April 27, 2021

For Immediate Release

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Notice on Borrowing of Funds by a Consolidated Subsidiary

Hirakawamon Kanri GK, a consolidated subsidiary of First Brothers Co., Ltd., decided on April 27, 2021 to obtain a capital loan as outlined below. First Brothers Co., Ltd. approved the loan on the same day.

1. Reason for obtaining the capital loan

One of the basic policies the First Brothers Group outlines in its growth strategy is the acquisition of quality real estate for lease that can produce stable revenues. The purpose of the capital loan is to acquire real estate trust beneficiary rights based on this strategy.

2. Outline of capital loan

Lender	Amount to be borrowed	Scheduled borrowing date	Term of loan
Shinsei Bank, Limited	¥3,180 million	April 30, 2021	Five years
Mizuho Securities Principal Investment Co., Ltd.	¥470 million	April 30, 2021	Five years

Note 1: Of the amount to be borrowed from Shinsei Bank, Hirakawamon Kanri plans to repay ¥234 million after the receipt of consumption tax refunds on the purchase of the aforementioned real estate trust beneficiary rights or by the end of May 2022.

Note 2: The interest rate is not disclosed, but the loan is obtained at current market rate.

3. Outlook

The impact of this loan transaction has been factored into our consolidated earnings forecast for the fiscal year ending November 30, 2021, released on January 8, 2021. In case future assessments of the transaction reveal matters that require public disclosure, we will promptly disclose such matters.