

Securities Report

Fiscal Year	January 1, 2024
(26th period)	to December 31, 2024)

Metaplanet Inc.

Annual Securities R e p o r t

- 1 This document is a printed version of the Annual Securities Report based on Article 24, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (hereinafter referred to as the "Act"), which was submitted using the Electronic Data Processing System for Disclosure (EDINET) as stipulated in Article 27-30-2 of the Act, together with a table of contents and pages.
- 2 This document is bound at the end with the audit report attached to the Annual Securities Report submitted in the manner described above and the internal control report/confirmation submitted in conjunction with the Annual Securities Report described above.

Documents to be submitted	Annual Securities Report
[Source Article].	Article 24, Paragraph 1 of the Financial Instruments and Exchange Law
[Submitted to.	Director-General of Kanto Finance Bureau
Date of submission	March 24, 2025
Fiscal year	26th Fiscal Period (January 1, 2024 through December 31, 2024)
Company name	Metaplanet Inc.
[English translation name	Metaplanet Inc.
Name and title of representative	Simon Gerovich, President and Representative Director
Location of head office	6-10-1 Roppongi, Minato-ku, Tokyo
Phone number	03-6772-3696 (main)
Name of Administrative Contact	Miki Nakagawa, General Manager, IR Dept.
[Nearest contact point].	6-10-1 Roppongi, Minato-ku, Tokyo
Phone number	03-6772-3696 (main)
Name of Administrative Contact	Miki Nakagawa, General Manager, IR Dept.
[Place for public inspection	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

Part I [Corporate Information]

1. [Company Overview].

1 【Trends in Major Management Indicators, etc.】

(1) Consolidated Management Indicators

Period	22nd period	23rd period	24th period	25th period	26th period
Fiscal Year End	December 2020	December 2021	December 2022	December 2023	December 2024
Net sales (Thousands of yen)	784,949	518,451	366,121	261,633	1,062,283
Ordinary income (loss) (Thousands of yen)	(2,187,900)	(1,230,727)	(836,658)	(414,710)	5,993,193
Net income (loss) attributable to shareholders of the parent (Thousands of yen)	(2,967,158)	(737,240)	977,845	(683,923)	4,439,843
Comprehensive income (Thousands of yen)	(2,820,566)	(777,978)	993,985	(632,639)	4,439,843
Net assets (Thousands of yen)	404,718	(373,414)	617,518	1,152,087	16,965,842
Total assets (Thousands of yen)	14,541,905	13,091,183	5,357,296	1,666,137	30,325,812
Net assets per share (Yen)	69.48	(66.60)	107.20	98.56	468.30
Net income (loss) per share (Yen)	(519.22)	(128.97)	171.03	(62.93)	226.65
Diluted net income per share (Yen)	—	—	—	—	187.58
Capital adequacy ratio (%)	2.7	(2.9)	11.4	67.8	55.9
Return on equity (%)	—	—	159.5	—	49.1
Price-earnings ratio (Times)	—	—	2.8	—	15.3
Cash flows from operating activities (Thousands of yen)	(565,914)	(529,344)	(296,305)	(571,525)	623,589
Cash flows from investing activities (Thousands of yen)	(151,785)	534,832	(285,037)	2,333,129	(23,452,988)
Cash flows from financing activities (Thousands of yen)	(139,502)	199,801	397,766	(1,415,689)	22,570,445
Cash and cash equivalents at end of period (Thousands of yen)	216,037	414,354	207,260	553,175	294,222
Number of employees (People)	127	110	21	13	17
(Outside, average number of temporary employees)	(16)	(8)	(—)	(—)	(—)

Notes:

1. Diluted net income per share is not shown for the 22nd, 23rd and 25th fiscal terms because net loss per share was recorded, although there are residual shares. Diluted net income per share is not shown for the 24th term because there are no residual shares having possibilities of diluting stock value.
2. Return on equity is not shown for the 22nd, 23rd and 25th fiscal terms because the Company recorded a net loss attributable to owners of the parent for those terms.
3. Price/earnings ratio is not shown for the 22nd, 23rd and 25th fiscal terms because net loss per share was recorded for these periods.
4. At the extraordinary general meeting of shareholders held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share. Therefore, net income (loss) per share, diluted net income per share, and net assets per share in the above table are calculated based on the assumption that the reverse stock split was conducted at the beginning of the 22nd fiscal year (ending December 31, 2020).

5. "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied from the beginning of the 24th fiscal year, and the key management indicators for the 24th and subsequent fiscal years are the indicators after applying the said accounting standard and others.

(2) Company Management Indicators

Period	22nd period	23rd period	24th period	25th period	26th period
Fiscal Year End	December 2020	December 2021	December 2022	December 2023	December 2024
Net sales (Thousands of yen)	165,572	-	15,794	27,981	715,943
Ordinary income (loss) (Thousands of yen)	(4,763,319)	(153,371)	(1,246,744)	(688,033)	5,979,986
Net income (loss) (Thousands of yen)	(9,631,465)	364,510	(821,758)	(944,002)	4,020,685
Capital stock (Thousands of yen)	3,096,887	0	0	575,000	0
Total number of issued shares					
Common stock (Shares)	5,719,218	5,719,218	5,719,218	11,469,218	36,268,334
Net assets (Thousands of yen)	1,208,991	1,573,347	748,536	971,742	16,396,276
Total assets (Thousands of yen)	6,370,674	5,828,213	3,123,036	1,097,099	29,704,134
Net assets per share (Yen)	210.14	273.88	130.12	84.74	452.56
Dividends per share (Yen)	0	0	0	0	0
(Of which, interim dividends per share)	(-)	(-)	(-)	(-)	(-)
Net income (loss) per share (Yen)	(1,685.39)	63.75	(143.73)	(86.86)	205.25
Diluted net income per share (Yen)	-	-	-	-	169.87
Capital adequacy ratio (%)	18.9	26.9	23.8	86.6	55.1
Return on equity (%)	-	23.3	-	-	46.4
Price-earnings ratio (Times)	-	6.3	-	-	17.0
Dividend payout ratio (%)	-	-	-	-	-
Number of employees (People)	6	5	7	2	5
(Outside, average number of temporary employees)	(1)	(1)	(-)	(-)	(-)
Total shareholder return (%)	48.7	35.4	41.6	15.0	3,079.6
(Comparative index: TOPIX including dividends) (%)	(107.4)	(121.1)	(118.1)	(151.5)	(182.5)
Highest share price (Yen)	120	68	107	48	4,270 (300)
Lowest share price (Yen)	44	38	30	14	596 (14)

Notes:

1. Diluted net income per share is not shown for the 22nd and 25th fiscal terms because net loss per share was recorded, although there are residual shares. It is not shown for the 23rd term because there are no residual shares having dilution effects. For the 24th term, it is not shown because net loss per share was recorded and there are no residual shares having dilution effects.
2. Return on equity is not shown for the 22nd, 24th and 25th fiscal terms because the Company recorded a net loss for those terms.
3. Price/earnings ratio is not shown for the 22nd, 24th and 25th fiscal terms because net loss per share was recorded for these periods.
4. Dividend payout ratio is not shown for the 22nd, 24th and 25th fiscal terms because the Company recorded a net loss, and for the 23rd and 26th terms because no dividends were paid.
5. The decrease in capital stock for the 23rd, 24th and 26th fiscal terms is due to capital reduction.
6. At the extraordinary general meeting of shareholders held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share. As a result, the total number of issued shares decreased by 163,522,969 shares.
7. In the 22nd term, the number of issued shares increased by 132,700 shares due to the exercise of the 8th series of stock acquisition rights on April 1, 2020.
8. In the 25th term, the number of issued shares increased by 57,500,000 shares due to a capital increase through public offering with a payment date of February 8, 2023.

9. At the extraordinary general meeting of shareholders held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share. Therefore, net income (loss) per share, diluted net income per share, and net assets per share in the above table are calculated based on the assumption that the reverse stock split was conducted at the beginning of the 22nd fiscal year (ending December 31, 2020).
10. The Company conducted a reverse stock split of common shares at a ratio of 10 shares to 1 share on August 1, 2024. Total shareholder return is calculated taking into account the impact of this reverse stock split.
11. The highest and lowest share prices are those on the Tokyo Stock Exchange (Standard Market) from April 4, 2022, and on the Tokyo Stock Exchange (JASDAQ (Standard)) before that.
12. The Company conducted a reverse stock split of common shares at a ratio of 10 shares to 1 share on August 1, 2024. For the 26th term, the highest and lowest share prices after the reverse stock split are shown, with the pre-reverse stock split prices shown in parentheses.
13. "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others have been applied from the beginning of the 24th fiscal year, and the key management indicators for the 24th and subsequent fiscal years are the indicators after applying the said accounting standard and others.

2 [History

June 1999	(capitalized at 10 million yen) established in Yamato City, Kanagawa Prefecture, for the purpose of planning, producing and selling music CDs and records.
December 1999	Started CD pressing business
October 2003	The Company and 12 record manufacturers established a voluntary organization, the Independent Label Council, and set up a secretariat in the head office.
November 2004	Over-the-counter registration of shares with the Japan Securities Dealers Association.
December 2004	Cancelled over-the-counter registration of shares with the Japan Securities Dealers Association and listed on the JASDAQ Securities Exchange, Inc.
November 2005	Raised funds of 1,500 million yen through the issuance of the 1st unsecured convertible bond-type bonds with stock acquisition rights for the purpose of capital investment in new businesses, etc.
February 2006	Established Beijing Zhigao Technology Co., Ltd. to develop new business in the People's Republic of China.
April 2006	Daiki Sound International, Inc. established in the U.S. for the purpose of distributing Western music CDs in Japan.
June 2007	Raised 297 million yen through third-party allotment of new shares
August 2007	Daiki Sound International, Inc. is dissolved.
November 2007	Transfer of all equity interests in Beijing Zhigao Technology Co.
May 2008	Raised 278 million yen through third-party allotment of new shares to secure funds for settlement of accounts payable
March 2009	Raised 199 million yen through third-party allotment of new shares
April 2010	Listed on the JASDAQ market of the Osaka Securities Exchange following the merger of the JASDAQ Securities Exchange and the Osaka Securities Exchange
October 2010	Listed stock on the "Osaka Securities Exchange JASDAQ (Standard)" following the integration of the Osaka Securities Exchange (JASDAQ), the Hercules Market of the Osaka Securities Exchange, and the NEO Market of the Osaka Securities Exchange.
December 2010	Raised 204 million yen through third-party allotment of new shares
March 2011	Company name changed to Fontz Holdings Inc. following transition to a holding company structure.
December 2012	Transfer of 91,700 shares of the Company's Class A preferred stock held by parent company Minerva Loan Services Corp. to Red Planet Holdings Pte Ltd.
January 2013	Conversion of 91,700 Class A preferred shares held by Red Planet Holdings Pte Ltd. into common shares
April 2013	Start of new business (hotel business) and acquisition of trust beneficiary rights (fixed assets)
April 2013	Basic agreement signed with Red Planet Holdings Pte Ltd. for business alliance.
April 2013	Announced the Company's 1st rights offering (non-commitment type/grand allotment of listed stock acquisition rights)
July 2013	Exercise ratio: 98.3%; funds raised: 681 million yen through the Company's first rights offering
July 2013	Listed on the JASDAQ (Standard) section of the Tokyo Stock Exchange following the merger of the OSE's cash market with the TSE on July 16, 2013.
August 2013	First Tune Naha Okinawa (now Red Planet Naha Okinawa) hotel opens in Naha, Okinawa.
December 2013	The Company's second rights offering with an exercise ratio of 91.39% and funds raised of 2,010 million yen.
January 2014	Company name changed from Fontz Holdings Inc. to Red Planet Japan Inc.
April 2014	Acquisition of land for a hotel in Nishiki, Naka-ku, Nagoya
July 2014	Resolved to issue new shares and stock acquisition rights by way of third-party allotment
July 2014	Acquired Hotel Royal Oak Gotanda (existing hotel) in Gotanda, Tokyo
July 2014	CU's Dining Corporation, VALORE Corporation, and Sweet Star Corporation, which operate food and beverage businesses, become consolidated subsidiaries through an additional acquisition of shares and an agreement to underwrite a capital increase.

September 2014	Sweetstar Asia Limited becomes a consolidated subsidiary through acquisition of shares.
January 2015	Ltd. as a consolidated subsidiary through the establishment of a subsidiary.
February 2015	Red Planet Foods Co., Ltd. becomes a consolidated subsidiary through a company split (simplified incorporation-type company split).
March 2015	Kyochon Asia Development Limited and Magnolia Bakery Korea Limited became equity method affiliates and Sweetstar Hawaii, LLC became a consolidated subsidiary through the establishment of subsidiaries.
May 2015	Iron Fairies Inc. becomes a consolidated subsidiary through the establishment of a subsidiary.
June 2015	Chicken Planet Inc. becomes a consolidated subsidiary through the establishment of a subsidiary.
September 2015	Food Planet Co., Ltd. becomes an equity-method affiliate through the acquisition of shares.
June 2016	Sold the shares of our consolidated subsidiary that operates the food and beverage business to Food Planet Co. As a result, Red Planet Foods, Inc., Q's Dining Corporation, Q's Management Corporation, Sweetstar Corporation, Sweetstar Asia Limited, R.P.F. Corporation, Sweetstar Hawaii, LLC, Nitrogenie Hawaii, LLC, Chicken Planet Inc. and Iron Fairies Inc. were excluded from the scope of consolidation, and Kyochon Asia Development Limited (incorporated in Hong Kong) and Magnolia Bakery Korea Limited (incorporated in Hong Kong) were excluded from the scope of consolidation. Ltd. and Iron Fairies Inc. were excluded from the scope of consolidation.
September 2016	Resolution to Issue New Shares and Seventh Series Stock Acquisition Rights by Third-Party Allotment
December 2016	Red Planet Ancan, LLC becomes a consolidated subsidiary through the establishment of a subsidiary.
February 2017	Sold all shares of Daikisound Corporation, a consolidated subsidiary of the Company that operates distribution business, and excluded the company from the scope of consolidation.
June 2017	Sold all shares of Food Planet Co., Ltd. and excluded the company from the scope of equity method application.
October 2017	An anonymous association whose operator is RPJ Nagoya Nishiki Godo Kaisha, an equity-method affiliate, became a consolidated subsidiary of the Company.
October 2017	Newly opened Red Planet Nagoya Nishiki in Nagoya City, Aichi Prefecture
June 2018	Newly opened Red Planet Sapporo Susukino Minami in Sapporo, Hokkaido
June 2018	Red Planet Hotels Manila Corporation becomes a consolidated subsidiary through the establishment of a subsidiary.
November 2018	Invest in a joint venture with Green Oak Investment Management Co.
December 2018	Red Planet Ancan, LLC is excluded from the scope of consolidation due to the establishment of a silent partnership.
February 2019	Red Planet Hotels (Thailand) Limited, Red Planet Hotels Two (Thailand) Limited, Red Planet Hotels Three (Thailand) Limited, Red Planet Hotels Four (Thailand) Limited, Red Planet Hotels Five (Thailand) Limited and Red Planet Hotels Six (Thailand) Limited as consolidated subsidiaries.
July 2019	Resolution to Issue New Shares and 8th Series Stock Acquisition Rights by Third-Party Allotment
September 2019	Newly opened Red Planet Sapporo Susukino Chuo
August 2020	Newly opened Red Planet Hiroshima
April 2022	Moved to the Standard Market from JASDAQ (Standard) due to the revision of the market classification of the Tokyo Stock Exchange.

May 2022	Red Planet Hotels (Thailand) Limited, Red Planet Hotels Two (Thailand) Limited, Red Planet Hotels Three (Thailand) Limited, Red Planet Hotels Four (Thailand) Limited, Red Planet Hotels Five (Thailand) Limited and Red Planet Hotels Six (Thailand) Limited were excluded from the scope of consolidation.
June 2022	Due to transfer of equity interest, anonymous association with RPJ Nagoya Nishiki Godo Kaisha as operator, Godo Kaisha RPJ1 and Godo Kaisha Red Planet Ankan were excluded from the scope of consolidation.
October 2022	MetaMarket Inc. and Wen Tokyo Corporation (formerly Wen Tokyo Godo Kaisha) become consolidated subsidiaries through the establishment of subsidiaries.
February 2023	Company name changed from Red Planet Japan Inc. to Metaplanet Inc.
February 2023	Resolution to issue new shares through third-party allotment, Series 9 stock acquisition rights and Series 10 stock acquisition rights (paid-in stock options for Series 10 stock acquisition rights) approved at an extraordinary general meeting of shareholders
February 2023	Invests in Mercury Digital Assets Technologies Inc. of Delaware, USA
October 2023	Red Planet Hotels Manila Corporation was excluded from the scope of consolidation due to the sale of all shares.
December 2024	Red Planet Hotels Japan, Inc. was excluded from the scope of consolidation due to bankruptcy.

3 【Business Overview】

As of the end of the current consolidated fiscal year, our group (the Company and its affiliated companies) consists of the Company (Metaplanet Inc.) engaged in Bitcoin treasury business, two consolidated subsidiaries (Tune Naha Anonymous Partnership and Wen Tokyo Corporation) engaged in the hotel business, and one consolidated subsidiary (Meta Market Corporation) and part of Wen Tokyo Corporation engaged in other businesses.

Additionally, we have changed the classification of reportable segments from the current consolidated fiscal year. Details are as described in "Part 5 Financial Information, 1 Consolidated Financial Statements, (1) Consolidated Financial Statements, Notes (Segment Information, etc.)".

The business contents of our group and the positions of the Company and affiliated companies in relation to these businesses are as follows:

4 [Status of Affiliated Companies]

As of December 31, 2024

name	address (e.g. of house)	capital stock or is capital contribution	Major Businesses Contents of	Voting rights held Percentage or Percentage of respondents (%)	Relation details
(Consolidated subsidiary) Tune Naha Anonymous Partnership (Note 1)	Minato Ward, Tokyo	658,919 thousand yen (Total amount of investment in anonymous associations)	Acquisition, holding and disposal of real estate and real estate trust beneficiary interests, etc.	(Investment ratio) 100.0	-
(Consolidated subsidiary) Meta Market Inc.	Minato Ward, Tokyo	1,000 thousand yen	Mainly, commerce using advanced technologies such as Web 3, blockchain, NFT, etc.	(Ownership) 100.0	Concurrent directors: 1
(Consolidated subsidiary) Wen Tokyo Co. (Note 2)	Minato Ward, Tokyo	1,000 thousand yen	Hotel operations, etc. Commerce using advanced technologies such as Web 3, blockchain, NFT, etc.	(Ownership) 100.0	Concurrent directors: 1

As of December 31, 2024

Name	Address	Capital or Investment	Main Business	Ownership Percentage of Voting Rights (%)	Relationship
(Consolidated Subsidiary) Tune Naha Anonymous Partnership (Note 1)	Minato-ku, Tokyo	658,919 thousand yen (Total anonymous partnership investment)	Acquisition, holding, and disposal of real estate, real estate trust beneficiary rights, etc.	(Investment ratio) 100.0	-
(Consolidated Subsidiary) Meta Market Corporation	Minato-ku, Tokyo	1,000 thousand yen	Mainly business using advanced technologies such as Web 3, blockchain, NFT, etc.	(Ownership) 100.0	Concurrent directors: 1
(Consolidated Subsidiary) Wen Tokyo Corporation (Note 2)	Minato-ku, Tokyo	1,000 thousand yen	Hotel operations, etc. Business using advanced technologies such as Web 3, blockchain, NFT, etc.	(Ownership) 100.0	Concurrent directors: 1

(Notes) 1. The company falls under the category of specified subsidiary.

2. With respect to Wen Tokyo Corporation, the ratio of net sales (excluding inter-company sales among consolidated companies) to consolidated net sales exceeds 10%.

Major Profit and Loss Information, etc.

	Wen Tokyo Co.
Net sales	372,408 thousand yen
Ordinary income	22,651 thousand yen
Net income	28,260 thousand yen
Net assets	(20,379) thousand yen
Total assets	642,441 thousand yen

3. Red Planet Hotels Japan, Inc. was excluded from the scope of consolidation at the end of the current fiscal year due to the decision to commence bankruptcy proceedings on June 5, 2024.

5 [Status of Employees].

(1) Consolidated companies

As of December 31, 2024

Name of segment	Number of employees (persons)
Hotel Business	12 (-)
Corporate (common)	5 (-)
total amount	17 (-)

(The number of employees excludes employees seconded from our group to companies outside our group, and includes employees seconded from outside our group to our group.

The figures in parentheses in the "Number of employees" column represent the annual average number of temporary employees (converted to 8 hours per day).

Temporary employees include seasonal, part-time and contract employees and exclude temporary employees.

(2) Status of Submitting Company

As of December 31, 2024

Number of employees (persons)	Average age (years)	Average years of service (years)	Average annual salary (thousand yen)
5 (-)	52.7	1.0	11,229

(The number of employees excludes employees seconded from the Company to other companies and includes employees seconded from other companies to the Company.

The figures in parentheses in the "Number of employees" column represent the annual average number of temporary employees (converted to 8 hours per day).

Temporary employees include seasonal, part-time and contract employees and exclude temporary employees.

Average annual salary includes bonuses and substandard wages.

(3) Labor union status

No labor union has been formed, but labor-management relations are amicable.

(4) Percentage of female workers in management positions, percentage of male workers taking childcare leave, and differences in wages between male and female workers

The Submitting Company and its consolidated subsidiaries are not subject to the obligation to make public announcement under the provisions of the "Law Concerning the Promotion of Active Roles of Women in Their Professional Lives" (Law No. 64, 2015) and the "Law Concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Law No. 76, 1991), so this information is omitted. The company is not subject to the obligation to publicly announce the information.

2nd [Status of Business].

1 [Management Policy, Business Environment and Issues to be Addressed, etc.

The management policy, business environment, and issues to be addressed by the Group are as follows. Forward-looking statements in the text are based on the judgment of the Group as of the end of the current consolidated fiscal year.

(1) Basic Policy of the Company

We have analyzed the current business environment in which we operate by examining from various perspectives the current general economic situation in Japan and abroad, the large amount of capital required for the development and operation of hotels, our main business, and the speed and extent of technological innovation that is creating new business opportunities around the world. As a result, we have analyzed the business environment in which we are currently operating. As a result, we have determined that in order to continuously and progressively create shareholder value in the future, it is necessary for us to adopt rapidly evolving technologies, digitize our assets and business model, and take on the challenge of new business opportunities. By rapidly expanding new businesses, our group aims to become a company that can realize the benefits expected from them for our shareholders.

(2) Target Management Indicators

In order to enhance its corporate value, the Group considers the improvement of the ratio of ordinary income to net sales as an important management indicator, with sustainable growth of ordinary income as its primary management goal, based on its profit-margin oriented approach.

(3) Medium to Long-term Management Strategy

The Group will continue to devote itself to achieving further growth in the next fiscal year (ending December 31, 2025) and beyond.

The Group will strive to achieve sustainable improvement in income and expenditures by implementing various measures to improve its business profit structure, as well as to stabilize its business and financial position by promoting various measures to strengthen its capital.

For details, please refer to "2. Corporate Overview, 1. Management Policy, Management Environment, and Issues to be Addressed (4) Issues to be Addressed by the Company".

(4) Issues to be addressed by the Company

(i) Resolution of Significant Events Related to the Going Concern Assumption

Our group has continuously recorded operating loss, ordinary loss, and negative operating cash flow since the past fiscal year, and there have been events or circumstances that may raise significant doubts about the premise of a going concern. However, by taking the following measures, the Company has turned from operating loss and ordinary loss to operating income and ordinary income and positive operating cash flow in the current consolidated fiscal year. In addition, the Company's financial position has stabilized due to capital reinforcement through the exercise of stock acquisition rights and other measures.

- Developing new business in Bitcoin-related areas
- Stabilize performance and finances through the hotel business and seek new business opportunities
- Cost reduction
- Promoting Capital Management

Based on our overall assessment of the situation, we believe that the events or circumstances that may have raised significant doubts about the premise of a going concern have been resolved at this point in time.

(2) Future

We adopted a Bitcoin Treasury Strategy in April 2024, which was a major breakthrough in our financial performance. Through the implementation of our capital markets strategy and the accumulation of Bitcoin, we have achieved significant financial strength and business growth, establishing ourselves as a leading publicly traded Bitcoin Treasury Company in Asia.

Financial Highlights

- FY2024 Sales: 1,062 million yen (+306% YoY)
- Total assets as of December 31, 2024: 30,325 million yen (up 1,720% from the end of the previous fiscal year)
- Operating Income: achieved an operating profit for the first time since 2017. Strategic allocation of capital to Bitcoin and addition of the Bitcoin Income Generation business contributed to this result.
- Net income: 4,439 million yen (including 5,457 million yen in unrealized gains related to bitcoin holdings)

Bitcoin Treasury Strategy Implementation

In 2024, Metaplanet completely transitioned from a traditional asset-intensive business to a leading Bitcoin Treasury company in Asia. Throughout the year, Bitcoin holdings increased from 0 to 1,762 BTC, representing one of the fastest accumulation rates among listed companies worldwide. This rapid accumulation was achieved through a combination of internal capital, innovative financial methods, and equity-linked fundraising strategies, maximizing Bitcoin exposure while maintaining prudent financial management.

Furthermore, the implementation of the “21 Million Plan,” the largest Bitcoin financing plan ever in the Asian market, has enabled the company to sustainably expand its financial base beyond 2025.

Capital Market Strategy

The company issued stock acquisition rights with revised exercise price clauses for 21 million shares with 0% discount, achieving the most capital-efficient equity financing in the global market. This mechanism enables zero-cost capital procurement without discounting market prices, maximizing the ability to execute Bitcoin strategy while maintaining shareholder value.

This structure allows Metaplanet to merge its capital markets strategy with its Bitcoin First strategy, something uniquely distinct from traditional corporate finance strategies.

Additionally, the estimated amount to be raised through these stock acquisition rights is approximately 116.65 billion yen, all of which will be allocated to additional Bitcoin acquisitions to further strengthen the financial foundation.

Bitcoin Accumulation Target

- Increase holdings to 10,000 BTC by the end of 2025.
- Expand to 21,000 BTC by the end of 2026.

Metaplanet has secured the most capital-efficient equity financing and allocates 100% of the raised funds to Bitcoin purchases, completely separating operating expenses from Bitcoin Treasury operations. This approach ensures the long-term health and sustainability of our Bitcoin financial foundation.

Bitcoin Income Generation Business and Financial Management

In December 2024, Metaplanet launched its Bitcoin Income Generation business line. This business features a capital-efficient structure that monetizes Bitcoin volatility using option premiums. The program utilizes raised funds and surplus collateral to generate sustainable revenue, strengthening the financial foundation and accelerating further Bitcoin accumulation. Our long-term vision is to enhance shareholder value and financial stability by making Bitcoin the optimal reserve asset. Metaplanet promotes strategies that maximize capital efficiency while continuing large-scale Bitcoin accumulation. The Bitcoin Income Generation business is complementary to the Company’s Bitcoin Treasury Operations, while not putting any of the declared Bitcoin holdings at risk, which remain in cold storage.

Expansion of Bitcoin-related business

As a leader in bitcoin dissemination, we promote the following businesses

- Bitcoin Magazine Japan
 - Expand business in both digital and print media to enhance Bitcoin education and awareness in the Japanese market.
- The Bitcoin Hotel
 - Conversion of Hotel Royal Oak Gotanda into a Bitcoin-integrated hospitality facility is underway. Promoting the formation of a community for bitcoiners in Japan and abroad as a

base for bitcoin introduction.

Metaplanet is committed to leading the Bitcoin economy in Asia through Bitcoin education and promotion.

Commitment to Shareholder Value: BTC Yield

Metaplanet is focused on maximizing BTC yield (defined as the period to period increase in Bitcoin per fully diluted shares outstanding). We are leveraging our access to capital markets to drive bitcoin growth per share and ensure that all funds raised result in bitcoin accumulation. This is by far the fastest accumulation pace of any publicly traded company.

Future Prospects: 2025 and beyond

Metaplanet's mission is clear:

- Maximize BTC yield and increase Bitcoin holdings per share.
- Optimize capital market strategies and enhance treasury operations.
- Increase transparency and establish industry-leading disclosure standards.

We have fully pivoted away from fiat currency uncertainty, placing Bitcoin accumulation at the core of our financial strategy.

To our more than 47,000 shareholders, this is not just a corporate strategy, but a full-fledged commitment to the movement that Satoshi Nakamoto championed more than 15 years ago. The world is beginning to recognize that Bitcoin is the ultimate value preservation vehicle, and Metaplanet is at the forefront of this transformation.

Metaplanet will lead the global transformation by expanding its Bitcoin Treasury operations and promoting corporate Bitcoin adoption.

2 【Perspectives and Initiatives Concerning Sustainability】

The Group's approach to sustainability and its initiatives are as follows:

Forward-looking statements in the text are based on the judgment of the Group as of the end of the current consolidated fiscal year.

(1) Governance

The Group does not currently have a basic policy on sustainability and does not distinguish its governance processes, controls and procedures to monitor and manage sustainability-related risks and opportunities from other corporate governance systems.

As with other important matters, the president and full-time directors are responsible for day-to-day management and control of the company, while the monthly meetings of the Board of Directors and the Executive Committee consisting of senior executives are held to monitor and make decisions.

For details of governance, please refer to "4. Status of the Submitting Company, 4. Corporate Governance, etc., (1) Outline of Corporate Governance, 2) Outline of Corporate Governance System and Reasons for Adoption of the System".

(2) Strategy

Since the Group does not currently have a basic policy on sustainability, significant initiatives to address risks and opportunities in its sustainability-related strategies are under consideration.

In order to realize our management philosophy of "becoming a company that can provide better choices in an age of self-selection for comfort (Quality of Living)," we will work to further emphasize the importance of relationships with our shareholders and other diverse stakeholders. Please refer to "4. Status of the Submitting Company, 4. Corporate Governance, etc., (1) Outline of Corporate Governance, 1) Basic Policy on Corporate Governance.

By accepting diverse values regardless of gender, age, nationality, etc., by recruiting a wide range of human resources, including mid-career hires from other industries, by creating an employment environment in which all employees, both men and women, can play an active role, and by creating a comfortable work environment in which employees can balance work and child rearing, we will ensure that all By creating a comfortable working environment that allows employees to balance work and child rearing, we will strive to ensure that all employees can fully demonstrate their abilities.

(3) Risk Management

Since the Group does not currently have a basic policy on sustainability, we will not provide details in the management of sustainability-related risks.

In conjunction with the formulation of the basic policy for sustainability, we will consider reviewing the management system from the perspective of sustainability promotion.

As with other important risks, the status of such risks is reported to the monthly meetings of the Board of Directors and the Executive Committee consisting of senior management through the departments and other relevant bodies. In addition, important risks are reported to the Board of Directors. In this way, information on risks, etc. is consolidated and prompt action is taken.

For details of risk management, please refer to "4. Status of the Submitting Company, 4. Corporate Governance, etc. (1) Outline of Corporate Governance, 3) Other Matters Related to Corporate Governance.

(4) Indicators and targets

Since the Group does not currently have a basic policy on sustainability, no sustainability-related indicators or targets will be listed.

Although the Company has made specific efforts with respect to indicators related to ensuring diversity of human resources, human resource development, and improvement of the internal environment, it has not set any targets for such indicators as of the date of submission of this report.

We will continue to collect and analyze data on relevant indicators, set targets, and consider disclosure items as we progress.

3 【Business Risks】

The following is a list of major risks in the Group's business activities that may have a significant impact on the Group's operating results or financial position.

The Group recognizes the possibility that these risks may occur, and while it strives to avoid such risks, it will take appropriate measures in the event that they do occur. However, if risks that exceed the Group's expectations were to occur, the Group's business performance or financial position could be severely affected. Forward-looking statements in the text are based on the judgment of the Group as of the end of the current consolidated fiscal year.

(a) Risks related to the hotel business

(i) Economic conditions and trends in the real estate market

The Group's mainstay hotel business tends to be susceptible to the real estate market and economic conditions. If our hotel construction plans are delayed due to soaring real estate prices or a decrease in acquisition opportunities, or if room rates and occupancy rates decline due to a decrease in personal leisure demand caused by the economic slowdown or an oversupply of rooms resulting from the opening of new hotels, our group's business performance may be affected. This may affect our group's business performance, etc.

(2) Natural disasters, human disasters, etc.

Hotels operated by the Group may suffer damage to their buildings and facilities due to natural disasters such as earthquakes and typhoons, or human disasters such as accidents and fires, which may result in a decrease in sales due to temporary suspension of operations.

(iii) Leakage of personal or confidential information

The Group has established an internal system to strictly manage and protect personal information and confidential information held by the Group, and has taken safety measures such as ensuring data backups in the maintenance and utilization of information systems.

However, if an information leakage or system trouble due to an unforeseen accident were to materialize, the Group's credibility would be damaged, which could affect its business performance, financial position, and business processing, among others.

(a) Risks related to bitcoin holdings and bitcoin treasury business

(i) Bitcoin volatility:

The price of bitcoin can fluctuate significantly due to a variety of factors, including supply and demand dynamics, regulatory announcements, media influence, technological changes, and broader economic trends in general. This volatility can cause significant fluctuations in our financial health and operating results.

(ii) Regulatory risk:

Regulatory changes or new government actions could adversely affect the execution of investments in bitcoin, the market price of bitcoin, the use of bitcoin in business operations, and its convertibility into fiat currency.

(iii) Security and operational risks:

We rely on external service providers for our bitcoin storage. Any failure of our external service provider could result in the loss, theft, or destruction of the Bitcoin in our possession, creating a significant risk to our assets.

(iv) Adoption and use:

While bitcoin has experienced significant growth in its acceptance and use, with a market capitalization exceeding \$1 trillion, due to the introduction of ETFs and growing interest in it as a major financial asset, the extent of its future adoption is still uncertain. It is possible that bitcoin may not be universally accepted by all businesses, consumers, and organizations, or that its popularity may decline over time, affecting its value.

In the unlikely event that such a risk materializes, the price of bitcoin may decline. In such a case, the Company would record a valuation loss, and the value would be recorded on the consolidated balance sheet at its market value. However, since we will continue to hold bitcoin from a long-term perspective, we will not sell bitcoin based on price declines caused by short-term fluctuations.

(C) Other risks

(i) Dilution due to additional issuance of shares

We may issue additional shares or stock acquisition rights in the future to the extent that we have not yet issued the total number of shares authorized to be issued, without the approval of a resolution of the general meeting of shareholders, as long as the amount paid for the shares is not substantially less than the market price of the shares. Any future issuances of shares or warrants may be made at a price below the then current market price, which could adversely affect the supply-demand balance of our common stock and could result in dilution of our stock.

(2) Resolutions of Significant Events Regarding Going Concern Assumption

Our group has continuously posted operating loss, ordinary loss, and negative operating cash flow since the past fiscal year, and there have been events or circumstances that may raise significant doubts about the premise of a going concern. However, by taking the following measures, the Company has turned from operating loss and ordinary loss to operating income and ordinary income and positive operating cash flow in the current consolidated fiscal year. In addition, the Company's financial position has stabilized due to capital reinforcement through the exercise of stock acquisition rights and other measures.

