



November 14, 2024

To all shareholders:

Company name:	Monstarlab Holdings Inc.
Representative:	Hiroki Inagawa, Representative Director/Group CEO (Code: 5255, TSE Growth Market)
Inquiries:	Sumito Suzuki, CFO (TEL. 03-4455-7243)

Notice Regarding the Recording of “Other Expenses”

Monstarlab Holdings Inc. hereby announces that other expenses were recorded for the third quarter of the fiscal year ending December 2024 (from July 1, 2024, to September 30, 2024).

1. Recording of Gains and Losses Associated with Loss of Control

As announced in the "Notice Regarding Changes in Subsidiaries (Bankruptcy or Liquidation of Subsidiaries and Sub-subsidiaries)" dated September 19, 2024, the Board of Directors resolved on September 19, 2024, to file for the commencement of bankruptcy proceedings for our consolidated subsidiary, Monstarlab Denmark ApS (hereinafter referred to as "MLDK"). On September 27, 2024, MLDK's bankruptcy proceedings commenced as per the court's decision. Consequently, during the third quarter of the current consolidated accounting period, we lost control over MLDK and its subsidiaries, including Monstarlab UK Limited, Monstarlab Czech Republic s.r.o., Monstarlab Germany GmbH, Monstarlab Netherlands B.V., and Monstarlab Middle East DMCC. The consolidated book value of shares, totaling JPY 753 million, has been recorded under other expenses.

2. Impact on Performance

For details regarding the impact of recording these other expenses on our performance, please refer to the "Summary of Consolidated Financial Results for the third Quarter of the Fiscal Year Ending December 31, 2024 [IFRS]" released today.