Company: If the need for fundraising disappears, the Company's Board of Directors can designate a date and notify the allottee to acquire all or part of the stock acquisition rights at the issue price, without any cancellation fees or additional charges.
- Upside Participation: As the exercise price is linked to the market price, an increase in stock price will result in higher proceeds raised.
- Rapid Capital Access: If the share price rises significantly, the prospective allottee may choose to exercise early to realize capital gains, resulting in quicker funding.
- Dilution Management: A minimum exercise price has been set, preventing dilution below this level even in the event of price declines. In addition, the exercise suspension clause allows the Company to control the timing and volume of exercises. By applying suspension designations by series, the scheme mitigates sudden dilution and related stock price drops. Furthermore, it communicates clearly to investors that the dilution will proceed gradually in alignment with funding needs, as the stock acquisition rights have been divided into three series.
- Transfer Restrictions: The stock acquisition rights cannot be transferred to a third party without prior approval from the Company's Board of Directors.

Key Disadvantages of the Scheme:

- No Immediate Capital: Since funds are only raised upon exercise, full funding cannot be secured at the time of issuance.
- Execution Risk in Weak Markets: The prospective allottee is presumed to be a short-term investor. Selling the acquired shares in the market may cause the stock price to fall. However, this impact can be partially mitigated by the lack of discount, the inclusion of an exercise suspension clause, and the division of the issuance into multiple tranches.
- Not Broad-Based Funding: As this is a third-party allotment, funds cannot be raised from a wide range of investors.
- Dilution: If all stock acquisition rights are exercised, a total of 555,000,000 shares (equivalent to 5,550,000 voting rights) will be issued. Based on the total number of issued shares and voting rights as of December 15, 2024—362,683,347 shares and 3,624,984 voting rights (both figures adjusted post-stock split on April 1, 2025)—this represents a dilution rate of 153.03% on a share count basis and 155.10% on a voting rights basis. As such, the Company's common shares will be subject to a certain degree of dilution. However, the Company believes the level of dilution will remain within a range that does not impose excessive impact on the market.

According to the Company, after considering the above features, advantages, and disadvantages of this fundraising method, and comparing it with other financing options, the third-party allotment scheme was selected.

① Issuance of New Shares

(a) Public Offering: A public offering enables a large amount of capital to be raised at once, but the amount that can be raised depends on market capitalization and share liquidity. Considering the Company's current situation, securing the required amount is deemed difficult. Additionally, public offerings require preparation time and are significantly affected by market trends and share price movements. Missing the optimal timing could result in months of delay. Furthermore, it is currently difficult to find a securities company willing to underwrite the Company's common shares. For these reasons, from the standpoint of flexibility and certainty, this method was deemed inappropriate.

(b) Shareholder Allotment:On September 6, 2024, the Company carried out a capital increase by granting stock acquisition rights to all shareholders free of charge. While there have been many requests for this method to be used again, the Company prioritized prompt execution for the current financing and therefore decided not to reapply this approach at this time. However, the method remains under consideration as a future option and may be implemented again if conditions are favorable.

(c) Third-Party Share Allotment (Ordinary): A third-party allotment can also raise funds in a single tranche, but it results in immediate dilution of earnings per share at the time of issuance and may pose a direct risk of downward pressure on the share price. Moreover, no suitable allottee has been identified at this time. The prospective allottee for the current scheme has expressed willingness to provide capital only through staged exercises of stock acquisition rights, with the assumption that the acquired shares will be sold from time to time depending on market conditions. Given these circumstances, the Company has determined that a third-party allotment of newly issued shares is not appropriate at this time.

② Bonds with Stock Acquisition Rights (including MSCBs):

This method allows the full amount to be paid in at issuance, making it suitable for addressing short-term funding needs. However, if conversion does not occur, the bonds must be redeemed, placing a burden on the Company as debt. Particularly in the case of moving strike convertible bonds (MSCBs), because the number of shares delivered upon conversion fluctuates based on the conversion price, a downward adjustment to the conversion price would increase the number of potential shares and exert significant downward pressure on the share price. Taking such risks into account comprehensively, the Company determined that this is not a suitable method for the current financing

③ Rights Issue (Free Stock Acquisition Right Allocation):

A rights issue involving the free allotment of stock acquisition rights to all shareholders generally takes two forms: a commitment-type issue with underwriting guarantees and a non-commitment-type issue where exercise is at the discretion of shareholders. The former has seen very limited implementation in Japan and carries a high cost burden, such as underwriting fees. In addition, liquidity and market capitalization constraints limit the total capital that can be raised. The latter lacks certainty because the shareholder participation rate is difficult to predict. For these reasons, the Company has determined that neither approach is appropriate as a financing method at this time. However, the Company has already carried out such an allotment on September 6, 2024, and intends to continue considering this method as a potential future option.