- Developing new business in Bitcoin-related areas
- Stabilize performance and finances through the hotel business and seek new business opportunities
- Cost reduction
- Promoting Capital Management

Based on our overall assessment of the situation, we believe that at this point in time, the events or circumstances that may have cast significant doubt on the company's ability to continue as a going concern have been resolved.

4 [Analysis of Financial Position, Business Performance, and Cash Flow Status by Management]

(1) Summary of Business Results

The following is a summary of our group's financial position, operating results, and cash flows (hereinafter referred to as "operating results, etc.") for the current consolidated fiscal year. The following is a summary of the Group's financial position, operating results, and cash flows ("operating results, etc.") for the current consolidated fiscal year. Forward-looking statements in the text are based on judgments made as of the end of the current consolidated fiscal year.

(a) Financial position and operating results

(1) Operating results

During the consolidated fiscal year under review, the economy showed signs of gradual recovery due to an improvement in the employment and income environment and an increase in foreign tourists as a result of the weak yen, while the future of the economy remained uncertain due to rising prices and unstable international conditions.

For our Bitcoin Treasury Operations, which began in the current fiscal year, we purchased Bitcoin from the interim period and proceeded to build up our Bitcoin holdings as part of our treasury operations, while simultaneously realizing revenue through the use of put option selling transactions.

In the hotel business, guest room remodeling and new measures to attract guests are underway, and the hotel business was able to record stable sales with an increase in the number of guests it attracts. However, despite the strong performance of the core business, an operating loss was incurred due to the recording of a portion of expenses associated with the liquidation of a subsidiary as an operating expense.

Under these circumstances, our group's business results for the current consolidated fiscal year were 1,062 million yen (up 306.0% from the previous year), and gross profit of 996 million yen (up 370.6% from the previous year) was recorded. Operating income of 350 million yen, which was derived by subtracting selling, general and administrative expenses of 645 million yen from gross profit, was also recorded. In addition, the Company recorded 5,650 million yen in non-operating income, including 5,457 million yen in gain on valuation of bitcoin, 8 million yen in non-operating expenses, including 6 million yen in amortization of stock issuance cost, and 400 million yen in extraordinary income, including 400 million yen in gain on debt forgiveness, and 1,952 million yen in income tax adjustment, resulting in net income attributable to owners of the parent of 4,439 million yen for the period. Net income attributable to owners of the parent of 4,439 million yen was recorded.

As previously disclosed, BTC Yield is a key performance indicator (KPI) that reflects the percentage change in the ratio of Total Bitcoin Holdings to Fully Diluted Shares Outstanding over a given period. The Company uses BTC Yield to assess the performance of its Bitcoin acquisition strategy, which is intended to be accretive to shareholders.

BTC Gain represents the Company's Total Bitcoin Holdings at the beginning of a period multiplied by the achieved BTC Yield for that period. This metric quantifies the hypothetical increase in Total Bitcoin Holdings, assuming no new shares were issued. By isolating the impact of dilution, BTC Gain highlights the net Bitcoin accretion driven purely by the Company's Bitcoin Treasury Operations.

BTC ¥ Gain expresses BTC Gain in yen terms by multiplying BTC Gain by the market price of Bitcoin at the end of the period. This provides shareholders with a clearer view of the financial impact in local currency.

From July 1, 2024 to September 30, 2024, the Company's BTC Yield was 41.7%. From October 1, 2024 to December 31, 2024, the Company's BTC Yield was 309.8%. Quarter to Date, from January 1, 2025 to March 24, 2025, the Company achieved a BTC Yield of 68.3%.

	6/30/2024	9/30/2024	12/31/2024	3/24/2025
Total Bitcoin Holdings	141.073	398.832	1,761.98	3350

Issued Common Shares	18,169,218	18,169,218	36,268,334	44,248,334
Fully Diluted Shares Outstanding (1)	22,769,218	45,420,185	48,960,417	55,310,417
Bitcoin per Fully Diluted Shares Outstanding (2)	0.006196	0.008781	0.035987	0.060567
BTC Yield % (Quarter to Date)		41.7%	309.8%	68.3%
BTC Gain (Quarter to Date)		58.86	1,235.58	1,203.49
BTC ¥ Gain (Quarter to Date) in Millions		¥538	¥18,483	¥15,107
BTC/JPY Reference (3)		¥9,133,955	¥14,958,997	¥12,553,031

(Notes)

1. Fully Diluted Shares Outstanding comprises (i) the total number of common shares outstanding, (ii) potential shares from assumed conversion of outstanding convertible notes, (iii) potential shares from exercise of outstanding stock options, and (iv) shares from moving strike warrants only after exercise, in each case as of the indicated date. To align with U.S. capital markets reporting standards, moving strike warrants are only included after exercise to more accurately reflect potential shareholder dilution. Furthermore, to remain consistent with the reporting standards of At-The-Market (ATM) equity facilities, 0% discount warrants issued to purchase Bitcoin will be reflected in the fully diluted share count only after exercise, when proceeds have been delivered to the Company. This methodology ensures the most accurate and fair measurement of dilution aligning with aligning with ATM facilities in the U.S.
2. Bitcoin per Fully Diluted Shares Outstanding is calculated by dividing Total Bitcoin Holdings by the Fully Diluted Shares Outstanding at the end of each period. The result is then multiplied by 1,000 to express the number of Bitcoin per 1,000 Fully Diluted Shares Outstanding.
3. BTC/JPY Reference is the daily closing price on Bitflyer on the last day of the applicable period, as published at: <https://bitflyer.com/en-jp/s/closing-price>

BTC Yield is a key performance indicator (KPI) that reflects the percentage change in the ratio of Total Bitcoin Holdings to Fully Diluted Shares Outstanding over a given period. The Company uses BTC Yield to assess the performance of its Bitcoin acquisition strategy, which is intended to be accretive to shareholders.

BTC Gain is a key performance indicator (KPI) that represents the Company's Total Bitcoin Holdings at the beginning of a period multiplied by the achieved BTC Yield for that period. This metric quantifies the hypothetical increase in Total Bitcoin Holdings, assuming no new shares were issued. By isolating the impact of dilution, BTC Gain highlights the net Bitcoin accretion driven purely by the Company's Bitcoin Treasury Operations.

BTC ¥ Gain expresses BTC Gain in yen terms by multiplying BTC Gain by the market price of Bitcoin at the end of the period. This provides shareholders with a clearer view of the financial impact in local currency. BTC ¥ Gain does not represent a fair value gain or loss on the Company's Bitcoin holdings and may be positive even when the Company incurs fair value losses on its Bitcoin holdings.

Fully Diluted Shares Outstanding includes all currently issued common shares at the end of each period, along with any additional shares that could be issued through stock options, stock acquisition rights, or the conversion of any future convertible instruments, such as convertible notes. To remain consistent with the reporting standards of At-The-Market (ATM) equity facilities, moving strike warrants issued to purchase Bitcoin will be reflected in the fully diluted share count only after exercise, when proceeds have been delivered to the Company. This methodology ensures the most accurate and fair measurement of dilution for moving strike warrants, aligning with how dilution is measured in ATM facilities in the United States.

BTC Yield does not account for vesting conditions or exercise prices of stock options, except for moving strike warrants. The Company uses BTC Yield as a KPI to assess its strategy of acquiring

Bitcoin in a manner it believes to be accretive to shareholders. This metric helps investors evaluate the impact of issuing additional shares or convertible instruments to fund Bitcoin acquisitions.

Management acknowledges the limitations of BTC Yield, BTC Gain, and BTC ¥ Gain, including their exclusion of debt and other liabilities that take priority over common shares. These KPIs also assume that all debt will be refinanced or, in the case of future convertible debt, converted into common shares under its terms. BTC Gain and BTC ¥ Gain do not take into account debt obligations, preferred stock, or other senior claims on company assets, which may influence the actual accretive impact of capital allocation decisions.

None of these KPIs are measures of operational performance, financial performance, or liquidity. BTC Yield, BTC Gain, and BTC ¥ Gain should not be interpreted as traditional financial metrics such as return on investment, cash flow, or profitability. Additionally, the market price of our common shares is influenced by factors beyond our Bitcoin holdings and share count, meaning these KPIs do not predict or determine our stock price.

These KPIs are specifically designed to evaluate whether the use of equity capital to acquire Bitcoin benefits shareholders in terms of Bitcoin accumulation. They do not consider the source of funds used for Bitcoin purchases. For example, the Company has acquired Bitcoin through various financing activities, including the rights issue disclosed on August 6, 2024. As a result, BTC Yield, BTC Gain, and BTC ¥ Gain may overstate or understate the impact of equity capital on Bitcoin acquisitions, since not all Bitcoin purchases are funded through equity issuances, and not all equity issuances result in Bitcoin acquisitions. Additionally, the issuance, conversion, or redemption of convertible notes may impact these KPIs in ways not captured by their calculations. The Company has not historically paid dividends on its common shares, and the presentation of these KPIs does not imply any future intention to do so. Holding our common shares does not equate to direct ownership of the Bitcoin we hold. Investors should rely on the Company's financial statements and disclosures filed with the Tokyo Stock Exchange. BTC Yield, BTC Gain, and BTC ¥ Gain are intended as supplemental metrics for those who understand their purpose and limitations, not as replacements for traditional financial analysis.

(2) Financial Condition

(a) Assets

Total assets at the end of the current fiscal year amounted to 30,325 million yen, up 28,659 million yen from the previous fiscal year.

Current assets amounted to 2,685 million yen, up 2,086 million yen from the previous fiscal year.

This was mainly due to a 258 million yen decrease in cash and deposits, while accounts receivable increased by 8 million yen, deposits received increased by 2,320 million yen, and other current assets increased by 15 million yen.

Fixed assets totaled 27,525 million yen, up 26,458 million yen from the previous fiscal year.

This was mainly due to a 0 million yen increase in property, plant and equipment, a 76 million yen increase in intangible assets, and a 26,381 million yen increase in investments and other assets.

(b) Liabilities

Total liabilities at the end of the current fiscal year amounted to 13,359 million yen, up 12,845 million yen from the previous fiscal year.

Current liabilities amounted to 11,393 million yen, up 11,015 million yen from the previous fiscal year.

This was mainly due to an increase of 11,250 million yen in current portion of bonds.

Long-term liabilities totaled 1,966 million yen, up 1,830 million yen from the previous fiscal year.

This was mainly due to an increase of 2 million yen in liabilities for retirement benefits and an increase of 1,958 million yen in deferred tax liabilities, despite a decrease of 130 million yen in long-term loans payable.

(c) Net assets

Net assets at the end of the current fiscal year were 16,965 million yen, an increase of 15,813 million yen from the end of the previous fiscal year.

This was mainly due to the recording of 4,439 million yen in net income attributable to parent company shareholders and an increase of 11,509 million yen in paid-in capital as a result of the issuance and exercise of stock acquisition rights.

(b) Cash flows

Cash and cash equivalents (hereinafter referred to as "cash") for the current consolidated fiscal year decreased by 258 million yen from the end of the previous consolidated fiscal year to 294 million yen. Cash and cash equivalents (hereinafter referred to as "cash") decreased by 258 million yen from the end of the previous consolidated fiscal year to 294 million yen.

The status of each cash flow and their factors are as follows.

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities amounted to 623 million yen (571 million yen used in the same period of the previous year). The main factors were income before income taxes and minority interests of 6,393 million yen, depreciation and amortization of 16 million yen, loss (gain) on valuation of bitcoin of 5,457 million yen, increase (decrease) in liabilities for retirement benefits of 2 million yen, gain on forgiveness of debt of 400 million yen and increase (decrease) in trade receivables of (8) million yen, etc. (2) Changes in the amount of assets and liabilities for retirement benefits

(Net cash provided by (used in) investing activities)

Net cash used in investing activities totaled 23,452 million yen (2,333 million yen earned in the same period of the previous year). The main factors were (20,907) million yen for the acquisition of bitcoin, (16) million yen for the acquisition of property, plant and equipment, - 76 million yen for the acquisition of intangible assets, and (2,322) million yen for the decrease (increase) in deposits paid.

(Net cash provided by (used in) financing activities)

Net cash provided by financing activities amounted to 22,570 million yen (1,415 million yen used in the same period of the previous year). The main factors were repayment of long-term loans payable of (53) million yen, proceeds from issuance of bonds of 12,250 million yen, redemption of bonds of (1,000) million yen, proceeds from issuance of stock of 11,509 million yen, and purchase of treasury stock of (109) million yen.

(C) Production, Orders and Sales

(1) Purchases

Purchase results by segment are shown below.

Name of segment	Current Consolidated Fiscal Year (Jan. 1, 2024 - Dec. 31, 2024) (Jan. 1, 2024 - Dec. 31, 2024)	
	Amount (thousand yen)	YoY change (%)
Bitcoin Treasury Business	-	-
Hotel Business	66,094	50.7
total amount	66,094	50.7

(Note) Amounts are based on purchase price.

(2) Orders Received

Not applicable as it is a service business.

(c) Sales results

Sales results by segment are as follows.

Name of segment	Current Consolidated Fiscal Year (Jan. 1, 2024 - Dec. 31, 2024) (Jan. 1, 2024 - Dec. 31, 2024)	
	Amount (thousand yen)	YoY change (%)
Bitcoin Treasury Business	691,577	-
Hotel Business	370,705	41.7
Total amount	1,062,283	306.0

Management's Discussion and Analysis of Operating Results

The following is a description of the recognition, analysis, and discussion of the Group's operating results from the management's viewpoint. Forward-looking statements in the text are based on judgments made as of the end of the current consolidated fiscal year.

(1) Recognition, Analysis and Discussion of Financial Condition and Operating Results

The financial position and operating results of our group for the current consolidated fiscal year are as described in 2.

Factors that may have a significant impact on the Group's operating results are described in "2.

Objective indicators used to judge the achievement of the Group's management policies, management strategies, or management targets are ordinary income and ratio of ordinary income to net sales.

Ordinary income

Net sales for the period under review were up 306.0% from the previous year, as the company was able to record total sales of 1,062 million yen, including 691 million yen in the Bitcoin Treasury business, a new business started in the period under review, and 370 million yen in the hotel business.

Operating income was 350 million yen due to the contribution of the Bitcoin Treasury business, a new business started in the current period. Ordinary income increased to 5,993 million yen due to a 5,457 million yen gain on valuation of bitcoin.

Ordinary income to net sales

The ratio of ordinary income to net sales was 564.2%.

We will strive to maintain and improve occupancy rates and average guest spend at existing hotels, secure revenue by leading and expanding global change through the expansion of bitcoin treasury operations and promotion of corporate bitcoin adoption, and continue to realize cost reductions to post recurring income. We will also strive to post recurring profit by continuing to realize cost reductions.

The following is a summary of the Group's performance for the current and previous fiscal years with respect to the indicators targeted by the Group.

(Millions of yen)

indicator	Current Consolidated Fiscal Year	Previous consolidated fiscal year	Percentage change
Net sales	1,062	261	306.0%
Ordinary income (loss)	5,993	(414)	-
Ordinary income (loss) to net sales	564.2%	(158.5)	-

(Note) Amounts are rounded down to the nearest million yen.

(2) Analysis and discussion of cash flows and information related to capital resources and liquidity of funds

The status of the Group's cash flow in the current consolidated fiscal year is described in "2.

The Group's financial position is stable due to capital reinforcement through the exercise of stock acquisition rights and other means.

(3) Significant accounting estimates and assumptions used in making such estimates

The Our company's consolidated financial statements are prepared based on generally accepted accounting principles in Japan. In preparing these consolidated financial statements, estimates that affect assets, liabilities, revenues, and expenses are made based on past results, current conditions, and available information, continuously using the most reasonable estimates and assumptions at that time. However, since estimates and assumptions involve uncertainty, actual results may differ.

Regarding accounting estimates, please refer to "Section 5: Accounting Status, 1: Consolidated Financial Statements, etc., (1) Consolidated Financial Statements, Notes, Significant Accounting Estimates" and "Section 5: Accounting Status, 2: Financial Statements, etc., (1) Financial

Statements, Notes, Significant Accounting Estimates.”

5 **【Important Business Contracts】**

At the Board of Directors meeting held on January 28, 2025, our company resolved to conclude the 13th to 17th stock acquisition rights through third-party allotment to EVO FUND (Cayman Islands, Representatives: Michael Larch, Richard Chisholm) (hereinafter referred to as the "Planned Allottee" or "EVO FUND") as the planned allottee, as follows. For details, please refer to "Section 4: Accounting Status, 1: Consolidated Financial Statements, etc., Significant Subsequent Events (Issuance of the 13th to 17th Stock Acquisition Rights through Third-Party Allotment (with Revised Exercise Price Clauses and Exercise Stop Clauses) and Conclusion of Stock Acquisition Rights Purchase Agreement)."

6 **【Research and Development Activities】**

Not applicable.

3rd [Status of Facilities].

1 【Overview of Capital Investment】

The total amount of capital investment implemented during the current consolidated fiscal year was approximately 16 million yen, primarily consisting of increases in buildings and structures due to hotel renovations at Wen Tokyo Corporation.

2 【Status of principal facilities】

Major facilities in our group are as follows

(1) Submitting company

As of December 31, 2024

Office name (Location)	Name of segment	Equipment	Book value (thousand yen)				Number of Employees (Name)
			Building	lot	Other	total amount	
head office (Minato-ku, Tokyo)	whole company	head office functions	-	-	342	342	5

(Notes) 1. There are no major facilities currently idle.

Other" in the book value represents tools, furniture and fixtures. 2.

(2) Domestic subsidiaries

As of December 31, 2024

Company Name	Office name (Location)	Segment name	Facilities Contents	Book value (thousand yen)				Number of Employees (Name)
				Buildings and structure	lot	Other	total amount	
Wen Tokyo Co.	Hotel Royal Oak Gotanda (Shinagawa-ku, Tokyo)	Hotel Business	Hotel Related facilities	106,281	866,619	2,168	975,068	12

(Notes) 1. There are no major facilities currently idle.

2. "Other" in the book value consists of tools, furniture and fixtures and construction in progress.

3 【Plans for new installation, retirement, etc. of facilities】

Not applicable.

4th [Status of the Submitting Company].

1 [Status of Shares, etc.]

(1) [Total Number of shares, etc.]

(1) Total Number of Shares

Type	Total number of shares authorized to be issued (shares)
Common Shares	145,000,000
Total	145,000,000

(Notes) 1. As stipulated in Article 6 of the Company's Articles of Incorporation, the total number of authorized shares of the Company's common stock is 145,000,000.

2. The Extraordinary General Meeting of Shareholders held on December 13, 2024 resolved to change the total number of authorized shares to 145,000,000 shares as of November 8, 2024.

(2) [Outstanding shares]

type	As of the end of the fiscal year Number of shares issued (December 31, 2024)	As of date of submission Number of shares issued (March 24, 2025)	Name of listed financial instruments exchange or registered and licensed financial instruments association	Contents
Common Shares	36,268,334	40,332,334	Tokyo Stock Exchange standard market	The number of shares constituting one unit is 100 shares.
Total	36,268,334	40,332,334	-	-

(Notes) 1. The number of shares issued as of the date of submission does not include the number of shares issued upon exercise of stock acquisition rights from March 1, 2025 to the date of submission of this annual securities report.

2. On January 6, 2025, the number of shares increased by 2,900,000 due to the exercise of stock acquisition rights. From February 18, 2025, to February 21, 2025, the number of shares increased by 1,164,000 due to the exercise of stock acquisition rights.

(2) [Status of stock acquisition rights, etc.]

(i) [Details of stock option plan] (ii) [Details of stock option plan]

Series 10 Stock Acquisition Rights

Date of resolution	Resolution of the Board of Directors on December 28, 2022 Approved by Extraordinary General Meeting of Shareholders on February 7, 2023
Classification and number of grantees* (persons)	Director of the Company 2 Employees of the Company 3
Number of stock acquisition rights* (unit)	Director of the Company 356,000 Employee of the Company 104,000 Total 460,000
Number of treasury stock acquisition rights* (pcs.)	None applicable
Type, description and number of shares to be issued upon exercise of stock acquisition rights (shares)	Common shares: 4,600,000
Amount to be paid in for stock acquisition rights (yen)*	18 per unit
Amount to be paid-in upon exercise of the new share subscription rights (yen)*	100 See Note 2 below.
Exercise period of stock acquisition rights * Exercise period of stock acquisition rights	February 8, 2026 (inclusive) From. February 7, 2033 (inclusive)
Issue price and amount paid into capital when shares are issued upon exercise of stock acquisition rights (yen)*	Issue price 100 Capitalization 50 See Note 7 below.
Terms and conditions to exercise subscription rights to shares * Exercise of subscription rights to shares	See Note 4 below.
Matters concerning the transfer of stock acquisition rights *	See Note 8 below.
Matters concerning issuance of subscription rights to shares in connection with reorganization *	Not applicable.

The contents as of the end of the current fiscal year (December 31, 2024) are stated. As of the end of the month prior to the date of submission (February 28, 2025), there has been no change in the contents to be described from those as of the end of the current fiscal year, so the description as of the end of the month prior to the date of submission has been omitted.

(Type and number of shares to be issued upon exercise of stock acquisition rights (Note 1)

(Note) Method of Calculating the Type and Number of Shares Subject to Stock Acquisition Rights

(1) The class of shares to be issued upon exercise of the Stock Acquisition Rights shall be the common shares of the Company.

(2) The total number of shares underlying these Stock Acquisition Rights is 4,600,000 (with 10 shares allocated per Stock Acquisition Right, hereinafter the “Allocated Number of Shares”).

In the event that the Company’ s “Fully Diluted Total Shares Outstanding” (as defined below) fluctuates on or after the day following the allocation date of these Stock Acquisition Rights, the number of shares underlying any unexercised Stock Acquisition Rights shall be adjusted in accordance with the following formula. Any fraction of less than one share resulting from such adjustment shall be truncated:

Number of shares after adjustment = new fully diluted number of shares issued \times 0.2

Fully diluted number of shares outstanding” means the number of shares of common stock issued and outstanding plus the number of shares with put options, shares with put options, or stock acquisition rights (including those attached to bonds with stock acquisition rights) issued and outstanding by the Company, which provide for the delivery of shares of common stock of the Company in exchange for acquisition thereof, and bonds with stock acquisition rights or other securities or rights (excluding the Stock Acquisition Rights) which provide for the delivery of shares of common stock of the Company. (iii) Shares with put option, shares with put option or stock acquisition rights with put option (including those attached to bonds with stock acquisition rights) issued and outstanding by the Company in the aggregate number of shares issued and remaining, which have a provision to deliver shares of common stock of the Company in

exchange for acquisition thereof, and bonds with stock acquisition rights or other securities or rights (excluding these stock acquisition rights) which may request delivery of shares of common stock of the Company. The total number of shares of common stock of the Company to be issued upon exercise of the Stock Acquisition Rights (excluding the Stock Acquisition Rights).

If any other event requiring adjustment of the number of shares to be issued upon exercise of the stock acquisition rights arises, the Company shall, by a resolution of the Board of Directors, adjust the number of shares to be issued upon exercise of the stock acquisition rights to a reasonable extent.

- (2) Amount of assets to be contributed upon exercise of stock acquisition rights or its calculation method

(1) The value of the assets to be contributed upon exercise of each Stock Acquisition Right shall be the Exercise Price (defined below) multiplied by the number of allotted shares.

(1) The amount of assets to be contributed upon exercise of each Stock Acquisition Right shall be the Exercise Price (defined below) multiplied by the number of shares allotted. However, any fraction of less than one (1) yen resulting from this shall be rounded down.

(2) The amount of assets to be contributed per share (hereinafter referred to as the "Exercise Price") when shares of common stock of the Company are delivered (meaning newly issued shares of common stock of the Company or disposal of shares of common stock of the Company held by the Company) upon the exercise of the Stock Acquisition Rights. (2) The amount of property to be contributed per share (hereinafter referred to as the "Exercise Price") in the event that the Company delivers shares of common stock of the Company (meaning newly issued shares of common stock of the Company or disposes of shares of common stock of the Company held by the Company; the same shall apply hereinafter) by exercising the Stock Acquisition Rights shall be 100 yen. The Exercise Price per share of common stock (the "Exercise Price") shall be 100 yen.

Adjustment of Exercise Price

If the Company conducts a stock split (including gratis allotment of the Company's common stock) or a reverse stock split after the allotment date of the Stock Acquisition Rights, the Exercise Price shall be adjusted according to the following formula. (i) If the Company conducts a stock split (including gratis allotment of the Company's common stock) or a reverse stock split after the allotment date of the Stock Acquisition Rights, the Exercise Price shall be adjusted in accordance with the following formula, and any fraction less than one yen resulting from the adjustment shall be rounded up.

$$\text{Exercise price after adjustment} = \frac{1}{\text{Ratio of split (or consolidation)}} \times \text{Exercise price before adjustment}$$

- (4) Other conditions for exercising the Stock Acquisition Rights

(1) The Stock Acquisition Rights may not be exercised in part.

(2) The holders of the stock acquisition rights pertaining to the Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights Holders") (2) The holders of the Stock Acquisition Rights (the "Stock Acquisition Rights Holders") shall be entitled to exercise the Stock Acquisition Rights, including the Stock Acquisition Rights already exercised, during each of the periods listed below, up to the following ratios for each such period (provided, however, that this shall not apply if approved by a resolution of the Board of Directors of the issuing company, and any fraction less than one Stock Acquisition Right calculated based on such ratios shall be rounded down to the nearest whole unit). If the number of exercisable stock acquisition rights calculated based on such ratio results in a fraction less than one (1) stock acquisition right, such fraction shall be rounded down. The Stock Acquisition Rights may be exercised.

(i) February 8, 2026 to February 7, 2027

Up to 1/3 of the number of the Stock Acquisition Rights allotted to the holders of the Stock Acquisition Rights

(ii) February 8, 2027 to February 7, 2028

Up to 2/3 of the number of the Stock Acquisition Rights allotted to the holders of the Stock Acquisition Rights

(iii) From February 8, 2028 to the end of the exercise period of the stock acquisition rights.

All of the Stock Acquisition Rights held by such Stock Acquisition Rights Holders
Reasons and conditions for acquisition of stock acquisition rights

If any of the following events occurs with respect to a Stock Acquisition Rights Holder, the Company shall acquire all of the Stock Acquisition Rights held by such Stock Acquisition Rights Holder, on a per Stock Acquisition Rights basis, by (i) the number of Stock Acquisition Rights that are subject to such acquisition (the "Number of Stock Acquisition Rights Subject to Acquisition") (i) if the number of Stock Acquisition Rights to be acquired (the "Number of Stock Acquisition Rights Subject to Acquisition") is less than or equal to the number of Stock Acquisition Rights held by the Stock Acquisition Rights Holder that have not yet become exercisable pursuant to Paragraph 12, Item 2 (the "Number of Non-Exercisable Stock Acquisition Rights"); or If the number of the Stock Acquisition Rights to be acquired exceeds the Number of Unexercisable Stock Acquisition Rights, the Company shall acquire the Stock Acquisition Rights at a price of 12.6 yen (any fraction less than one yen resulting from multiplication by the number of the Stock Acquisition Rights to be acquired shall be rounded to the nearest yen).

(iii) If the number of the share options to be acquired exceeds the number of unexercisable share options, the Company shall acquire the share options at 12.6 yen.

(1) If the holder of the Stock Acquisition Rights ceases to be a director, auditor or employee of the Company or its subsidiary (hereinafter referred to as the "Issuing Company, etc.")

(1) When the holder of the Stock Acquisition Rights ceases to be a director, corporate auditor or employee of the Company or its subsidiary (the "Issuing Company, Etc. (2) The Stock Acquisition Rights Holder ceases to be a director, auditor or employee of the Company or its subsidiaries (the "Issuing Company, etc."), except in cases where the Board of Directors of the Company recognizes that there is a justifiable reason, such as retirement from office due to expiration of term of office or mandatory retirement age.

(2) If any of the following events occurs with respect to such Stock Acquisition Rights

(i) Serious violations of laws and regulations or internal rules of the issuing company, etc.

(ii) When a person is sentenced to imprisonment or severer punishment

(iii) In the event that the employee assumes or agrees to assume the position of director or employee of a competing company without the Company's prior permission

Issue of Certificates of Bonds with Stock Acquisition Rights

The Company shall not issue any certificates for the Stock Acquisition Rights.

7. Capital and capital reserve to be increased when shares are issued upon exercise of stock acquisition rights

The amount of capital to be increased in the event of the issuance of shares of common stock of the Company upon the exercise of these equity warrants shall be half of the maximum amount of increase in capital, etc., as calculated in accordance with the provisions of Article 17, Paragraph 1 of the Corporate Accounting Rules (any fraction of less than one yen resulting from the calculation shall be rounded up). The amount of capital reserve to be increased shall be the amount obtained by subtracting the amount of stated capital to be increased from the said maximum amount of increase in stated capital, etc.

8. Matters concerning transfer of stock acquisition rights

Acquisition of the Stock Acquisition Rights by transfer shall require approval by a resolution of the Board of Directors of the Company.

9. method of requesting the exercise of stock acquisition rights

(1) Those who wish to request the exercise of these stock acquisition rights must give notice of the matters necessary for the exercise request to the place where exercise requests are accepted as set forth in Paragraph 19 during the exercise request period set forth in Paragraph 11.

(2) If a person wishes to request the exercise of these stock acquisition rights, he/she shall give notice of the matters necessary for the exercise request set forth in the preceding item and shall transfer the full amount of money to be contributed upon exercise of these stock acquisition rights in cash to the account designated by the Company at the payment

handling location set forth in Paragraph 20.

- (3) The request to exercise the Stock Acquisition Rights shall become effective on the date when all necessary matters for the exercise request are notified to the place for accepting exercise requests as described in Paragraph 19 and the full amount of money to be contributed upon the exercise of such Stock Acquisition Rights is deposited in the account provided in the preceding item.

10. Method of delivery of share certificates

After the exercise request becomes effective, the Company shall deliver shares by recording the increase in book-entry shares in the holding column of the book-entry account book at the book-entry transfer institution or account management institution designated by the holder of the Stock Acquisition Rights concerned.

11. other

- (1) In the event of any amendment to the Companies Act or other laws, etc., which necessitates the replacement of terms and conditions in these Terms and Conditions or other measures, the Company shall take the necessary measures.
- (2) Each of the above items shall be subject to the effectiveness of the notification filed under the Financial Instruments and Exchange Act.
- (3) Any other necessary matters concerning the issuance of the Stock Acquisition Rights shall be left entirely up to the Representative Director of the Company.

(2) [Contents of Rights Plan].

Not applicable.

(iii) [Status of other stock acquisition rights, etc.

The 12th series of stock acquisition rights

Date of resolution	Resolution of the Board of Directors on November 28, 2024
Number of stock acquisition rights* (unit)	EVO FUND 29,000 Total 29,000
Type, description and number of shares to be issued upon exercise of stock acquisition rights (shares)	Common Shares 2,900,000
Amount to be paid in for stock acquisition rights (yen)*	614 yen per unit
Amount to be paid-in upon issuance of stock acquisition rights (yen)*	17,806,000 yen
Amount to be paid-in upon exercise of stock acquisition rights (yen)*	3,288 yen per unit. 9,535,200,000 yen
Exercise period of stock acquisition rights * Exercise period of stock acquisition rights	December 17, 2024 (inclusive) From. June 16, 2025
Terms and conditions to exercise subscription rights to shares * Exercise of subscription rights to shares	See Notes 2, 3 and 4 below.
Matters concerning the transfer of stock acquisition rights *	Acquisition of the Stock Acquisition Rights by transfer shall require approval by a resolution of the Board of Directors of the Company.
Matters concerning issuance of subscription rights to shares in connection with reorganization *	Not applicable.

* Details as of the end of the current fiscal year (December 31, 2024), all 2,900,000 shares of the stock acquisition rights were exercised on January 6, 2025.

(Note) 1. Amount of assets to be contributed upon exercise of the stock acquisition rights or its calculation method

- (1) The property to be contributed upon exercise of each Stock Acquisition Right shall be in cash, and the amount shall be the Exercise Price (defined below) multiplied by the Number of Allotted Shares. (1) The property to be contributed upon exercise of each Stock Acquisition Right shall be in cash. However, any fraction of less than one yen resulting from the exercise shall be rounded down.
- (2) The Company shall deliver shares of common stock of the Company upon exercise of the Stock Acquisition Rights (meaning that the Company shall newly issue shares of common stock of the Company or dispose of shares of common stock of the Company held by the Company. The same shall apply hereinafter). The Exercise Price shall initially be 3,288 yen.

Revision of Exercise Price

- (1) The Exercise Price will be revised for the first time on or after January 7, 2025 (including that day) and thereafter for one trading day (meaning a day on which there is a trading session on the Tokyo Stock Exchange, Inc. (1) The exercise price will be revised for the first time on or after January 7, 2025 (including that day) and for one trading day thereafter (meaning a day on which a trading session is held at Tokyo Stock Exchange, Inc. The same shall apply hereinafter). (Hereafter, the days on which such revisions are made are individually or collectively referred to as "Revision Dates"). (iii) The Exercise Price shall be adjusted in accordance with this paragraph. In the event that the Exercise Price is revised in accordance with this paragraph, the Exercise Price shall be revised on the Revision Date by the number of trading days (hereinafter referred to as the "Price Calculation Period") during each of the 11 consecutive trading days preceding the Revision Date (hereinafter referred to as the "Price Calculation Period"). In the event that the Exercise Price is revised in accordance with this paragraph, the Exercise Price shall be adjusted on the Revision Date in accordance with the following formula. (iii) If the VWAP is less than the Minimum Exercise Price (as defined below), then the VWAP shall be calculated by rounding down any fraction of less than one yen to the nearest yen. (However, if such amount is less than the Minimum Exercise Price (defined below), the Minimum Exercise Price shall be the Minimum Exercise

Price. (If such amount is less than the Minimum Exercise Price (defined below), it shall be the Minimum Exercise Price). However, if there is no volume weighted average price (VWAP) on any trading day during the relevant price calculation period, the exercise price will not be revised. If an event that causes an adjustment under Paragraph 11 occurs on a trading day within any Pricing Period, the VWAP of the Company's common stock announced by the Exchange on each trading day of such Pricing Period will be adjusted in consideration of such event.

- (2) The "Minimum Exercise Price" shall initially be 1,500 yen. The Minimum Exercise Price shall be adjusted in accordance with the provisions of Paragraph 11.

Adjustment of Exercise Price

The exercise price of the Stock Acquisition Rights will first be adjusted on January 7, 2025 (inclusive), and thereafter on each trading day ("Adjustment Date"). For every Adjustment Date, the new exercise price is set at 97% of the simple average of the daily Volume Weighted Average Price (VWAP) for the Company's common stock over the preceding 13 consecutive trading days, rounded down to the nearest one yen. If no VWAP is recorded on any trading day in that 13-day window, no adjustment occurs.

