June 29, 2021

For Immediate Release

Company name: First Brothers Co., Ltd.
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(TSE First Section, Stock code: 3454)
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Notice on Borrowing of Funds

First Brothers Co., Ltd. and its consolidated subsidiary First Brothers Capital Co., Ltd. decided on June 29, 2021 to obtain a capital loan as outlined below.

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. In line with this strategy, we have decided to obtain a capital loan to acquire all shares of a company that engages solely in owning real estate assets.

Note: We have refrained from disclosing the details of the company to be acquired due to a confidentiality agreement entered with the company. The acquisition is expected to have a negligible impact on our consolidated financial statements.

2. Outline of capital loan

<table>
<tr><th>Borrower</th><th>Lender</th><th>Amount to be borrowed</th><th>Scheduled borrowing date</th><th>Term of loan</th></tr>
<tr><td>First Brothers Co., Ltd.</td><td rowspan="2">The Higo Bank, Ltd.</td><td>¥1,108 million</td><td rowspan="2">June 30, 2021</td><td rowspan="2">10 years</td></tr>
<tr><td>First Brothers Capital Co., Ltd.</td><td>¥170 million</td></tr>
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Note: 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.