④ Debt Financing (Loans / Corporate Bonds / Subordinated Debt):

Financing through debt instruments was deemed inappropriate for this transaction because, considering the size of the desired funding, there are concerns that such an approach would impair the Company's financial soundness. In particular, there is a risk that an increased debt ratio would weaken the Company's credit profile.

The Company's consideration of the above alternative financing methods was reasonable, thorough, and without omissions, and is thus deemed appropriate.

Taking into account the fact that the issuance is at a premium, that there is a cap on the number of shares to be issued, that a call option may be exercised, that the exercise price is linked to the market price allowing the amount of capital raised to increase if the share price rises, that early exercise may enable rapid fundraising, that the existence of a minimum exercise price helps limit adverse effects on the share price, and that administrative control is ensured through transfer restrictions—along with the fact that other financing methods were thoroughly considered—it is reasonable and appropriate for the Company to have selected this third-party allotment structure, whereby stock acquisition rights are allocated to the prospective allottee and the Company's capital increases as a result of the exercise of those rights.

(2) Reason for Selecting the Prospective Allottee

The Company considered multiple options for fast and reliable fundraising and, in that process, received a proposal from EJS in May 2025 regarding fundraising through the issuance of stock acquisition rights. According to the Company, following a detailed internal evaluation, it determined that this scheme offered a high probability of securing the necessary capital, while suppressing short-term impact on the share price and limiting the effect on existing shareholders.

The prospective allottee, EVO FUND, has a record of contributing to the Company's financing efforts by consistently subscribing to newly issued shares, stock acquisition rights, and bonds. The current stock acquisition rights scheme was evaluated as well-matched to the Company's funding needs, as it enables flexible fundraising through staged exercises.

EVO FUND is an exempted limited liability company incorporated under the laws of the Cayman Islands in December 2006, primarily for the purpose of investing in listed equities. The sole investor is Michael Larch, and the fund is operated in principle using its own capital, with short-term borrowings from a prime broker utilized as necessary. EVO FUND has participated in many third-party allotment transactions and has contributed to issuers' fundraising by exercising stock acquisition rights.

The arranger for this transaction is EJS, a related company of EVO FUND. EJS is a wholly owned subsidiary of Tiger In Enterprise Limited, a company incorporated in the British Virgin Islands, and is involved in this offering as the arranger under the self-regulatory rules of the Japan Securities Dealers Association (JSDA).

EVO FUND has stated that it is participating as a pure investment and does not intend to hold the shares acquired through exercise on a long-term basis. Rather, it has a basic policy of selling the acquired shares in stages in the market, and has verbally confirmed that it will be mindful of market impact when conducting such sales.

The Company and the prospective allottee are expected to enter into a contract concerning the stock acquisition rights, which will include the following provisions: (a) EVO FUND may not exercise stock acquisition rights in a volume exceeding 10% of the total number of listed shares at the time of payment within a single calendar month; (b) prior to each exercise, the prospective allottee must confirm with the Company whether the transaction exceeds the limitation; and (c) in the event of a transfer, the transferee must assume the same obligations, and any further transferees must also inherit those obligations. In addition, any transfer of the stock acquisition rights requires approval by the Company's Board of Directors, which will conduct a review of the transferee's identity, source of funds, and holding policy, and grant approval only if deemed appropriate. The Company has received verbal confirmation that the prospective allottee does not currently plan to transfer the stock acquisition rights.

With respect to funding, the Company reviewed asset reports from several prime brokers as of April 30, 2025, and judged that sufficient backing exists for both the payment of the total subscription amount on the allotment date and the funds required for future exercises.

