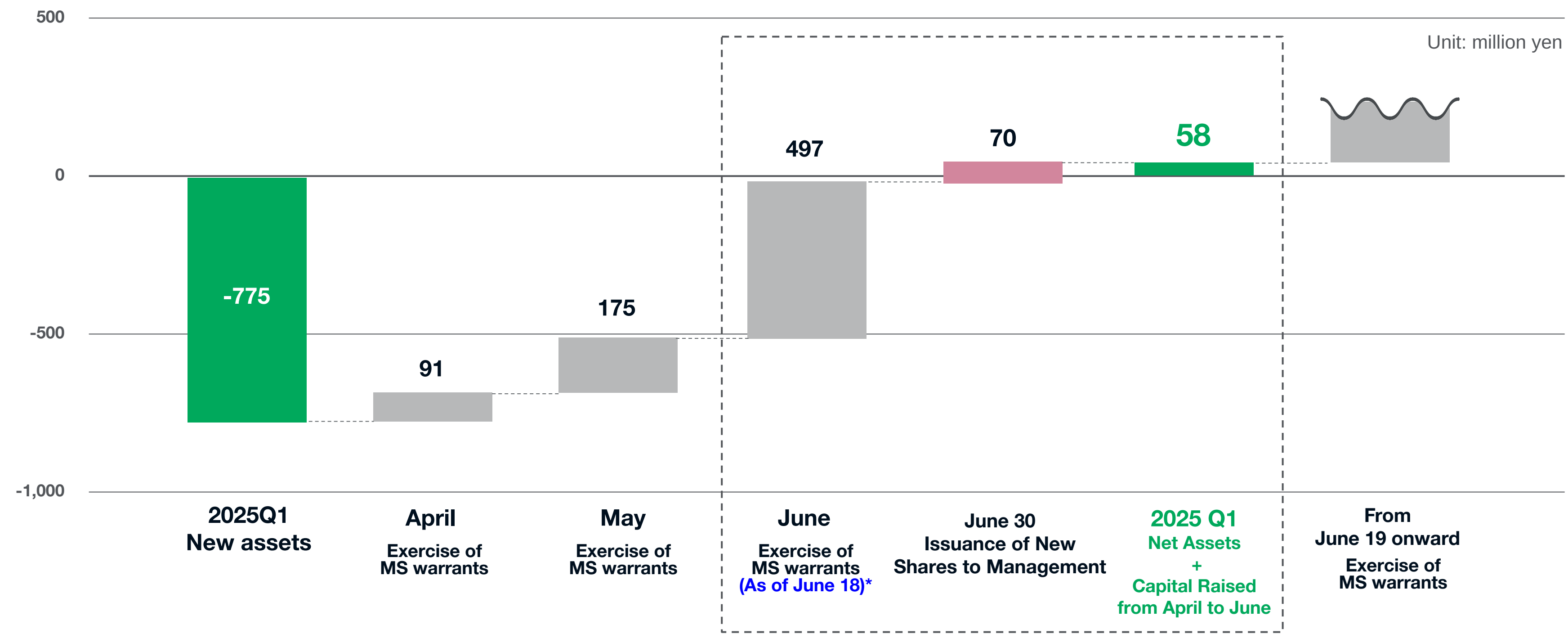


Supplementary Explanation Regarding Financial Position(Securities Code: 5255)

June 18, 2025

Monstarlab ::

Due to recent significant increases in the stock price and other related factors, capital raising efforts have made substantial progress in June.
Excluding the impact on Q2 earnings, net assets are expected to show a positive balance of 58 million yen.



Note: The number of shares exercised in June has already reached 10% of the number of shares issued on the payment date of the warrants (October 7, 2024), which is the monthly exercise limit. However, if the exercise price reaches or exceeds ¥151—the closing price on the resolution date of the warrant issuance (September 19, 2024)—additional exercises may be permitted beyond the monthly limit (excess exercise).
(Reference: Article 434, Paragraph 1 of the Securities Listing Regulations and Articles 436, Paragraphs 1–5 of the Enforcement Rules)

Overview of the MS Warrant (As of June 18, 2025)

81st Series of Stock Acquisition Rights	
Allottee	EVO FUND
Total Number of Shares to Be Potentially Issued	30,000,000 shares
Cumulative Number of Shares Issued through Exercise	23,222,600 shares (77.4%) as of June 18, 2025
Total Amount Raised	¥ 2,045,615,000 as of June 18, 2025
Adjustment of Exercise Price	Every 3 trading days, the exercise price is revised to 95% of the average closing price over the previous 3 trading days
Minimum Exercise Price	¥ 75
Issuance and Allotment Date	October 7, 2024
Exercise Period	October 8, 2024 to October 7, 2027
Acquisition Clause	The Company may acquire up to 200,000 units (equivalent to 20,000,000 shares) of the stock acquisition rights without the consent of the allottee (cancellation clause)

Supplementary Explanation Regarding the Operation of the MS Warrant

#	Question	Answer
1	When will the MS warrant be exercised?	The exercise is determined at the discretion of the allottee, EVO FUND. Due to insider trading regulations and other considerations, the Company is not in a position to designate the specific timing of exercise.
2	Why did capital raising progress significantly in June?	As previously disclosed, the Company had already reached the monthly exercise limit by June 12. However, due to a sharp rise in the stock price in the days following, the conditions specified under Article 436, Paragraph 5 of the Enforcement Rules of the Securities Listing Regulations—specifically, “(4) when the exercise price of the stock acquisition rights is equal to or higher than the closing price on the issuance resolution date (¥151 for this warrant)” —were met. This enabled excess exercise beyond the limit. The combination of increased exercise volume and a higher exercise price (leading to a higher per-share funding unit) resulted in significant capital raising during June.
3	Has the insolvency been resolved?	As of now, the Q2 results for FY2025 (April–June) have not yet been finalized. As indicated on page 2, the calculations currently exclude Q2 financial performance. Since the final net assets figure will be affected by the confirmed results, we are not in a position to clearly state whether the insolvency has been resolved at this time.

Disclaimer and Cautionary Statement Regarding Forward-Looking Statements

This material was prepared for the purpose of providing corporate information on Monstarlab, Inc. and does not constitute an offer to sell or solicitation to buy shares or other securities issued by the Company, whether inside or outside Japan.

Forward-looking statements in this document are based on current estimates and projections that involve risks and uncertainties and are not guarantees or assurances.

Forward-looking statements in this material are based on information obtained by the Company as of the present date. Furthermore, although this material contains forecasts and other forward-looking statements, including from the Company’s plans, strategies and the like, as well as forecasts of results, no assurance or guarantee is made as to whether such forecasts and other forward-looking statements will be realized as per such statements. Going forward, actual results may differ from these forecasts and other forward-looking statements due to changes in the economic situation or in the requirements for the services provided by the Company, revisions of laws and regulations, the risk of changes in global conditions, and various other uncertainties. As such, it is advised that complete dependance on such forecasts and other forward-looking statements should be avoided.

Furthermore, please be advised that this material contains financial information and statements based on past financial statements or accounts, as well as management figures not based on the financial accounts, and that such contained information, statements and figures have not been reviewed by an independent certified public accountant or audit cApart from cases in which requests are made pursuant to applicable laws or under the regulations of securities exchanges, the Company is under no obligation to any update or correct any information contained within this material pursuant to the occurrence of any future event.orporation.

Contact : ir@monstar-lab.com

Monstarlab, Inc. (Securities Code: 5255)



Thank you for your attention.

