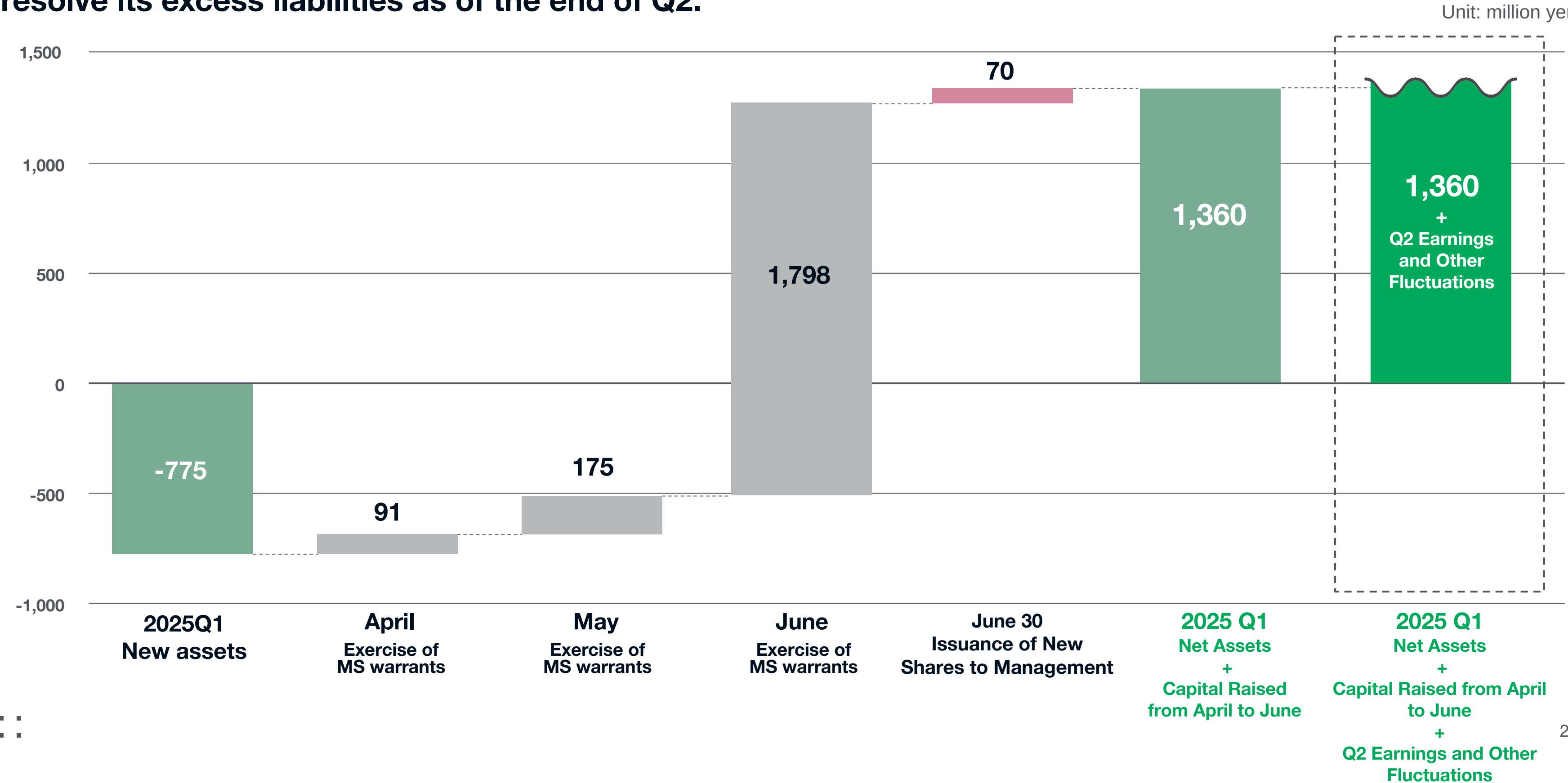


Supplementary Explanation Regarding the Expected Elimination of Excess Liabilities (Securities Code: 5255)

July 1, 2025

Monstarlab ::

Capital raising made significant progress in June, resulting in an estimated positive net asset balance of approximately ¥1,360 million, excluding the impact of Q2 financial performance. Taking into account potential fluctuations due to earnings and other factors, the Company expects to resolve its excess liabilities as of the end of Q2.



Supplementary Explanation Regarding the Expected Resolution of Insolvency

#	Question	Answer										
1	When will the fluctuations related to Q2 financial performance become clear?	The official report will be provided upon the announcement of the financial results for the second quarter of the fiscal year ending December 2025, as well as the semi-annual report. The announcement is scheduled for August 14, 2025.										
2	What risks are associated with Q2 earnings-related fluctuations?	As reported in the Q1 Investor Presentation, the Company holds foreign currency-denominated assets that are affected by exchange rate fluctuations. A foreign exchange loss is expected due to the appreciation of the yen; however, the scale is projected to be similar to or smaller than in Q1. Although there is a potential risk that future accounting processes may result in changes in the valuation of non-current assets and the recognition of impairment losses or other losses, as of today (July 1, 2025), we consider the likelihood of such events to be low. Accordingly, we expect the excess liabilities to be resolved as of the end of Q2.										
3	What is the current earnings forecast for this fiscal year?	<div>The consolidated earnings forecast for the fiscal year ending December 2025 remains unchanged from the announcement made on February 14, 2025.</div> <table><tr><td></td><td>Revenue</td><td>Operating Profit</td><td>Profit before income tax</td><td>Profit attributable to owners of parent</td></tr><tr><td>Unit: million yen</td><td>8,517</td><td>360</td><td>274</td><td>206</td></tr></table>		Revenue	Operating Profit	Profit before income tax	Profit attributable to owners of parent	Unit: million yen	8,517	360	274	206
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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.

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Monstarlab, Inc. (Securities Code: 5255)



Thank you for your attention.