Furthermore, since the stock acquisition rights are to be exercised in stages, and funds will be recovered through the market sale of shares acquired via each exercise, the scheme is not expected to require a large sum of capital all at once. While the prospective allottee also holds stock acquisition rights issued by several other companies, those are similarly premised on distributed exercises and sales, and the overall funding burden is limited. Based on these factors, the Company has determined that the financial status of the prospective allottee is sufficient, and that there are no concerns regarding the issuance or exercise of the stock acquisition rights.

Taking into account the explanation received from the Company, the details of its review, and the contents of the submitted materials, it is considered that there is a reasonable basis for the selection of the prospective allottee.

3. On the Appropriateness of the Issuance Terms

(1) Regarding the Issue Price and Exercise Price of the Stock Acquisition Rights

The Company commissioned a third-party valuation agency, Akasaka International Accounting Co., Ltd., to evaluate the stock acquisition rights to be issued through this third-party allotment, taking into account the terms set forth in the issuance outline and the purchase agreement to be concluded with the prospective allottee, and received a valuation report which it then reviewed. The third-party valuation agency is recognized as having extensive experience in evaluating stock acquisition rights for third-party allotments and possesses sufficient expertise and experience in both the practice and valuation of such rights. There are no material conflicts of interest between the Company and the valuation agency.

Furthermore, while the Company has previously engaged Tokyo Financial Advisors Co., Ltd. for valuations in prior financing transactions, it retained a different party, Akasaka International Accounting, for this transaction, thereby making the absence of any conflict of interest even more apparent.

In selecting the valuation model, the agency compared and reviewed other models such as the Black-Scholes model and the binomial model. It ultimately selected the Monte Carlo simulation method—commonly used in financial markets—as the most appropriate model to reflect the relative weighting of the terms and conditions in the issuance outline and purchase agreement. The valuation was based on the following inputs: the closing price of the Company's common shares on the Tokyo Stock Exchange on June 5, 2025 (1,363 JPY); a risk-free interest rate of 0.8%; an expected dividend yield of 0%; a volatility rate of 109.7%; and an estimated number of shares that could be sold per day (859,000 shares), calculated based on the average daily trading volume over the past two years and assuming a sellable ratio of 12.5%. The valuation also assumed stock disposal costs incurred due to the exercise of rights and sale of shares by the prospective allottee, using a market impact model.

According to the Company, it referred to the valuation results based on these assumptions and, after discussions with the prospective allottee, set the subscription price per stock acquisition right equal to the valuation. As a result, the 20th series was priced at 114 JPY, the 21st at 99 JPY, and the 22nd at 89 JPY. The initial exercise price was set at 1,388 JPY, representing a 1.83% premium over the June 5, 2025 closing price. The minimum exercise price was set at 777 JPY. The initial exercise price was set at 1,388 JPY, and in subsequent adjustments, the exercise price will be revised to 100% (20th series), 101% (21st series), and 102% (22nd series) of the average closing price over the three consecutive trading days prior to each adjustment date. In all cases, the exercise price will not fall below the minimum of 777 JPY.

The decision to set the initial exercise price at 1,388 JPY and to apply adjustment ratios of 100% or more was based on the Company's judgment that, in light of the current stock price and the favorable market reception of this financing, as well as the potential for further share price increases before the start of the exercise period, it was necessary to send a clear and constructive message to the market. The minimum exercise price of 777 JPY was determined through benchmarking with similar fundraising transactions and discussions with the prospective allottee. Given the scale of the offering, the Company considers this level appropriate to ensure a high likelihood of successful capital formation.

According to the Company, in determining the issue price of the stock acquisition rights, the valuation agency used the Monte Carlo simulation method, a widely accepted approach, and incorporated assumptions for events that could affect fair value. The resulting valuation was recognized as a reasonable and fair price. As the subscription price was set equal to this valuation and was determined through consultation with the prospective allottee, the Company concluded that the issuance does not constitute a favorable issuance and that the issue price is fair and appropriate.

