Translation

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August 20, 2025

Company Name: Money Forward, Inc.
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Representative Director, President and Group CEO
(Securities Code: 3994,
Stock Exchange: TSE Prime)
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Notice of Recording an Impairment Loss on Uncollected Insurance Claims (extraordinary loss) Due to Receipt of a Notice of Non-Payment of Insurance Claims at a Consolidated Subsidiary

Money Forward, Inc. ("the Company") hereby announces that Money Forward Kessai Co., Ltd. ("Kessai"), a consolidated subsidiary of the Company, received a notice of non-payment of insurance claims on August 20, 2025, from the insurance company that is the counterparty to the insurance contract concluded to secure the guarantee obligations of Money Forward Hoshou Co., Ltd. (a consolidated subsidiary of the Company, “Hoshou"). As a result, we have recorded an impairment loss on uncollected insurance claims (extraordinary loss) for the third quarter of the consolidated accounting period ending November 2025 (from June 1, 2025, to August 31, 2025).

1. Overview of Hoshou

(1)	Name	Money Forward Hoshou, Inc.
(2)	Location	21F Tamachi Station Tower S, 3-1-21 Shibaura, Minato-ku, Tokyo
(3)	Job title and name of representative	Representative Director and President, Naomichi Tomiyama
(4)	Description of business	Provision of debt guarantees and credit investigations for the services offered by Money Forward Kessai Co., Ltd., including the B2B post-payment settlement and billing agency service "Money Forward Kakebarai," the fundraising service for startups "Money Forward Transaction Finance for Startups," the accounts receivable early monetization service "Money Forward Early Payment," and the business card for corporations and sole proprietors "Money Forward Business Card."
(5)	Share capital	5million yen

2. Cause of the Loss

Hoshou has entered insurance contracts with insurance companies as a guarantor for the assigned receivables handled in

the factoring business of accounts receivable at Kessai. Under this arrangement, in principle, 10% of the loss amount is borne by our group, while 90% is covered by insurance payments. Today, we received a notice of non-payment of insurance claims from one of the multiple insurance companies guaranteeing the receivables, which has caused the possibility of a change in the amount borne by our group, resulting in booking an impairment loss on uncollected insurance claims. We have received notifications from the other insurance companies confirming that they will pay the full amount of the insurance claims.

In our previous timely disclosures dated November 11, 2024, and November 19, 2024, titled "Notice Regarding Risk of Uncollectibility of Receivables at a Consolidated Subsidiary" ("the previous timely disclosure"), we announced that there was a risk of collectability or delayed collection of receivables at Kessai from its business partners, Forworkers Co., Ltd. ("Forworkers") and Hitoiro Co., Ltd. ("Hitoiro"). In the previous timely disclosure, it was anticipated that the amount borne by our group would be 41,090,000 yen for Forworkers and 10,637,500 yen for Hitoiro. However, due to the occurrence of the event, there is now a possibility of changes to the burden borne by our group, and we hereby make the necessary corrections.

In this regard, Hoshou believes that there are no provisions in the insurance terms or contracts with the insurance company that allow for non-payment of insurance claims. Therefore, we consider the non-payment of insurance claims related to these receivables to be an inappropriate measure and have begun preparations for legal action against the insurance company. Furthermore, if insurance proceeds are received in the future by Hoshou, a special profit plans will be recorded. Additionally, since the insurance contract with the said insurance company has already expired, there is no possibility of receiving similar notices of non-payment of insurance claims for other assigned receivables from this insurance company in the future.

3. Details of the Loss

In the third quarter of the fiscal year ending November 2025, following a notification of non-payment of insurance claims from the insurance company mentioned in "2. Cause of the Loss," we plan to record a total of 540,814,109 yen as an extraordinary loss on uncollected insurance claims, including receivables for which we received similar notifications from the same insurance company.

4. Outlook

There will be no changes to the full-year earnings forecast for the fiscal year ending November 2025 due to the recording of this extraordinary loss. The Company will promptly disclose when any matters that should be announced occurs.