Japan Excellent, Inc.

For Immediate Release
For Translation Purposes Only

February 21, 2025

Japan Excellent, Inc. (TSE: 8987)
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Notice Concerning Determination of the Acquisition and Cancellation of Own Investment Units

(Acquisition of own investment units pursuant to Article 80-5 of the Act on Investment Trusts and Investment Corporations of Japan, and cancellation of own investment units pursuant to Article 80, Paragraph 2 and Paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan)

Japan Excellent, Inc. (hereinafter "JEI") announces that it has resolved the acquisition of its own investment units at its meeting of the Board of Directors, which was held today, based on Article 80-2 of the Act on Investment Trusts and Investment Corporations of Japan (the "Investment Trusts Act") applied pursuant to Article 80-5, Paragraph 2 of the Investment Trusts Act. JEI has also resolved the cancellation of all of the acquired investment units in accordance with Article 80, Paragraph 2 and Paragraph 4 of the Investment Trust Act.

1. Reason for acquiring own investment units

   JEI works to maximize investor value mainly by enhancing the profitability from the assets of our portfolio, and by the qualitative improvement of our portfolio through acquiring and selling properties. However, despite putting in place this series of policies, JEI's investment unit price levels currently fall below our net asset value (NAV)(Note) per-unit.

   Amid these conditions, aiming to increase NAV per-unit and dividends per-unit by acquiring and cancelling own investment units using funds on hand, we believe that increasing capital efficiency and investor returns will increase investor value in the medium to long term. Therefore, we will execute the acquisition of own investment units.

   (Note): Net asset value (NAV) per-unit is calculated by dividing net asset value on the balance sheet reflecting unrealized gains or losses, which are the difference between book value and appraisal value of real estate and other assets held, by the total number of outstanding investment units.

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2. Details of acquisition of own investment units

(1) Total number of own investment units to be acquired	35,000 units (maximum) (2.65% of the total number of outstanding investment units (excluding the number of own investment units))
(2) Total amount of acquisition price	4,000,000,000 yen (maximum)
(3) Acquisition period	From February 25, 2025 to May 30, 2025

JEI will terminate the acquisition of its own investment units when either the total number of own investment units acquired or the total amount of the acquisition price reaches the maximum amount, or when the acquisition period ends. The total acquisition price was determined in light of the current and future situation of cash in hand, the LTV level following the acquisition of own investment units, etc.

(Note) Depending on the price levels and liquidity of JEI's investment units and market trends, there are cases where we will not reach the maximum amount of own investment units to be acquired or the maximum total acquisition price, or, that no investment units will be acquired whatsoever.

3. Method of acquisition of own investment units

JEI plans to enter into a discretionary transaction contract with a securities company and entrust the market purchase of its own investment units on the Tokyo Stock Exchange.

4. Cancellation of own investment units

Pursuant to the resolution of the Board of Directors, which was held today, all the units JEI owns will be cancelled on June 27, 2025 (during the 38th Fiscal Period ending on June 30, 2025). Once the actual number of the units to be cancelled is fixed, JEI will announce accordingly.

(Reference)

The number of own investment units held as of February 21, 2025

Total number of outstanding investment units	1,321,614 units
The number of own investment units	0 units

(End)

* **Japan Excellent, Inc. Website:** https://www.excellent-reit.co.jp/en/