All three of the Company's corporate auditors (all of whom are outside auditors) expressed the opinion that the issuance of the stock acquisition rights does not constitute a favorable issuance and is legally valid. Their opinions are based on the fact that Akasaka International Accounting Co., Ltd., an independent external party with no business relationship with the Company, conducted the valuation using the Monte Carlo simulation method, taking into account key assumptions such as the exercise price, the Company's stock price and volatility, and the exercise period. They determined that the resulting valuation was a reasonable and fair price, and that the subscription price was set accordingly.

The Company's consideration of the issue price of the stock acquisition rights revealed no clear misunderstandings or procedural deficiencies. Based on the Company's explanations and the materials it provided, the exercise price and issue price for this third-party allotment of stock acquisition rights are considered reasonable.

(2) On Dilution

If all of the stock acquisition rights are exercised, a total of 555,000,000 shares (equivalent to 5,550,000 voting rights) will be issued, which constitutes a substantial amount. Based on the total number of issued shares and voting rights of the Company as of December 15, 2024—362,683,347 shares and 3,624,984 voting rights (both figures post–April 1, 2025 stock split)—the dilution rate would be 153.03% on a share basis and 155.10% on a voting rights basis.

Prior to this, on December 16, 2024, 29,000,000 shares (290,000 voting rights) were issued through the full exercise of the 12th series of stock acquisition rights allotted to EVO FUND. Additionally, on February 17, 2025, the 13th through 17th series of stock acquisition rights allotted to the same entity were exercised, resulting in the actual issuance of 209,031,000 shares (2,090,310 voting rights). Furthermore, if the 19th series of stock acquisition rights allotted to Eric Trump and David Bailey on May 9, 2025 are fully exercised, an additional 3,600,000 shares (36,000 voting rights) will be issued.

The total number of shares and voting rights to be issued if all these are combined with the maximum number of shares to be issued under the current stock acquisition rights would be 796,631,000 shares (7,966,310 voting rights). Compared to the number of shares and voting rights issued by the Company as of December 15, 2024—362,683,347 shares and 3,624,984 voting rights (calculated based on 181,692,187 shares as of June 30, 2024, plus 180,991,160 shares and 1,809,911 voting rights issued from the exercise of the 11th series on October 22, 2024, and reflecting the stock consolidation on August 1, 2024 and the stock split on April 1, 2025)—this results in a dilution rate of 219.65% on a share basis and 219.76% on a voting rights basis.

Accordingly, it cannot be denied that the issuance of these stock acquisition rights will lead to significant dilution of the Company's common shares, and this could be perceived as detrimental to shareholder value, thus requiring careful consideration.

However, according to the Company's explanation and provided materials, these stock acquisition rights are designed to be exercised incrementally over approximately two years, meaning that the resulting issuance of new shares will also be distributed over time. Therefore, dilution will not occur all at once. That is, it is not expected that all 5,550,000 rights will be exercised simultaneously, nor that all 555,000,000 shares will be issued at once. As a reference point, the average daily exercise (based on a 496-day exercise period) would be 11,189 rights, which corresponds to 1,118,900 shares. This would represent a dilution of only around 0.31% per day relative to the 362,683,347 issued shares as of December 15, 2024—a level not considered excessive.

Furthermore, by using stock acquisition rights, the Company is able to raise capital incrementally. With the inclusion of the "exercise suspension clause" outlined in the financing summary, the Company is able to suppress the impact of dilution while obtaining funds at its preferred timing. In addition, the fact that the exercise price adjustment ratios are set at 100% or more demonstrates consideration for existing shareholders.

The Company has stated that the proceeds from the issuance of these stock acquisition rights will be used to invest in business areas and strengthen its financial foundation, thereby enhancing corporate value. While the scale of the issuance is large, the Company believes that the benefits will outweigh the dilutive impact and will ultimately return value to shareholders in the medium to long term. Although this view could be seen as optimistic, the Company has, in fact, conducted multiple rounds of stock acquisition right–based financing over the past year, using the proceeds to launch new Bitcoin-related businesses. As a result, while it had previously reported operating losses, ordinary losses, and negative operating cash flows, in the fiscal year ending December 2024, it returned to profitability in all of these areas. Additionally, the Company has improved its financial base through capital reinforcement.

