

July 14, 2023

For Immediate Release

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### **Notice on Borrowing of Funds by a Subsidiary**

National Student Housing LLC, a non-consolidated subsidiary of First Brothers Co., Ltd., decided on July 14, 2023 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 obtain funds for the acquisition of real estate based on this strategy.

#### 2. Outline of capital loan

Lender	Amount to be borrowed	Scheduled borrowing date	Term of loan
The Kiyo Bank, Ltd.	¥1,390 million	July 14, 2023	5 years
The Minato Bank, Ltd.	¥705 million	July 14, 2023	10 years

Note: National Student Housing LLC is a special purpose company established for the purpose of acquiring real estate (trust beneficiary rights). We plan to make this company a consolidated subsidiary as its importance is expected to grow with the acquisition of real estate (trust beneficiary rights) and the borrowing of funds for the acquisition thereof.

#### 3. Outlook

The impact of this loan transaction has been factored into our consolidated earnings forecast for the fiscal year ending November 30, 2023, released on January 13, 2023. In case future assessments of the transaction reveal matters that require public disclosure, we will promptly disclose such matters.