

Title: FUD about dilution...

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We will see a lot of talk about dilution in the next few days.

To clear up some misconceptions...

1. The shares AUTHORIZED to be created has increased from 300 million to ~1Billion.
2. This does NOT mean there are now 1 Billion shares in existence.
3. The shares are not created until NEEDED for some reason.
4. Reasons can include ATM offerings, Compensation, Share Dividends, and others.

Gamestop and the board have not yet announced any intentions on those shares other than the stated intention of a Share Dividend.

I quote from the pdf here... <https://investor.gamestop.com/static-files/c3a0c6b9-e00b-49fe-8752-71328f1b55f8> Emphasis mine...

>We are asking our stockholders to approve an amendment to our Third Amended and Restated Certificate of Incorporation (the "Existing Charter"), to increase the number of **authorized** shares of our common stock to 1,000,000,000, and correspondingly increase the number of **authorized** shares of all classes of our stock to 1,005,000,000 in order to implement a stock split of our common stock in the form of a stock dividend (the "Stock Split") and provide flexibility for future corporate needs. **Our Existing Charter currently authorizes the issuance of 300,000,000 shares of common stock and 5,000,000 shares of preferred stock.** If our stockholders approve this proposal at the annual meeting, Article FOURTH (a) of the Existing Charter would be amended and restated in its entirety to read as follows: "(a) Authorized Capital Stock. The total number of shares of stock that the Corporation shall have authority to issue is 1,005,000,000 of which (i) 1,000,000,000 shares shall be shares of Class A Common Stock, par value \$.001 per share (the "Class A Common Stock" or "Common Stock"), and (ii) 5,000,000 shares shall be shares of Preferred Stock, par value \$.001 per share (the "Preferred Stock"), issuable in one or more series as hereinafter provided. The number of authorized shares of any class or classes of capital stock of the Corporation may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the stock of the Corporation entitled to vote generally in the election of directors ("Voting Stock") irrespective of the provisions of Section 242(b)(2) of the GCL or any corresponding provision hereinafter enacted." A copy of the proposed amendment to our Existing Charter is attached hereto as Appendix B. If our stockholders approve this proposal at the annual meeting, we intend to file a corresponding Certificate of Amendment to our Existing Charter reflecting the approved amendment with the Delaware Secretary of State as soon as practicable following the annual meeting, at which time the increase in the number of authorized shares of common stock would become effective. As of April 8, 2022, 76,339,024 shares of common stock were issued and outstanding. Purpose of the Authorized Shares Amendment **The primary purpose of increasing the number of authorized shares of our common stock is to facilitate the potential Stock Split.** **Our Board intends to approve the Stock Split, subject to and contingent upon stockholder approval and the effectiveness of the Authorized Shares Amendment.** The trading price of our common stock has risen significantly over the past couple of years. Our investors have expressed a high level of interest in our common stock. Feedback from our investors indicates that a higher stock price can limit those who desire to invest in our common stock. We anticipate that an increase in the number of outstanding shares resulting from a potential Stock Split will reset the market price of our common stock in a range that would give our investors more flexibility in how they manage their ownership of our common stock and make our common stock more accessible for anyone who wants to invest in our Company.

I hope this helps to understand this issue in more detail.

Always Ask Questions before jumping to conclusions.

<https://preview.redd.it/tmuakk1m7z391.png?width=640&format;=png&auto;=webp&s;=710de5fb33a793e344c65ad72fb11172ebe100b5>