Moreover, since the prospective allottee intends to sell acquired shares gradually on the market, it is expected that the share issuance and supply to the market will proceed in parallel. This is anticipated to increase access for a diverse range of investors, which is expected to improve liquidity and lead to a stable rise in the share price. In fact, despite the issuance and exercise of multiple stock acquisition rights over the past six months, the Company's share price and trading volume have remained strong. The average daily trading volume was 47,264,271 shares over the past six months, 52,884,406 shares over the past three months, and 71,215,995 shares over the past month. Meanwhile, the share price has increased by approximately 416% compared to six months ago, 206% compared to three months ago, and 186% compared to one month ago.

As such, the Company's explanation that sufficient market liquidity and favorable share price

levels will be maintained during the exercise period, allowing the prospective allottee to smoothly sell shares, and that the resulting dilution will not place excessive pressure on the market but rather be reasonable in terms of enhancing shareholder value, is not considered unreasonable.

Based on the above, the Company has concluded that the scale of dilution from this stock acquisition rights–based financing will not have an excessively adverse effect on the market and is reasonable from the perspective of enhancing shareholder value. This conclusion does not appear to be unreasonable

Therefore, based on the explanations and materials provided by the Company, the dilution associated with this third-party allotment is considered to be reasonable.

(4) Conclusion

Taking into account the overall results of the review described above, it is considered that this third-party allotment is both necessary and appropriate. Based on the discussion and deliberation referencing the above opinion letter, the Company resolved to carry out this financing at the meeting of the Board of Directors held on June 6, 2025.

11. Operating Results and Equity Financing Over the Most Recent Three Fiscal Years

(1) Consolidated Operating Results for the Most Recent Three Fiscal Years

	FY 24 FY 2022	FY 25 FY 2023	FY 26 FY 2024
Revenue (JPY, thousands)	366,121	261,633	1,062,283
Operating Income (Loss) (JPY, thousands)	(836,658)	(414,710)	5,993,193
Net Income (Loss) Attributable to Shareholders (JPY, thousands)	977,845	(683,923)	4,439,843
Total Comprehensive Income (JPY)	993,985	(632,639)	4,439,843
Total Shareholders' Equity (JPY thousands)	617,518	1,152,087	16,965,842
Total Assets (JPY, thousands)	5,357,296	1,666,137	30,325,812
Net Assets per Share (JPY)	107.20	98.56	468.30
Net Income/(Loss) per Share (JPY)	171.03	(62.93)	226.65

(Notes):

1. At the Extraordinary General Meeting of Shareholders held on June 28, 2024, a proposal regarding a reverse stock split was approved and adopted. As a result, a 10-for-1 reverse stock split was implemented effective August 1, 2024. Subsequently, on April 1, 2025, a 1-for-10 stock split of the Company's common shares was carried out. Accordingly, the figures for Earnings (Loss) per Share, Diluted Earnings per Share, and Book Value per Share in the table above have been retroactively adjusted as if both the reverse split and the stock split had been effective at the beginning of the 24th fiscal year (fiscal year ended December 31, 2022).

2. The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) has been applied from the beginning of the 24th fiscal year. Therefore, the key financial indicators for the 24th fiscal year and onward reflect the adoption of this standard.

(2) Current Status of Issued Shares and Potential Shares (as of May 31, 2025)

Category	# of Shares	% of Issued Shares
Total Number of Issued Shares	600,714,340 shares	100.00%
Potential Shares Based on Current Conversion (Exercise) Price	—	—
Potential Shares Based on Minimum Conversion (Exercise) Price	—	—
Potential Shares Based on Maximum Conversion (Exercise) Price	—	—

(3) Recent Stock Price Trends

① Five-Year Summary

Fiscal Year End	FY 2022	FY 2023	FY 2024
Open Price (JPY)	41	47	18
High Price (JPY)	107	48	427
Low Price (JPY)	30	14	14
Close Price (JPY)	47	17	348

(Note):

1. The highest and lowest stock prices shown are based on trading on the Tokyo Stock Exchange (Standard Market) from April 4, 2022. For periods prior to that date, prices reflect trading on the Tokyo Stock Exchange JASDAQ (Standard).
2. The Company conducted a 10-for-1 reverse stock split on August 1, 2024, and a 1-for-10 stock split on April 1, 2025. Accordingly, all prices above are adjusted to reflect both actions as if they had taken place at the beginning of FY2022.