A 3% discount was established to balance investor returns with the Company's objectives for rapid fundraising and maximizing total proceeds. While the adjusted price may occasionally fall below 90% of the previous day's closing price, our analysis suggests this 13-day averaging method generally yields higher overall proceeds and better aligns with shareholder interests than a one-day closing price method. If the calculated exercise price ever drops below the minimum exercise price of 1,500 yen, then 1,500 yen becomes the effective exercise price. The minimum exercise price itself remains subject to the adjustment provisions in Article 11 of the Stock Acquisition Rights terms.

The initial exercise price is 150% of the closing price on the trading day before the issuance resolution date, remaining fixed at that elevated level through December 2024. Daily adjustments begin in January 2025, after the planned reduction of stated capital and appropriation of surplus on December 20, 2024 (pending shareholder approval on December 13, 2024). This structure avoids losing certain tax benefits should stated capital exceed 100 million yen before December 31, 2024. By setting a high initial exercise price and deferring adjustments until January 7, 2025, we facilitate smoother exercises post-2024.

The 1,500 yen minimum exercise price was determined in consultation with the scheduled allottee, taking into account market comparisons, the Company's capital needs, and the goal of protecting existing shareholder interests.

(3) [Status of Exercise of Bonds with Stock Acquisition Rights with Exercise Price Revision Clause, etc.
Not applicable.

(4) [Total number of shares issued, capital stock, etc.

Date	Outstanding Shares	Outstanding Shares Total number of balances (Ltd.)	Capital Increase/Decrease (Thousands of yen)	Balance of capital (Thousands of yen)	Capital reserve Increase /decrease (Thousands of yen)	capital reserve (bank) balance (Thousands of yen)
April 1, 2020 (Note 1)	132,700	57,192,187	7,682	3,096,887	7,682	6,739,241
May 7, 2021 (Note 2)	–	57,192,187	(3,096,887)	0	(5,404,495)	1,334,745
February 8, 2023 (Note 3)	57,500,000	114,692,187	575,000	575,000	575,000	1,909,745
January 12, 2024 (Note 4)	–	114,692,187	(575,000)	0	–	1,909,745
From April 1, 2024 June 30, 2024 (Notes 5, 6, 7)	67,000,000	181,692,187	677,705	677,705	677,705	2,587,450
August 1, 2024 (Note 8)	(163,522,969)	18,169,218	–	677,705	–	2,587,450
From July 1, 2024 November 28, 2024 (Note 9)	18,099,116	36,268,334	5,076,820	5,754,525	5,076,820	7,664,271
December 20, 2024 (Note 10)	–	36,268,334	(5,754,525)	0	–	7,664,271

Date	Increase/Decrease in Total Number of Issued Shares (shares)	Balance of Total Number of Issued Shares (shares)	Increase/Decrease in Capital Stock (thousand yen)	Balance of Capital Stock (thousand yen)	Increase/Decrease in Capital Reserve (thousand yen)	Balance of Capital Reserve (thousand yen)
April 1, 2020 (Note 1)	132,700	57,192,187	7,682	3,096,887	7,682	6,739,241
May 7, 2021 (Note 2)	–	57,192,187	(3,096,887)	0	(5,404,495)	1,334,745
February 8, 2023 (Note 3)	57,500,000	114,692,187	575,000	575,000	575,000	1,909,745
January 12, 2024 (Note 4)	–	114,692,187	(575,000)	0	–	1,909,745
April 1, 2024 – June 30, 2024	67,000,000	181,692,187	677,705	677,705	677,705	2,587,450

Date	Increase/Decrease in Total Number of Issued Shares (shares)	Balance of Total Number of Issued Shares (shares)	Increase/Decrease in Capital Stock (thousand yen)	Balance of Capital Stock (thousand yen)	Increase/Decrease in Capital Reserve (thousand yen)	Balance of Capital Reserve (thousand yen)
(Notes 5, 6, 7)						
August 1, 2024 (Note 8)	(163,522,969)	18,169,218	–	677,705	–	2,587,450
July 1, 2024 – November 28, 2024 (Note 9)	18,099,116	36,268,334	5,076,820	5,754,525	5,076,820	7,664,271
December 20, 2024 (Note 10)	–	36,268,334	(5,754,525)	0	–	7,664,271

(Note 1) The increase was due to the exercise of stock acquisition rights.

2. In accordance with the provisions of Article 447, Paragraph 1 of the Companies Act and Article 448, Paragraph 1 of the Companies Act, capital stock was reduced by 3,096,887 thousand yen and capital reserve was reduced by 5,404,495 thousand yen to compensate for losses by resolution of the general meeting of shareholders.
3. Due to the third-party allotment of new shares with a payment date of February 8, 2023, the total number of outstanding shares increased by 57,500,000 shares, capital stock by 575,000 thousand yen, and capital reserve by 575,000 thousand yen.
4. In accordance with the provisions of Article 447, Paragraph 1 of the Companies Act and Article 448, Paragraph 1 of the Companies Act, capital stock was reduced by 575,000 thousand yen by resolution of the General Meeting of Shareholders to compensate for losses.
5. During the period through April 8, 2024, the exercise of stock acquisition rights increased the total number of shares issued and outstanding by 46,750,000 shares and capital stock and capital reserve by 472,876,000 yen each.
6. During the period through April 22, 2024, the exercise of stock acquisition rights increased the total number of shares issued and outstanding by 8,571,300 shares and capital stock and capital reserve by 86,698 thousand yen each.
7. During the period through June 10, 2024, the exercise of stock acquisition rights increased the total number of shares issued and outstanding by 11,678,700 shares and capital stock and capital reserve by 118,130 thousand yen each.
8. At the extraordinary shareholders' meeting held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share.
As a result, the total number of shares issued decreased by 163,522,969.
9. During the period through November 28, 2024, the exercise of stock acquisition rights increased the total number of shares outstanding by 18,099,116 shares, and capital stock and capital reserve by 5,076,820 thousand yen each.
10. In accordance with Article 447, Paragraph 1 of the Companies Act, capital stock was reduced by 5,754,525 thousand yen by resolution of the Extraordinary General Meeting of Shareholders to compensate for the deficit.
11. As a result of the exercise of the 12th series of stock acquisition rights (with a clause to revise the exercise price) on January 6, 2025, the total number of outstanding shares increased by 2,900,000 shares, and capital stock and capital reserve increased by 4,776,503 thousand yen each.
12. During the period from February 18, 2025 to February 28, 2025, the end of the month prior to the month in which this report is submitted, the total number of shares issued increased by

1,164,000 shares and the amount of capital stock and capital reserve increased by 3,569,017 thousand yen each due to the exercise of the 13th series of stock acquisition rights.

The following changes have been made to the "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue, (2) Use of Proceeds," which was stated in the Securities Registration Statement filed on December 28, 2022 and the Amendment to Securities Registration Statement filed on January 12, 2023.

(1) Reason for change

The Company has decided to cancel the WEB3 and Metaverse-related businesses that were contemplated at the time of the Board of Directors' resolution to issue the 9th series of stock acquisition rights on December 28, 2022, as they are not yet expected to become profitable, and to newly incorporate the purchase and holding of bitcoin as part of the Company's financial strategy. The reason for this is that we have decided to incorporate the purchase and holding of bitcoin as part of our financial strategy.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)			Scheduled date of expenditure
(i) Working capital	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2024
	200	400	600	
(ii) Development, operation, and advertising expenses in core businesses	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2024
	40	<u>290</u>	<u>330</u>	
(iii) Personnel expenses for consulting business	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2025
	40	<u>150</u>	<u>190</u>	
(4) Investment resources for investment business	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2025
	296	<u>474</u>	<u>770</u>	
(5) Repayment of loans	new stock issue	Stock Acquisition Rights	total amount	From February 2023 March 2023
	530	41	571	
total amount	new stock issue	Stock Acquisition Rights	total amount	
	1,106	1,355	2,461	

(After the change)

Specific use	Amount (Millions of yen)			Scheduled date of expenditure
(i) Working capital	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2024
	200	400	600	
(ii) Development, operation, and advertising expenses in core businesses	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2024
	40	<u>206</u>	<u>246</u>	

(iii) Personnel expenses for consulting business	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2025
	40	—	<u>40</u>	
(4) Investment resources for investment business	new stock issue	Stock Acquisition Rights	total amount	From February 2023 December 2025
	296	<u>708</u>	<u>1,004</u>	
(5) Repayment of loans	new stock issue	Stock Acquisition Rights	total amount	From February 2023 March 2023
	530	41	571	
total amount	new stock issue	Stock Acquisition Rights	total amount	
	1,106	1,355	2,461	

14. The following changes have been made to "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue, (2) Use of Proceeds," which was stated in the Securities Registration Statement submitted on August 6, 2024 and the Amendment to Securities Registration Statement submitted on November 14, 2024.

(1) Reason for change

As announced in the "Notice of Gratis Allotment of Stock Acquisition Rights (Unlisted)" disclosed on August 6, 2024, the Company resolved to implement the gratis allotment of the Company's 11th series of stock acquisition rights (unlisted) (hereinafter referred to as the "Stock Acquisition Rights"). The Company resolved to implement a gratis allotment of its 11th series of stock acquisition rights (unlisted) (the "Stock Acquisition Rights").

Subsequently, as announced in the "Notice of Borrowing of Funds and Purchase of Bitcoin" disclosed on August 8, 2024, the Company borrowed a total of 1 billion yen from MMXX Ventures Limited ("MMXX") ("MMXX") to purchase Bitcoin from MMXX Ventures Limited ("MMXX"), the Company borrowed a total of 1 billion yen (the "Borrowings"). (hereinafter, "MMXX") to purchase Bitcoin from MMXX Ventures Limited ("MMXX"). Since the decision to borrow from MMXX had not been made at the time of the filing of the securities registration statement, the application for repayment of the said borrowing was not included in the explanation of the use of funds for the gratis allotment of stock acquisition rights.

On October 1, 2024, the Company will make an early repayment of such borrowings using the stock acquisition rights Exercise Amount paid up to that time as the source of funds, and the repayment of the borrowings to MMXX has been completed as of the filing of this Amendment Statement.

The early repayment of the loan is due to the fact that MMXX, having raised funds through the Gratis Allotment of Stock Acquisition Rights, has now been approached by MMXX about the prepayment of the loan in the form of applying the condition stipulated in the loan agreement entered into with MMXX, which is also described in the disclosure material dated August 8, 2024, "If the Company raises funds, the lender may request prepayment of the loan. The reason is that there was a discussion about early repayment in the form of applying the condition "If we raise funds, the lender may demand prepayment" which was stipulated as a condition of the loan agreement entered into with MMXX.

MMXX was allotted 900,000 of these stock acquisition rights as of September 6, 2024, the allotment date of the Gratis Allotment of Stock Acquisition Rights, and MMXX has represented to us that it intends to use such advance repayment funds to exercise all of the stock acquisition rights it holds, and that MMXX has actually MMXX has actually exercised all of the stock acquisition rights held by MMXX.

Since the borrowing was intended to receive the proceeds of the exercise of the subscription rights by MMXX ahead of schedule and to purchase Bitcoin as soon as possible,

the Company had already purchased 1 billion yen of Bitcoin at the time of the borrowing, and as a result, as disclosed on August 6, 2024, the final the use of the funds will be achieved.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	1,000	October 2024 - June 2025
(2) Purchase Bitcoin	<u>8,500</u>	September 2024 - December 2024
(c) Working capital	500	October 2024 - December 2026
Total amount	10,000	

(After the change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	1,000	October 2024 - June 2025
(2) Purchase Bitcoin	<u>7,500</u>	September 2024 - December 2024
(c) Working capital	500	October 2024 - December 2026
(iv) Repayment of loan to MMXX	<u>1,000</u>	<u>October 2024</u>
Total amount	10,000	

15. The following changes have been made to "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue (2) Use of Proceeds," which was stated in the Securities Registration Statement submitted on November 28, 2024 and the Amendment Securities Registration Statements submitted on December 18, 2024 and December 25, 2024. (2) Use of Proceeds" has been changed as follows.

As of the Amended Securities Registration Statement filed on December 18, 2024.

(1) Reason for change

On December 17, 2024, the Company issued its 4th Series of Ordinary Bonds (zero coupon bonds) in the amount of 4.5 billion yen to EVO FUND. The funds raised by this bond issue will be used to purchase Bitcoin. Since the redemption date of the said bonds is January 16, 2025, the Company decided to secure the repayment source by issuing and exercising the stock acquisition rights.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
<u>(1) Purchase Bitcoin</u>	<u>9,167</u>	December 2024 - June 2025
<u>(2) Working capital</u>	340	December 2024 - December 2025
Total amount	9,507	

(After the change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
<u>(i) Redemption of bonds</u>	<u>4,500</u>	<u>January 2025</u>
<u>(2) Purchase Bitcoin</u>	<u>4,667</u>	December 2024 - June 2025
<u>(c) Working capital</u>	340	December 2024 - December 2025
Total amount	9,507	

As of the Amended Securities Registration Statement filed on December 25, 2024.

(1) Reason for change

On December 20, 2024, the Company issued its 4th Series of Ordinary Bonds in the amount of 5 billion yen to EVO FUND (zero coupon bonds). The funds raised by the bond issue will be used to purchase Bitcoin. Since the redemption date of the said bonds is June 16, 2025, the Company decided to secure the repayment source by issuing and exercising the stock acquisition rights.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>4,500</u>	January 2025
<u>(2) Purchase Bitcoin</u>	<u>4,667</u>	<u>December 2024 - June 2025</u>
<u>(c) Working capital</u>	<u>340</u>	December 2024 - December 2025
Total amount	9,507	

(After the change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>9,500</u>	January 2025 - <u>June 2025</u>
<u>(2) Working capital</u>	<u>7</u>	December 2024 - December 2025
Total amount	9,507	

The following changes have been made to the "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue, (2) Use of Proceeds," which was stated in the Securities Registration Statement filed on January 28, 2025 and the Amendment to Securities Registration Statement filed on February 10, 2025.

(1) Reason for change

By resolution of the Board of Directors on February 10, 2025, the Company will issue 4 billion yen of its 6th Series of Ordinary Bonds (interest rate of 0% per annum) to EVO FUND on February 13, 2025. The funds raised by this bond issue will be used to purchase Bitcoin. Since the redemption date of the said bonds is August 12, 2025, the Company has decided to secure the repayment source by issuing and exercising the stock acquisition rights.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
<u>(1) Purchase Bitcoin</u>	<u>111, 313</u>	February 2025 - February 2027
<u>(2) Bitcoin Income Generation</u>	5, 000	February 2025 - December 2025
Total amount	116, 313	

(After the change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
<u>(i) Redemption of bonds</u>	<u>4, 000</u>	<u>February 2025 - August 2025</u>
<u>(2) Purchase Bitcoin</u>	<u>107, 313</u>	February 2025 - February 2027
<u>(iii) Bitcoin Income Generation</u>	5, 000	February 2025 - December 2025
Total amount	116, 313	

17. The following changes have been made to "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue (2) Use of Proceeds," which was stated in the Securities Registration Statement filed on January 28, 2025 and the Amendment Securities Registration Statements filed on February 10, 2025 and March 4, 2025. The following changes have been made to the use of the net proceeds.

(1) Reason for change

Due to the significant fluctuations in our stock price and Bitcoin price since the filing of the securities registration statement, in addition to the issuance of the 6th Series of Ordinary Bonds on February 13, 2025, we will newly issue the 7th Series of Ordinary Bonds on February 27, 2025, thereby promptly purchasing Bitcoin, which is expected to rise further in the future, without waiting to exercise the stock acquisition rights. The Company has decided to promptly purchase Bitcoin, which is expected to rise further in the future, without waiting for the exercise of the stock acquisition rights, and to use the funds raised through the exercise of the stock acquisition rights to redeem the 7th Series of Ordinary Bonds in addition to the 6th Series of Ordinary Bonds.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>4, 000</u>	<u>February 2025 - August 2025</u>
(2) Purchase Bitcoin	<u>107, 313</u>	February 2025 - February 2027
(iii) Bitcoin Income Generation	5, 000	February 2025 - December 2025
Total amount	116, 313	

(After the change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>6,000</u>	February 2025 - <u>August 2025</u>
(2) Purchase Bitcoin	<u>105,313</u>	February 2025 - February 2027
(iii) Bitcoin Income Generation	5,000	February 2025 - December 2025
Total amount	116,313	

18. The "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue (2) Use of Proceeds" in the Securities Registration Statement filed on January 28, 2025 and the Amendment Securities Registration Statement filed on February 10, 2025, March 4, 2025, and March 12, 2025, has been changed as follows. (2) Use of Proceeds" has been changed as follows.

(1) Reason for change

Due to the significant fluctuations in our stock price and the price of Bitcoin since the filing of the securities registration statement, in addition to the issuance of the 6th Series of Ordinary Bonds on February 13, 2025 and the 7th Series of Ordinary Bonds on February 27, 2025, we will newly issue the 8th Series of Ordinary Bonds on March 12, 2025, thereby promptly purchasing Bitcoin, which is expected to rise further in the future, without waiting for the exercise of the stock acquisition rights. The Company has decided to use the funds raised through the exercise of the stock acquisition rights to redeem the 8th Series of Ordinary Bonds in addition to the 6th and 7th Series of Ordinary Bonds.

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>6,000</u>	February 2025 - <u>August 2025</u>
(2) Purchase Bitcoin	<u>105,313</u>	February 2025 - February 2027
(iii) Bitcoin Income Generation	5,000	February 2025 - December 2025
Total amount	116,313	

(After the change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>8,000</u>	February 2025 - <u>September 2025</u>
(2) Purchase Bitcoin	<u>103,313</u>	February 2025 - February 2027
(iii) Bitcoin Income Generation	5,000	February 2025 - December 2025
Total amount	116,313	

The following changes have been made to the "Part I: Securities Information, Section 1: Summary of Offering, 5 Use of Proceeds from New Issue (2) Use of Proceeds," which was stated in the Securities Registration Statement filed on January 28, 2025 and the Amendment Securities Registration Statements filed on February 10, 2025, March 4, 2025, and March 12, 2025. (2) Use of Proceeds" has been changed as follows.

(1) Reason for change

Due to the significant fluctuations in our stock price and the price of Bitcoin since the

filing of the securities registration statement, in addition to the issuance of the 6th Series of Ordinary Bonds on February 13, 2025, the 7th Series of Ordinary Bonds on February 27, 2025, and the 8th Series of Ordinary Bonds on February 27, 2025, the Company newly issued the 9th Series of Ordinary Bonds on March 18, 2025, thereby promptly purchasing Bitcoin, which is expected to rise further in the future, without waiting for the exercise of the stock acquisition rights, and changed the use of the funds raised through the exercise of the stock acquisition rights to redemption of the 9th Series of Ordinary Bonds in addition to the 6th Series of Ordinary Bonds, the 7th Series of Ordinary Bonds and the 8th Series of Ordinary Bonds. The Company has decided to use the funds raised through the exercise of the stock acquisition rights to redeem the 9th Series of Ordinary Bonds in addition to the 6th, 7th and 8th Series of Ordinary Bonds.

(2) Modified part

The details of the change in the use of the funds are as follows (The changes are underlined.)

(Before change)

Specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>8,000</u>	February 2025 - September 2025
(2) Purchase Bitcoin	<u>103,313</u>	February 2025 - February 2027
(iii) Bitcoin Income Generation	5,000	February 2025 - December 2025
total amount	116,313	

(After the change)

specific use	Amount (Millions of yen)	Scheduled date of expenditure
(i) Redemption of bonds	<u>10,000</u>	February 2025 - September 2025
(2) Purchase Bitcoin	<u>101,313</u>	February 2025 - February 2027
(iii) Bitcoin Income Generation	5,000	February 2025 - December 2025
total amount	116,313	

(5) [Status by Owner] (5) [Status by Owner] (5) [Status by Owner] (5) [Status by Owner]

As of December 31, 2024

Classifica tion	Status of Shares (Number of Shares per Unit: 100 shares)								less than a unit Stock situation (stock company)
	Governme nt and local public organiza tion	Financial institutio ns	financial instrument s business operator	Other (juridical) person	Foreign corporations, etc.		Individual Other	plan	
					Non- Personal	individual			
Number of sharehold ers (Person)	-	2	32	167	118	269	31,266	31,854	-
Number of shares held (Unit)	-	3,520	21,402	4,827	112,994	32,921	182,944	358,608	407,534
Sharehold ing Percentag e of number of (%)	-	0.982	5.968	1.346	31.509	9.180	51.015	100.000	-

(Note) 95,798 shares of treasury stock are included in 957 units in "Individuals and others" and 98 shares in "Status of odd-lot shares."

(6) [Status of Major Shareholders]

As of December 31, 2024

Name or Designation	address (e.g. of house)	Number of shares held (Ltd.)	Ratio of shares held to total number of shares issued (excluding treasury stock) (%) Ratio of shares held to total number of shares issued and outstanding (excluding treasury stock) (%)
INTERACTIVE BROKERS LLC (Standing Proxy: Interactive Brokers Securities, Inc.)	ONE PICKWICK PLAZA GREENWICH, CONNECTICUT 06830 USA (3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo)	3,551,447	9.82
SPENCER DAVID JONATHAN (Standing proxy: EVOLUTION JAPAN Securities Co.)	VADHANA, BANGKOK (4-1 Kioi-cho, Chiyoda-ku, Tokyo)	1,500,000	4.15
MMXX VENTURES LIMITED (Standing proxy: EVOLUTION JAPAN SECURITIES CO.)	CRAIGMUIR CHAMBERS, PO BOX 71, ROAD TOWN, TORTOLA VG1110, BRITISH VIRGIN ISLANDS (4-1 Kioi-cho, Chiyoda-ku, Tokyo)	1,445,450	4.00
GEROVICH SIMON	Minato Ward, Tokyo	1,411,640	3.90
Rakuten Securities, Inc.	2-6-21 Minami-Aoyama, Minato-ku, Tokyo	1,409,500	3.90
STATE STREET BANK AND TRUST COMPANY 505001 (Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1 Konan, Minato-ku, Tokyo)	1,391,500	3.85
BNYM AS AGT/CLTS 10 PERCENT (Bank of Mitsubishi UFJ, Ltd.)	240 GREENWICH STREET, NEW YORK, NEW YORK 10286 U.S.A. (4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo)	1,320,429	3.65
UBS AG SINGAPORE (Citibank, N.A.)	AESCHENVORSTADT 1, CH-4002 BASEL SWITZERLAND (6-27-30 Shinjuku, Shinjuku-ku, Tokyo)	1,140,840	3.15
Eto Batarra	Fuchu City, Tokyo	750,000	2.07
BNYM SA/NV FOR BNY M FOR BNYM GCM CLIENT ACCTS M ILM FE (Bank of Mitsubishi UFJ, Ltd.)	2 KING EDWARD STREET, LONDON EC1A 1HQ UNITED KINGDOM	347,134	0.96
plan		14,267,940	39.44

(Shareholding ratio is calculated excluding treasury stock (95,798 shares)).

Capital Research and Management Company submitted a substantial shareholding report dated January 10, 2025 and change reports dated February 7, 2025, February 21, 2025, and March 7, 2025. However, except for Capital Research and Management Company, the Company is unable to confirm the beneficial ownership status of these companies as of the end of the fiscal year under review.

The details of the change report of the large shareholding report as of March 7, 2025 are as follows.

Large volume holder Capital Research and Management Company

Number of shares held 2,636,000 shares

Percentage of shares held 5.55

Evo Fund submitted a substantial shareholding report dated January 14, 2025 and change reports dated

February 28, 2025, March 10, 2025, and March 13, 2025. The Company is unable to confirm the actual shareholding status as of the end of the fiscal year under review, with the exception of the Evo Fund, so it is not included in the above list of major shareholders.

The details of the change report of the large shareholding report as of March 13, 2025 are as follows.

Large volume holder Evo Fund (Evo Fund) and one other company

Number of shares held 17,884,000 shares

Percentage of share certificates, etc. held 29.72

(7) [Status of voting rights

(1) [Outstanding shares

As of December 31, 2024

classification	Number of shares	Number of voting rights	Contents
non-voting stock	-	-	-
Shares with restricted voting rights (treasury stock, etc.)	-	-	-
Shares with restricted voting rights (Other)	-	-	-
Full voting shares (Treasury stock, etc.)	(Common stock) 95,700	-	-
Shares with full voting rights (Other)	(Common stock) 35,765,100	357,651	-
odd lot shares	(Common stock) 407,534	-	-
Total number of shares issued and outstanding	36,268,334	-	-
Voting rights of all shareholders	-	357,651	-

(Note) At the Extraordinary General Meeting of Shareholders held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share.

As a result, the total number of shares issued decreased by 163,522,969.

(2) [Treasury stock, etc.

As of December 31, 2024

Name of Owner or Name	Owner's address	in one's own name Number of shares held (Ltd.)	in someone else's name Number of shares held (Ltd.)	Number of shares held Total of (Ltd.)	outstanding stocks to the total number of Number of shares held Percentage (%)
Metaplanet Inc.	6-10-1 Roppongi, Minato-ku, Tokyo	95,700	-	95,700	0.27
plan	-	95,700	-	95,700	0.27

(Note) At the extraordinary general meeting of shareholders held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share. The number of treasury stock after the reverse stock split is 95,700 shares.

2 [Status of Acquisition of Treasury Stock, etc.]

Type of shares, etc.]

Common stock falling under Article 155, Item 7 of the Companies Act

(1) [Status of acquisition by resolution of the General Meeting of Shareholders]

Not applicable.

(2) [Status of acquisition by resolution of the Board of Directors] (2) [Status of acquisition by resolution of the Board of Directors]

Not applicable.

(3) [Details of items not based on resolutions of the General Meeting of Shareholders or the Board of Directors] (3) [Details of items not based on resolutions of the General Meeting of Shareholders or the Board of Directors]

classification	Number of shares	Total value (Thousands of yen)
Treasury stock acquired in the current fiscal year	95,013	109,400
Treasury stock acquired during the period	3,102	15,411

(Note) Treasury stock acquired during the period under review does not include shares less than one unit purchased from March 1, 2025 to the date of submission of this annual securities report.

(4) [Status of disposal and holding of acquired treasury stock]

classification	Current fiscal year		the current term	
	Number of shares	Total amount of disposal value (Thousand yen) (Thousands of yen)	Number of shares	Total amount of disposal value (Thousand yen) (Thousands of yen)
A call was made for undertakers. Treasury stock acquired	-	-	-	-
Acquired treasury stock disposed of for cancellation	-	-	-	-
Acquired treasury stock transferred in connection with a merger, share exchange, share issuance, or corporate split	-	-	-	-
Other (Exercise of subscription rights to shares)	-	-	27,000	72,123
Number of treasury stock held	95,798	-	71,900	-

(Note) Treasury stock held during the period does not include shares less than one unit purchased from March 1, 2025 to the date of submission of this annual securities report.

3 [Dividend policy]

The Company recognizes that returning profits to shareholders is one of its most important policies, and its basic policy is to provide long-term, stable dividends and profit returns to shareholders while improving profitability and financial strength.

The Company's basic policy is to pay dividends once a year at the end of the fiscal year by resolution of the General Meeting of Shareholders, and to pay interim dividends by resolution of the Board of Directors, depending on business performance and other factors. The Company's Articles of Incorporation stipulate that "the Company may, by a resolution of the Board of Directors, pay interim dividends with a record date of the last day of June each year. The Company's Articles of Incorporation stipulate that "the Company may, by resolution of the Board of Directors, pay interim dividends with a record date of the last day of June each year.

Based on the above basic policy, we have decided to pay no dividend for the current fiscal year.

Retained earnings will be invested effectively as a source of funds for new businesses to be developed in the future.

4 [Status of Corporate Governance, etc.]

(1) [Overview of Corporate Governance] (1) [Overview of Corporate Governance] (1) [Overview of Corporate Governance]

(1) Basic Policy on Corporate Governance

In order to realize our management philosophy of "becoming a company that can provide better choices in an age of self-selection for comfort (Quality of Living)," we consider the enhancement of corporate governance to be one of the most important management issues in order to further emphasize our relationship with our shareholders and various other stakeholders. We consider the enhancement of corporate governance to be one of the most important management issues to further emphasize the relationship with our shareholders and other stakeholders.

The basic policy of our group regarding corporate governance is as follows.

The Group respects the position of its shareholders, employees, business partners, and other stakeholders, and places great importance on the relationships with them. We will endeavor to maintain and develop relationships with each stakeholder by presenting and implementing company-wide policies on how to deal with each stakeholder.

2. The Group will strive to establish a system that allows the Board of Corporate Auditors to conduct rigorous audits of the execution of duties by directors and decisions on management policies.
3. The Company recognizes that internal control and compliance are the most important issues and will strengthen its organizational structure. The Company will make efforts to audit the operations of each department, etc., by one internal auditor under the direct control of the President, utilize specialists such as corporate attorneys, and share risk information internally.

The Group will disclose accounting and other information in a fair and timely manner to enhance management transparency and fulfill its accountability to shareholders and other stakeholders. We will actively promote the disclosure of information to investors, etc. on the status and outlook of our business through active use of our website, etc.

Based on the above basic approach, the Group will continue to implement and evaluate the necessary measures to realize the enhancement of corporate governance.

(2) Outline of the corporate governance system and reasons for adopting such a system

(a) Overview of corporate governance structure

The Company's management decision-making, execution and supervision bodies are as follows

Board of Directors

As of the date of submission of this report, the Company's Board of Directors has nine members: one representative director and eight other directors (including seven outside directors). In addition to the regular monthly meetings of the Board of Directors, extraordinary meetings of the Board of Directors are held on a timely basis. During the fiscal year under review, the Board of Directors held 27 meetings.

Since November 2002, the term of office of directors has been one year, and we ask our shareholders for their vote of confidence every year. The Board of Directors operates in such a way that it can respond quickly to any business environment, and at the same time, it clarifies its responsibility for management.

Executive Committee

Prior to discussions at the Board of Directors meetings, the Group holds executive meetings consisting of directors and other senior management members to actively exchange opinions on important management issues. This system enables the management team to share information and make decisions promptly regarding the execution of business operations on site.

Corporate Auditors and the Board of Corporate Auditors

As of the date of submission, the Company has a Board of Corporate Auditors consisting of three members, all of whom are outside corporate auditors, one of whom is a full-time corporate auditor. One of the full-time auditors is a certified public accountant and conducts audits from a professional standpoint. In addition to the Board of Corporate Auditors meetings, the Corporate Auditors attend Board of Directors meetings as necessary to conduct rigorous audits of the

execution of duties by each director.

Accounting Auditor

The Company has entered into an audit contract with Yamabuki & Co. and has been audited in accordance with the Financial Instruments and Exchange Law and the Companies Act, and appropriate audits have been conducted.

(b) Reasons for adopting the corporate governance system

The Company aims to enhance corporate competitiveness, speedy management decision-making, and transparency and rationality in management. We also recognize that compliance is the basis of corporate governance, and we strive to create a corporate culture that respects social ethics and morals, rather than merely observing laws, regulations, and internal rules.

Therefore, we have adopted the current system in order to promote fair and sound corporate activities and expand our corporate governance structure.

The Company's organizational structure for corporate organization and internal control is shown in the table below.

(iii) Other matters relating to corporate governance

(a) Status of internal control system

In accordance with the Companies Act and the Ordinance for Enforcement of the Companies Act, the Company shall establish a system to ensure the appropriateness of operations with respect to the establishment of an internal control system as follows.

a. System to ensure that the execution of duties by directors complies with laws and regulations and the Articles of Incorporation

The Company has taken the following measures to ensure that the execution of duties by directors complies with laws and regulations and the Articles of Incorporation, and will continue to improve the system for this purpose in the future.

The Company's directors shall have high ethical standards, comply with laws, regulations, the Articles of Incorporation and other internal rules, take the initiative in establishing a system to enhance sound and transparent management, and provide appropriate direction and guidance to the members of the Company and its group companies.

The Board of Directors, which is composed of the Company's directors, shall be governed by the "Regulations of the Board of Directors" and shall operate properly in accordance with laws, regulations, and the Articles of Incorporation of the Company.

b. Systems to ensure that the execution of duties by employees complies with laws and regulations and the Articles of Incorporation

The Company has taken the following measures to ensure that the execution of duties by employees complies with laws and regulations and the Articles of Incorporation, and will continue to improve the system for this purpose in the future.

The internal auditor is responsible for the important function of monitoring, providing guidance and advice from the perspective of compliance and internal control in the Company's internal audit system. The internal auditor shall conduct internal audits of each department, including subsidiaries, according to an annual schedule in accordance with the "Internal Audit Regulations" prescribed by the Company, and shall continuously provide guidance on compliance with laws, the Articles of Incorporation, and other internal regulations, and verify that compliance and internal controls are functioning as an organization.

The internal rules and regulations that serve as operational guidelines for compliance and internal control will be added to and revised as necessary in accordance with revisions to related laws and regulations.

c. System for the storage and management of information related to the execution of duties by directors

One director shall be in charge of the handling of important documents and other information related to the execution of duties by directors, and such information shall be stored and managed appropriately in accordance with internal regulations such as the "Document Management Regulations" and "Internal Information Management Regulations".

In addition, such operations shall be subject to internal audits by the Internal Audit Department, which shall continuously monitor them to ensure the appropriateness of operations.

d. Regulations and other systems for managing risk of loss

The Company has taken the following measures to address various risks associated with its business activities, and will continue to improve its systems to address these risks in the future.

The internal rules and regulations shall stipulate that directors and employees shall take actions based on the concept of appropriate risk management, and the internal auditors shall monitor and supervise the status of compliance with these rules and regulations.

The Board of Directors shall report important risk information to the Board of Directors once a

month and to extraordinary meetings as necessary. In addition, the Company will strengthen its risk management system by exchanging information and discussing risk information at the executive committee consisting of directors and other executives.

The Company will enter into an advisory contract with a law firm with a proven track record in corporate legal affairs, etc., and establish a system to receive advice on all legal issues in a timely manner as a legal advisor as needed.

e. Systems to ensure the efficient execution of duties by directors

The Group will strive to establish a system that enables management to promptly share information and make decisions on important management issues prior to discussions at Board of Directors meetings, through active exchanges of opinions at executive management meetings, etc., which consist of senior management.

f. Matters related to employees who assist corporate auditors in the performance of their duties when requested by corporate auditors, and matters related to the independence of such employees from directors.

The Company does not currently have any employees to assist the auditors in their duties, but will consider establishing such employees in the future in accordance with the following policy

(2) In the event that a corporate auditor requests the appointment of an employee to assist him or her in the performance of audit duties, the Company shall permit the appointment of such an employee after considering the appropriateness of the employee's assistance.

In the above cases, the Board of Corporate Auditors shall be delegated the authority to direct the designated employees, as well as the authority over the treatment and compensation of such employees, during the period designated by the Corporate Auditors, and such employees shall not be subject to the direction and orders of the Directors.

g. System for directors and employees to report to auditors and other systems related to reporting to auditors

The Company strongly recognizes the importance of the corporate auditor function, and in order to conduct rigorous audits of the Company's business execution, the Company will establish a system to receive reports on important internal matters through the following efforts.

