

October 16, 2024

To Whom It May Concern

Company:	Metaplanet Inc.
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Notice of Roll-Up of Bitcoin Put Options & Increase in Bitcoin Holdings

Metaplanet Inc. (the "Company") hereby announces that it has executed a roll-up transaction involving its Bitcoin put options previously disclosed on October 3, 2024. This transaction was conducted with QCP Capital, a Singapore-based digital asset trading firm, to replace the existing Bitcoin put options held by the Company with new options at an updated strike price.

1. Details of Put Options Roll-Up Transaction

Original Put Options Bought Back:	
Number of Contracts:	223
Maturity Date:	December 27, 2024
Strike Price:	USD 62,000 per Bitcoin
New Put Options Sold:	
Number of Contracts:	223
Maturity Date:	December 27, 2024
Strike Price:	USD 66,000 per Bitcoin
Net Premium per Contract:	0.0265 BTC
Aggregate Premium Generated:	5.9095 BTC
Additional Nominal Yield:	2.65%
Nominal Yield (Put Option Sale on Oct 3):	10.75%
Total Nominal Yield:	13.40%

The total margin collateral remains unchanged at USD 13,826,000, with no additional collateral posted for this transaction. The source of the USD 13,826,000 deposited as margin, as disclosed on October 3, comes from the proceeds of the stock acquisition rights exercise.

This roll-up transaction involved repurchasing 223 put options with a strike price of USD 62,000 and simultaneously selling an equivalent number of put options with a higher strike price of USD 66,000, both maturing on December 27, 2024. This adjustment enables the Company to increase the nominal yield by 2.65% to a total of 13.40%. The additional nominal yield of 2.65%, is equivalent to JPY 57,913,100. This breakeven price is 13.40% below the new strike price of USD 66,000, or USD 57,156.

2. Purpose of Transaction

The roll-up of the put options allows Metaplanet to further capitalize on Bitcoin's volatility by establishing a new strike price of USD 66,000, aligning with our ongoing strategy to strengthen long-term Bitcoin exposure. By increasing the strike price, this approach allows for a higher yield potential while keeping in line with the Company's objectives to enhance Bitcoin holdings and support its path toward profitability.

This transaction generated an additional net premium income of 5.9095 BTC, reinforcing the Company’s financial position without changing the intended use of funds, which remain allocated for potential Bitcoin purchases.

3. Updated Bitcoin Holdings

Number of Bitcoin Received:	5.9095 Bitcoin
Average Purchase Price:	9,800,000 yen per Bitcoin
Total Bitcoin Holdings:	861.387 Bitcoin
Average Purchase Price:	9,313,428 yen per Bitcoin
Aggregated Amount Purchased:	8.022 billion yen

4. Risks

In the case of this put option sale transaction, if the market price of Bitcoin falls below the new strike price of USD 66,000 per Bitcoin at maturity, the Company will be obligated to purchase Bitcoin at this price. This commitment totals USD 14,718,000 for 223 contracts, exceeding our current margin collateral of USD 13,826,000 by USD 892,000. While no additional collateral has been posted, the Company is aware of the potential for additional financial exposure under this higher strike price should Bitcoin’s price fall below USD 66,000.

The Company recognizes that Bitcoin’s price can be volatile, but this strategy aligns with its objective of gradually increasing Bitcoin holdings and remains consistent with the Company’s long-term financial goals.

5. Impact on Future Performance

The additional premium of 5.9095 BTC received will be recorded as revenue (sales) for the fiscal year ending in December 2024, with an equivalent value of JPY 57,913,100. Combined with the premium received from the original put option sale on October 3, totaling JPY 214,549,400, the aggregate revenue from put option sales will amount to JPY 272,462,500.