



September 19, 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 Transfer of Subsidiary Shares (Change in Subsidiary)

At the Board of Directors meeting held today, the company resolved to transfer all shares of its consolidated subsidiary Genieology Design DMCC (hereinafter "GO"). The details are as follows.

1. Reason for the Transfer

Our group, with the mission to "Leverage Diversity and Change the World with Technology," operates a digital consulting business across 19 countries and regions divided into the APAC, EMEA, and AMER regions. As announced in the "Notice Concerning Company's Policy of Rationalization at Its Consolidated Subsidiaries, Including Personnel Reductions, and Decision on Policy for Dissolution of Consolidated Subsidiaries " released on May 31, 2024, we are working to achieve early profitability by fundamentally reviewing the cost structure of the EMEA and AMER regions.

In the current situation, where achieving profitability is our top priority, it is essential to reduce management risks. From the perspective of cost reduction and the quick realization of group organizational restructuring, we have been in discussions with Calvin, the founder of GO, which focuses on design consulting in the Middle East. As a result, we have decided to transfer all of the GO shares held by the company to Calvin. Following this share transfer, GO and its subsidiary, Genieology Design Yazılım Limited Şirket (hereinafter "TR"), are expected to be excluded from the company's consolidated scope.

2. Overview of the Subsidiary to be Transferred

a.GO

(1)	Name	Genieology Design DMCC	
(2)	Location	Jumeirah Lakes Towers, Dubai	
(3)	Title and Name of Representative	CEO, Director Calvin Rodney Sylvinus Hart	
(4)	Business Description	Design Consulting Business	
(5)	Capital	80,000 AED (approx. 3.5 million JPY)	
(6)	Date of Establishment	October 16, 2018	
(7)	Major Shareholder and Shareholding Ratio	Monstarlab Holdings Inc. 100%	
(8)	Relationship with the Company	Capital Relationship	The company holds 100% of GO's shares.
		Personnel Relationship	No relevant matters.

	Business Relationship	The company has outsourced business and provided management guidance to GO, which is expected to be terminated upon the subsidiary's transfer.	
(9) Recent Performance and Financial Condition Over the Last Three Years			
Fiscal Year End	Dec 2021	Dec 2022	Dec 2023
Total Assets (\million)	-	495	459
Net Assets (\million)	-	353	275
Net Assets Per Share (\)	-	4,415,605	3,438,246
Revenue (\ million)	-	539	557
Operating Profit(\ million)	-	336	-101
Ordinary Profit (\ million)	-	335	-102
Net Profit (\ million)	-	335	-102
Net Profit Per Share (\)	-	7,180,101	-1,278,538
Dividend Per Share (\)	-	-	-

Note: GO became a subsidiary of the company on June 1, 2022. Therefore, financial results for FY2021 are not provided.

Reference Exchange Rates

(End of Dec 2021) 1 AED = ¥31.37 (2021 Average) 1 AED = ¥29.93

(End of Dec 2022) 1 AED = ¥35.68 (2022 Average) 1 AED = ¥35.50

(End of Dec 2023) 1 AED = ¥38.60 (2023 Average) 1 AED = ¥38.25

(End of June 2024) 1 AED = ¥43.80

b.TR

(1) Name	Genieology Design Yazılım Limited Şirket	
(2) Location	TURKEY ISTANBUL SISLI ESENTEPE MAH. TALAT PAŞA CAD. NO: 5	
(3) Title and Name of Representative	CEO,Director Calvin Rodney Sylvinus Hart	
(4) Business Description	Design Consulting Business	
(5) Capital	50,000 TL (approx. 240,000 JPY)	
(6) Date of Establishment	January 31, 2024	
(7) Major Shareholder and Shareholding Ratio	Genieology Design DMCC 100%	
(8) Relationship with the Company	Capital Relationship	The company holds 100% of Genieology Design DMCC, which in turn holds 100% of TR.

	Personnel Relationship	No relevant matters.		
	Business Relationship	The company has outsourced business and provided management guidance to TR, which is expected to be terminated upon the subsidiary's transfer.		
(9) Recent Performance and Financial Condition Over the Last Three Years				
Fiscal Year End	Dec 2021	Dec 2022	Dec 2023	
Total Assets (\million)	-	-	-	
Net Assets (\million)	-	-	-	
Net Assets Per Share (\)	-	-	-	
Revenue (\ million)	-	-	-	
Operating Profit(\ million)	-	-	-	
Ordinary Profit (\ million)	-	-	-	
Net Profit (\ million)	-	-	-	
Net Profit Per Share (\)	-	-	-	
Dividend Per Share (\)	-	-	-	

Note: TR was established on January 31, 2024, therefore financial results for FY2021 through FY2023 are not provided.

Reference Exchange Rate (End of June 2024) 1 TL = 4.91 JPY

3. Overview of the Share Transfer Recipient

(1) Name	Calvin Rodney Sylvinus Hart
(2) Address	Dubai, United Arab Emirates
(3) Relationship with the Listed Company	CEO of a consolidated subsidiary

4. Number of Shares Transferred, Transfer Price, and Ownership Status Before and After Transfer

a.GO

(1) Number of Shares Owned Before the Transfer	80 shares (100%)
(2) Number of Shares Transferred	80 shares
(3) Transfer Price	Combined value of shares and interests for both companies is approx. ¥241 million (USD 1,500,000) Legal Fees: ¥4 million Total Amount: ¥245 million To ensure fairness, the transfer price was determined through a fair negotiation process based on a valuation of ¥161 million provided by a third-party institution, Unavis Consulting Co., Ltd., using the income approach (DCF method). We believe this to be a fair value.
(4) Number of Shares Owned After the Transfer	0 shares (0%)

Reference Exchange Rate (End of June 2024): 1 USD = 160.905 JPY

b.TR

(1)	Ownership Before the Transfer	Indirect ownership 100%
(2)	Ownership Transferred	Indirect ownership 100%
(3)	Ownership After the Transfer	Indirect ownership 0%

5. Future Outlook

The transfer is scheduled for September 30, 2024, and if executed as planned, GO and TR will no longer be consolidated subsidiaries of the company. The impact of this share transfer on both individual and consolidated financial results is currently under review, and any significant facts that arise or are determined will be promptly disclosed.