The Corporate Auditors shall attend all meetings of the Board of Directors and other important meetings as necessary, and shall hold hearings with each Director as necessary, thereby receiving reports and information on the Board of Directors and the execution of duties by each Director from time to time.

Corporate auditors shall regularly exchange opinions with the accounting auditor in accordance with the annual audit schedule, and receive reports and information on important accounting issues, such as important accounting policies, accounting standards, and changes thereof, as needed.

(2) Corporate Auditors shall exchange opinions and share information on the status of activities related to the internal control system with the Internal Audit Department as appropriate, in order to promote collaboration.

One of the auditors shall be full-time and shall receive reports on important matters from employees as appropriate in the course of daily business operations.

In addition to the above, directors and employees shall report and provide information on management issues, significant risks, significant matters concerning subsidiaries, minutes of important meetings, and other business documents from time to time upon request of each corporate auditor.

h. Other systems to ensure the effective performance of audits by corporate auditors

The Administration Department, which is in charge of the Company's corporate auditors, will support the smooth execution of auditing duties by the corporate auditors through close communication, including reporting on the status of business operations and other important matters. In addition, in order to ensure that the audits of corporate auditors continue to be conducted effectively, the Company will continue to develop the necessary environment, including the exchange of opinions between directors and corporate auditors as appropriate.

i. Status of systems to ensure the appropriateness of operations of subsidiaries

In order to ensure the appropriateness of the operations of our subsidiaries, we request

periodic reports from them to determine whether their operations are being conducted properly and to understand the management details of the subsidiaries.

Important matters concerning the management of subsidiaries are submitted to the Company's Management Committee and Board of Directors.

Receive regular reports on the status of business execution and financial conditions, including account settlements, at subsidiaries and confirm that the directors and other officers of subsidiaries are performing their duties efficiently.

j. Summary of contents of directors' and officers' liability insurance policy

The Company has concluded a directors' and officers' liability insurance policy with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with the premiums fully borne by the Company, and the insurer will cover any damages that may arise from the insured being held liable for the performance of his/her duties or from claims related to such liability. The Company has entered into a contract of indemnity insurance with an insurance company.

k. Summary of the contents of the liability limitation agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company and its outside directors have entered into an agreement to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability for damages under such agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company and its outside corporate auditors have entered into an agreement limiting liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability for damages under the said agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

1. Activities of the Board of Directors and the Board of Corporate Auditors

Board of Directors' Activities

The Company held 27 meetings of the Board of Directors during the fiscal year under review, and the attendance of individual directors is as follows.

Name	Attendance (times)	(Note) The following is a summary of the results for the year ended March 31, 2012.
Simon Gerovich.	27	
Yoshimi Abe	27	
Drew Edwards.	25	
Hiroaki Kuwashima	21	The number of Board of Directors meetings attended out of the 22 meetings held during the fiscal year under review since his appointment on March 25, 2024 is noted.
Mark Yusko	11	The number of Board of Directors meetings attended out of the 14 meetings held during the fiscal year under review since his appointment on June 28, 2024 is noted.
Tyler Evans	14	The number of Board of Directors meetings attended out of the 14 meetings held during the fiscal year under review since his appointment on June 28, 2024 is noted.
Benjamin Tsai	13	The number of Board of Directors meetings attended out of the 14 meetings held during the fiscal year under review since his appointment on June 28, 2024 is noted.
Eto Batara	13	The number of Board of Directors meetings attended out of the 14 meetings held during the fiscal year under review since his appointment on June 28, 2024 is noted.
Masaya Takakuwa	25	
Toshiaki Ohashi	27	
Shiho Yasuda	26	

Jason Fung, an outside director, resigned on October 15, 2024 and David Spencer resigned on December 18, 2024.

Name	Attendance (times)	(Note) The following is a summary of the results for the year ended March 31, 2012.
Jason Fung.	5	The following table shows the number of Board of Directors meetings attended out of the 14 meetings held during the fiscal year under review since his appointment on June 28, 2024 until his resignation on October 15, 2024.
David Spencer.	11	The number of Board of Directors meetings attended out of 24 meetings held during the current fiscal year until his resignation on December 18, 2024 is noted.

Activities of the Board of Corporate Auditors

During the fiscal year under review and up to March 24, 2025 prior to the Ordinary General Meeting of Shareholders, the Company held 11 meetings of the Board of Corporate Auditors, and the attendance of individual Corporate Auditors was as follows.

Name	Attendance (times)
Masaya Takakuwa	11
Toshiaki Ohashi	11
Shiho Yasuda	11

The Company shall ensure that all directors and employees of the Group comply with laws and regulations in accordance with the Compliance Regulations.

The Company shall establish a consultation and reporting system to proactively manage risks related to compliance violations within the Group.

The Company's auditors will also serve as auditors of subsidiaries and conduct necessary audits on a regular basis.

(b) Status of risk management system

The Group's various risks associated with its business activities are reported to the monthly meetings of the Board of Directors and the Executive Committee, which is composed of senior executives, to strengthen the internal control system by sharing risk information and other information. The Company has entered into a legal advisory contract with an experienced law firm and has established a system under which the director in charge of legal affairs of the Company can receive advice on all legal issues as a legal advisor at any time and in a timely manner.

(c) Matters that may be resolved at the General Meeting of Shareholders may be resolved by the Board of Directors and the reasons therefor

a. Interim dividends

The Company's Articles of Incorporation stipulate that the Company may, by resolution of the Board of Directors, pay interim dividends with a record date of the last day of June each year in order to flexibly return profits to shareholders.

b. Acquisition of treasury stock

The Company's Articles of Incorporation stipulate that the Company may acquire treasury stock through market transactions, etc. by a resolution of the Board of Directors in accordance with Article 165, Paragraph 2 of the Companies Act in order to enable the Company to flexibly implement management measures such as financial policies in response to changes in economic conditions.

(d) Number of Directors

The Company's Articles of Incorporation stipulate that the Company shall have no more than 10 Directors.

(e) Requirements for resolution for election of directors

The Company's Articles of Incorporation stipulate that resolutions for the election of directors shall be adopted by a majority of the voting rights of shareholders present at a meeting where shareholders holding one-third or more of the voting rights of shareholders who are entitled to exercise their voting rights are present. The Articles of Incorporation also stipulate that the resolution for the election of directors shall not be made by cumulative voting.

(f) Requirements for special resolutions of the General Meeting of Shareholders

In order to ensure that the quorum for special resolutions of the General Meeting of Shareholders is met, the Company stipulates in its Articles of Incorporation that resolutions stipulated in Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds or more of the votes of shareholders present at the meeting where shareholders holding one-third or more of the voting rights of shareholders who are entitled to exercise voting rights are present.

(g) Exemption from liability of directors

Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, request that any director (including a person who was formerly a director) or corporate auditor (including a person who was formerly a corporate auditor) of the Company be appointed as a director or corporate auditor with respect to any act under Article 423, Paragraph 1 of the said Act. 及び監査役（監査役であった者も含む。） The Articles of Incorporation stipulate that Directors (including former Directors) and Corporate Auditors (including former Corporate Auditors) may be exempted from liability to the extent permitted by laws and regulations in relation to acts stipulated in Article 423, Paragraph 1 of the Law upon resolution of the Board of Directors. The purpose of this provision is to create an environment in which Directors and Corporate Auditors can fully demonstrate their abilities and fulfill their expected roles in the performance of their duties.

(h) Details of Liability Limitation Agreement of Outside Corporate Auditors

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company and its outside corporate auditors have entered into an agreement limiting liability for damages under Article 423,

Paragraph 1 of the Companies Act. The maximum amount of liability for damages under the said agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

(li) Status of IR-related activities

We understand the purpose of the timely disclosure system and strive to disclose information accurately and promptly to ensure management transparency.

In addition, we have a system in place to post not only legally required disclosure items but also news releases and other facts of occurrence on our website.

The Company's IR activities are handled by the Information Handling Manager, who works closely with the Board of Directors, business divisions, and business administration divisions to ensure accurate and timely disclosure of accounting information and other information.

(2) [Status of Directors and Corporate Auditors] (2) [Status of Directors and Corporate Auditors]

(1) Board of Directors and Executive Officers

10 males and 2 females (16.7% of board members are female)

job title	identity	Date of Birth	brief personal record		term of office	Number of shares held (stock company)
representative board member president (e. g. of a company)	Simon. Gerovich.	Born on April 28, 1977	May 2000 September 2000 April 2007 January 2010 April 2013 October 2015 June 2017 March 2022 October 2022 October 2022	Graduated from Harvard University, U.S.A. Joined Goldman Sachs Japan Co. Appointed CEO of Evolution Capital Public Company Limited Director, Red Planet Hotels Limited Director of the Company Chairman and Representative Director of the Company PT Red Planet Indonesia Tbk. Director President and Representative Director of the Company (to present) Representative Director, Metamarket Corporation (present post) Representative Director, Wen Tokyo Corporation (to present)	(Note)3, 5	1,411,640
board member COO	Yoshimi Abe	Born on February 28, 1967	1989 1990 1994 2018 Year 2021 January 2023 February 2023	Joined BBDO Asatsu America Derivatives Division, Solomon Brothers Asia Ltd. Goldman Sachs Japan Equity Co-founded a temporary staffing agency Established Wealth Connect Japan COO COO of the Company (to present) Director of the Company (to present)	(Note 3)	50,000
board member	Drew Edwards.	Born on April 2, 1971	1994 2001 Year 2000 2002 2005 2008 2017 Year 2020 February 2023	Joined Pfizer Pharmaceuticals Inc. MBA, Northwestern University, Kellogg School of Law, JD Lehman Brothers, Inc. Investment Banking Division Mckesson Specialty Pharmaceuticals Corporate Planning Department Taiyo Pacific Partners Japan Small and Mid Cap Equity Portfolio Manager, Advisory Research, Inc. Founder and CEO, Usonian Investments LLC Grantham Mayo Van Otterloo Head of Japanese Equities (to present) Director of the Company (to present)	(Notes) 1, 3	-
board member	Hiroaki Kuwashima	Born on November 29, 1980	May 2003 May 2010 September 2010 April 2012 April 2016 August 2018 December 2018 April 2021	Joined Mitsubishi Corporation MBA/MPA, Harvard Business School and Kennedy School of Government Joint Degree Program Joined Dream Incubator Inc. Appointed Co-Chairman CFO of Aoyama Shachu Co. Senior Managing Director, LINKERS INTERNATIONAL CORPORATION (President and CEO, LINKERS INTERNATIONAL CORPORATION) Visiting Scholar, Center for Japanese Studies, University of California, Berkeley Representative Director, K & Associates, Inc. Haas Executive Fellow, Haas School of Business, University of California, Berkeley (to date)	(Notes) 1, 3	-

			October 2021 March 2024	Chief Researcher, Tokyo Foundation Institute for Policy Studies (to present) Director of the Company (to present)		
board member	Mark Yusko	Born on May 9, 1963	May 1985 May 1987 July 2004 July 2018 June 2024	B.S., Biology and Chemistry, University of Notre Dame MBA, Finance/Accounting, University of Chicago Booth School of Business CEO and Chief Investment Officer, Morgan Creek Capital Management LLC (to date) Managing Partner, Morgan Creek Digital, Chapel Hill, North Carolina, USA (to date) Director of the Company (to present)	(Notes) 1, 3	750,000
board member	Tyler Evans	Born on January 30, 1992	May 2014 August 2014 September 2019 September 2023 June 2024	B.S., Chemical and Biological Engineering, The University of Alabama, B.S., Chemical Engineering Co-founder, BTC Inc. Co-founder and Managing Partner, UTXO Management (to date) General Partner, Unbroken Chain (to present) Director of the Company (to present)	(Notes) 1, 3	-
board member	Benjamin Tsai	Born on January 19, 1973	June 1995 June 2001 August 2001 May 2011 October 2013 January 2017 January 2018 August 2018 March 2021 September 2021 June 2024	B.S., Materials Science and Engineering, University of California, Berkeley Graduated from UCLA Anderson School of Management (MBA) Associate to Managing Director, Structured Products Group, Merrill Lynch Japan Securities (Bank of America) Chief Executive Officer, Head of Commodities Desk, Merrill Lynch Singapore Securities (Bank of America) Ltd. Senior Vice President, Head of Alternative Investments Asia, AllianceBernstein Co-Founder and Chief Financial Officer, LA Blockchain Lab Founder, Cardinal Mark Investments (to date) Co-Founder and President, Wave Digital Assets (to date) Director, Ziliqa Capital (to present) Lecturer in Crypto Finance, UCLA Anderson School of Management (to present) Director of the Company (to present)	(Notes) 1, 3	-
board member	Eto Batara	Born on December 27, 1979	March 2004 April 2001 November 2009 June 2024	B.S. in Computer Science, Takushoku University Co-Founder and Chief Technology Officer, mixi, Inc. Co-founder and Managing Partner, East Ventures (to date) Director of the Company (to present)	(Notes) 1, 3	944,820

board member	Richard Kincaid	Born on November 19, 1976	<p>June 2000 Joined Goldman Sachs Japan Co.</p> <p>January 2003 CFO, Speedwell Advisors.Ltd.</p> <p>August 2004 President and COO, Nezu Asia Capital Management Limited.</p> <p>January 2011 CEO and COO, Nezu Asia Capital Management (Singapore) Pte.</p> <p>August 2017 President and COO, Nezu Asia Capital Limited</p> <p>March 2018 External Director, Helios Corporation</p> <p>July 2019 Director, Executive Officer and CFO, Helios Corporation (to present)</p> <p>October 2019 Healios NA Director</p> <p>August 2020 President of Healios NA (to present)</p> <p>January 2021 Saisei Ventures LLC Board of Managers (to present)</p> <p>March 2025 Director of the Company (to present)</p>	(Notes) 1, 3	1, 000
auditor	Masaya Takakuwa	Born on October 27, 1977	<p>October 2000 Assistant Accountant Registration</p> <p>October 2000 Joined Chuo Aoyama Audit Corporation</p> <p>September 2002 Special Examiner for Securities Transactions, Financial Services Agency</p> <p>March 2004 Registered as a Certified Public Accountant</p> <p>July 2012 Registered tax accountant</p> <p>December 2014 Corporate Auditor of the Company (to present)</p> <p>July 2021 Qualified Institutional Investor Registration</p>	(Note) 2, 4	-
auditor	Toshiaki Ohashi	Born on March 17, 1975	<p>October 2003 Registered with Daini Tokyo Bar Association</p> <p>October 2003 Joined Taiyo Law Office (now Paul Hastings & Co., LLP, Foreign Joint Enterprise) (Attorney-at-Law)</p> <p>November 2005 Joined Itomitomi & Associates (Gaikokuho Joint Enterprise Morrison & Foerster) (Attorney-at-Law)</p> <p>May 2008 LL.M., University of Southern California, U.S.A.</p> <p>September 2008 Worked at Morrison & Foerster LLP Los Angeles, California, U.S.A.</p> <p>August 2010 Admitted to the State Bar of California, U.S.A.</p> <p>February 2013 Registered with the Daiichi Tokyo Bar Association</p> <p>March 2013 Joined Ozaki Law Office (Attorney-at-Law)</p> <p>May 2015 Ohashi Law Office (Foreign Law Joint Enterprise, Wheeler Foreign Law Office) Attorney at Law</p> <p>March 2016 Corporate Auditor of the Company (to present)</p> <p>February 2019 Attorney at law, Teramoto Law & Accounting Office (current position)</p> <p>March 2020 Nexus Bank(株) Outside Director (to date)</p>	(Note) 2, 4	-
auditor	Shiho Yasuda	Born on January 7, 1966	<p>April 1988 Yamaichi Securities Co.</p> <p>August 1992 Derivatives Division, Solomon Brothers Asia Ltd.</p> <p>January 2014 Registered as an attorney (Tokyo Bar Association)</p> <p>January 2014 Juro Ando Law Office Attorney at Law</p> <p>December 2017 Jeff Leong, Poon & Wong (Malaysia)</p> <p>November 2019 Kasame & Associates (Thailand)</p> <p>April 2020 Lawyer, Sakurada-dori Sogo Law Office (current position)</p> <p>March 2022 External Corporate Auditor, DAIZ Corporation (to present)</p>	(Note) 2, 4	-

			June 2022 External Corporate Auditor, Toyo Construction Co. February 2023 Corporate Auditor of the Company (to present)		
plan					3,157,460

(Directors Drew Edwards, Hiroaki Kuwajima, Mark Yusko, Tyler Evans, Benjamin Tsai, Batala Eto, and Richard Kincaid are outside directors as defined in Article 2, Item 15 of the Companies Act.

2. Corporate Auditors Masaya Takakuwa, Toshiaki Ohashi and Shiho Yasuda are outside corporate auditors as defined in Article 2, Item 16 of the Companies Act.

The term of office of directors is from the close of the ordinary general meeting of shareholders for the fiscal year ending December 31, 2024 to the close of the ordinary general meeting of shareholders for the fiscal year ending December 31, 2025.

The term of office of corporate auditors is from the close of the Ordinary General Meeting of Shareholders for the fiscal year ending December 31, 2021 to the close of the Ordinary General Meeting of Shareholders for the fiscal year ending December 31, 2025.

5. The Company has entered into a directors' and officers' liability insurance policy with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with the premiums fully borne by the Company, and the insurer will cover any damages that may arise from the insured being held liable for the performance of his/her duties or being subject to claims related to the pursuit of such liability. The Company has entered into the policy with the insurance company.

(2) Status of Outside Directors and Outside Corporate Auditors

The Company has seven outside directors and three outside corporate auditors.

The outside directors and outside corporate auditors have no personal, capital, business, or other interest in the Company.

The Company has established criteria for independence from the Company for the appointment of outside directors or outside corporate auditors.

Outside Director Drew Edwards, who has led equity funds investing in Japanese equities for more than 20 years, has extensive experience in investing in Japanese companies and has advised the Company on the overall management of the Company, which aims to achieve the highest standards expected of listed companies by investors in Japan and overseas, and has He contributes to the strengthening of corporate governance and provides advice and recommendations to the Company on the launch of new businesses as appropriate.

Hiroaki Kuwashima, an outside director, has over 20 years of extensive experience in corporate management and academia, and has provided advice and suggestions to the Company from time to time regarding the launch of new businesses that will fundamentally reform the business structure.

Outside Director Mark Yusko was nominated to the Board of Directors for his distinguished background as an investment strategist and his pioneering efforts to integrate blockchain and cryptocurrency investments into traditional portfolios as founder of Morgan Creek Capital Management, he has demonstrated a deep understanding of global financial markets and a commitment to innovative investment solutions. Under his leadership, Morgan Creek Digital was founded in 2018 to establish a series of venture capital funds focused on the digital asset ecosystem. His insight into economic trends and his endorsement of Bitcoin and other cryptocurrencies as part of a diversified investment strategy underscore his forward-thinking approach. His expertise and visionary leadership have provided advice and recommendations to the Company from time to time.

Outside Director Tyler Evans was nominated to the Board of Directors for his significant contributions and leadership in the areas of Bitcoin and asset management. publisher of Bitcoin Magazine and organizer of the Bitcoin Conference series, he has played a key role in shaping the Bitcoin ecosystem. His expertise is further embodied through his work as co-founder and managing partner of UTXO Management, where he directs the Bitcoin Ecosystem Fund and 210k Capital and is responsible for early-stage venture capital and on-chain liquidity. capital and on-chain liquidity offerings. His in-depth knowledge of the Bitcoin industry and strategic vision has allowed him to advise and recommend to the firm from time to time.

Benjamin Tsai, an outside director, was nominated to the Board of Directors for his extensive experience and leadership in the financial and digital asset space. as founder and president of Wave Digital Assets, Mr. Tsai has demonstrated innovative leadership in digital asset management. His career has included key positions such as Managing Director at Merrill Lynch Japan Securities and CEO at Merrill Lynch Singapore Commodities, where he has expertise in structured products and commodities. In addition, his roles at Alliance Bernstein and LABlockchain Lab leverage his extensive knowledge of alternative investments and blockchain technology. His strategic vision and comprehensive industry experience enable him to provide advice and recommendations to the Company from time to time.

Outside Director Batara Eto was nominated to the Board of Directors in recognition of her outstanding achievements as an entrepreneur and venture capitalist. As co-founder of Mixi, Japan's first social networking service, he has demonstrated his ability to innovate and transform the field of digital communications. His leadership at East Ventures, a top venture capital firm supporting startups in Indonesia and Japan, further underscores his strategic vision and expertise in driving technological advancement. His extensive experience and insights provide advice and recommendations to the Company from time to time.

Richard Kincaid, an outside director, has extensive experience and leadership in the financial sector and experience as a director of a publicly traded company, and we believe that he is well qualified to manage the governance and board of directors of our publicly traded company and to contribute to strengthening our corporate governance in the future.

Masaya Takakuwa, an outside corporate auditor, provides advice and recommendations as necessary to ensure the appropriateness and appropriateness of decisions made by the Board of Directors based on his extensive experience and knowledge of finance and accounting. He also provides necessary advice to the Board of Corporate Auditors on the Company's accounting system and internal audits as appropriate.

Outside Corporate Auditors Toshiaki Ohashi and Shiho Yasuda provide advice and recommendations from time to time to ensure the validity and appropriateness of decisions made by the Board of Directors from their professional perspectives as lawyers. They also provide necessary advice to the Board of

Corporate Auditors on the Company's accounting system and internal audits as appropriate.

- (iii) Relationship between supervision or auditing by outside directors or outside corporate auditors and internal audits, audits by corporate auditors, and accounting audits, and relationship with the internal control division

Outside directors or outside corporate auditors receive reports on audits by corporate auditors, internal audits and accounting audits through the Board of Directors or the Board of Corporate Auditors, and exchange opinions with internal audit staff and accounting auditors as necessary and appropriate, in order to promote mutual cooperation.

(3) [Status of Audits

(i) Status of Audits by Corporate Auditors

As of the date of submission, the Company has a Board of Corporate Auditors consisting of three members, all of whom are outside corporate auditors, one of whom is a full-time corporate auditor. One of the full-time auditors is a certified public accountant and conducts audits from a professional standpoint. Corporate auditors attend meetings of the Board of Corporate Auditors as well as meetings of the Board of Directors as necessary to conduct rigorous audits of the execution of duties by each director.

The corporate auditors attend meetings of the Board of Directors and other important meetings as necessary to conduct rigorous audits of the execution of duties by each director. In addition, corporate auditors, accounting auditors, and the Internal Audit Office regularly exchange opinions and work together to improve operational and accounting issues and enhance the effectiveness of internal control and compliance.

The activities of individual auditors are as follows

identity	Status of Activities
Outside Corporate Auditor Masaya Takakuwa	He attended all 11 meetings of the Board of Statutory Auditors during the current fiscal year and on March 24, 2025 prior to the Ordinary General Meeting of Shareholders. Based on his extensive experience and knowledge of finance and accounting, he provided necessary advice to the Board of Corporate Auditors on the Company's accounting system and internal audits as appropriate.
Outside Corporate Auditor Toshiaki Ohashi	He attended all 11 meetings of the Board of Corporate Auditors held during the current fiscal year and on March 24, 2025 prior to the Ordinary General Meeting of Shareholders. From his professional perspective as an attorney-at-law, he provided necessary advice to the Board of Corporate Auditors on the Company's accounting system and internal audits as appropriate.
Outside Corporate Auditor Shiho Yasuda	He attended all 11 meetings of the Board of Corporate Auditors held during the current fiscal year and on March 24, 2025 prior to the Ordinary General Meeting of Shareholders. From his professional perspective as an attorney-at-law, he provided necessary advice to the Board of Corporate Auditors on the Company's accounting system and internal audits as appropriate.

(2) Status of Internal Audits

The Company has appointed an internal auditor who reports directly to the President as an independent internal audit department. The internal auditor conducts internal audits of each department, including subsidiaries, in accordance with the annual schedule, provides continuous guidance on compliance with laws, regulations, and internal rules, and verifies that internal controls are functioning as an organization. Under the guidance of the internal auditors, internal regulations that serve as operational guidelines for internal control are added and revised as needed in accordance with revisions of related laws and regulations.

(iii) Status of accounting audit

a. Name of Audit Firm

Yamabuki Audit Corporation

b. Continuous audit period

9 years

c. Certified Public Accountants who have performed services

Designated and Engagement Partner Tomoaki Nishioka
Designated and Engagement Partner Shintaro Utsumi

d. Composition of assistants for audit services

The Company's assistants for accounting audit services are three certified public accountants and two others.

e. Policy and reasons for selection of audit firm

The Company determines the suitability of an audit firm after comprehensively considering and examining its quality control system, independence and expertise, and understanding of the business fields in which the Company operates.

The Board of Corporate Auditors shall decide the content of the proposal for dismissal or non-reappointment of the accounting auditor to be submitted to the General Meeting of Shareholders if it determines that such action is necessary, such as when there is a problem with the accounting auditor's performance of its duties.

In addition, the Board of Corporate Auditors will dismiss the Accounting Auditor with the unanimous consent of the Corporate Auditors if the Accounting Auditor is deemed to fall under any of the items, etc., of Article 340, Paragraph 1 of the Companies Act. In this case, the corporate auditor selected by the Board of Corporate Auditors shall report the dismissal of the accounting auditor and the reasons thereof at the first general meeting of shareholders convened after the dismissal.

f. Evaluation of the Audit Firm by the Statutory Auditors and the Board of Statutory Auditors

Corporate auditors and the Board of Corporate Auditors, with reference to the "Practical Guidelines for Corporate Auditors and Others Concerning Evaluation of Accounting Auditors and Establishment of Selection Standards for Accounting Auditors" issued by the Japan Corporate Auditors Association, report and hear from management on the actual activities of accounting auditors and their independence and expertise, and receive reports on accounting audits from accounting auditors throughout the fiscal year. The Company also reports from the accounting auditors on the accounting audits and evaluates whether the accounting auditors are maintaining audit quality and conducting the audits appropriately by observing the audits on site.

(iv) Details of audit fees, etc.

a. Details of remuneration paid to certified public accountants, etc.

classification	Previous consolidated fiscal year		Current Consolidated Fiscal Year	
	For audit attestation services Compensation based on (Thousands of yen)	For non-audit services Compensation based on (Thousands of yen)	For audit attestation services Compensation based on (Thousands of yen)	For non-audit services Compensation based on (Thousands of yen)
submitting company (e.g. for a credit card)	28,300	—	25,200	—
Consolidated subsidiaries	—	—	—	—
plan	28,300	—	25,200	—

b. Compensation to the same network of Certified Public Accountants, etc. (excluding a.)

Not applicable.

c. Details of compensation for other significant audit attestation services

Not applicable.

d. Policy for determining audit fees

The number of reasonable audit days and other factors are taken into consideration in determining the audit fee.

e. Reasons why the Board of Corporate Auditors agreed to the remuneration, etc. of the Accounting Auditor

The Board of Corporate Auditors of the Company gave its consent to the remuneration, etc. proposed by the Board of Directors to the accounting auditor under Article 399, Paragraph 1 of the Companies Act because, after confirming and deliberating the basis of calculation of the amount of

remuneration estimated from the number of audit days, etc. related to the audit plan explained by the accounting auditor, it was determined that the relationship between audit work and remuneration is appropriate. As a result, the Board of Corporate Auditors determined that the relationship between the audit work and the remuneration was appropriate.

(4) [Remuneration, etc. of Directors and Corporate Auditors] (4) [Remuneration, etc. of Directors and Corporate Auditors]

- (i) Matters pertaining to the policy for determining the amount of remuneration, etc. for directors and corporate auditors or the method for calculating the amount of remuneration, etc.

The amount of remuneration, etc. for directors and corporate auditors is determined within the maximum amount of remuneration resolved at the general meeting of shareholders, taking into consideration the individual director's responsibilities and contributions, the company's performance, etc. The method of determination is by resolution of the board of directors for directors and by resolution of the board of corporate auditors for corporate auditors.

The maximum amount of remuneration for directors is 200,000 thousand yen per year (as resolved at the 2nd Annual General Meeting of Shareholders held on November 28, 2000), and that for corporate auditors is 50,000 thousand yen per year (as resolved at the 2nd Annual General Meeting of Shareholders held on November 28, 2000).

- (ii) Total amount of remuneration, etc. by category of officers of the submitting company, total amount of remuneration, etc. by type of remuneration, etc. and number of officers subject to remuneration, etc.

Executive Classification	Total amount of compensation, etc. (Thousand yen) (Thousands of yen)	Total amount of compensation, etc. by type (Thousands of yen)				Subjects. Number of directors (Name)
		basic remuneration	stock option	bonus	lump-sum payment for retirement benefits	
board member (Excluding outside directors)	60,903	60,903	-	-	-	4
auditor (Excluding outside auditors)	-	-	-	-	-	-
External Directors and External Corporate Auditors	10,800	10,800	-	-	-	3

(Note) 1. The amount paid to directors does not include the amount of employee salaries of directors who concurrently serve as employees.

As of the end of the fiscal year, there were 8 directors and 3 corporate auditors.

The number of persons to be paid includes two directors who retired during the current fiscal year.

- (iii) Total amount of consolidated remuneration, etc. by director

Not stated because there are no persons whose total amount of remuneration is 100 million yen or more.

- (iv) Significant employee salaries of officers concurrently serving as employees

Not applicable.

(5) [Shareholdings

A. Number of investment stocks held for other than pure investment purposes and total amount on the balance sheet
Number of investment stocks held for purposes other than pure investment and total amount on the balance sheet

	Number of Issues (Brand name)	of the amount recorded on the balance sheet Total amount (thousand yen)
unlisted stocks	1	73,654
Shares other than unlisted shares	-	-

(Stocks whose number of shares increased in the current fiscal year)

	Number of Issues (Brand name)	Acquisition related to increase in number of shares Total value (Thousands of yen)	Outline of purpose of holding, business alliances, etc, Quantitative retention effects and the reason for the increase in the number of shares
unlisted stocks	-	-	-
Shares other than unlisted shares	1	13,680	net investment

(Stocks whose number of shares decreased in the current fiscal year)

	Number of Issues (Brand name)	Sales related to decrease in number of shares Total value (Thousands of yen)
unlisted stocks	-	-
Shares other than unlisted shares	1	14,534

b. Investment stocks held for purposes other than pure investment
Investment stocks held for purposes other than pure investment that exceed 1/100th of the amount of capital on the balance sheet in the current fiscal year

description	Current fiscal year	Previous fiscal year	Outline of purpose of holding, business alliances, etc, Quantitative retention effects and the reason for the increase in the number of shares	of the Company's shares. Ownership
	Number of shares	Number of shares		
	Carrying value on the balance sheet (Thousands of yen) (Thousands of yen) (Thousands of yen)	Balance sheet amount (Thousands of yen) (Thousands of yen) (Thousands of yen)		
Mercury Digital Assets Technologies Inc.	-	-	Companies and projects related to Web 3 and the Metaverse, as well as investments as digital assets.	nil
	73,654	73,654		

(Note) The number of shares subject to the authority to exercise voting rights is stated.

description	Current fiscal year		
	Dividends received Total amount (thousand yen)	Gain (loss) on sale Total amount (thousand yen)	Valuation gains/losses Total amount (thousand yen)
unlisted stocks	-	-	-
Shares other than unlisted shares	-	-	-

C. Investment stocks held for pure investment purposes Investment securities whose purpose of holding is pure investment
Not applicable.

5th [Status of Accounting].

1 Consolidated Financial Statements and Method of Preparation of Financial Statements

(1) The consolidated financial statements of the Company are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Consolidated Financial Statements" (Ministry of Finance Ordinance No. 28 of 1976, hereinafter referred to as "Regulations for Consolidated Financial Statements"). (1) The consolidated financial statements of the Company are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Consolidated Financial Statements" (Ministry of Finance Ordinance No. 28, 1976; hereinafter referred to as "Regulations for Consolidated Financial Statements"). (1) The consolidated financial statements of the Company are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Consolidated Financial Statements" (Ministry of Finance Ordinance No. 28 of 1976).

(2) The Company's financial statements are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Financial Statements" (Ministry of Finance Ordinance No. 59 of 1963, hereinafter referred to as "Regulations for Financial Statements"). (2) The Company's financial statements are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Financial Statements" (Ministry of Finance Ordinance No. 59 of 1963, hereinafter referred to as "Regulations for Financial Statements"). (2) The Company's financial statements are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Financial Statements" (Ministry of Finance Ordinance No. 59 of 1963).

In addition, the Company falls under the category of a company submitting special financial statements and prepares its financial statements in accordance with Article 127 of the Regulations Concerning Financial Statements.

2 Audit Certification

The Company's consolidated financial statements for the consolidated fiscal year (from January 1, 2024 to December 31, 2024) and financial statements for the fiscal year (from January 1, 2024 to December 31, 2024) have been audited by the auditing firm Yamabuki, in accordance with the provisions of Article 193-2-1 of the Financial Instruments and Exchange Law. ます。

3 Special Efforts to Ensure Appropriateness of Consolidated Financial Statements, etc.

The Company takes special measures to ensure the appropriateness of its consolidated financial statements. Specifically, the Company subscribes to specialized magazines and participates in seminars conducted by auditing firms and other organizations in order to establish a system that enables it to appropriately grasp the content of accounting standards, etc.

1 [Consolidated Financial Statements, etc.