② Six-Month Summary

	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025
Open Price (JPY)	374	450	401	411	408	1,060
High Price (JPY)	517	721	522	436	1,230	1,432
Low Price (JPY)	336	331	300	291	390	1,036
Close Price (JPY)	492	331	401	384	1,067	1,363

(Note):

1. All stock prices are based on trading on the Tokyo Stock Exchange (Standard Market).
2. Prices for June 2025 are as of June 5, 2025.
3. On April 1, 2025, the Company conducted a 1-for-10 stock split. Therefore, prices for December 2024 through March 2025 are adjusted retroactively to reflect the split.

③ Stock Price on the Business Day Immediately Preceding the Board Resolution

	June 5, 2025
Open Price (JPY)	1,265
High Price (JPY)	1,400
Low Price (JPY)	1,265
Close Price (JPY)	1,363

(Note): All stock prices are based on trading on the Tokyo Stock Exchange (Standard Market).

(4) Equity Financing Activities Over the Past Three Fiscal Years

Issuance of New Shares through Third-Party Allotment

Payment Date	February 8, 2023
Total Amount Raised	1,150,000,000 JPY (approximate net proceeds of 1,106,000,000 JPY after deducting 44,000,000 JPY, which is the estimated amount of expenses for the issuance together with the issuance of the 9th series of stock acquisition rights by way of third-party allotment)
Issue Price	20 JPY per share
Total Shares Outstanding at Time of Offering	57,192,187 shares
Number of Shares Issued through Offering	57,500,000 shares
Allottees:	Schmonk Limited, Matias de Tezanos, Panefri Industries Co., Ltd., Gerrit van Wingerden, Piyajit Rukariyapong, Lynn Kok, Harris Nordin, Soichi Yamaguchi, David Spencer, Yoshimi Abe, MMXX Ventures Limited, Simon Gerovich, Mark Leinek, Takahisa Osei, Nina Gerovich.
Intended Use of Proceeds at Time of Issuance:	(1) Working capital (2) Development, operation, and advertising expenses in core businesses (3) Personnel expenses for consulting business (4) Investment resources for investment projects (5) Repayment of loans
Scheduled Period for Use of Proceeds at Time of Issuance:	(1) February 2023 - December 2024 (2) February 2023 - December 2024 (3) February 2023 - December 2025 (4) February 2023 - December 2025 (5) February 2023 - December 2023

Status of Use as of Present:	(1) Working capital: fully appropriated (2) Development, operation, and advertising expenses in core businesses: fully allocated (3) Investment capital for the investment business: Fully applied (4) Repayment of borrowings: Fully applied

Issuance of the 9th Series Stock Acquisition Rights through Third-Party Allotment

Allotment Date	February 8, 2023
Number of Stock Acquisition Rights Issued	670,000 rights
Issue Price	Total 15,410,000 JPY (23 JPY per stock acquisition right)
Estimated Net Proceeds at Time of Issuance	1,355,410,000 JPY
Allottees:	MMXX Ventures Limited EVO FUND
Total Shares Outstanding at Time of Offering:	114,692,187 shares
Number of potential shares as a result of this offering	67,000,000 shares
Status of Exercise (as of now):	Stock acquisition rights exercised: 670,000 rights Number of remaining stock acquisition rights: 0
Funds Raised to Date:	Funds Raised to Date: Total Issue Proceeds: JPY 15,410,000 Total Exercise Proceeds: JPY 2,505,410,000 Total Issuance Expenses: JPY 44,000,000 Estimated Net Proceeds: JPY 2,461,410,000
Initial Use of Proceeds at Time of Issuance:	(1) Working capital (2) Development, operation, and advertising expenses in core businesses (3) Personnel expenses for consulting business (4) Investment resources for investment projects (5) Repayment of loans

Planned Use Period (at time of issuance):	(1) February 2023 - December 2024 (2) February 2023 - December 2024 (3) February 2023 - December 2025 (4) February 2023 - December 2025 (5) February 2023 - December 2023
Current Status of Use:	(1) Working capital: fully appropriated (2) Development, operation, and advertising expenses in core businesses: fully allocated (3) Investment resources for investment projects: fully allocated (4) Repayment of debt: Fully allocated

(Note) As disclosed in the June 10, 2024 notice "Regarding Full Exercise of the 9th Series Stock Acquisition Rights," all rights have been exercised. Furthermore, as disclosed in the June 11, 2024 notice "Change in Use of Proceeds," the Company decided to cancel its original plans for Web3 and Metaverse-related businesses, which were not expected to generate revenue in the foreseeable future, and instead reposition Bitcoin acquisition and holding as a core element of its financial strategy.