(1) [Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: thousand yen)

	Previous consolidated fiscal year (December 31, 2023)	Current fiscal year (December 31, 2024)
Assets		
Current assets		
cash on hand and in banks	553,175	294,222
accounts receivable	23,306	32,140
Raw materials and supplies	375	479
key money	1,234	2,322,129
Other	27,389	42,590
Allowance for doubtful accounts	(6,067)	(6,067)
Total current assets	599,412	2,685,494
fixed assets		
property, plant and equipment		
Buildings and structures, net	95,168	106,281
lot	866,619	866,619
Other, net	13,200	2,510
Total property, plant and equipment	974,988	975,411
Intangible fixed assets		
Other	—	76,730
Total intangible fixed assets	—	76,730
Investments and other assets		
bitcoin	—	26,348,999
deferred tax asset	—	5,678
Other	531,809	478,443
Allowance for doubtful accounts	(440,073)	(359,762)
Total investments and other assets	91,736	26,473,358
Total fixed assets	1,066,724	27,525,500
deferred asset		
Stock issuance expenses	—	114,817
Total deferred assets	—	114,817
total assets	1,666,137	30,325,812

(Unit: thousand yen)

	Previous consolidated fiscal year (December 31, 2023)	Current Consolidated Fiscal Year (December 31, 2024)
Liabilities		
current liabilities		
Current portion of bonds	—	11,250,000
Income taxes payable	19,558	19,338
Other	358,566	124,605
Total current liabilities	378,125	11,393,943
fixed liabilities		
Long-term debt	130,501	—
Liabilities for retirement benefits	5,423	7,936
deferred tax liabilities	—	1,958,090
Total long-term liabilities	135,924	1,966,026
total liabilities	514,049	13,359,970
Total net assets		
capital stock		
capital stock	575,000	0
Capital surplus	(2,512,667)	8,175,931
Retained earnings	3,207,328	9,012,687
treasury stock	(139,463)	(248,862)
Total shareholders' equity	1,130,197	16,939,756
subscription warrant	21,890	26,086
Total net assets	1,152,087	16,965,842
Total liabilities and net assets	1,666,137	30,325,812

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(Unit: thousand yen)

	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
Net sales	261,633	1,062,283
cost of sales	49,943	66,094
Gross profit	211,690	996,188
Selling, general and administrative expenses	679,760	645,784
Operating income (loss)	(468,070)	350,403
Non-operating income		
Bitcoin valuation gain	—	5,457,619
Other	75,285	193,202
Total non-operating income	75,285	5,650,822
Non-operating expenses		
interest expense	19,072	1,602
Amortization of stock issuance expenses	—	6,429
Other	2,853	—
Total non-operating expenses	21,925	8,032
Ordinary income (loss)	(414,710)	5,993,193
Extraordinary income		
Gain on sales of fixed assets	254,754	—
Gain on reversal of subscription rights to shares	4,632	—
Gains on debt forgiveness	—	400,591
Total extraordinary income	259,387	400,591
Extraordinary loss		
Loss on disposal of fixed assets	180	—
Loss on sales of fixed assets	37,571	—
Impairment loss	61,812	—
Loss on valuation of investment securities	124,765	—
Loss on liquidation of subsidiaries and affiliates	303,092	—
Total extraordinary loss	527,421	—
Income (loss) before income taxes and minority interests	(682,745)	6,393,785
Corporate, inhabitant and enterprise taxes	1,178	1,530
Income taxes-deferred	—	1,952,411
Total income taxes	1,178	1,953,941
Net income (loss)	(683,923)	4,439,843
Net income (loss) attributable to owners of the parent	(683,923)	4,439,843

Consolidated Statements of Comprehensive Income

(Unit: thousand yen)

	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
Net income (loss)	(683, 923)	4, 439, 843
Other comprehensive income		
Foreign currency translation adjustments	51, 284	—
Total other comprehensive income	51, 284	—
Comprehensive income	(632, 639)	4, 439, 843
(Breakdown)		
Comprehensive income attributable to owners of the parent	(632, 639)	4, 439, 843

(3) Consolidated Statement of Changes in Net Assets

Previous fiscal year (January 1, 2023 to December 31, 2023)

(Unit: thousand
yen)

	capital stock				
	capital stock	Capital surplus	Retained earnings	treasury stock	Total shareholders' equity
Balance at the beginning of current period	0	(3,087,667)	3,891,251	(139,414)	664,170
Changes of items during the period					
Issuance of new shares	575,000	575,000			1,150,000
Net loss attributable to owners of the parent (-)			(683,923)		(683,923)
Acquisition of treasury stock				(48)	(48)
Decrease in retained earnings due to exclusion of subsidiaries from consolidation					
Net changes of items other than shareholders' equity					
Total changes of items during the period	575,000	575,000	(683,923)	(48)	466,027
Balance at the end of current period	575,000	(2,512,667)	3,207,328	(139,463)	1,130,197

	Accumulated other comprehensive income		subscription warrant	Total net assets
	Foreign currency translation adjustments	Other Comprehensive income Cumulative total		
Balance at the beginning of current period	(51,284)	(51,284)	4,632	617,518
Changes of items during the period				
Issuance of new shares				1,150,000
Net loss attributable to owners of the parent (-)				(683,923)
Acquisition of treasury stock				(48)
Decrease in retained earnings due to exclusion of subsidiaries from consolidation				
Net changes of items other than shareholders' equity	51,284	51,284	17,257	68,541
Total changes of items during the period	51,284	51,284	17,257	534,569
Balance at the end of current period	—	—	21,890	1,152,087

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

(Unit: thousand
yen)

	capital stock				
	capital stock	Capital surplus	Retained earnings	treasury stock	Total shareholders' equity
Balance at the beginning of current period	575,000	(2,512,667) (2,512,667) (2,512,667)	3,207,328	(139,463) Net income	1,130,197
Changes of items during the period					
reduction of capital	(6,329,525) Net income	6,329,525			–
making up for a deficit		(1,395,452) (1,395,452) (1,395,452)	1,395,452		–
Issuance of new shares	5,754,525	5,754,525			11,509,051
Net income attributable to owners of the parent			4,439,843		4,439,843
Acquisition of treasury stock				(109,399)	(109,399)
Decrease in retained earnings due to exclusion of subsidiaries from consolidation			(29,936) Net income		(29,936) Net income
Net changes of items other than shareholders' equity					
Total changes of items during the period	(575,000)	10,688,598	5,805,359	(109,399)	15,809,558
Balance at the end of current period	0	8,175,931	9,012,687	(248,862) Net income	16,939,756

	Accumulated other comprehensive income		subscription warrant	Total net assets
	Foreign currency translation adjustments	Other Comprehensive income Cumulative total		
Balance at the beginning of current period	–	–	21,890	1,152,087
Changes of items during the period				
reduction of capital				–
making up for a deficit				–
Issuance of new shares				11,509,051
Net income attributable to owners of the parent				4,439,843
Acquisition of treasury stock				(109,399) (1,760) (1,760) (1,760) (1,760)
Decrease in retained earnings due to exclusion of subsidiaries from consolidation				(29,936) Net income
Net changes of items other than shareholders' equity			4,196	4,196
Total changes of items during the period	–	–	4,196	15,813,754
Balance at the end of current period	–	–	26,086	16,965,842

(4) [Consolidated Statements of Cash Flows] (4) [Consolidated Statements of Cash Flows]

(Unit: thousand yen)

	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
Cash flows from operating activities		
Income (loss) before income taxes and minority interests	(682,745)	6,393,785
Depreciation and amortization	41,601	16,384
Impairment loss	61,812	—
Loss on valuation of investment securities	124,765	—
Bitcoin valuation loss (gain)	—	(5,457,619)
Loss on liquidation of subsidiaries and affiliates	303,092	—
Loss (gain) on sales of fixed assets	(217,183)	—
Amortization of long-term prepaid expenses	8,663	—
Increase (decrease) in liabilities for retirement benefits	(339)	2,512
Interest and dividend income	(7)	(159)
interest expense	19,072	1,602
Gains on debt forgiveness	—	(400,591)
Gain on reversal of subscription rights to shares	(4,632)	—
Decrease (increase) in trade receivables	(6,080)	(8,834)
(Increase) decrease in inventories	761	(104)
Other	(184,032)	79,147
subtotal	(535,253)	626,122
Interest and dividends received	7	159
Interest payments	(33,940)	(1,602)
Income taxes paid or refunded (- represents payment)	(2,338)	(1,090)
Cash flows from operating activities	(571,525)	623,589
Cash flows from investing activities		
Payments for acquisition of bitcoin	—	(20,907,417)
Purchases of property, plant and equipment	(137,818)	(16,163)
Proceeds from sales of property, plant and equipment	1,799,364	—
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	892,940	—
Payments for acquisition of intangible assets.....	(21,430)	(76,730)
Payments for short-term loans receivable	(1,800)	—
(Increase) decrease in deposits received	(1,234)	(2,322,12)
Other	(196,891)	(130,547)
Cash flows from investing activities	2,333,129	(23,452,988)

(Unit: thousand yen)

	Previous consolidated fiscal year (January 1, 2023) December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024) December 31, 2024)
Cash flows from financing activities		
Repayment of short-term loans payable	(501,887)	—
Repayment of long-term debt	(2,085,643)	(53,465)
Proceeds from issuance of bonds	200,000	12,250,000
Payments for redemption of bonds	(200,000)	(1,000,000)
Proceeds from issuance of stock	1,150,000	11,509,051
Proceeds from issuance of stock acquisition rights	23,690	—
Payments for purchase of treasury stock	—	(109,399)
Other	(1,848)	(25,740)
Cash flows from financing activities	(1,415,689)	22,570,445
Net increase (decrease) in cash and cash equivalents	345,914	(258,953)
Cash and cash equivalents at beginning of year	207,260	553,175
Cash and cash equivalents at end of year	(553,175)	(294,222)

Notes

(Matters related to the premise of a going concern)

Not applicable.

(Basis of Presenting Consolidated Financial Statements)

Scope of Consolidation

Number of consolidated subsidiaries: 3

Names of major subsidiaries are omitted since they are listed in "1.

The company was a consolidated subsidiary in the previous consolidated fiscal year,
Red Planet Hotels Japan Co.

The above one company was excluded from the scope of consolidation at the end of the current
fiscal year due to the decision to commence bankruptcy proceedings as of June 5, 2024.

2. Fiscal year of consolidated subsidiaries

The fiscal year end of consolidated subsidiaries coincides with the consolidated fiscal year end.

Accounting Policies

(1) Valuation standards and methods for significant assets

(1) Marketable securities

Available-for-sale securities

Non-marketable equity securities, etc.

Stated at cost determined by the moving-average method.

(2) Valuation standards and methods for inventories

Valuation standards are based on the cost method (book value devaluation based on decreased
profitability).

Raw materials and supplies Mainly weighted average method

(iii) Crypto assets

Those for which an active market exists

Market value method based on market prices, etc. as of the end of the fiscal year

(unrealized gains and losses are treated as income or loss for the period, and the cost of
sales is determined by the moving-average method).

(2) Depreciation method for significant depreciable assets

(1) Tangible fixed assets

Declining-balance method (straight-line method is applied to buildings (excluding building
fixtures) acquired on or after April 1, 1998 and to building fixtures and structures acquired
on or after April 1, 2016).

The main useful lives are as follows: Buildings and structures

Buildings and structures 3-39 years

Other 2-18 years

(2) Intangible fixed assets

The straight-line method is used.

(3) Basis for significant reserves

Allowance for doubtful accounts is provided for possible losses on accounts receivable. The
allowance for doubtful accounts is provided for general receivables
based on historical default rates, and for specific doubtful
accounts based on individual assessments of collectibility.

(4) Accounting for retirement benefits

To provide for the payment of retirement benefits to employees, the Company records an amount
recognized to have accrued at the end of the current fiscal year based on the estimated amount
of retirement benefits as of the end of the current fiscal year.

(5) Basis for recording significant revenues and expenses

The Company's accounting standards for revenues and expenses are appropriately determined based on the characteristics of each business segment.

(1) Bitcoin treasury business

In this business, the Company earns revenue through put option transactions. Revenue is recognized upon receipt of the option premium or at the appropriate point in time based on the terms of the contract. On the other hand, expenses related to such transactions are recognized as expenses when incurred.

(2) Hotel Business

The Group mainly provides lodging and related hotel services to domestic and foreign customers, and these performance obligations are satisfied when the services are provided to customers and when the goods are delivered, and revenue is recognized at those points in time.

(6) Translation of significant assets and liabilities denominated in foreign currencies into Japanese currency

Monetary receivables and payables denominated in foreign currencies are translated into yen at the spot exchange rates prevailing on the balance sheet date, with translation differences recognized as gains or losses.

(7) Scope of funds in the consolidated statements of cash flows

Cash on hand, demand deposits, and short-term investments with maturities of three months or less at the time of acquisition that are highly liquid, readily convertible into cash, and bear only an insignificant risk of price fluctuation.

(8) Other important matters that serve as the basis for the preparation of consolidated financial statements

Accounting for Deferred Assets

Stock issuance cost	Amortized using the straight-line method over three years.
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(additional information)

Previously, the cost of stock issuance was fully expensed at the time of expenditure because the capital increase was for the purpose of temporarily strengthening the company's financial base and securing working capital, but from the current consolidated fiscal year, the cost is amortized using the straight-line method (over 3 years). This is due to the fact that the purpose of the capital increase in the current fiscal year's stock issuance was to strengthen the long-term financial base and to actually hold Bitcoin for the long term.

(Significant accounting estimates)

(Accounting estimates for the valuation of fixed assets)

1. Amount recorded in the consolidated financial statements for the current fiscal year
(Unit: thousand yen)

	Previous consolidated fiscal year	Current Consolidated Fiscal Year
property, plant and equipment	974,988	975,411

2. information about the nature of significant accounting estimates for the identified items

(i) Method of calculating the amount recorded in the consolidated financial statements for the current fiscal year

The Group identifies the hotel business as the smallest unit that generates independent cash flows and identifies an indication of impairment when the operating income or loss of the hotel business after allocation of head office expenses becomes negative for two consecutive periods. For a hotel business that has been identified as an indication of impairment, if the total undiscounted future cash flow from the hotel business is less than the carrying amount of the fixed assets related to the hotel business, the amount by which the recoverable amount (net selling price or value in use, whichever is higher) is less than the carrying amount of the fixed assets is The amount by which the recoverable amount (net selling price or value in use, whichever is higher) is less than the book value of the fixed assets is recognized as an impairment loss. Of this recoverable amount, the value in use is based on estimates of undiscounted future cash flows for the hotel business and multiple assumptions used in such estimates, while the net realizable value is calculated based on the value of real estate appraised by an outside professional. Although the value in use was lower than the carrying amount of the fixed assets in the current fiscal year, no impairment loss was recognized because the net selling price exceeded the carrying amount of the fixed assets.

(2) Major assumptions used in the calculation of the amounts reported in the consolidated financial statements for the current fiscal year

Key assumptions used in the calculation of net realizable value include discount rate, unit price per room, occupancy rate, rent, and real estate market trends.

(iii) Effect on consolidated financial statements for the following fiscal year

Such estimates are based on information available as of the end of the current fiscal year, and any change in the conditions or assumptions on which the estimates are based could have a significant impact on the value of fixed assets in the consolidated financial statements for the next fiscal year.

(Change in accounting policy)

Not applicable.

(Change of display method)

(Consolidated Balance Sheets)

Deposits received," which was included in "Other" under "Current assets" in the previous consolidated fiscal year, is separately presented in the current consolidated fiscal year due to its increased importance in terms of amount. The consolidated financial statements for the previous consolidated fiscal year have been reclassified to reflect this change in presentation.

As a result, 28,623 thousand yen presented as "Other" under "Current assets" in the consolidated balance sheets for the previous fiscal year has been reclassified as "Deposits received" of 1,234 thousand yen and "Other" of 27,389 thousand yen.

Construction in progress" under "Property, plant and equipment," which was independently presented in the previous consolidated fiscal year, is included in "Other" in the current consolidated fiscal year due to its low materiality. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "Construction in progress" of 12,408 thousand yen and "Other" of 792 thousand yen, which were presented in "Tangible fixed assets" in the consolidated balance sheet for the previous fiscal year, are reclassified as "Other" of 13,200 thousand yen.

Investment securities," "Long-term loans receivable," and "Long-term accounts receivable-other" under "Investments and other assets," which were independently presented in the previous consolidated fiscal year, are included in "Other" from the current consolidated fiscal year because they are not material. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "Investment securities" of 73,654 thousand yen, "Long-term loans receivable" of 80,310 thousand yen, "Long-term accounts receivable-other" of 359,762 thousand yen, and "Others" of 18,081 thousand yen, which were presented in "Investments and other assets" in the consolidated balance sheet for the previous fiscal year, are reclassified as "Others" of 531,809 thousand yen.

(2) Other assets and liabilities

Accounts payable-other" under "Current liabilities," which was separately presented in the previous consolidated fiscal year, is included in "Other" in the current consolidated fiscal year due to its low materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, "Accounts payable-other" of 298,787 thousand yen and "Others" of 59,779 thousand yen, which were presented in "Current liabilities" in the consolidated balance sheet for the previous fiscal year, are reclassified as "Others" of 358,566 thousand yen.

(Consolidated Statements of Income)

Interest income" and "Foreign exchange gains" under "Non-operating income," which were separately presented in the previous consolidated fiscal year, are included in "Other" in the current consolidated fiscal year because they are not significant. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "Interest income" of 7 thousand yen, "Foreign exchange gains" of 65,520 thousand yen and "Others" of 9,757 thousand yen, which were presented in "Non-operating income" in the consolidated statement of income for the previous fiscal year, were reclassified as "Others" of 75,285 thousand yen.

(Consolidated Statements of Cash Flows)

Foreign exchange loss (gain)" under "Net cash provided by (used in) operating activities," which was separately presented in the previous consolidated fiscal year, is included in "Other" in this consolidated fiscal year due to its immateriality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, "Foreign exchange loss (gain)" of (66,377) thousand yen and "Other" of (184,240) thousand yen presented as "Cash flows from operating activities" in the consolidated statements of cash flows for the previous fiscal year have been restated as "Other" of (184,032) thousand yen.

Purchase of investment securities" and "Payment for lease and guarantee deposits" in "Cash flows from investing activities," which were independently presented in the previous fiscal year, are included in "Other" in the current fiscal year because they are not material.

Decrease (increase) in deposits received," which was included in "Other" under "Cash flows from investing activities" in the previous consolidated fiscal year, is separately presented in the current consolidated fiscal year due to its increased importance in terms of amount. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "Purchase of investment securities" of (198,420) thousand yen, "Payment for lease and guarantee deposits" of (2,000) thousand yen, and "Other" of 2,294 thousand yen, which were included in "Cash flows from investing activities" in the consolidated statements of cash flows for the previous fiscal year, were reclassified as "Decrease (increase) in deposits received" of (1,234) thousand yen and "Other" of (196,891) thousand yen. (increase)" of (1,234) thousand yen and "Other" of (196,891) thousand yen.

(additional information)

(Application of the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

The Company accounts for cryptographic assets in accordance with the "Practical Solution on Unification of Accounting Policies for Cryptographic Assets under the Funds Settlement Act" (PITF No. 38, March 14, 2018). The notes regarding cryptographic assets are as follows

(1) Carrying amount of cryptographic assets on consolidated balance sheets

	Previous consolidated fiscal year (December 31, 2023)	Current Consolidated Fiscal Year (December 31, 2024)
Crypto Assets	–	26,348,999 thousand yen
Total	–	26,348,999 thousand yen

(2) Quantity of cryptographic assets held by type and consolidated balance sheet amount

(i) Crypto assets for which there is an active market

	Previous consolidated fiscal year (December 31, 2023)		Current Consolidated Fiscal Year (December 31, 2024)	
Bitcoin	0	–	1,761.98 BTC	26,348,999 thousand yen
Total	0	–	1,761.98 BTC	26,348,999 thousand yen

(ii) Crypto assets for which there is no active market

Not applicable.

(Notes to Consolidated Balance Sheets)

Accumulated depreciation of property, plant and equipment is as follows: *1.

	Previous consolidated fiscal year (December 31, 2023)	Current Consolidated Fiscal Year (December 31, 2024)
Accumulated depreciation of property, plant and equipment	262,893 thousand yen	277,437 thousand yen

Assets pledged as collateral and liabilities secured by collateral

(1) Assets pledged as collateral

Buildings and structures, net	106,281
<u>Land</u>	<u>866,619 thousand yen</u>
Total	972,900 thousand yen

(2) Collateral-related obligations

<u>Current portion of bonds</u>	<u>1,750,000</u>
Total	1,750,000 thousand yen

3. Guaranteed liabilities

3rd Series of Ordinary Bonds (guaranteed) issued to EVO FUND and guaranteed by Simon Gerovich, President and Representative Director of the Company.

A first priority mortgage has been created on the land and building of Hotel Royal Oak Gotanda owned by Wen Tokyo Corporation, a wholly owned subsidiary of the Company, to secure any and all monetary claims of the Bondholders against the Guarantor arising now or in the future under this Guarantee Agreement.

(Notes to Consolidated Statements of Income)

1. Major expenses and amounts of selling, general and administrative expenses are as follows

	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
salary supplement	97,756 thousand yen	84,103 thousand yen
Depreciation and amortization	41,601 thousand yen	16,384 thousand yen
officer's compensation or remuneration	88,096 thousand yen	71,703 thousand yen
remuneration paid	62,799 thousand yen	73,581 thousand yen

2. Details of gain on sales of fixed assets are as follows.

	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
Buildings and structures in trust	246,055 thousand yen	-
land in trust	8,699 thousand yen	-
plan	254,754 thousand yen	-

3. Details of gain on forgiveness of debts are as follows.

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current fiscal year (January 1, 2024 through December 31, 2024)

This is due to the liquidation of Red Planet Hotels Japan Co.

4. Details of loss on sales of fixed assets are as follows.

Previous fiscal year (January 1, 2023 to December 31, 2023)

This is the portion of property, plant and equipment (other) of "Red Planet Sapporo Susukino Minami" which was operated by our consolidated subsidiary, Red Planet Hotels Japan Co.

Current fiscal year (January 1, 2024 through December 31, 2024)

Not applicable.

5. Impairment loss

Previous fiscal year (January 1, 2023 to December 31, 2023)

In the current consolidated fiscal year, our group posted the following asset groups as impairment losses (61,812 thousand yen) in extraordinary losses.

(Summary of asset groups for which impairment losses were recognized and the amount of impairment losses)

Location	Main applications	type	Impairment loss (Thousands of yen)
Japan (Wen Tokyo Co., Ltd.)	Web3 and Metaverse related business, etc.	Construction in progress	32,939
Japan (Metamarket Inc.)	Web3 and Metaverse related business, etc.	software suspense account	28,872

(Method of grouping)

The Group groups assets by business or hotel based on the smallest unit that generates cash flow from other assets or asset groups.

(Background)

Since it is taking longer than planned to develop the system and future earnings and profits are uncertain, impairment losses were recognized for fixed assets related to Web3 and Metaverse-related businesses of Meta Market, Inc. and Wen Tokyo Corporation in the current fiscal year, and these losses were recorded as extraordinary losses.

(Calculation method of recoverable amount)

The recoverable amount used to measure the impairment loss was measured by value in use, which was evaluated as zero because no future cash flows were expected.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

6. Details of loss on liquidation of subsidiaries and affiliates are as follows.

Previous fiscal year (January 1, 2023 to December 31, 2023)

This item represents the loss incurred in connection with the transaction to sell the shares of Red Planet Hotels Manila Corporation, a consolidated subsidiary of the Company.

Current fiscal year (January 1, 2024 through December 31, 2024)

Not applicable.

(Notes to Consolidated Statements of Comprehensive Income)

*Reclassification adjustments and tax effects related to other comprehensive income

	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current fiscal year (January 1, 2024 to December 31, 2024)
Foreign currency translation adjustments		
Amount accrued in the current period	51,284 thousand yen	-
Total other comprehensive income	51,284 thousand yen	-

(Notes to Consolidated Statements of Changes in Net Assets)

Previous fiscal year (January 1, 2023 to December 31, 2023)

Matters concerning the class and total number of outstanding shares and the class and number of treasury stock

Type of shares	Beginning of current fiscal year Number of shares	Current Consolidated Fiscal Year Increase in number of shares (shares)	Current Consolidated Fiscal Year Decrease in number of shares (shares)	As of March 31, 2012 As of March 31, 2011 Number of shares
outstanding shares				
Common stock (Note 1)	57,192,187	57,500,000	-	114,692,187
Total	57,192,187	57,500,000	-	114,692,187
treasury stock				
Common stock (Note 2)	20,095	1,630	-	21,725
Total	20,095	1,630	-	21,725

(The total number of outstanding shares increased by 57,500,000 shares as a result of the capital increase through the issuance of new shares by public offering with a payment date of February 8, 2023.

2. Treasury stock increased due to the purchase of odd-lot shares.

Matters concerning stock acquisition rights, etc.

Company Name	breakdown	Objective. Type of shares	Number of shares to be issued				Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) Balance at the end of the fiscal year ¥ (Thousands of yen)
			Current consolidate d fiscal year (From April 1, 2008 to March 31, 2009) beginning of the fiscal year	increase	decrease	Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) end of the fiscal year	
submit (e.g. a report or a thesis) company	Warrants issued by third-party allotment in 2015 (Issued March 12, 2015) (Note 2)	Common Shares	545,000	-	545,000	-	-
submit (e.g. a report or a thesis) company	The 9th series of stock acquisition rights (Issued on February 8, 2023) (Note 3)	Common Shares	-	67,000,000	-	67,000,000	15,410

Company Name	breakdown	Objective. Type of shares	Number of shares to be issued				Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) Balance at the end of the fiscal year ¥ (Thousands of yen)
			Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) beginning of the fiscal year	increase	decrease	Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) end of the fiscal year	
submit (e.g. a report or a thesis) company	The 10th series of stock acquisition rights (Issued on February 8, 2023) (Note 3)	Common Shares	-	46,000,000	-	46,000,000	6,480
total amount			545,000	113,000,000	545,000	113,000,000	21,890

(The number of shares to be issued upon exercise of stock acquisition rights is the number of shares assuming that the stock acquisition rights are exercised.

2. The decrease in stock acquisition rights issued on March 12, 2015 was due to the expiration of shares.
3. The increase in stock acquisition rights issued on February 8, 2023 is due to the issuance of stock acquisition rights through third-party allotment.

3. Matters related to dividends

(1) Dividends paid

Not applicable.

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Matters concerning the class and total number of outstanding shares and the class and number of treasury shares

Type of shares	Beginning of current fiscal year Number of shares	Current Consolidated Fiscal Year Increase in number of shares (shares)	Current Consolidated Fiscal Year Decrease in number of shares (shares)	As of March 31, 2012 As of March 31, 2011 Number of shares
Outstanding Shares				
Common Shares (Notes 1, 2, 3)	114,692,187	85,099,116	163,522,969	36,268,334
Total	114,692,187	85,099,116	163,522,969	36,268,334
Treasury Shares				
Common Shares (Note 4)	21,725	95,013	20,940	95,798
Total	21,725	95,013	20,940	95,798

(At the extraordinary shareholders' meeting held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share. As a result, the total number of outstanding shares decreased by 163,522,969 shares.

- At the Board of Directors meeting held on December 28, 2022, the Company resolved to issue the 9th series of stock acquisition rights, and 67,000,000 shares were exercised during the current fiscal year. As a result, the total number of outstanding shares increased by 67,000,000 shares.
- At the Board of Directors meeting held on August 6, 2024, a resolution was passed to issue the 11th series of stock acquisition rights, and 18,099,116 shares were exercised during the current fiscal year. As a result, the total number of outstanding shares increased by 18,099,116 shares.
- Treasury stock increased due to the purchase of odd-lot shares, and decreased due to the reverse stock split.

Matters concerning stock acquisition rights, etc.

Company Name	breakdown	Objective. Type of shares	Number of shares to be issued				Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) Balance at the end of the fiscal year (Thousand yen) (Thousands of yen)
			Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) beginning of the fiscal year	increase	decrease	Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) end of the fiscal year	
submit (e.g. a report or a thesis) company	The 9th series of stock acquisition rights (Issued on February 8, 2023) (Note 3)	common stock	6,700,000	-	6,700,000	-	-

Company Name	breakdown	Objective. Type of shares	Number of shares to be issued				Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) Balance at the end of the fiscal year (Thousand yen) (Thousands of yen)
			Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) beginning of the fiscal year	increase	decrease	Current consolidated fiscal year (From April 1, 2008 to March 31, 2009) end of the fiscal year	
submit (e.g. a report or a thesis) company	The 10th series of stock acquisition rights (Published February 8, 2023)	common stock	4,600,000	-	-	4,600,000	8,280
submit (e.g. a report or a thesis) company	The 11th series of stock acquisition rights (Issued on August 6, 2024) (Note 4)	common stock	-	18,099,116	18,099,116	-	-
submit (e.g. a report or a thesis) company	The 12th series of stock acquisition rights (Issued on November 28, 2024) (Note 5)	common stock	-	2,900,000	-	2,900,000	17,806
total amount			11,300,000	20,999,116	24,799,116	7,500,000	26,086

(The number of shares to be issued upon exercise of stock acquisition rights is the number of shares assuming that the stock acquisition rights are exercised.

- (2) Effective August 1, 2024, the Company conducted a reverse stock split of 10 shares into 1 share, and the amounts shown are after the reverse stock split.
 3. The decrease in stock acquisition rights issued on February 8, 2023 was due to the exercise of stock acquisition rights.
 4. The increase in stock acquisition rights issued on August 6, 2024 is due to the issuance and exercise of stock acquisition rights by third-party allotment.
 5. The increase in stock acquisition rights issued on November 28, 2024 is due to the issuance of stock acquisition rights through third-party allotment.
3. Matters related to dividends
- (1) Dividends paid
Not applicable.
 - (2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year
Not applicable.

(Notes to Consolidated Statements of Cash Flows)

*1 Reconciliation of cash and cash equivalents at the end of the period to the accounts reported in the consolidated balance sheets is made as follows

	Previous consolidated fiscal year (January 1, 2023) (January 1, 2023) (January 1, 2023) (From December 31, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024) (January 1, 2024) (January 1, 2024) (From December 31, 2024 to December 31, 2024)
Cash and bank deposits	553,175 thousand yen	294,222 thousand yen
Time deposits with maturities longer than three months	-	-
Cash and cash equivalents	553,175 thousand yen	294,222 thousand yen

2. Breakdown of assets and liabilities of the company that ceased to be a consolidated subsidiary as a result of the transfer of shares during the current fiscal year

Previous fiscal year (January 1, 2023 through December 31, 2023)

Red Planet Hotels Manila Corporation was excluded from the scope of consolidation from the current fiscal year because it is no longer a consolidated subsidiary due to the transfer of shares. The amounts of assets and liabilities that decreased due to the exclusion from the scope of consolidation, as well as the sales price and proceeds from the sale of shares and receivables, are as follows.

	Thousa nds of yen
Current assets	292,992
fixed assets	2,598,446
total assets	2,891,439
Current liabilities	709,774
Fixed liabilities	3,082,806
total liabilities	3,792,580
transferred credit	2,112,114
Loss on liquidation of subsidiaries and affiliates	(303,092) (303,092) (303,092)
Sales of stocks and receivables	907,879
Cash and cash equivalents	(14,939)
Difference: Proceeds from sales	892,940

Current fiscal year (January 1, 2024 through December 31, 2024)

Not applicable.

(Financial instruments)

Matters Concerning the Status of Financial Instruments

(1) Policy for financial instruments

The Group raises necessary funds (mainly through the issuance of bonds and stock acquisition rights) mainly for the acquisition of bitcoin and the execution of its business plan, including capital expenditures. It is the Company's policy not to engage in speculative transactions in derivatives other than for the purpose of avoiding risks associated with fluctuations in borrowing interest rates and exchange rates.

(2) Description of financial instruments and their risks

Trade receivables, such as accounts receivable-trade and long-term accounts receivable-other, are exposed to credit risk of customers and counterparties. To manage this risk, the Company has a system in place to properly manage receivables in accordance with the Group's credit management regulations.

Accounts payable-other, which are operating payables, are due within one year. The Company manages liquidity risk associated with fund procurement (risk of being unable to make payments on due dates) by preparing and updating cash management plans and maintaining liquidity on hand.

(3) Risk Management System for Financial Instruments

(i) Management of credit risk (risk related to nonperformance by counterparties)

In accordance with the Company's receivable management regulations, with respect to trade receivables and long-term loans receivable, the sales administration department in each business division monitors the status of major customers on a regular basis to manage due dates and outstanding balances for each customer and to early identify and mitigate concerns about collection due to deterioration of financial conditions and other factors. Consolidated subsidiaries also conduct similar management in accordance with the Company's receivable management rules.

The maximum amount of credit risk as of the consolidated balance sheet date of the current period is represented by the consolidated balance sheet value of financial assets exposed to credit risk.

(2) Management of market risk (risk of fluctuations in foreign exchange rates, etc.)

The Company continuously monitors market fluctuations for foreign exchange and other risks.

(iii) Management of liquidity risk (risk of being unable to make payments on due dates) related to fund procurement

The Company manages liquidity risk by having the Administration Department monitor information related to payments based on reports from each department, etc., and report monthly to the director in charge after taking current assets such as cash and deposits into consideration.

(4) Supplementary Explanation on Matters Concerning Fair Value, etc. of Financial Instruments

Since variable factors are incorporated in the calculation of the fair value of financial instruments, such values may change due to the adoption of different assumptions and other factors.

2. Fair value of financial instruments

Consolidated balance sheet amounts, fair values and their differences are as follows.

Previous fiscal year (December 31, 2023)

	Consolidated Balance Sheet Amount recorded (thousand yen)	Market value (Thousands of yen)	Difference (Thousands of yen)
(1) Long-term loans receivable	80,310		
Allowance for doubtful accounts (Note 2)	(80,310)		
	-	-	-
(2) Long-term accounts receivable	359,762		
Allowance for doubtful accounts (Note 2)	(359,762) Net income		
	-	-	-
total assets	-	-	-
(1) Long-term debt	130,501	130,501	-
Total liabilities	130,501	130,501	-

(Note 1) "Cash and deposits," "Accounts receivable-trade" and "Accounts payable-other" are omitted because they are cash or settled in a short period of time and their fair value approximates their book value.

(Note 2) "Long-term loans receivable" and "Long-term accounts receivable-other" are net of individually recorded allowance for doubtful accounts.

(Note 3) Shares, etc. without market quotations are not included. The consolidated balance sheet amount of such financial instruments is 73,654 thousand yen.

Impairment loss of 124,765 thousand yen was recognized for unlisted stocks in the current consolidated fiscal year.

Current fiscal year (December 31, 2024)

	Consolidated Balance Sheet Amount recorded (thousand yen)	Market value (Thousands of yen)	Difference (Thousands of yen)
(1) Other (long-term accounts receivable)	359,762		
Allowance for doubtful accounts (Note 2)	(359,762) Net income		
	-	-	-
total assets	-	-	-

(Note 1) "Cash and deposits," "Accounts receivable-trade," "Current portion of bonds" and "Accounts payable-other" are omitted because they are cash or settled in a short period of time and their fair value approximates their book value.

(Note 2) "Long-term accounts receivable-other" included in "Other" under "Investments and other assets" in the consolidated balance sheets is deducted from the allowance for doubtful accounts, which is individually recorded.

(Note 3) Shares, etc. without market quotations are not included. The consolidated balance sheet amount of such financial instruments is 73,654 thousand yen.

(Note 4) Redemption schedule of monetary receivables and securities with maturity dates after the consolidated balance sheet date

Previous fiscal year (December 31, 2023)

(Unit: thousand yen)

	Within 1 year	More than 1 year Within 5 years	Over 5 years Within 10 years	Over 10 years
cash on hand and in banks	553,175	-	-	-
accounts receivable	23,306	-	-	-
total amount	576,481	-	-	-

Current fiscal year (December 31, 2024)

(Unit: thousand yen)

	Within 1 year	More than 1 year Within 5 years	Over 5 years Within 10 years	Over 10 years
cash on hand and in banks	294,222	-	-	-
accounts receivable	32,140	-	-	-
total amount	326,363	-	-	-

(Note 5) Scheduled repayment amounts of bonds, long-term debt, lease obligations and other interest-bearing liabilities after the consolidated balance sheet date

Previous fiscal year (December 31, 2023)

	Within 1 year (Thousand yen) (Thousands of yen)	More than 1 year Within 2 years (Thousand yen) (Thousands of yen)	Over 2 years Within 3 years (Thousand yen) (Thousands of yen)	Over 3 years Within 4 years (Thousand yen) (Thousands of yen)	Over 4 years Within 5 years (Thousand yen) (Thousands of yen)	Over 5 years (Thousand yen) (Thousands of yen)
Long-term debt	-	-	-	-	-	-
total amount	-	-	-	-	-	-

(Note) Long-term loans payable of 130,501 thousand yen, the repayment of which cannot be reasonably expected, are not included in the above table.