Issuance of the 11th Series Unlisted Stock Acquisition Rights via Gratis Allotment

Allotment Date	September 6, 2024
Number of Stock Acquisition Rights Issued	18,099,116 rights
Issue Price	0 JPY (0 JPY per stock acquisition right)
Estimated Net Proceeds at Time of Issuance:	Proceeds from issuance: JPY 0 Proceeds from Exercise: JPY 10,045,009,380)*
Allottees:	Shareholders listed or recorded in the shareholder registry as of September 6, 2024
Total Shares Outstanding at Time of Offering:	18,169,218 shares
Potential Shares from this Offering:	18,099,116 shares
Status of Exercise (as of now):	Number of stock acquisition rights exercised: 18,099,116 (Number of remaining stock acquisition rights: 0)
Funds Raised to Date:	17,470,555,738 JPY
Initial Use of Proceeds at Time of Issuance:	(1) Redemption of bonds (2) Purchase Bitcoins

	(3) Working capital
Planned Use Period (at time of issuance):	(1) October 2024 - June 2025 (2) September 2024 - December 2024 (3) October 2024 - December 2026
Current Status of Use of Proceeds	(1) Bond redemption: fully allocated (2) Bitcoin purchases: fully allocated (3) Working capital: fully appropriated (4) Repayment of loan to MMXX: fully allocated

(Note) As disclosed in the August 6, 2024 notice "Regarding the Gratis Allotment of the 11th Series Stock Acquisition Rights (Unlisted)," the Company resolved to conduct the gratis allotment of these rights. Additionally, as disclosed in the August 8, 2024 notice "Regarding Borrowing of Funds and Purchase of Bitcoin," the Company borrowed a total of JPY 1.0 billion from MMXX Ventures Limited to purchase Bitcoin (the "Borrowing"). Subsequently, the Company repaid this borrowing and changed the use of proceeds as disclosed in the October 1, 2024 notice "(Amendment to Prior Disclosure) Prepayment of Borrowed Funds and Change in Use of Proceeds."

Issuance of the 12th Series of Stock Acquisition Rights through Third-Party Allotment

Allotment Date	December 16, 2024
Number of Stock Acquisition Rights Issued	29,000 rights
Issue Price	614 JPY
Estimated Net Proceeds at Time of Issuance:	9,507,006,000 JPY
Allottees:	EVO FUND
Total Shares Outstanding at Time of Offering:	36,268,334 shares
Potential Shares from this Offering:	2,900,000 shares
Status of Exercise (as of now):	Stock acquisition rights exercised: 29,000 (Number of remaining stock acquisition rights: 0)
Funds Raised to Date:	Total Issue Proceeds: 17,806,000 JPY Total Exercise Proceeds: 9,535,200,000 JPY Total Issuance Expenses: 46,000,000 JPY Net Proceeds: 9,507,006,000 JPY
Initial Use of Proceeds at Time of Issuance:	(1) Purchase Bitcoin (2) Working capital

Planned Use Period (at time of issuance):	(1) December 2024 - June 2025 (1) December 2024 - December 2025
Current Status of Use of Proceeds	Redemption of bonds: 9,500,000,000 JPY appropriated Working capital: 7,000,000 JPY unused

(Note) As disclosed in the January 6, 2025 notice titled "Monthly Exercise Status, Large-Scale Exercise, Completion of Exercise of the 12th Series Stock Acquisition Rights Issued via Third-Party Allotment (with Exercise Price Adjustment Clause), and Early Redemption of the 4th and 5th Series Corporate Bonds," the exercise of the 12th Series stock acquisition rights has been completed.

Furthermore, as announced in the December 17, 2024 notice "Change in Use of Proceeds" and the follow-up disclosure on December 20, 2024 "(Update on Disclosure) Change in Use of Proceeds," the Company originally intended to use the proceeds to purchase Bitcoin. However, as the necessary Bitcoin purchase funds were secured through proceeds from the 4th and 5th Series corporate bonds, the use of funds from the 12th Series stock acquisition rights was instead reallocated to redeem those corporate bonds.

Issuance of the 13th to 17th Series of Stock Acquisition Rights through Third-Party Allotment

Allotment Date	February 17, 2025
Number of Stock Acquisition Rights Issued	210,000 units 13th Series: 42,000 units 14th Series: 42,000 units 15th Series: 42,000 units 16th Series: 42,000 units 17th Series: 42,000 units
Issue Price	Total Issue Price: 76,230,000 JPY Issue Price per Right: 13th Series: 363 JPY 14th Series: 363 JPY 15th Series: 363 JPY 16th Series: 363 JPY 17th Series: 363 JPY
Estimated Net Proceeds at Time of Issuance:	116,313,730,000 JPY
Allottees:	EVO FUND
Total Shares Outstanding at Time of Offering:	39,168,334 shares

Potential Shares from this Offering:	21,000,000 shares 13th Series: 4,200,000 shares 14th Series: 4,200,000 shares 15th Series: 4,200,000 shares 16th Series: 4,200,000 shares 17th Series: 4,200,000 shares
Status of Exercise (as of now):	Number of stock acquisition rights exercised: 210,000 (Number of remaining stock acquisition rights: 0) 13th series of stock acquisition rights: 42,000 14th series of stock acquisition rights: 42,000 15th series of stock acquisition rights: 42,000 16th series of stock acquisition rights: 42,000 17th series of stock acquisition rights: 42,000
Funds Raised to Date:	Total Issue Price: 76,230,000 JPY Total Exercise Proceeds: 116,655,000,000 JPY Issuance Expenses: 417,500,000 JPY Estimated Net Proceeds: 116,313,730,000 JPY
Initial Use of Proceeds at Time of Issuance:	(1) Purchase Bitcoin (2) Bitcoin Income Business
Planned Use Period (at time of issuance):	(1) February 2025 - February 2027 (2) February 2025 - December 2025
Current Status of Use of Proceeds	Redemption of bonds: 25.932 billion JPY applied Bitcoin purchases: 85.381 billion JPY applied Bitcoin income business: 5.00 billion JPY applied

(Note) As disclosed in the May 20, 2025 notice titled "Notice Regarding Completion of Full Exercise of the 13th to 17th Series Stock Acquisition Rights (with Exercise Price Adjustment and Suspension Clauses) Issued via Third-Party Allotment as Part of Our 21 Million Plan," all stock acquisition rights from the 13th to 17th Series have been fully exercised.
Furthermore, as disclosed in the "Notices Regarding Change in Use of Proceeds" dated February 13, February 27, March 12, March 18, March 31, April 16, May 2, May 7, May 9, and May 13, 2025, the Company initially intended to use the proceeds from the 13th to 17th Series for Bitcoin purchases, based on the Board resolution dated January 28, 2025. However, those Bitcoin purchases were ultimately funded through capital raised via the 6th to 15th Series of corporate bonds. Accordingly, the Company revised its plans and instead applied the proceeds from the exercise of the 13th to 17th Series stock acquisition rights to the redemption of the 6th to 15th Series corporate bonds.

Issuance of the 19th Series Stock Acquisition Rights through Third-Party Allotment

Allotment Date	May 26, 2025

Number of Stock Acquisition Rights Issued	36,000 units
Issue Price	9,180,000 JPY (255 JPY per unit)
Estimated Net Proceeds at Time of Issuance:	381,730,000 JPY
Allottees:	Eric Trump David Bailey
Total Shares Outstanding at Time of Offering:	459,906,340 shares
Potential Shares from this Offering:	3,600,000 shares
Status of Exercise (as of now):	Number of stock acquisition rights exercised: 0 (Number of remaining stock acquisition rights: 0)
Funds Raised to Date:	9,180,000 JPY
Initial Use of Proceeds at Time of Issuance:	Buy Bitcoin
Planned Use Period (at time of issuance):	None
Current Status of Use of Proceeds:	None

[End]