Current fiscal year (December 31, 2024)

	Within 1 year (Thousand yen) (Thousands of yen)	More than 1 year Within 2 years (Thousand yen) (Thousands of yen)	Over 2 years Within 3 years (Thousand yen) (Thousands of yen)	Over 3 years Within 4 years (Thousand yen) (Thousands of yen)	Over 4 years Within 5 years (Thousand yen) (Thousands of yen)	Over 5 years (Thousand yen) (Thousands of yen)
Current portion of bonds	11,250,000	-	-	-	-	-
total amount	11,250,000	-	-	-	-	-

3. Matters concerning the breakdown of the fair value of financial instruments by level

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1 fair value: Fair value calculated based on quoted market prices for assets or liabilities for which such fair value is calculated that are formed in an active market among the inputs for the calculation of observable fair value.

Level 2 fair value: Fair value calculated using inputs other than Level 1 inputs for the calculation of observable fair value

Level 3 fair value: Fair value calculated using inputs for calculating unobservable fair value

When multiple inputs that have a significant impact on the calculation of fair value are used, fair value is classified to the level with the lowest priority in the calculation of fair value among the levels to which each of those inputs belongs.

(1) Financial instruments carried on the consolidated balance sheet at fair value

Not applicable.

(2) Financial instruments other than those recorded on the consolidated balance sheets at fair value

Previous fiscal year (December 31, 2023)

classification	Market value (Thousands of yen)			
	Level 1	Level 2	Level 3	total amount
Other (long-term accounts receivable)	-	-	-	-
Long-term debt	-	130,501	-	130,501

Current fiscal year (December 31, 2024)

classification	Market value (Thousands of yen)			
	Level 1	Level 2	Level 3	total amount
Other (long-term accounts receivable)	-	-	-	-
corporate bond	-	11,250,000	-	11,250,000

(Note) Explanation of valuation techniques and inputs used in the calculation of fair value

Other (long-term accounts receivable)

Fair value approximates the balance sheet amount at the consolidated balance sheet date less current estimated doubtful accounts and is classified as Level 2 fair value.

corporate bond

The fair value of bonds (including current portion of bonds) is calculated by discounting the total amount of principal and interest by the interest rate assumed when a similar new loan is made. The fair value is classified as Level 2 fair value.

(Retirement benefits)

Previous fiscal year (January 1, 2023 to December 31, 2023)

The information is omitted due to lack of materiality.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

The information is omitted due to lack of materiality.

(Stock options, etc.)

1. amount recognized as profit due to lapsed due to non-exercise of rights

(Unit: thousand yen)

	Previous consolidated fiscal year (January 1, 2023) (January 1, 2023) (January 1, 2023) (January 1, 2023) (From December 31, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024) (January 1, 2024) (January 1, 2024) (January 1, 2024) (From December 31, 2024 to December 31, 2024)
Gain on reversal of subscription rights to shares	4,632	-

Details, size and changes in stock options

(1) Details of stock options

	The 10th series of stock acquisition rights December 28, 2022 Board Resolution Approved by Extraordinary General Meeting of Shareholders on February 7, 2023
Classification and number of grantees (Note 2)	Directors of the Company 2 persons Employees of the Company 5
Number of stock options by type of stock (Notes 1 and 3)	Common stock 4,600,000 shares
date of grant	February 8, 2023
Vesting conditions	(2) Status of New Share Subscription Rights, etc. 1) Details of Stock Option Scheme
Exercise period	February 8, 2026 (inclusive) From. February 7, 2033 (inclusive)

(Note 1) The above figures are based on the number of shares.

2 The categories and number of grantees are the categories and number of grantees at the time of grant.

3: As of August 1, 2024, 10 shares were consolidated into 1 share, and the figures are after the said reverse stock split.

(2) Size and changes in stock options

Stock options that existed during the fiscal year ended December 31, 2024 are included, and the number of stock options is converted into the number of shares.

(i) Number of stock options

	The 10th series of stock acquisition rights December 28, 2022 Board Resolution Approved by Extraordinary General Meeting of Shareholders on February 7, 2023
Pre-vesting	
As of March 31, 2012 As of March 31, 2011	4,600,000
grant	-
lapse	-
vesting	-
unsettled balance	4,600,000
After vesting (shares)	
As of March 31, 2012 As of March 31, 2011	-

	<p>The 10th series of stock acquisition rights December 28, 2022 Board Resolution Approved by Extraordinary General Meeting of Shareholders on February 7, 2023</p>
vesting	-
exercise of a right	-
lapse	-
unexercised balance	-

(Note) Effective August 1, 2024, the Company executed a reverse stock split of 10 shares into 1 share, and the above figures are after such reverse stock split.

Unit price information

	<p>The 10th series of stock acquisition rights December 28, 2022 Board Resolution Approved by Extraordinary General Meeting of Shareholders on February 7, 2023</p>
Exercise price (yen)	100
Average share price at the time of exercise (yen)	-
Fair value at the grant date (yen)	18

(Note) Effective August 1, 2024, the Company executed a reverse stock split of 10 shares into 1 share, and the above figures are after such reverse stock split.

Estimation method of the number of stock options vested

Basically, since it is difficult to reasonably estimate the number of future lapses, only the actual number of lapses is reflected.

(related to tax effect accounting)

1 Significant components of deferred tax assets and liabilities

	Previous consolidated fiscal year (December 31, 2023)	Current Consolidated Fiscal Year (December 31, 2024)
(Deferred tax assets)		
Allowance for doubtful accounts	136,629 thousand yen	126,538 thousand yen
Loss on valuation of investment securities	48,590 thousand yen	54,880 thousand yen
Net operating loss carried forward (Note 2)	4,116,768 thousand yen	4,329,245 thousand yen
Other	54,309 thousand yen	58,858 thousand yen
Subtotal of deferred tax assets	4,356,298 thousand yen	4,569,523 thousand yen
Valuation allowance for net operating loss carryforwards for tax purposes (Note 2)	(4,116,768) thousand yen	(4,324,130) thousand yen
Valuation allowance for total future deductible temporary differences, etc.	(239,530) thousand yen	(239,713) thousand yen
Subtotal valuation allowance (Note 1)	(4,356,298) thousand yen	(4,563,844) thousand yen
Total deferred tax assets		5,678 thousand yen
(Deferred tax liabilities)		
Bitcoin valuation gain		1,958,090 thousand yen
Total deferred tax liabilities		1,958,090 thousand yen
Net deferred tax assets (liabilities)		(1,952,411) thousand yen

(Note 1) The change in the valuation allowance is primarily due to an increase in net operating loss carryforwards for tax purposes.

(Note 2) Tax loss carryforwards and their deferred tax asset carryforwards by expiration date

Previous fiscal year (December 31, 2023)

	Within 1 year (Thousand yen)	More than 1 year Within 2 years (Thousand yen)	Over 2 years Within 3 years (Thousand yen)	Over 3 years Within 4 years (Thousands of yen)	Over 4 years Within 5 years (Thousand yen)	Over 5 years (Thousand yen)	total amount (Thousand yen)
carry-over for tax purposes Losses (Note)	-	33,567	287,183	83,145	26,316	3,686,555	4,116,768
Valuation allowance	-	(33,567)	(287,183)	(83,145)	(26,316)	(3,686,555)	(4,116,768)
deferred tax asset	-	-	-	-	-	-	-

(Note) Tax loss carryforwards are multiplied by the statutory tax rate.

Current fiscal year (December 31, 2024)

	Within 1 year (Thousand yen)	More than 1 year Within 2 years (Thousand yen)	Over 2 years Within 3 years (Thousand yen)	Over 3 years Within 4 years (Thousand yen)	Over 4 years Within 5 years (Thousand yen)	Over 5 years (Thousand yen)	total amount (Thousand yen)
Carry-over for tax purposes Losses (Note)	22,747	290,608	71,200	-	90,078	3,854,610	4,329,245
Valuation allowance	(22,747)	(290,608)	(71,200)	-	(90,078)	(3,849,495)	(4,324,130)

	Within 1 year (Thousand yen)	More than 1 year Within 2 years (Thousand yen)	Over 2 years Within 3 years (Thousand yen)	Over 3 years Within 4 years (Thousand yen)	Over 4 years Within 5 years (Thousand yen)	Over 5 years (Thousand yen)	total amount (Thousand yen)
Deferred tax asset	-	-	-	-	-	5,115	5,115

(Note) Tax loss carryforwards are multiplied by the statutory tax rate.

2 Breakdown of major components of the difference between the statutory tax rate and the effective tax rate after the application of tax effect accounting

	Previous consolidated fiscal year (December 31, 2023)	Current Consolidated Fiscal Year (December 31, 2024)
Statutory effective tax rate (Adjustment)		34.6% (%)
Per capita inhabitant tax, etc.	Information is omitted because the	0.0
Change in valuation allowance	Company reported a	3.5
Difference due to change in tax rate	loss before income	(6.8)
Other	taxes and minority	(0.8)
Effective tax rate after application of tax effect accounting	interests.	30.6

3 Include impact of tax rate changes

The effective statutory tax rate applied for tax effect accounting has changed due to the capital reduction carried out during the current fiscal year, as the Company is no longer subject to the pro forma standard taxation. The effective statutory tax rate used to calculate deferred tax assets and deferred tax liabilities will be 34.6% for temporary differences expected to be eliminated in the consolidated fiscal years beginning on or after January 1, 2025, compared to 30.6% used in the calculation for the previous fiscal year. This change increased the valuation allowance by 431,858 thousand yen.

(Business Combinations, etc.)

Not applicable.

(Related to asset retirement obligations)

Not applicable.

(Related to real estate for rent, etc.)

Not applicable.

(Revenue Recognition)

Information that provides a basis for understanding revenue arising from contracts with customers

The basis for understanding revenues is described in "(Basis of Presenting Consolidated Financial Statements) 3. Accounting Policies (5) Basis for Recognizing Significant Revenues and Expenses".

(Segment Information, etc.)

Segment information

Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

Until the previous consolidated fiscal year, the Group's reportable segment was "hotel business," but as of the current consolidated fiscal year, the Group has newly started bitcoin-related business and changed its reportable segments to "bitcoin treasury business" and "hotel business."

2. Calculation of net sales, profit or loss, assets, and other items by reportable segment

The accounting methods used for the reported business segments are the same as those used for the preparation of the consolidated financial statements.

Income (loss) of reportable segments is on an operating income (loss) basis.

3. Information on sales, profit or loss, assets, liabilities, and other items by reportable segment and decomposition of income

Previous fiscal year (January 1, 2023 to December 31, 2023)

(Unit: thousand yen)

	Reportable Segment		Other (Note 1)	total amount	Adjustment (Note 2, 3)	Amount recorded in consolidated financial statements (Note 4)
	Hotel Business	Total				
Net sales						
Inter - segment Sales or Transfers	261,633	261,633	—	261,633	—	261,633
Inter - segment Sales or Transfers	—	—	—	—	—	—
Total	261,633	261,633	—	261,633	—	261,633
Segment loss (-)	(348,995)	(348,995)	(11,116)	(360,112)	(107,957)	(468,070)
Segment assets	1,054,504	1,054,504	75,124	1,129,629	536,508	1,666,137
Other Items						
Depreciation and amortization	41,601	41,601	—	41,601	—	41,601
Impairment loss	—	—	61,812	61,812	—	61,812
Increase in property, plant and equipment and intangible assets	108,618	108,618	50,630	159,249	—	159,249

(Note) 1. "Other" is a business segment not included in the reportable segments and includes Web3 related business, etc.

2. Adjustment of segment loss is corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly general and administrative expenses that do not belong to any reportable segment.

3. Adjustment of segment assets is 536,508 thousand yen of corporate assets.

4. Segment loss is adjusted with operating loss in the consolidated statements of income.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

(Unit: thousand yen)

	Reportable Segment			Other (Note 1)	Total	Adjustment (Note 2, 3)	Amount recorded in consolidated financial statements (Note 4)
	Bitcoin Treasury Business	Hotel Business	Subtotal				
Net sales							
Inter - segment Sales or Transfers	691,577	370,705	1,062,283	—	1,062,283	—	1,062,283
Inter - segment Sales or Transfers	—	—	—	—	—	—	—
Total	691,577	370,705	1,062,283	—	1,062,283	—	1,062,283
Segment income (loss)	622,085	(91,349)	530,736	(1,200)	529,536	(179,132)	350,403
Segment assets	28,858,669	1,080,369	29,939,038	73,654	30,012,693	313,119	30,325,812
Other Items							
Depreciation and amortization	644	15,290	15,934	—	15,934	449	16,384
Impairment loss	—	—	—	—	—	—	—
Increase in property, plant and equipment and intangible assets	76,730	16,163	92,893	—	92,893	—	92,893

(Note) 1. "Other" is a business segment not included in the reportable segments.

- Adjustment of segment income is corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly general and administrative expenses that do not belong to any reportable segment.
- Adjustment of segment assets is corporate assets of 313,119 thousand yen.
- Segment income (loss) is adjusted with operating income in the consolidated statements of income. With regard to the hotel business, although the core business was strong, an operating loss was incurred due to a portion of expenses associated with the liquidation of a subsidiary, which were included in operating expenses.

Related information

Previous fiscal year (January 1, 2023 to December 31, 2023)

Information by product and service

This information is omitted because the same information is disclosed in the segment information.

2. information by region

This information is omitted because sales to external customers in Japan exceed 90% of net sales in the consolidated statements of income.

3. Information by major customer

No sales to external customers account for 10% or more of the net sales in the consolidated statements of income.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Information by product and service

This information is omitted because the same information is disclosed in the segment information.

2. information by region

This information is omitted because sales to external customers in Japan exceed 90% of net sales in the consolidated statements of income.

3. Information by major customer

No sales to external customers account for 10% or more of the net sales in the consolidated statements of income.

Information on impairment loss on fixed assets by reportable segment] [Information on impairment loss on fixed assets by reportable segment

Previous fiscal year (January 1, 2023 to December 31, 2023)

(Unit: thousand yen)

	Reportable Segment		Other (Note)	total amount
	Hotel Business	plan		
Impairment loss	–	–	61,812	61,812

(Note) "Other" is a business segment not included in the reportable segments and includes Web3 and Metaverse-related businesses.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

Information on amortization of goodwill and unamortized balance by reportable segment] [Information on amortization of goodwill and unamortized balance by reportable segment

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

Information on gain on negative goodwill by reportable segment] [Information on gain on negative goodwill by reportable segment

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

Related Party Information

1 Transactions with related parties

(1) Transactions between the company submitting the consolidated financial statements and related parties

(a) Parent company and major shareholders (limited to companies, etc.) of the company submitting the consolidated financial statements etc.

Previous fiscal year (January 1, 2023 to December 31, 2023)

type	Name of company, etc. Name or title	Location	capital stock or capital contribution	Business content field is an occupation	Voting rights, etc. Ownership of (Owned by) Percentage (%)	related parties relationship with	Details of Transactions	Amount of transaction (Thousand yen) (Thousands of yen)	(school) subject	Balance at end of year (Thousand yen) (Thousands of yen)
Other affiliated companies	EVO FUND	Cayman (islands) archipelago	83,925 (Thousands of USD)	investment business	(Owned by) direct (22.8)	-	Repayment of funds (Note 1)	340,188	-	-
							Issuance of corporate bonds (Note) The following is a summary of the results for the year ended March 31, 2012. 1, 2	200,000	-	-
							Redemption of bonds (Note 1)	200,000		

(Note 1) Due to the capital increase through third-party allotment conducted on February 8, 2023, the percentage of voting rights of the Company's common stock held by EVO FUND decreased from 69.98% to 34.90%, and the Company changed its status from parent company to other affiliated company.

2. For borrowing of funds and issuance of bonds, the interest rate is reasonably determined by taking market interest rates into consideration.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

type	Name of company, etc. Name or title	Location	capital stock or capital contribution	Business content field is an occupation	Voting rights, etc. Ownership of (Owned by) Percentage (%)	related parties relationship with	Details of Transactions	Amount of transaction (Thousand yen) (Thousands of yen)	(school) subject	Balance at end of year (Thousand yen) (Thousands of yen)
main shareholder (Note 2)	EVO FUND	Cayman (islands) archipelago	111.6 (Millions of USD)	investment business	(Owned by) direct (-) (Note 2)	-	Corporate bonds publishing	12,250,000	Current portion of bonds	11,250,000
							Corporate bonds redemption	1,000,000		
							Interest on payment (Note) 1	1,602	-	-
							Exercise of stock acquisition rights (Notes 3 and 4)	2,865,573	-	-

(Note) 1. The interest rate has been set upon consultation between the two parties, taking market interest rates into

consideration.

2. The Company was an other related party as of April 22, 2024 and a major shareholder as of October 22, 2024, but as of the end of the period, all shares were sold and the percentage of voting rights held was 0.0%. However, in light of the grant and exercise of stock acquisition rights, the company is listed in this related party category.
3. The exercise of stock acquisition rights is based on the 9th series of stock acquisition rights issued by the Company at an exercise price of 20 yen per share and the 11th series of stock acquisition rights at an exercise price of 555 yen per share, both of which were determined reasonably through discussions based on the price calculated by an independent third-party institution. The exercise price was determined reasonably through discussions based on the price calculated by an independent third-party institution.
4. 4,915,487 shares of the 11th warrant were transferred to the Company on October 21, 2024 after the Company took over the 11th warrant on October 16, 2024.

(a) Companies that have the same parent company as the company submitting the consolidated financial statements and subsidiaries of other related companies of the company submitting the consolidated financial statements

Previous fiscal year (January 1, 2023 to December 31, 2023)

type	Name of company, etc. Name or title	Location	capital stock or capital contribution	Business content field is an occupation	Voting rights, etc. Ownership of (Owned by) Percentage (%)	related parties relationship with	Transaction details	Amount of transaction (Thousand yen) (Thousands of yen)	Account	Balance at end of year (Thousand yen) (Thousands of yen)
Subsidiaries of other affiliated companies	EVOLUTION JAPAN Asset Management Co.	Tokyo Metropolitan area Chiyoda Ward	-	investment business	-	-	Repayment of funds (Note) The following is a summary of the results for the year ended March 31, 2012.	162,500	-	-

(Note) Due to the capital increase through third-party allotment conducted on February 8, 2023, the percentage of voting rights of the Company's common stock held by EVO FUND decreased from 69.98% to 34.90%, and the Company changed its status from parent company to other affiliated company.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

- (c) Non-consolidated subsidiaries and affiliates of companies submitting consolidated financial statements

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

- (2) Transactions between consolidated subsidiaries of the company submitting the consolidated financial statements and related parties

- (a) Parent company and major shareholders of the company submitting the consolidated financial statements

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

- (a) Companies that have the same parent company as the company submitting the consolidated financial statements and subsidiaries of other related companies of the company submitting the consolidated financial statements

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

Not applicable.

2 Directors and principal individual shareholders, etc.

Previous fiscal year (January 1, 2023 to December 31, 2023)

type	Name of company, etc. Name or title	Voting rights, etc. Ownership of (Owned by) Percentage (%)	related parties relationship with	Transaction details	Amount of transaction (Thousand yen) (Thousands of yen)	Account	Balance at end of year (Thousand yen) (Thousands of yen)
Directors and Their next of kin	Simon Gerovich. (GEROVICH SIMON)	(Owned by) direct (2.2) indirection (23.8)	Representative board member	third-party allocation (of new shares) Underwriting of capital increase (Note 1)	60,000	-	-
Directors and Their next of kin	David Spencer. (SPENCER DAVIDJONATHAN)	(Owned by) direct (13.1)	Director of the Company	third-party allocation (of new shares) Underwriting of capital increase (Note 1)	300,000	-	-
Directors and Their next of kin	Mark Reinecke (MARK REINECKE)	(Owned by) direct (2.2)	Director of the Company	third-party allocation (of new shares) Underwriting of capital increase (Notes 1, 2)	50,000	-	-
Companies, etc. in which the majority of voting rights are held by directors and their close relatives	MMXX Ventures Limited (mmxx ventures limited)	(Owned by) direct (23.3)	Other affiliated company	third-party allocation (of new shares) Underwriting of capital increase (Notes 1, 3)	534,500	-	-

(Note 1) The third-party allotment was undertaken by the Company on February 8, 2023 at 20 yen per share, which was reasonably determined through discussions based on the price calculated by an independent third-party institution.

- Mr. MARK REINECKE retired from the Board of Directors at the conclusion of the Annual General Meeting of Shareholders held on March 24, 2023 due to expiration of his term of office, and transactions during his term of office as a related party are shown.
- MMXX VENTURES LIMITED (MMXX VENTURES LIMITED) is indirectly owned by Simon Gerovich (GEROVICH SIMON), a representative director of the Company, who holds a majority of the voting rights.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)

type	Name of company, etc. Name or title	Voting rights, etc. Ownership of (Owned by) Percentage (%)	related parties relationship with	Transaction details	Amount of transaction (Thousand yen) (Thousands of yen)	Account	Balance at end of year (Thousand yen) (Thousands of yen)
Directors and Their next of kin	Simon Gerovich. (GEROVICH SIMON)	(Owned by) direct (3.9) indirection (2.7)	Representative board member	Exercise of stock acquisition rights (Note) 1	50,000	-	-

type	Name of company, etc. Name or title	Voting rights, etc. Ownership of (Owned by) Percentage (%)	related parties relationship with	Transaction details	Amount of transaction (Thousand yen) (Thousands of yen)	Account	Balance at end of year (Thousand yen) (Thousands of yen)
				Exercise of stock acquisition rights (Note) 2	396,924	-	-
				loan guarantee (Note 3)	1,750,000	-	-
Directors and Their next of kin	Yoshimi Abe	(Owned by) direct (0.1)	Director of the Company	Exercise of stock acquisition rights (Note) 2	13,875	-	-
Companies, etc. in which the majority of voting rights are held by directors and their close relatives	MMXX Ventures Limited (mmxx ventures limited)	(Owned by) direct (4.0)	Other affiliated company	Exercise of stock acquisition rights (Note) 1	405,000	-	-
				Exercise of stock acquisition rights (Note) 2	1,468,224		
				Borrowing of funds (Note 5)	1,000,000	-	-
				Repayment of funds (Note 5)	1,000,000	-	-

(Note 1) The exercise of stock acquisition rights is based on the 9th series of stock acquisition rights issued by the Company at an exercise price of 20 yen per share, which was reasonably determined through discussions based on the price calculated by an independent third-party institution.

2. The exercise of stock acquisition rights is based on the 11th series of stock acquisition rights issued by the Company at an exercise price of 555 yen per share, which was reasonably determined through discussions based on the price calculated by an independent third-party institution.

3. Personal Guarantee for the bond issued to EVO FUND in the amount of JPY 1,750,000,000

The Bonds are guaranteed by the President for the payment of principal, interest, late charges and all other obligations relating to the Bonds. A first priority mortgage has been created on the land and buildings of Hotel Royal Oak Gotanda owned by Wen Tokyo Corporation, a wholly owned subsidiary of the Company, to secure any and all monetary claims of the Bondholders against the Guarantor arising now or in the future under this Guarantee Agreement.

4. MMXX Ventures Limited was a major shareholder of the Company holding 13.026% of the voting rights of the Company from the beginning of the current fiscal year to June 30, 2024. Although not a major shareholder as of the end of the fiscal year due to the sale of a portion of the Company's shares by the end of the fiscal year, the Company's representative director, Simon Gerovich, indirectly owns a majority of the voting rights of the Company and as a company member in which officers and other close family members own a majority of the voting rights, the Company is a As a company in which majority of the voting rights are held indirectly by Mr. Simon Gerovich Simon, a representative director of the Company, and majority of the voting rights are held by officers and other close relatives, the Company is a related party.
5. The amount is determined by mutual consultation between the two parties, taking market interest rates into consideration.

3 Notes to Parent Company and Significant Affiliates

(1) Parent Company Information

Previous fiscal year (January 1, 2023 to December 31, 2023)

Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)
Not applicable.

(2) Summary Financial Information of Significant Affiliates

Previous fiscal year (January 1, 2023 to December 31, 2023)
Not applicable.

Current Consolidated Fiscal Year (January 1, 2024 through December 31, 2024)
Not applicable.

(Per share information)

Item	Previous consolidated fiscal year (January 1, 2023 to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
Net assets per share	98.56 yen	468.30 yen
Net income (loss) per share	(62.93) yen	226.65 yen
Diluted net income per share	–	187.58 yen

(Note) 1. Diluted net income per share for the previous consolidated fiscal year is not shown in the above table, because net loss per share was recorded although there are residual shares.

2. Basis for calculation of net income per share and diluted net income per share is as follows

3. At the extraordinary general meeting of shareholders held on June 28, 2024, a proposal for a reverse stock split was approved, and as of the effective date of the reverse stock split (August 1, 2024), 10 shares were consolidated into 1 share. As a result, the total number of outstanding shares decreased by 163,522,969 shares. Net assets per share, diluted net income per share, and net income (loss) per share are calculated on the assumption that the reverse stock split was conducted at the beginning of the previous fiscal year.

Item	Previous consolidated fiscal year (January 1, 2023) to December 31, 2023)	Current Consolidated Fiscal Year (January 1, 2024 to December 31, 2024)
(1) Net Income (loss) per share	(62.93)	226.65
(Basis for calculation)		
Net income (loss) attributable to owners of the parent (Thousand yen)	(683,923)	4,439,843
Amount not attributable to common shareholders (Thousand yen)	–	–
Net income (loss) attributable to owners of the parent for common stock (Thousand yen)	(683,923)	4,439,843
Average number of shares of common shares during the period (Ltd.)	10,868,494	19,589,297
(2) Diluted net income per share	–	187.58
(Basis for calculation)		
Adjustment of net income attributable to owners of the parent (Thousand yen)	–	4,439,843
Increase in common stock (Ltd.)	–	4,079,975

(Significant subsequent events)

(Exercise of the 12th series of stock acquisition rights)

The 12th series of stock acquisition rights issued by the Company on December 16, 2024 (the stock acquisition rights) to EVO FUND, Inc. The Company exercised a large number of the stock acquisition rights on January 6, 2025. The details are as follows.

1.	Issuer	Metaplanet, Inc. The 12th series of stock acquisition rights
2.	Number of shares delivered from January 6, 2025	2,900,000 shares
3.	Number of warrants exercised since January 6, 2025 and exercise ratio to total number of warrants issued	29,000 units (Percentage to the total number of units issued: 29,000: 100.0%)
4.	Number of unexercised stock acquisition rights as of January 6, 2025	29,000 (2,900,000 shares)
5.	Number of unexercised stock acquisition rights at present	0 (0 shares)

*The percentage to the total number of shares issued is rounded off to two decimal places.

(Early redemption of bonds)

The Company had allocated a total of 9,500,000,000 yen in ordinary bonds (4,500,000,000 yen for the 4th Series of Ordinary Bonds and 5,000,000,000 yen for the 5th Series of Ordinary Bonds) to EVO FUND, due for redemption on June 16, 2025. The Company has decided to redeem the entire amount of the bonds on January 6, 2025 in accordance with the redemption provisions of the bonds.

1. Metaplanet Inc. 4th Series of Ordinary Bonds

- (1) Issue to be redeemed early: Metaplanet Inc. 4th Series Ordinary Bonds
- (2) Early redemption date: January 6, 2025
- (3) Early redemption amount : 4,500,000,000 yen
- (4) Early redemption amount : 100 yen per 100 yen of each bond amount
- (5) Reason for early redemption : Funds raised through the exercise of the 12th series of stock acquisition rights
- (6) Redemption funds: Redemption will be made from cash on hand.
- (7) Annual decrease in interest expense due to early redemption: 0 yen (non-interest bearing)

(Reference information)

Conventional redemption date: : June 16, 2025

2. Metaplanet Inc. 5th series of Ordinary Bonds

- (1) Issue to be redeemed early: Metaplanet Inc. 5th Series Ordinary Bonds
- (2) Early redemption date: January 6, 2025
- (3) Early redemption amount : 5,000,000,000 yen
- (4) Early redemption amount : 100 yen per 100 yen of each bond amount
- (5) Reason for early redemption: Funds raised through the exercise of the 12th series of stock acquisition rights
- (6) Redemption funds: Redemption will be made from cash on hand.
- (7) Annual decrease in interest expense due to early redemption: 0 yen (non-interest bearing)

(Reference information)

Conventional redemption date: June 16, 2025

(Issuance of the 13th through 17th series of stock acquisition rights (with exercise price amendment clause and exercise suspension clause) by way of third-party allotment and execution of a purchase agreement for stock acquisition rights)

In a resolution passed at the Board of Directors meeting held on January 28, 2025, the Company resolved to issue to EVO FUND (Cayman Islands, Representative: Michael Lurch, Richard Chisolm) (hereinafter referred to as the "Scheduled Subscriber" or "EVO FUND") The 13th through 17th series of stock acquisition rights (hereinafter collectively referred to as the "Stock Acquisition Rights") through a third-party allotment to the Scheduled Subscriber (hereinafter referred to as the "Scheduled Subscriber") and the issuance of the Stock Acquisition Rights under the Financial Instruments and Exchange Law. The Company also resolved to enter into a stock acquisition right

purchase agreement (the "Purchase Agreement") with the Scheduled Subscriber, subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act, as follows. The Company resolved to enter into a stock acquisition rights purchase agreement (the "Purchase Agreement") with the Scheduled Subscriber subject to the issuance of the Stock Acquisition Rights (the "Stock Acquisition Rights") and the effectiveness of the registration under the Financial Instruments and Exchange Act as follows.

The Company received payment for the 13th through 17th series of stock acquisition rights on February 17, 2025.

Purpose and Reason for the Offering

The majority of the funds raised will be strategically allocated to the purchase of bitcoin. As disclosed in the Company's April 8, 2024 "Notice of Purchase of Bitcoin", the Company has decided to hold Bitcoin as part of the Company's treasury management strategy. In addition, as disclosed in the "Metaplanet's Strategic Shift in Treasury Management and Use of Bitcoin" dated May 13, 2024 and in the "Notice of Commencement of Bitcoin Treasury Business" dated December 18, 2024, the Company has decided to adopt a bitcoin-first, bitcoin-only approach to Clearly prioritizing and utilizing long-term debt and periodic equity issuances as strategic financial options, the Company has made it clear that it will position and execute its core business to continuously increase bitcoin instead of holding the weakening yen.

As a bitcoin treasury company, we are aware of our position as a pioneer in the bitcoin space in Japan, and will continue to accumulate bitcoin holdings, taking on the role of preserving asset value by raising Japanese yen whenever possible and replacing the funds with bitcoin. The value of bitcoin is only going to increase, with the price reaching an all-time high in January 2025. On the other hand, the Japanese yen, our currency, continues to lose value, and with the exchange rate against the US dollar on the foreign exchange market close to falling toward 160 yen again at the time of the resolution, the future outlook remains uncertain. Under these circumstances, the importance of increasing our bitcoin holdings is growing, and we have decided to raise funds to purchase Bitcoin as soon as possible.

2. Outline of the recruitment

(1)	allotment date	February 17, 2025
(2)	Number of stock acquisition rights issued	210,000 (100 shares of common stock per stock acquisition right) 13th series of stock acquisition rights: 42,000 units 14th series of stock acquisition rights: 42,000 units 15th series of stock acquisition rights: 42,000 units 16th series of stock acquisition rights: 42,000 units 17th series of stock acquisition rights: 42,000 units
(3)	issue price (book value)	Total 76,230,000 yen (363 yen per 13th stock acquisition right, 363 yen per 14th stock acquisition right, 363 yen per 15th stock acquisition right, 363 yen per 16th stock acquisition right, 363 yen per 17th stock acquisition right)
(4)	Due to the issuance of this issue. Number of potential shares	21,000,000 shares of common stock (100 shares per stock acquisition right) There is no maximum exercise price. The minimum exercise price is 2,555 yen, but even at the minimum exercise price, the number of potential shares is 21,000,000.
(5)	Amount of funds raised	116,313,730,000 yen (Note)
(6)	Exercise Price and Conditions for Revision of Exercise Price	The initial exercise price shall be 5,555 yen. The exercise price of the stock acquisition rights will be revised on and after February 17, 2025 (including that day). The exercise price of the stock acquisition rights will be revised for the first time on or after February 17, 2025 (including that day) and thereafter for one trading day (the "Trading Day" means a day on which the trading session is held at the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") (the "Exchange"). The same applies hereinafter). (Hereafter, the dates on which such revisions are made are individually or collectively referred to as the "Revision Date"). (iii) The Exercise Price shall be revised in accordance with the provisions of the Amendment Provisions. In the event that the Exercise Price is revised in accordance with such revision provisions, the

		<p>Exercise Price shall be revised on the Revision Date to the same level as the Exercise Price on the trading day immediately preceding the Revision Date (hereinafter referred to as the "Price Calculation Date"). In the event that the Exercise Price is revised in accordance with such revision provisions, the Exercise Price shall be revised on the Revision Date to an amount equal to 100% of the closing price of the common stock of the Company in regular trading announced by the Exchange on the trading day immediately preceding the Revision Date (the "Price Calculation Date"), rounded down to the nearest yen (however, if such amount is less than the Minimum Exercise Price stated in "(4) Number of potential shares due to such issuance" above, it shall be the Minimum Exercise Price. (However, if such amount is less than the minimum exercise price stated in "(4) Number of potential shares due to such issuance" above, it shall be the minimum exercise price. However, if there is no closing price on the price calculation date, the exercise price will not be revised. If any event that causes an adjustment pursuant to the provisions of Paragraph 11 of the Terms and Conditions of Issuance of Stock Acquisition Rights occurs on the Price Calculation Date, the closing price of the ordinary transactions of our common stock announced by the Exchange on the Price Calculation Date will be reasonably adjusted in consideration of such event.</p>
(7)	Method of offering or allotment (Allottee) (Scheduled allottee)	All of the stock acquisition rights will be allocated to EVO FUND by way of a third-party allotment.
(8)	Exercise period	The exercise period of the 13th Series Stock Acquisition Rights and the 17th Series Stock Acquisition Rights is from February 18, 2025 (including the day of exercise) to February 17, 2027. The exercise period of the 13th series of stock acquisition rights is from February 18, 2025 (including the day of exercise) to February 17, 2027.
(9)	Other	<p>The Company will enter into a Stock Purchase Agreement with the Scheduled Subscriber after the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act, which provides that the Scheduled Subscriber must obtain the approval of the Board of Directors of the Company if it transfers the Stock Acquisition Rights, the exercise suspension clause as described in "3, The Company plans to enter into the Purchase Agreement, which provides for a lock-up, right of first refusal, etc.</p> <p>*Lock-up</p> <p>The Company may, without the prior written consent of the Scheduled Subscriber or EVOLUTION JAPAN SECURITIES Co. (President: Sean Lawson, 4-1 Kioi 4-1, Chiyoda-ku, Tokyo) ("EJS"), without obtaining the prior written consent of EJS, to solicit, offer as security, issue, sell, contract to sell, grant purchase options, grant purchase rights, grant underwriting rights, lend, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable for shares of common stock during the period of the remaining Stock Acquisition Rights beginning on the execution date of this Purchase Agreement, or to make any other transfer or disposal thereof. or other transfer or disposition, directly or indirectly, or enter into any swap or other arrangement that transfers all or part of the economic consequences of ownership of shares of our common stock to any third party, and furthermore shall not cause any person acting at our direction to perform any of the acts set forth above. However, the foregoing restrictions shall not apply in the event that the Company issues or delivers shares of common stock of the Company as a result of a stock split of the Company's common stock, the Company conducts a gratis allotment of shares of common stock of the Company, the Company sells treasury stock pursuant to Article 194, Paragraph 3 of the Companies Act, the Company issues stock acquisition rights or common stock of the Company under the stock option plan of the Company (ii) In the</p>

		<p>event that the Company issues or delivers shares of common stock of the Company pursuant to the stock option plan of the Company, or in the event that the Company issues or delivers shares of common stock of the Company pursuant to the exercise of the Stock Acquisition Rights, or in the event that the Company is required by other applicable laws and regulations.</p> <p>*Pre-emptive right of first refusal</p> <p>If the Company intends to issue or deliver shares, stock acquisition rights or bonds with stock acquisition rights or other securities convertible into or exchangeable for common stock or class shares of the Company (the "Additional New Shares, etc.") to any third party other than the Scheduled Subscriber during the period beginning on the date of execution of this Purchase Agreement and the Stock Acquisition Rights remain outstanding, the Company may, at its discretion, issue or deliver such additional new shares, etc. to such third party. In the event that EJS intends to issue or deliver shares of common stock, stock acquisition rights, bonds with stock acquisition rights or other securities convertible into or exchangeable for shares of common stock or class shares of the Company (the "Additional New Shares, Etc.") If EJS intends to issue or deliver securities (the "Additional New Shares, etc.") (such issuance or delivery to be referred to as the "Additional New Shares, etc."), EJS will be requested to provide EJS with the principal terms and details of the Additional New Shares, etc. (including but not limited to the type, price, quantity, payment date, terms of the subscription agreement, name and location of the party to which the Additional New Shares, etc. are to be subscribed. The same shall apply hereinafter). The same shall apply hereinafter), and the Underwriters shall give notice thereof by means of a written document (the "Notification"). The notice must be given in writing (hereinafter referred to as the "Notice").</p> <p>The Scheduled Subscriber shall, within one (1) week from the date of receipt by EJS of this Notice (not including the day of receipt), notify EJS in writing of whether or not it will subscribe to the Additional New Shares, etc. under the terms and conditions set forth in this Notice. If the Scheduled Subscriber notifies the Company that it will subscribe to the Additional New Shares, etc. on the same terms and conditions as those set forth in the Notice (such notification shall be hereinafter referred to as the "Acceptance Notice"), the Company shall issue or deliver such Additional New Shares, etc. to the third party. If the Scheduled Subscriber notifies the Company that it will subscribe to the Additional New Shares, etc. under the same terms and conditions as those terms and conditions (the "Acceptance Notice"), the Company shall issue or deliver the Additional New Shares, etc. to the Scheduled Subscriber and shall not issue or deliver such Additional New Shares, etc. to any third party. Only in the event that the Company does not receive a notice of acceptance from the Scheduled Subscriber, the Company may resolve the Additional New Share Issuance, etc. only in accordance with the principal terms and conditions notified to the Scheduled Subscriber by this Notice.</p> <p>The above provisions shall not apply in each of the following cases.</p> <p>(i) in the event that the Company issues stock options to its officers, employees, consultants or advisors, or issues or delivers shares of common stock (other than pursuant to the exercise of stock acquisition rights granted for the purpose of such stock options)</p> <p>(iii) in the event that the Company issues stock options to its officers, employees, consultants or advisors, or issues or delivers shares of common stock (other than pursuant to the exercise of stock acquisition rights granted for the purpose of such stock options) in accordance with a capitalization policy duly approved by the Board of Directors of the Company, and the</p>
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		<p>number of shares issued is less than 5% of the total outstanding shares of the Company as of the execution of this Purchase Agreement</p> <p>(ii) In the case of exercise or conversion of shares already issued as of the date of execution of the Purchase Agreement (including class shares, etc. that have been granted the right to request conversion into common shares, etc.), stock acquisition rights or bonds with stock acquisition rights, as described in the documents disclosed by the Company in accordance with the applicable laws and regulations. (iii) In the case of exercise or conversion of stock acquisition rights or bonds with stock acquisition rights, etc., if such exercise or conversion is made in accordance with such terms and conditions without any change or modification from the terms and conditions set forth in such documents.</p> <p>(iii) In addition to the above, if the Company and EJS separately agree in writing that the shares are not subject to the right of first refusal.</p>
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(Note) The amount of funds to be procured is the total of the amount to be paid in for the Stock Acquisition Rights plus the amount of assets to be contributed upon exercise of the Stock Acquisition Rights, minus an estimated amount of issuance expenses. The amount of funds to be raised may increase or decrease if the exercise price is revised or adjusted or if the Company cancels the stock acquisition rights acquired by the Company. The amount of funds raised may increase or decrease if the exercise price is revised or adjusted or if the Company cancels the Stock Acquisition Rights acquired. In addition, if the Stock Acquisition Rights are not exercised within the exercise period, the amount of funds to be raised will fluctuate.

(Issue and early redemption of the 6th series of Ordinary Bonds)

6th Series of Ordinary Bonds (the "Bonds") (the "Bondholder") to EVO FUND (the "Bondholder"). The Bonds were paid in on February 13, 2012.

The Bonds were fully repaid by early redemption of 2,000,000,000 yen on February 18, 2025 and 2,000,000,000 yen on February 20, 2025.

Details of the Bonds

(1)	Name of Bonds	Metaplanet Inc. 6 th Series Ordinary Bonds
(2)	Total amount of bonds	4,000,000,000 yen
(3)	Amount of each bond	250,000,000 yen per unit
(4)	interest rate	The Bonds do not bear interest.
(5)	Redemption amount	100 yen per 100 yen of each bond amount
(6)	Payment date	February 13, 2025
(7)	redemption date	August 12, 2025
(8)	Method of redemption	The Bonds shall be redeemed on the redemption date stated in Item 7 above in the total amount stated in Item 5 above. However, Bondholders may redeem the Bonds on the date on which they wish to make an early redemption (hereinafter referred to as the "Early Redemption Date") by notifying the Company in writing at least one (1) business day prior to such date. The Bondholders may, however, request that all or part of the Bonds outstanding as of such date be redeemed in advance at 100 yen per 100 yen of the amount of each bond on the Early Redemption Date by giving written notice to the Company at least one business day prior to the date on which they wish to redeem the Bonds in advance (hereinafter referred to as the "Early Redemption Date"). In addition, if all or part of the 13th through 17th Series Stock Acquisition Rights of Metaplanet Inc. are exercised and the amount of money paid to the Company upon such exercise, deducting the total of the face value of the Bonds previously redeemed in advance by the Company pursuant to this Item 8 from the cumulative amount of money paid to the Company since the issue date of the Bonds, becomes an integral multiple of the amount of the Bonds (250,000,000 yen) or more. If the amount of the Bonds is more than an integral multiple of the amount of the Bonds (250,000,000 yen), the Company shall redeem such integral multiple of the Bonds on the trading day (including that day) following the day on which enough money to reach such integral multiple has been paid in. If the amount of the Bonds in such integral number exceeds an integral multiple of 250,000,000 yen, the Company shall redeem the Bonds in such integral number at 100 yen per 100 yen of the amount of each Bond, with the date of early redemption being the trading day (including the day itself) following the date on which the Company pays out enough money to reach such integral multiple or a date separately agreed by the Company and the Bondholders.
(9)	Warranty	None applicable.
(10)	Collateral	None applicable.
(11)	Method of recruitment	Allocate the entire amount to the EVO FUND.
(12)	bond administrator	The Bonds satisfy the requirements of the proviso of Article 702 of the Companies Act and Article 169 of the Enforcement Regulations of the Companies Act, and no bond administrator will be established.
(13)	Handling office for principal and interest payments (place of principal and interest	Metaplanet, Inc. 6-10-1 Roppongi, Minato-ku, Tokyo

	payments)	
(14)	transfer agent	None applicable.

(Issue and early redemption of the 7th Series of Ordinary Bonds)

7th Series of Ordinary Bonds (the "Bonds") (the "Bondholder") to EVO FUND (the "Bondholder"). The Bonds were paid in on February 27, 2012.

The Bonds have been fully repaid by early redemption of 2,000,000,000 yen on March 3, 2025.

Details of the Bonds

(1)	Name of Bonds	Metaplanet Inc. 7 th Series Ordinary Bonds
(2)	Total amount of bonds	2,000,000,000 yen
(3)	Amount of each bond	50,000,000 yen
(4)	interest rate	The Bonds do not bear interest.
(5)	Redemption amount	100 yen per 100 yen of each bond amount
(6)	Payment date	February 27, 2025
(7)	redemption date	August 26, 2025
(8)	Method of redemption	<p>The Bonds shall be redeemed on the redemption date stated in Item 7 above in the total amount stated in Item 5 above. However, Bondholders may redeem the Bonds on the date on which they wish to make an early redemption (hereinafter referred to as the "Early Redemption Date") by notifying the Company in writing at least one (1) business day prior to such date. The Bondholders may, however, request that all or part of the Bonds outstanding as of such date be redeemed in advance at 100 yen per 100 yen of the amount of each bond on the Early Redemption Date by giving written notice to the Company at least one business day prior to the date on which they wish to redeem the Bonds in advance (hereinafter referred to as the "Early Redemption Date"). In addition, if all or part of the 13th through 17th Series Stock Acquisition Rights of Metaplanet Inc. are exercised, and the amount of money paid to the Company upon such exercise, deducting the total of the face value of the Bonds previously redeemed early by the Company pursuant to this item 8 from the cumulative amount since the issue date of the Bonds, becomes an integral multiple of the amount of the Bonds (50,000,000 yen) or more, the Company may request that the Company redeem the Bonds early at the price of 100 yen per 100 yen of the amount of each Bond. If the amount of the Bonds is more than an integral multiple of the amount of the Bonds (50,000,000 yen), the Company shall redeem such integral multiple of the Bonds on the trading day (including that day) following the day on which enough money to reach such integral multiple has been paid in. 又は当社と社債権者が別途合意する日を繰上償還日として、当該時点において未償還の本社債の全部又は一部につき、各社債の金額100円につき金100円で繰上償還する。</p>
(9)	Warranty	None applicable.
(10)	Collateral	None applicable.
(11)	Method of recruitment	Allocate the entire amount to the EVO FUND.
(12)	bond administrator	The Bonds satisfy the requirements of the proviso of Article 702 of the Companies Act and Article 169 of the Enforcement Regulations of the Companies Act, and no bond administrator will be established.
(13)	Handling place for principal and interest payment	Metaplanet, Inc. 6-10-1 Roppongi, Minato-ku, Tokyo

	(place of principal and interest payment)	
(14)	transfer agent	None applicable.

(Issuance of the 8th Series of Ordinary Bonds)

8th Series of Ordinary Bonds (the "Bonds") (the "Bondholder") to EVO FUND (the "Bondholder"). The Bonds will be issued to EVO FUND (the "Bondholder"), and payment was received on March 12.

1,900,000,000 yen of the 8th Series of Ordinary Bonds were repaid on March 24th, 2025.

Details of the Bonds

(1)	Name of Bonds	Metaplanet Inc. 8th Series of Ordinary Bond
(2)	Total amount of bonds	2,000,000,000 yen
(3)	Amount of each bond	50,000,000 yen
(4)	interest rate	The Bonds do not bear interest.
(5)	Redemption amount	100 yen per 100 yen of each bond amount
(6)	Payment date	March 12, 2025
(7)	redemption date	September 11, 2025
(8)	Method of redemption	The Bonds shall be redeemed on the redemption date stated in Item 7 above in the total amount stated in Item 5 above. However, Bondholders may redeem the Bonds on the date on which they wish to make an early redemption (hereinafter referred to as the "Early Redemption Date") by notifying the Company in writing at least one (1) business day prior to such date. The Bondholders may, however, request that all or part of the Bonds that are unredeemed as of the said date be redeemed in advance at 100 yen per 100 yen of the amount of each Bond by notifying the Company in writing at least one business day prior to the date on which they wish to be redeemed in advance (hereinafter referred to as the "Early Redemption Date"). In addition, if all or a part of the 14th through 17th Series Stock Acquisition Rights of Metaplanet Inc. are exercised and the amount of money paid to the Company upon such exercise, deducting the total of the face value of the Bonds previously redeemed in advance by the Company pursuant to this Item 8 from the cumulative amount of money paid to the Company since the issue date of the Bonds, becomes an integral multiple of the amount of the Bonds (50,000,000 yen) or more. If the amount of the Bonds is more than an integral multiple of the amount of the Bonds (50,000,000 yen), the Company shall redeem such integral multiple of the Bonds on the trading day (including that day) following the day on which enough money to reach such integral multiple has been paid in. 又は当社と社債権者が別途合意する日を繰上償還日として、当該時点において未償還の本社債の全部又は一部につき、各社債の金額100円につき金100円で繰上償還する。
(9)	Warranty	None applicable.
(10)	Collateral	None applicable.
(11)	Method of recruitment	Allocate the entire amount to the EVO FUND.
(12)	bond administrator	The Bonds satisfy the requirements of the proviso of Article 702 of the Companies Act and Article 169 of the Enforcement Regulations of the Companies Act, and no bond administrator will be established.
(13)	Handling office for principal and interest payments (place of principal	Metaplanet, Inc. 6-10-1 Roppongi, Minato-ku, Tokyo

	and interest payments)	
(14)	transfer agent	None applicable.

(Issuance of the 9th Series of Ordinary Bonds)

9th Series of Ordinary Bonds (the "Bonds") (the "Bondholder") to EVO FUND (the "Bondholder"). The Bonds will be issued to EVO FUND (the "Bondholder") on March 18, 2012.

Details of the Bonds

(1)	Name of Bonds	Metaplanet Inc. 9th Series Ordinary Bonds
(2)	Total amount of bonds	2,000,000,000 yen
(3)	Amount of each bond	50,000,000 yen
(4)	interest rate	The Bonds do not bear interest.
(5)	Redemption amount	100 yen per 100 yen of each bond amount
(6)	Payment date	March 18, 2025
(7)	redemption date	September 17, 2025
(8)	Method of redemption	The Bonds shall be redeemed on the redemption date stated in Item 7 above in the total amount stated in Item 5 above. However, Bondholders may redeem the Bonds on the date on which they wish to make an early redemption (hereinafter referred to as the "Early Redemption Date") by notifying the Company in writing at least one (1) business day prior to such date. The Bondholders may, however, request that all or part of the Bonds that are unredeemed as of the said date be redeemed in advance at 100 yen per 100 yen of the amount of each Bond by notifying the Company in writing at least one business day prior to the date on which they wish to be redeemed in advance (hereinafter referred to as the "Early Redemption Date"). In addition, if all or a part of the 14th through 17th Series Stock Acquisition Rights of Metaplanet Inc. are exercised and the amount of money paid to the Company upon such exercise, deducting the total of the face value of the Bonds previously redeemed in advance by the Company pursuant to this Item 8 from the cumulative amount of money paid to the Company since the issue date of the Bonds, becomes an integral multiple of the amount of the Bonds (50,000,000 yen) or more. If the amount of the Bonds is more than an integral multiple of the amount of the Bonds (50,000,000 yen), the Company shall redeem such integral multiple of the Bonds on the trading day (including that day) following the day on which enough money to reach such integral multiple has been paid in. 又は当社と社債権者が別途合意する日を繰上償還日として、当該時点において未償還の本社債の全部又は一部につき、各社債の金額100円につき金100円で繰上償還する。
(9)	Warranty	None applicable.
(10)	Collateral	None applicable.
(11)	Method of recruitment	Allocate the entire amount to the EVO FUND.
(12)	bond administrator	The Bonds satisfy the requirements of the proviso of Article 702 of the Companies Act and Article 169 of the Enforcement Regulations of the Companies Act, and no bond administrator will be established.
(13)	Handling office for principal and interest payments (place of principal and interest payments)	Metaplanet, Inc. 6-10-1 Roppongi, Minato-ku, Tokyo
(14)	transfer agent	None applicable.

(Acquisition of bitcoin)

Overview of Bitcoin Purchases

Based on the resolution of the Board of Directors meeting held on February 10, 2025, the Company purchased a total of 4 billion yen in Bitcoin on February 17, 2025 with the funds raised through the bond issue.

In addition, in accordance with the resolution of the Board of Directors meeting held on January 28, 2025, the Company will use the funds raised through the exercise of the 13th series of stock acquisition rights to purchase a total of 990 million yen in bitcoin on February 20, 2025, 1.939 billion yen in bitcoin on February 25, 2025, 3.03 billion yen in bitcoin on March 3, 2025. On March 3, 2025, the Company purchased bitcoin totaling ¥2.021 billion; on March 5, 2025, the Company purchased bitcoin totaling ¥6.616 billion; on March 12, 2025, the Company purchased bitcoin totaling ¥2.008 billion; and on March 18, 2025, the Company purchased bitcoin totaling ¥1.879 billion.

(Stock split)

The Company's Board of Directors resolved at a meeting held on February 18, 2025 to effect a stock split.

Purpose of the stock split

The Company implemented a one-for-ten reverse stock split with an effective date of August 1, 2024. Since then, the Company's stock price has risen significantly, and the minimum amount required to purchase shares in the market is now over 500,000 yen at the time of the resolution, which is a significant financial burden for investors. The minimum amount required to purchase the Company's shares in the market is now more than 500,000 yen at the time of the resolution.

Therefore, by reducing the amount per investment unit through a stock split, we aim to further increase the liquidity of our stock and expand our investor base, thereby connecting with our shareholders more widely.

Outline of Stock Split

(1) Method of division

The Company will carry out a 10-for-1 stock split of shares of common stock held by shareholders whose names appear or are recorded in the final shareholders' register as of March 31, 2025 (Monday) as the record date.

(2) Number of shares to be increased by the split

Total number of shares outstanding before stock split	39,168,334 shares
Number of shares to be increased by this stock split	352,515,006 shares
Total number of shares issued and outstanding after stock split	391,683,340 shares
Total number of authorized shares after stock split	1,450,000,000 shares

(Note: There is a possibility that the total number of outstanding shares will increase due to the exercise of stock acquisition rights between the date of this Board of Directors' resolution and the record date for the stock split.

(3) Schedule for division

Record Date of Public Notice	Monday, March 3, 2025
Reference Date	Monday, March 31, 2025
effective date	Tuesday, April 1, 2025

(Exercise of the 13th series of stock acquisition rights)

The 13th series of stock acquisition rights issued by the Company on February 17, 2025 (the Stock Acquisition Rights) to EVO FUND, Inc. The Company has exercised a large number of the stock acquisition rights during the period from February 18, 2025 to March 24, 2025. The details are as follows.

1. Issuer	Metaplanet, Inc. The 13th series of stock acquisition rights
2. Number of shares delivered from February 18, 2025	4,200,000 shares

3.	Number of Stock Acquisition Rights Exercised from February 18, 2025, and Exercise Ratio to Total Issued Stock Acquisition Rights:	42,000 units (Ratio to total issued units of 42,000: 100.00%)
4.	Number of unexercised stock acquisition rights as of February 17, 2025	42,000 (4,200,000 shares)
5.	Number of unexercised stock acquisition rights at present	0 (0 shares)

*The percentage to the total number of shares issued is rounded off to two decimal places.

6. status of exercise since February 18, 2025

Exercise Date	Number of shares issued		exercise price (Yen)	Exercised stock acquisition rights Quantity (pcs.)
	new shares	transferor Shares		
Tuesday, February 18, 2025	345,000	–	6,040	3,450
Wednesday, February 19, 2025	155,000	–	6,030	1,550
Thursday, February 20, 2025	360,000	–	6,120	3,600
Friday, February 21, 2025	304,000	–	6,290	3,040
Tuesday, February 25, 2025	–	27,000	6,210	270
Monday, March 3, 2025	3,009,000	–	3,310	30,090

(Exercise of the 14th series of stock acquisition rights)

The 14th series of stock acquisition rights issued by the Company on February 17, 2025 (the "Stock Acquisition Rights ") to EVO FUND, Inc. The Company has exercised a large number of the Stock Acquisition Rights during the period from February 18, 2025 to March 24, 2025. The details are as follows.

1.	Company	Metaplanet, Inc. The 14th series of stock acquisition rights
2.	Number of shares delivered from February 18, 2025	2,119,000 shares
3.	Number of warrants exercised since February 18, 2025 and exercise ratio to total number of warrants issued	21,190 rights units (Percentage to the total number of units issued (42,000): 50.5%)
4.	Number of unexercised stock acquisition rights as of February 17, 2025	42,000 (4,200,000 shares)
5.	Number of unexercised stock acquisition rights at present	20,810 (2,081,000 shares)

*The percentage to the total number of shares issued is rounded off to two decimal places.

6. status of exercise since February 18, 2025

Exercise Date	Number of shares issued		exercise price (Yen)	Exercised stock acquisition rights Quantity (pcs.)
	new shares	transferor Shares		
Monday, March 3, 2025	907,000	–	3,310	9,070

Monday, March 24 , 2025	1,212,000		4,730	12,120
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(Exercise of the 17th series of stock acquisition rights)

The 17th series of stock acquisition rights issued by the Company on February 17, 2025 (the "Stock Acquisition Rights ") to EVO FUND, Inc. The Company has exercised a large number of the Stock Acquisition Rights during the period from February 18, 2025 to March 24, 2025. The details are as follows.

1.	Company	Metaplanet Inc. The 17th series of stock acquisition rights
2.	Number of shares delivered from February 18, 2025	269,900 shares
3.	Number of warrants exercised since February 18, 2025 and exercise ratio to total number of warrants issued	2,699 rights units (Percentage to the total number of units issued (42,000): 6.4%)
4.	Number of unexercised stock acquisition rights as of February 17, 2025	42,000 (4,200,000 shares)
5.	Number of unexercised stock acquisition rights at present	39,301 (3,930,100 shares)

Exercise Date	Number of shares issued		exercise price (Yen)	Exercised stock acquisition rights Quantity (pcs.)
	new shares	transferor Shares		
Monday, March 24 , 2025	200,000	69,900	4,730	2,699

(5) [Consolidated supplementary schedules] (5) [Consolidated supplementary schedules] (5) [Consolidated supplementary schedules] (5) [Consolidated supplementary schedules]
Schedule of Bonds]

Company Name	Issue Name	Date of Issue	Balance at the beginning of current period (Thousands of yen)	Balance at the end of current period (Thousands of yen)	Interest rate (%)	Collateral	Redemption Date
(this) firm	3 rd Series of Ordinary Bonds (Guaranteed) (Notes 1 and 2)	November 18, 2024	–	1,750,000 (1,750,000)	0.36% per annum	general collateral	November 17, 2025
	4 th Series of Ordinary Bonds (Note 1)	December 17, 2024	–	4,500,000 (4,500,000)	(earning or paying) no interest	unsecured (loan)	June 16, 2025
	5 th Series of Ordinary Bonds (Note 1)	December 20, 2024	–	5,000,000 (5,000,000)	(earning or paying) no interest	unsecured (loan)	June 16, 2025
total amount	–	–	–	11,250,000 (11,250,000)	–	–	–

(Notes) 1. Figures in parentheses represent the redemption schedule within one year.

2. Scheduled redemption amounts per year within 5 years after the consolidated balance sheet date are as follows: (Millions of yen)

Within 1 year (Thousands of yen)	Due after 1 year through 2 years (Thousands of yen)	Over 2 years but within 3 years (Thousands of yen)	Over 3 years but within 4 years (Thousands of yen)	Over 4 years but within 5 years (Thousands of yen) Over 4 years but within 5 years
11,250,000	–	–	–	–

As of the date of submission of this securities report, the 4th and 5th Series of Ordinary Bonds have been fully repaid.

Schedule of Borrowings, etc.

classification	Balance at the beginning of current period (Thousand yen) (Thousands of yen)	Balance at the end of current period (Thousand yen) (Thousands of yen)	Average interest rate (%)	repayment deadline
Long-term debt	130,501	–	–	–
total amount	130,501	–	–	–

Asset Retirement Obligations

Not applicable.

(2) [Others

Semi-annual information for the current consolidated fiscal year, etc.

(Cumulative period)		Interim Consolidated accounting period	Current Consolidated Fiscal Year
Net sales	(Thous and yen)	168,494	1,062,283
Income (loss) before income taxes and minority interests	(Thous and yen)	(176,500)	6,393,785
Net income (loss) attributable to owners of the parent	(Thous and yen)	(176,975)	4,439,843
Net income (loss) per share	(Yen)	(12.75)	226.65
Net income per share (diluted)	(Yen)	-	187.58

(Note) 1. The Company conducted a reverse stock split on August 1, 2024, at a ratio of 1 share of common stock for every 10 shares of common stock. Net income per share is calculated on the assumption that the reverse stock split was conducted at the beginning of the current fiscal year.

2. Diluted net income per share for the interim consolidated accounting period is not stated because net loss per share was recorded, although there are residual shares.

2 [Financial Statements, etc.]

(1) [Financial Statements]

(1) [Balance Sheet]

(Unit: thousand yen)

	Previous fiscal year (December 31, 2023)	Current fiscal year (December 31, 2024)
Assets		
Current assets		
Cash and Deposits	536,508	263,913
Accounts Receivable	553,991	4,806
Short-Term Loans Receivable	22,123	22,149
Advances to Affiliates	25,246	28,438
Prepaid Expenses	5,091	11,731
Deposits Paid	-	2,322,129
Other	27,649	22,487
Allowance for Doubtful Accounts	(582,857)	(28,217)
Total Current Assets	587,752	2,647,440
Fixed Assets		
Tangible Fixed Assets		
Tools, Furniture and Fixtures	1,676	1,676
Accumulated Depreciation	(883)	(1,333)
Total Tangible Fixed Assets	792	342
Intangible Fixed Assets		
Other	-	76,730
Total Intangible Fixed Assets	-	76,730
Investments and Other Assets		
Bitcoin	-	26,348,999
Investment Securities	73,654	73,654
Shares of Affiliates	1,000	1,000
Other Affiliate Securities	367,319	367,319
Equity Investments	0	0
Long-Term Loans Receivable	1,404,250	165,000
Long-Term Accounts Receivable	359,762	359,762
Lease and Guarantee Deposits	6,580	13,829
Allowance for Doubtful Accounts	(1,704,013)	(364,762)
Total Investments and Other Assets	508,554	26,864,803
Total Fixed Assets	509,347	26,941,877
Deferred Assets		
Share Issuance Expenses	-	114,817
Total Deferred Assets	-	114,817
Total Assets	1,097,099	29,704,134

(Unit: thousand yen)

	Previous fiscal year (December 31, 2023)	Current fiscal year (December 31, 2024)
Liabilities		
Current Liabilities		
Current Portion of Bonds Payable	–	11,250,000
Accounts Payable	39,690	29,085
Accrued Expenses	11,287	15,509
Accrued Corporate Taxes	18,938	19,198
Deposits Received	6,989	6,317
Other	–	29,656
Total Current Liabilities	76,905	11,349,767
Long-Term Liabilities		
Long-Term Borrowings	48,451	–
Deferred Tax Liabilities	–	1,958,090
Total Long-Term Liabilities	48,451	1,958,090
Total Liabilities	125,356	13,307,858
Net Assets		
Shareholders' Equity		
Capital Stock	575,000	0
Capital Surplus		
Legal Capital Surplus (Capital Reserve)	1,909,745	7,664,271
Other Capital Surplus	–	4,934,073
Total Capital Surplus	1,909,745	12,598,344
Retained Earnings		
Legal Retained Earnings	5,820	5,820
Other Retained Earnings		
Retained Earnings (Carried Forward)	(1,401,249)	4,014,888
Total Retained Earnings	(1,395,429)	4,020,708
Treasury Stock	(139,463)	(248,862)
Total Shareholders' Equity	949,852	16,370,190
Stock Acquisition Rights	21,890	26,086
Total Net Assets	971,742	16,396,276
Total Liabilities and Net Assets	1,097,099	29,704,134

(2) [Profit and loss statement]

(Unit: thousand yen)

	Previous fiscal year (January 1, 2023 to December 31, 2023)	Current fiscal year (January 1, 2024 to December 31, 2024)
Net Sales	27,981	715,943
Cost of Sales	518,769	-
Gross Profit (Loss)	(490,788)	715,943
Selling, General and Administrative Expenses	341,642	385,294
Operating Income (Loss)	(832,431)	330,648
Non-operating Income		
Bitcoin Valuation Gain	-	5,457,539
Other	186,380	199,856
Total Non-operating Income	186,380	5,657,396
Non-operating Expenses		
Interest Expense	17,882	1,602
Allowance for Doubtful Accounts	24,099	26
Amortization of Share Issuance Expenses	-	6,429
Total Non-operating Expenses	41,982	8,058
Ordinary Income (Loss)	(688,033)	5,979,986
Extraordinary Income		
Reversal of Stock Acquisition Rights	4,632	-
Gain on Sales of Fixed Assets	329,119	-
Total Extraordinary Income	333,751	-
Extraordinary Losses		
Loss on Valuation of Investment Securities	124,765	-
Loss on Liquidation of Subsidiaries and Affiliates	463,097	-
Loss on Valuation of Subsidiaries and Affiliate Shares	999	-
Other	0	-
Total Extraordinary Losses	588,862	-
Income (Loss) Before Income Taxes	(943,144)	5,979,986
Corporate, Inhabitant and Business Taxes	858	1,210
Adjustment for Corporate Taxes	-	1,958,090
Total Corporate Taxes	858	1,959,300
Net Income (Loss) for the Period	(944,002)	4,020,685

(iii) [Statements of Changes in Net Assets]

Previous fiscal year (January 1, 2023 to December 31, 2023)

(Unit: thousand
yen)

	Capital Stock		
	Capital Stock	Capital Surplus	
		Capital Reserve	Total Capital Surplus
Balance at the Beginning of Period	0	1,334,745	1,334,745
Changes during the Period			
Reduction of Capital			
Deficit Offset			
Issuance of new shares	575,000	575,000	575,000
Net Loss (loss)			
Acquisition of Treasury Stock			
Net Changes in Items Other than Shareholders' Equity (net)			
Total Changes during the Period	575,000	575,000	575,000
Balance at End of Period	575,000	1,909,745	1,909,745

	Shareholders’ Equity					Stock Acquisition Rights	Total Net Assets
	Retained Earnings			Treasury Stock	Total Shareholders’ Equity		
	Legal Retained Earnings	Other Retained earnings	Total Retained Earnings				
		Retained earnings brought forward					
Balance at Beginning of Period	5, 820	(457, 247)	(451, 427)	(139, 414)	743, 904	4, 632	748, 536
Changes during the Period							
Reduction of Capital							
Deficit Offset							
Issuance of New Shares					1, 150, 000		1, 150, 000
Net Loss (loss)		(944, 002)	(944, 002)		(944, 002)		(944, 002)
Acquisition of Treasury Stock				(48)	(48)		(48)
Net Changes in Items Other than Shareholders’ Equity (net)						17, 257	17, 257
Total Changes during the Period	—	(944, 002)	(944, 002)	(48)	205, 948	17, 257	223, 206
Balance at End of Period	5, 820	(1, 401, 249)	(1, 395, 429)	(139, 463)	949, 852	21, 890	971, 742

Current fiscal year (January 1, 2024 through December 31, 2024)
(Unit: thousand yen)

	capital stock			
	capital stock	Capital surplus		
		capital reserve	Other capital surplus	Total capital surplus
Balance at the beginning of current period	575,000	1,909,745	—	1,909,745
Changes of items during the period				
reduction of capital	(6,329,525)			
making up for a deficit			(1,395,452)	(1,395,452)
Issuance of new shares	5,754,525	5,754,525	6,329,525	12,084,051
Net income				
Acquisition of treasury stock				
Net changes of items other than shareholders' equity				
Total changes of items during the period	(575,000)	5,754,525	4,934,073	10,688,598
Balance at the end of current period	0	7,664,271	4,934,073	12,598,344

	capital stock					subscription warrant	Total net assets
	Retained earnings			treasury stock	Total shareholders' equity		
	legal retained earnings reserve	Other Retained earnings	Total retained earnings				
		Retained earnings brought forward					
Balance at the beginning of current period	5, 820	(1, 401, 249)	(1, 395, 429)	(139, 463)	949, 852	21, 890	971, 742
Changes of items during the period							
reduction of capital					(6, 329, 525)		(6, 329, 525)
making up for a deficit		1, 395, 452	1, 395, 452		—		—
Issuance of new shares					17, 838, 577		17, 838, 577
Net income		4, 020, 685	4, 020, 685		4, 020, 685		4, 020, 685
Acquisition of treasury stock				(109, 399)	(109, 399)		(109, 399)
Net changes of items other than shareholders' equity						4, 196	4, 196
Total changes of items during the period	—	5, 416, 137	5, 416, 137	(109, 399)	15, 420, 338	4, 196	15, 424, 534
Balance at the end of current period	5, 820	4, 014, 888	4, 020, 708	(248, 862)	16, 370, 190	26, 086	16, 396, 276

Notes

(Matters related to the premise of a going concern)

Not applicable.

(Significant accounting policies)

1 Valuation standards and methods for assets

Valuation standards and methods for securities

Stocks of subsidiaries and affiliates are stated at cost determined by the moving-average method.

Other securities of subsidiaries and affiliates are valued by recording the distributed gain/loss in operating income and adding/subtracting the same amount to/from other securities of subsidiaries and affiliates.

Available-for-sale securities

Non-marketable equity securities, etc. are stated at cost determined by the moving-average method.

cryptographic assets

Securities for which an active market exists Market value method based on market prices, etc. as of the end of the fiscal year (unrealized gains and losses are treated as income or loss for the period, and the cost of sales is determined by the moving-average method)

2 Depreciation method for fixed assets

Property, plant and equipment Declining-balance method (straight-line method for buildings (excluding building fixtures) acquired on or after April 1, 1998 and for building fixtures and structures acquired on or after April 1, 2016).

The main useful lives are as follows: Buildings and structures
Tools, furniture and fixtures: 3-5 years

Intangible fixed assets are amortized by the straight-line method.

3 Basis for reserves

Allowance for doubtful accounts is provided for possible losses on accounts receivable. The allowance for doubtful accounts is provided for general receivables based on historical default rates, and for specific doubtful accounts based on individual assessments of collectibility.

4 Basis for recording revenues and expenses

Bitcoin Treasury Business In this business, the Company earns revenue through put option transactions. Revenue is recognized upon receipt of the option premium or at the appropriate point in time based on the terms of the contract.

On the other hand, costs related to such transactions are recognized as expenses when incurred.

5 Other Basis for Preparation of Financial Statements

Accounting for Deferred Assets

Stock issuance cost Amortized using the straight-line method over three years.

(additional information)

Previously, the cost of stock issuance was fully expensed at the time of expenditure because the capital increase was for the purpose of temporarily strengthening the financial base and securing working capital, but from the current consolidated fiscal year, the cost is amortized using the straight-line method (over 3 years). This is due to the fact that the

purpose of the capital increase in the current fiscal year's stock issuance was to strengthen the long-term financial base and to actually hold Bitcoin for the long term.

(Significant accounting estimates)

There are no matters to report due to immateriality.

(Change in accounting policy)

Not applicable.

(Change of display method)

(Statements of income)

Interest income" and "Foreign exchange gains" under "Non-operating income," which were independently presented in the previous fiscal year, are included in "Other" in the current fiscal year because they are not significant. To reflect this change in presentation, reclassification has been made to the statement of income for the previous fiscal year.

As a result, "Interest income" of 2 thousand yen, "Foreign exchange gains" of 185,708 thousand yen and "Others" of 669 thousand yen, which were presented in "Non-operating income" in the statement of income for the previous fiscal year, are reclassified as "Others" of 186,380 thousand yen.

(Notes to Balance Sheet)

1 Monetary receivables from and monetary payables to subsidiaries and affiliates (excluding those separately presented)

	Previous fiscal year (December 31, 2023)	Current fiscal year (December 31, 2024)
Short-term monetary claims	585,600 thousand yen	25,207 thousand yen
Long-term monetary claims	1,323,939 thousand yen	65,000 thousand yen
Short-term monetary obligations	12,054 thousand yen	-Thousands of yen

2. Guaranteed liabilities

Previous fiscal year (December 31, 2023)

Not applicable.

Current fiscal year (December 31, 2024)

The 3rd Series of Ordinary Bonds (guaranteed) were issued to EVO FUND and are guaranteed by Simon Gerovich, President and Representative Director of the Company.

A first priority mortgage has been created on the land and building of Hotel Royal Oak Gotanda owned by Wen Tokyo Corporation, a wholly owned subsidiary of the Company, to secure any and all monetary claims of the Bondholders against the Guarantor arising now or in the future under this Guarantee Agreement.

(Notes to Statements of Income)

1 Transactions with affiliated companies

	Previous fiscal year (January 1, 2023) (January 1, 2023) (January 1, 2023) (From December 31, 2023 to December 31, 2023)	Current fiscal year (January 1, 2024) (January 1, 2024) (January 1, 2024) (From December 31, 2024 to December 31, 2024)
Transaction volume from business transactions		
Net sales	27,981 thousand yen	51,068 thousand yen
cost of sales	518,769 thousand yen	-
Non-operating transactions	311,237 thousand yen	7,732 thousand yen

2 Major items and amounts of selling, general and administrative expenses and their approximate proportions are as follows

	Previous fiscal year (January 1, 2023) (January 1, 2023) (January 1, 2023) (From December 31, 2023 to December 31, 2023)	Current fiscal year (January 1, 2024) (January 1, 2024) (January 1, 2024) (From December 31, 2024 to December 31, 2024)
Officer's compensation or remuneration	88,096 thousand yen	71,703 thousand yen
Salary and benefits	54,477 thousand yen	40,648 thousand yen
Depreciation and amortization	7,333 thousand yen	1,094 thousand yen
remuneration paid	51,870 thousand yen	72,202 thousand yen
Listing Expenses	19,860 thousand yen	48,552 thousand yen
Approximate Percentage		
selling expenses	-	-
general management expenses	100%.	100%.

(Notes to marketable securities)

Shares of subsidiaries and affiliates

Carrying amount of non-marketable stocks and other securities on the balance sheet

classification	Previous fiscal year	Current fiscal year
Shares of subsidiaries and affiliates	1,000 thousand yen	1,000 thousand yen
Other securities of subsidiaries and affiliates	367,319 thousand yen	367,319 thousand yen
plan	368,319 thousand yen	368,319 thousand yen

(related to tax effect accounting)

1 Significant components of deferred tax assets and liabilities

	Previous fiscal year (December 31, 2023)	Current fiscal year (December 31, 2024)
(Deferred tax assets)		
Allowance for doubtful accounts	701,880 thousand yen	137,658 thousand yen
Loss on valuation of investment securities	48,590 thousand yen	54,880 thousand yen
Loss on valuation of stocks of subsidiaries and affiliates	174,836 thousand yen	345 thousand yen
net operating loss carried forward	3,272,597 thousand yen	4,221,456 thousand yen
Other	51,489 thousand yen	55,571 thousand yen
Subtotal of deferred tax assets	4,249,395 thousand yen	4,469,913 thousand yen
Valuation allowance for net operating loss carryforwards for tax purposes	(3,272,597) thousand yen	(4,221,456) thousand yen
Valuation allowance for total future deductible temporary differences, etc.	(976,797) thousand yen	(248,457) thousand yen
Subtotal of valuation allowance	(4,249,395) thousand yen	(4,469,913) thousand yen
Total deferred tax assets	-	-
(Deferred tax liabilities)		
Bitcoin valuation gain	-	(1,958,090) thousand yen
Total deferred tax liabilities	-	1,958,090 thousand yen
Net deferred tax assets	-	(1,958,090) thousand yen

2 Breakdown of major components of the difference between the statutory tax rate and the effective tax rate after the application of tax effect accounting

	Previous fiscal year (December 31, 2023)	Current fiscal year (December 31, 2024)
Statutory effective tax rate		34.6% (%)
(Adjustment)		
Per capita inhabitant tax, etc.	The Company recorded a loss before income taxes and minority interests for the period, so this information is omitted.	0.0
Change in valuation allowance		3.7
Difference due to change in tax rate		(8.8)
Impact of debt forgiveness		3.3
Other		(0.0)
Effective tax rate after application of tax effect accounting		32.8

3 Include impact of tax rate changes

The effective statutory tax rate applied for tax effect accounting has changed due to the capital reduction made during the current fiscal year, as the Company is no longer subject to the pro forma standard taxation. The effective statutory tax rate used to calculate deferred tax assets and deferred tax liabilities will be 34.6% for temporary differences expected to be eliminated in fiscal years beginning on or after January 1, 2025, compared to 30.6% used in the calculation for the previous fiscal year. As a result of this change, the valuation allowance increased by 431,858 thousand yen.

(Business Combinations, etc.)

Not applicable.

(Revenue Recognition)

Information that provides a basis for understanding revenue arising from contracts with customers

Basis for understanding revenues is described in "(Significant Accounting Policies) 4 Basis for Recognition of Revenues and Expenses".

(Significant subsequent events)

Notes are omitted because the same information is presented in "Notes (Significant Subsequent Events)" of the consolidated financial statements.

(4) [Annexed Schedule] (4) [Annexed Schedule] (4) [Annexed Schedule] (4)

Schedule of Tangible Fixed Assets, etc.] [Schedule of Tangible Fixed Assets, etc.

(Unit: thousand yen)

classification	Type of Assets	Balance at the beginning of current period	Increase during the fiscal year	Decrease during the fiscal year	Amortization for the year	Balance at the end of current period	Accumulated depreciation
having form firm (not viscous or easily moved) fixed one's position property	Tools, furniture and fixtures	792	-	-	449	342	1,333
	subtotal	792	-	-	449	342	1,333
nil form firm (not viscous or easily moved) fixed one's position property	Other	-	77,375	-	644	76,730	-
	subtotal	-	77,375	-	644	76,730	-

Allowance Schedule]

(Unit: thousand yen)

Item	Balance at the beginning of current period	Increase during the fiscal year	Decrease during the fiscal year	Balance at the end of current period
Allowance for doubtful accounts	2,286,870	392,980	2,286,870	392,980

(Reasons for recording and calculation of amounts are stated in Significant Accounting Policies.

2. The amount in the "Decrease in allowance for doubtful accounts" column mainly represents the amount of reversal of allowance for doubtful accounts for specific claims.

(2) [Details of major assets and liabilities

Omitted since consolidated financial statements are prepared.

(3) [Others

Not applicable.

6 [Summary of share administration of the submitting company].

fiscal year	From January 1 to December 31
Ordinary General Meeting of Shareholders	During March
Reference Date	December 31
Record Date for Dividends from Surplus	June 30, December 31
Number of shares per unit	100 shares
Purchase of odd-lot shares	-
Method of Public Notice	Public notices will be posted electronically. However, in the event of an accident or other unavoidable circumstances that preclude electronic public notice, public notices will be posted in the Nihon Keizai Shimbun. URL for public notice: https://metaplanet.jp/ja/
Benefits for Shareholders	(About shareholder special benefits) As described in the "Notice of Shareholder Special Benefit Program with SBI VC Trade Corporation" announced on December 2, 2024 and the "Notice of Establishment of Dedicated Website for Shareholder Special Benefit Program" announced on January 31, 2025, we have decided to establish a new shareholder special benefit program in order to thank our shareholders for their ongoing support, increase the investment attractiveness of our shares, and encourage more people to hold our shares. As stated in the "Notice of Shareholder Special Benefit Program with SBI VC Trade Co.

7 [Reference Information of the Submitting Company].

1 [Information on parent company, etc. of the submitting company].

The Company has no parent company, etc. as defined in Article 24-7, Paragraph 1 of the Financial Instruments and Exchange Act.

2 [Other reference information]

The following documents were submitted between the beginning of the current fiscal year and the date of submission of the Annual Securities Report.

(1) Annual Securities Report and its attachments, and the Confirmation Statement of Annual Securities Report

Business Year 25th Fiscal Period (January 1, 2023 to December 31, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau on March 27, 2024.

(2) Internal control report and attached documents

Business Year 25th Fiscal Period (January 1, 2023 to December 31, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau on March 27, 2024.

(3) Quarterly reports and written confirmation of quarterly reports

First Quarter of 26th Fiscal Period (January 1, 2024 to March 31, 2024) Submitted to the Director-General of the Kanto Local Finance Bureau on May 15, 2024.

(4) Semi-annual report, written confirmation of semi-annual report

Semi-annual report for the 26th term (from January 1, 2024 to June 30, 2024) submitted to the Director-General of the Kanto Local Finance Bureau on August 14, 2024.

(5) Extraordinary Report and Correction Report

Submitted to the Director-General of the Kanto Local Finance Bureau on March 27, 2024

This is an Extraordinary Report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (results of exercise of voting rights at the General Meeting of Shareholders).

Submitted to the Director-General of the Kanto Local Finance Bureau on April 24, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 (Change in Major Shareholders and Other Related Companies) of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc.

Submitted to the Director-General of the Kanto Local Finance Bureau on May 27, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Change in Largest and Major Shareholder).

Submitted to the Director-General of the Kanto Local Finance Bureau on May 29, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 17 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (petition for commencement of bankruptcy proceedings filed by consolidated subsidiary Red Planet Hotels Japan, Inc. with the Tokyo District Court).

Submitted to the Director-General of the Kanto Local Finance Bureau on June 11, 2024

This is a correction report pertaining to the extraordinary report submitted to the Director-General of the Kanto Local Finance Bureau on May 29, 2024.

Submitted to the Director-General of the Kanto Local Finance Bureau on May 31, 2024

This is an Extraordinary Report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4-4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (decision to convene an extraordinary shareholders' meeting).

Submitted to the Director-General of the Kanto Local Finance Bureau on June 11, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of

Corporate Information, etc. (Change in Largest and Major Shareholder).

Submitted to the Director-General of the Kanto Local Finance Bureau on July 1, 2024

This is an Extraordinary Report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Results of Exercise of Voting Rights at the Extraordinary General Meeting of Shareholders).

Submitted to the Director-General of the Kanto Local Finance Bureau on July 22, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Change in Largest and Major Shareholder).

Submitted to the Director-General of the Kanto Local Finance Bureau on August 14, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 19 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (events significantly affecting the financial position, business performance and cash flows of the consolidated companies).

Submitted to the Director-General of the Kanto Local Finance Bureau on August 14, 2024

This is a correction report pertaining to the extraordinary report submitted to the Director-General of the Kanto Local Finance Bureau on August 14, 2024.

Submitted to the Director-General of the Kanto Local Finance Bureau on October 28, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Change in Largest and Major Shareholder).

Submitted to the Director-General of the Kanto Local Finance Bureau on October 30, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Change in the largest and major shareholder who is a key shareholder).

Submitted to the Director-General of the Kanto Local Finance Bureau on November 5, 2024

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (change in shareholder important shareholders).

Submitted to the Director-General of the Kanto Local Finance Bureau on December 16, 2024

This is an Extraordinary Report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Results of Exercise of Voting Rights at the Extraordinary General Meeting of Shareholders).

Submitted to the Director-General of the Kanto Local Finance Bureau on January 23, 2025

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 4 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (Change in Largest and Major Shareholder).

Submitted to the Director-General of the Kanto Local Finance Bureau on January 27, 2025

This is a correction report pertaining to the extraordinary report submitted to the Director-General of the Kanto Local Finance Bureau on January 23, 2025.

Submitted to the Director-General of the Kanto Local Finance Bureau on February 10, 2025

This is an Extraordinary Report based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Items 19 and 12 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (events that significantly affect the financial position, business performance and cash flows of the Company and the Group).

(6) Securities Registration Statement (Incorporation Method) and Attachments

Submitted to the Director-General of the Kanto Local Finance Bureau on August 6, 2024

Submitted to the Director-General of the Kanto Local Finance Bureau on November 28, 2024

Submitted to the Director-General of the Kanto Local Finance Bureau on January 28, 2025

(7) Securities Registration Statement (Incorporation Method) and Attachments

Submitted to the Director-General of the Kanto Local Finance Bureau on August 7, 2024, August 14, 2024, August 22, 2024 and November 14, 2024

This is an amendment to the securities registration statement submitted to the Director-General of the Kanto Local Finance Bureau on August 6, 2024.

Submitted to the Director-General of the Kanto Local Finance Bureau on December 16, 2024, December 18, 2024 and December 25, 2024

This is an amendment to the securities registration statement submitted to the Director-General of the Kanto Local Finance Bureau on November 28, 2024.

Submitted to the Director-General of the Kanto Local Finance Bureau on February 10, 2025, March 4, 2025, March 12, 2025 and March 19, 2025

This is an amendment to the securities registration statement submitted to the Director-General of the Kanto Local Finance Bureau on January 28, 2025.

Part II [Information on Guarantee Companies, etc. of Submitting Company].

Not applicable.

Independent Auditor's Report and Internal Controls Audit Report

March 2025 Date

Metaplanet Inc.

To: Board of Directors

Yamabuki Audit Corporation

Tokyo Office

designated employee Managing Partner	certified public accountant	Tomoaki Nishioka
designated employee Managing Partner	certified public accountant	Shintaro Utsumi

<Consolidated Financial Statement Audit

Audit Opinion

We have audited the consolidated financial statements of Metaplanet Inc. (the "Company") listed in the "Status of Accounting" for the consolidated fiscal year from January 1, 2024 to December 31, 2024, including the consolidated balance sheet, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in net assets, the consolidated statement of cash flows, the notes to consolidated financial statements, and other explanatory information, for the purpose of making audit certification pursuant to Article 193-2-1 of the Financial Instruments and Exchange Law. We have audited the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in net assets, the consolidated statement of cash flows, the notes to consolidated financial statements, and the related consolidated supplementary schedules of Metaplanet Inc.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Metaplanet Inc. and consolidated subsidiaries as of December 31, 2024, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan. In our opinion, the financial statements present fairly, in all material respects, the financial position of Metaplanet Inc. and consolidated subsidiaries as of December 31, 2024, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We are independent of the Company and its consolidated subsidiaries and fulfill our other ethical responsibilities as auditors in accordance with the rules on professional ethics in Japan. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Significant uncertainties regarding the premise of a going concern

As stated in the notes regarding the premise of a going concern, the company has continuously posted operating loss, ordinary loss, and negative operating cash flow since the past fiscal year, and also posted operating loss, ordinary loss, and negative operating cash flow in the current consolidated fiscal year. As a result, a situation exists that raises significant doubts about the premise of a going concern, and significant uncertainties regarding the premise of a going concern are recognized at this point in time. The measures to address the situation and the reasons for the material uncertainty are described in the notes to the consolidated financial statements. The consolidated financial statements are prepared on the premise of

a going concern, and the effects of such material uncertainty are not reflected in the consolidated financial statements.

Such matters do not affect our opinion.

Key Audit Considerations

Key audit considerations are those matters that the auditor, as a professional expert, identified as being of particular importance in the audit of the consolidated financial statements for the current fiscal year. Major audit considerations are matters that were addressed in the course of performing the audit of the consolidated financial statements as a whole and in forming our audit opinion, and we do not express an opinion on those matters individually.

We have determined that, except for the matters described in the "Significant Uncertainties Regarding Going Concern" classification, there are no major audit considerations to report in the auditor's report.

Other Descriptions

Other statements are information contained in the annual report other than the consolidated financial statements and financial statements and the audited reports thereon. Management is responsible for the preparation and disclosure of the other information. The responsibility of the Statutory Auditors and the Board of Statutory Auditors is to monitor the directors' performance of their duties in the development and operation of the reporting process for the other information.

Our audit opinion on the consolidated financial statements does not include any other description, and we express no opinion on any other description.

Our responsibility in the audit of the consolidated financial statements is to read the other information carefully and, in the course of that reading, to consider whether there are material differences between the other information and the consolidated financial statements or our knowledge obtained in the audit, and to pay attention to whether there are any indication of material errors in the other information other than such material differences. In addition to such material differences, we also pay attention to whether there are any other indications of material errors in the other statements.

If, based on the work we have performed, we determine that there are material errors in the other entries, we are required to report those facts.

We have no other matters to report.

Responsibility of Management, Corporate Auditors and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes establishing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for evaluating whether it is appropriate to prepare the consolidated financial statements on a going concern basis and for disclosing any matters related to going concern that are required to be disclosed in accordance with accounting principles generally accepted in Japan. The Company is responsible for the disclosure of such matters.

The responsibility of the Statutory Auditors and the Board of Statutory Auditors is to monitor the directors' performance of their duties in the development and operation of the financial reporting process.

Auditor's Responsibility in an Audit of Consolidated Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the consolidated financial statements that is independent in the auditor's report. A misstatement is considered to be material if it could have been caused by fraud or error and, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the consolidated financial statements.

The auditor shall exercise professional judgment throughout the audit process in accordance with auditing standards generally accepted as fair and appropriate in Japan, and shall maintain professional skepticism

and

Identify and assess the risks of material misstatement due to fraud or error. The auditor shall also design and perform audit procedures that address the risks of material misstatement. The auditor shall use its judgment in selecting and applying audit procedures. In addition, obtain sufficient appropriate audit evidence to provide a basis for expressing an opinion.

The purpose of an audit of consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control; however, in making those risk assessments, the auditor considers internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

Evaluate the appropriateness of the accounting policies and methods of application thereof adopted by management and the reasonableness of the accounting estimates made by management and the appropriateness of the related notes.

- Conclude whether it is appropriate for management to prepare the consolidated financial statements on a going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists regarding events or conditions that could cast significant doubt on the entity's ability to continue as a going concern. If a material uncertainty regarding the entity's ability to continue as a going concern exists, the auditor is required to draw attention in the auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements are not appropriate with respect to the material uncertainty, to express an opinion with qualifications on the consolidated financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the auditor's report, but future events or circumstances could cause the entity to cease to exist as a going concern.

Evaluate whether the presentation and notes to the consolidated financial statements comply with accounting principles generally accepted in Japan, as well as the presentation, organization, and content of the consolidated financial statements, including related notes, and whether the consolidated financial statements present fairly the underlying transactions and accounting events. Assess whether the consolidated financial statements present fairly the underlying transactions and accounting events, including the related notes.

The auditor is responsible for obtaining sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to enable the auditor to express an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and performing the audit of the consolidated financial statements. The auditor is solely responsible for its audit opinion.

The auditor shall report to the corporate auditors and the board of corporate auditors on the scope and timing of the planned audit, significant audit findings, including material deficiencies in internal controls, identified in the course of the audit, and other matters required by the audit standards.

The auditor shall report to the auditor and the board of auditors that the auditor has complied with the provisions of Japanese professional ethics regarding independence and matters that could reasonably be considered to affect the auditor's independence, and if any measures have been taken to remove impediments or safeguards have been applied to reduce impediments to an acceptable level, the details of such measures. If the auditor has applied safeguards to remove the disincentive or to reduce the disincentive to an acceptable level, the auditor shall report on the details of such safeguards.

Of the matters discussed with the auditor and the board of corporate auditors, the auditor shall determine the matters that are considered to be particularly important for the audit of the consolidated financial statements for the current fiscal year as major audit considerations, and shall include them in the auditor's report. However, the auditor shall not include such matters in the auditor's report if the disclosure of such matters is prohibited by law or if, although extremely limited, the auditor determines that such matters should not be reported because the disadvantages of reporting such matters in the auditor's report are reasonably expected to outweigh the public interest.

<Internal Control Audit

Audit Opinion

We have audited the internal control report as of December 31, 2024 of Metaplanet Inc. for the purpose of providing audit certification in accordance with the second paragraph of Article 193-2 of the Financial Instruments and Exchange Law.

In our opinion, the internal control report referred to above, in which Metaplanet Inc. indicated that its internal control over financial reporting as of December 31, 2024 was effective, presents fairly, in all material respects, the results of its assessment of internal control over financial reporting, based on criteria for assessment of internal control over financial reporting generally accepted in Japan. In our opinion, the internal control report referred to above presents fairly, in all material respects, the results of the evaluation of internal control over financial reporting in conformity with the evaluation criteria for internal control over financial reporting generally accepted in Japan.

Basis for Audit Opinion

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibility is to express an opinion on these standards based on our audit of internal control over financial reporting as described in "Auditor's Responsibility for Internal Control Audit. We are independent of the Company and its consolidated subsidiaries and fulfill our other ethical responsibilities as auditors in accordance with the rules on professional ethics in Japan. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Responsibility of Management, Corporate Auditors and the Board of Corporate Auditors for the Internal Control Report

Management is responsible for designing and operating internal control over financial reporting, and preparing and properly presenting an internal control report in accordance with the evaluation standards for internal control over financial reporting generally accepted in Japan.

The responsibility of the corporate auditors and the Board of Corporate Auditors is to monitor and verify the maintenance and operation of internal control over financial reporting.

It is possible that internal control over financial reporting will not completely prevent or detect misstatements in financial reporting.

Auditor's Responsibility in Internal Control Audits

The auditor's responsibility is to obtain reasonable assurance about whether the internal control report is free of material misstatement based on the internal control audit performed by the auditor and to express an opinion on the internal control report from an independent standpoint in the internal control audit report.

In accordance with auditing standards for internal control over financial reporting generally accepted in Japan, the auditor, throughout the audit process, exercises professional judgment and maintains professional skepticism in

Internal control audit procedures are performed to obtain audit evidence regarding the results of evaluation of internal control over financial reporting in the internal control report. Audit procedures for internal control audit are selected and applied at the auditor's discretion based on the materiality of the effects on the reliability of financial reporting.

The Board will consider the presentation of the internal control report as a whole, including the statements made by management regarding the scope of evaluation of internal control over financial reporting, the evaluation procedures and the evaluation results.

The auditor shall obtain sufficient appropriate audit evidence regarding the results of the assessment of internal control over financial reporting in the internal control report. The auditor is responsible for directing, supervising, and performing the audit of the internal control report. The auditor is solely responsible for its audit opinion.

The auditor shall report to the corporate auditors and the board of corporate auditors on the scope and timing of the planned internal control audit, the results of the internal control audit, material deficiencies in internal control identified that should be disclosed, the results of their correction, and

other matters required by the auditing standards for internal control.

The auditor shall report to the auditor and the board of auditors that the auditor has complied with the provisions of Japanese professional ethics regarding independence and matters that could reasonably be considered to affect the auditor's independence, and if any measures have been taken to remove impediments or safeguards have been applied to reduce impediments to an acceptable level, the details of such measures. If the auditor has applied safeguards to remove the disincentive or to reduce the disincentive to an acceptable level, the auditor shall report on the details of such safeguards.

<Compensation Related Information

The amounts of remuneration paid to the Audit Firm and persons belonging to the same network as the Audit Firm for audit attestation services and non-audit services of the Company and its subsidiaries for the fiscal year ended March 31, 2012 are ¥● million and ¥● million, respectively.

interests

We have no interest in or relationship with the Company or its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

and above

(The original of the above audit report is kept separately by the Company (the company submitting the securities report)).

2. XBRL data is not included in the scope of the audit.

Independent Auditor's Report

March 2025 Date

Metaplanet Inc.

To: Board of Directors

Yamabuki Audit Corporation

Tokyo Office

designated employee Managing Partner	certified public accountant	Tomoaki Nishioka
designated employee Managing Partner	certified public accountant	Shintaro Utsumi

<Financial statement audit

Audit Opinion

We have audited the financial statements of METAPLANET INC. listed in the "Status of Accounting" section of the Securities Registration Report for the 26th fiscal year from January 1, 2024 to December 31, 2024, including the balance sheet, statement of income, statement of changes in net assets, significant accounting policies, other notes, and schedules, for the purpose of providing audit certification in accordance with Article 193-2, Section 1 of the Financial Instruments and Exchange Law. We have audited the balance sheet, statement of income, statement of changes in net assets, significant accounting policies, other notes and supplementary schedules of Metaplanet Inc.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Metaplanet Inc. as of December 31, 2024, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility is to express an opinion on the financial statements based on our audit. We are independent of the Company and fulfill our other ethical responsibilities as auditors in accordance with the rules on professional ethics in Japan. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Significant uncertainties regarding the premise of a going concern

As stated in the notes regarding the premise of a going concern, the company has continuously recorded operating and ordinary losses from previous years, and also recorded operating and ordinary losses in the current fiscal year, and there are circumstances that raise significant doubts about the premise of a going concern, and at this point in time, significant uncertainties regarding the premise of a going concern are recognized. Therefore, significant uncertainties regarding the premise of a going concern are recognized at this point in time. The measures to cope with the situation and the reasons for the material uncertainty are described in the notes. The financial statements have been prepared on a going concern basis, and the effects of such material uncertainties are not reflected in the financial statements.

Such matters do not affect our opinion.

Key Audit Considerations

Key audit considerations are those matters that the auditor, as a professional expert, identified as being of particular importance in the audit of the financial statements for the period under review. Major audit considerations are matters that were addressed in the course of performing the audit of the financial

statements as a whole and in forming our audit opinion, and we do not express an opinion on those matters individually.

We have determined that, except for the matters described in the "Significant Uncertainties Regarding Going Concern" classification, there are no major audit considerations to report in the auditor's report.

Other Descriptions

Other statements are information contained in the annual report other than the consolidated financial statements and financial statements and the audited reports thereon. Management is responsible for the preparation and disclosure of the other information. The responsibility of the Statutory Auditors and the Board of Statutory Auditors is to monitor the directors' performance of their duties in the development and operation of the reporting process for the other information.

Our audit opinion on the financial statements does not include any other description, and we express no opinion on any other description.

Our responsibility in the audit of the financial statements is to read the other statements and, in the course of reading the other statements, to consider whether there are material differences between the other statements and the financial statements or our knowledge obtained in the audit, and to pay attention to whether there are any indication of material errors in the other statements other than such material differences. In addition to such material differences, we also pay attention to whether there are any other indications of material errors in the statements.

If, based on the work we have performed, we determine that there are material errors in the other entries, we are required to report those facts.

We have no other matters to report.

The responsibility of management, the Statutory Auditors and the Board of Statutory Auditors for the financial statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in Japan. This includes establishing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing whether it is appropriate to prepare the financial statements on a going concern basis and for disclosing matters related to going concern when required to do so in accordance with accounting principles generally accepted in Japan.

The responsibility of the Statutory Auditors and the Board of Statutory Auditors is to monitor the directors' performance of their duties in the development and operation of the financial reporting process.

Auditor's Responsibility in an Audit of Financial Statements

The auditor's responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, based on the audit performed, and to express an opinion on the financial statements independently in the auditor's report. A misstatement is considered to be material if it could have been caused by fraud or error and, individually or in the aggregate, could reasonably be expected to influence the decisions of users of the financial statements.

The auditor shall exercise professional judgment throughout the audit process in accordance with auditing standards generally accepted as fair and appropriate in Japan, and shall maintain professional skepticism and

Identify and assess the risks of material misstatement due to fraud or error. The auditor shall also design and perform audit procedures that address the risks of material misstatement. The auditor shall use its judgment in selecting and applying audit procedures. In addition, obtain sufficient appropriate audit evidence to provide a basis for expressing an opinion.

Although the purpose of an audit of financial statements is not to express an opinion on the effectiveness of internal control, the auditor considers internal control relevant to the audit in making those risk assessments in order to design audit procedures that are appropriate in the circumstances.

Evaluate the appropriateness of the accounting policies and methods of application thereof adopted by management and the reasonableness of the accounting estimates made by management and the appropriateness of the related notes.

- Conclude whether it is appropriate for management to prepare the financial statements on a going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists regarding events or conditions that could cast significant doubt on the entity's ability to continue as a going concern. If a material uncertainty regarding the entity's ability to continue as a going concern exists, the auditor is required to draw attention in the auditor's report to the notes to the financial statements

or, if the notes to the financial statements are not appropriate with respect to the material uncertainty, to express an opinions with qualifications on the financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the auditor's report, but future events or circumstances could cause the entity to cease to exist as a going concern.

Assess whether the presentation and notes to the financial statements are in accordance with accounting principles generally accepted in Japan, as well as the presentation, organization, and content of the financial statements, including related notes, and whether the financial statements present fairly the underlying transactions and accounting events.

The auditor shall report to the corporate auditors and the board of corporate auditors on the scope and timing of the planned audit, significant audit findings, including material deficiencies in internal controls, identified in the course of the audit, and other matters required by the audit standards.

The auditor shall report to the auditor and the board of auditors that the auditor has complied with the provisions of Japanese professional ethics regarding independence and matters that could reasonably be considered to affect the auditor's independence, and if any measures have been taken to remove impediments or safeguards have been applied to reduce impediments to an acceptable level, the details of such measures. If the auditor has applied safeguards to remove the disincentive or to reduce the disincentive to an acceptable level, the auditor shall report on the details of such safeguards.

Of the matters discussed with the auditor and the board of auditors, the auditor shall determine the matters that are considered to be particularly important for the audit of the financial statements for the current fiscal year and shall include them in the auditor's report. However, the auditor shall not include such matters in the auditor's report if the disclosure of such matters is prohibited by law or if, although extremely limited, the auditor determines that such matters should not be reported because the disadvantages of reporting such matters in the auditor's report are reasonably expected to outweigh the public interest.

<Compensation Related Information

Compensation-related information is presented in the auditor's report on the consolidated financial statements.

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We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

and above

(The original of the above audit report is kept separately by the Company (the company submitting the securities report)).

2. XBRL data is not included in the scope of the audit.

Cover]

Documents to be submitted	Internal Control Report
[Source Article].	Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act
[Submitted to.	Director-General of Kanto Finance Bureau
Date of submission	March 24, 2025
Company name	Metaplanet, Inc.
[English translation name	Metaplanet Inc.
Name and title of representative	Simon Gerovich, President and Representative Director
Title and name of the Chief Financial Officer	Not applicable.
Location of head office	6-10-1 Roppongi, Minato-ku, Tokyo
[Place for public inspection	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

1 [Matters concerning the basic framework for internal control over financial reporting].

Simon Gerovich, President and Representative Director, is responsible for designing and operating internal control over financial reporting of the Company and its consolidated subsidiaries (the "Group"), and is responsible for establishing and operating internal control over financial reporting in accordance with the basic framework for internal control indicated in the "Standards for Management Assessment and Audit of Internal Control Over Financial Reporting and Implementation Standards for Management Assessment and Audit of Internal Control Over Financial Reporting (Opinion)" issued by the Business Accounting Council. The Company establishes and operates internal control over financial reporting in accordance with the basic framework for internal control as stated in the "Standards for Management Assessment and Audit of Internal Control Over Financial Reporting and the Establishment of Practice Standards for Assessment and Audit of Internal Control Over Financial Reporting (Opinion)" issued by the Business Accounting Council, and is working to maintain the adequacy and reliability of the information in the Group's financial reports.

Internal control may not always respond to changes in the internal or external environment or atypical transactions that were not initially anticipated, such as errors in judgment, inadvertence, or collusion among multiple personnel, or to uncertainties that may occur in the future. The financial statements may not be absolutely certain to achieve their objectives, and misstatements in the financial reports may not be completely prevented or detected.

2 [Matters related to the scope of valuation, base date and valuation procedures].

The Group conducted its assessment of internal control over financial reporting in accordance with generally accepted standards for assessment of internal control over financial reporting with a base date of December 31, 2024.

As an overview of the evaluation procedures for internal control over financial reporting, we evaluated the design and operating status of internal control (company-wide internal control), which has a significant impact on the overall consolidated financial reporting, and based on the results, selected business processes to be evaluated. In the evaluation of business processes, we analyzed the selected business processes, identified key control points that have a significant impact on the reliability of financial reporting, and assessed the effectiveness of internal control by evaluating the design and operating status of key control points.

The scope of the assessment of internal control over financial reporting was determined for our group from the viewpoint of the materiality of the effects on the reliability of financial reporting. The materiality of the effects on the reliability of financial reporting was determined by considering the materiality of monetary and qualitative effects, and the scope of assessment of internal control over business processes was reasonably determined based on the results of the assessment of company-wide internal control conducted for our group.

For the scope of evaluation of internal control over business processes, we selected important business locations by sequentially adding up the sales (after elimination of inter-company transactions) of each business location in the current fiscal year, beginning with the location with the highest sales (after elimination of inter-company transactions), until the total sales reached approximately 2/3 of the total sales. For the selected important business locations, the business process leading to sales, accounts receivable, deposits, and bitcoin, which are accounts that are largely related to the Group's business objectives, were subject to evaluation. In addition, regardless of the selected important business locations, we added business processes related to important account items with estimates and forecasts as important business processes in consideration of their impact on financial reporting for other business locations as well.

3 [Matters related to evaluation results]

Based on the evaluation described above, Simon Gerovich, President and CEO of the Company, has concluded that the Group's internal controls were effective as of December 31, 2024.

4 [Appendix].

No applicable items.

5 [Special note].

No applicable items.

Cover]

Documents to be submitted	certificate
[Source Article].	Article 24-4-4-2, Paragraph 1 of the Financial Instruments and Exchange Law
[Submitted to.	Director-General of Kanto Finance Bureau
Date of submission	March 24, 2025
Company name	Metaplanet, Inc.
[English translation name	Metaplanet Inc.
Name and title of representative	Simon Gerovich, President and Representative Director
Title and name of the Chief Financial Officer	Not applicable.
Location of head office	6-10-1 Roppongi, Minato-ku, Tokyo
[Place for public inspection	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

1 **【Matters Concerning the Appropriateness of the Information in the Annual Securities Report】** .

Simon Gerovich, President and Representative Director, has confirmed that the information in the Company's Annual Securities Report for the 26th fiscal year (from January 1, 2024 to December 31, 2024) is properly presented in accordance with the Financial Instruments and Exchange Law.

2 **[Special note]**.

There are no special items to be noted upon confirmation.