

September 30, 2026

For Immediate Release

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(TSE Standard Market, Stock code: 3454)
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**Notice Regarding Share Acquisition by Consolidated Subsidiary
(Conversion into Consolidated Subsidiary) and Change in Specified Subsidiaries**

First Brothers Capital Co., Ltd., a consolidated subsidiary of First Brothers Co., Ltd. (the “Company”), resolved on September 30, 2026 to acquire all issued shares of Sawaracity Co., Ltd. (“Sawaracity”) and make it a consolidated subsidiary of the Company, as described below. The Company also approved the acquisition on the same date.

As the stated capital of each of Sawaracity and its wholly owned subsidiary Iida Jidosha Co., Ltd. is equivalent to at least 10% of the Company’s stated capital, both companies will qualify as specified subsidiaries of the Company.

1. Reasons for Share Acquisition

To ensure corporate value growth over the medium to long term, the First Brothers Group positions Creating Shared Value (CSV)—solving social issues through its business activities while simultaneously generating economic value—as one of the key pillars of its management, and has been promoting investment in high-potential regional assets.

Sawaracity—the target of this share acquisition—operates the Sawaracity shopping mall (real estate leasing) in Katori City, Chiba Prefecture, and since the mall opened in 1996, it has served as a commercial hub supporting the daily lives of the local community. The facility is located along National Route 51 and National Route 356 and is an automobile-oriented commercial facility with parking for approximately 800 vehicles. Tenants include the Taiyo food supermarket, Matsumotokiyoshi drugstore, Daiso 100-yen shop, Paseos apparel store, Fujiya Western-style confectionery store, and Aji-no-Mingei restaurant, among others. In addition, multiple commercial facilities are concentrated in the vicinity of the facility, forming a commercial area that can be expected to attract customers from both inside and outside Katori. Following an indication from Sawaracity’s shareholder of an intention to transfer the shares, the First Brothers Group decided to acquire 100% of Sawaracity’s shares.

Approximately 30 years have passed since the facility commenced operations, and it has entered a period in which investment in planned repairs and upgrades is becoming increasingly important. The First Brothers Group will succeed to Sawaracity’s management and, by leveraging its expertise and know-how in commercial real

estate operations as well as its capital strength to advance capital investment and optimize operations, will seek to both maintain a living infrastructure essential to the local community and expand earnings opportunities by realizing the facility's potential value. The Company regards this acquisition as a significant investment that puts its CSV-based management into practice. Moving forward, the First Brothers Group will continue to pursue sustainable growth in partnership with local communities.

2. Overview of Share-Acquiring Consolidated Subsidiary

(1) Name	First Brothers Capital Co., Ltd.
(2) Location	2-4-1 Marunouchi, Chiyoda-ku, Tokyo
(3) Title and name of representative	President Masaki Minemura
(4) Business	Investment operations
(5) Capital	¥100 million

3. Overview of Specified Subsidiaries to Be Transferred

As a result of the acquisition, Sawaracity and Iida Jidosha Co., Ltd., in which Sawaracity holds 100% of the voting rights, will qualify as specified subsidiaries of the Company.

(1) Sawaracity Co., Ltd.

Sawaracity Co., Ltd.			
(1) Name	Sawaracity Co., Ltd.		
(2) Location	1236 Sawara Ho, Katori, Chiba		
(3) Title and name of representative	President Sanae Tarutani		
(4) Business	Real estate leasing		
(5) Capital	¥50 million		
(6) Established	October 17, 1978 (from certified copy of register)		
(7) Major shareholder and shareholding ratio	Sanae Tarutani 100.0%		
(8) Relationship with the Company	Capital relationship	Not applicable	
	Personal relationship	Not applicable	
	Business relationship	Not applicable	
(9) Operating results and financial condition of Sawaracity over the most recent three fiscal years			
Fiscal year	FY09/23	FY09/24	FY09/25
Net assets	¥885,727,000	¥947,165,000	¥725,820,000
Total assets	¥1,323,715,000	¥1,349,233,000	¥945,394,000
Net assets per share	¥16,342	¥17,475	¥13,392
Net sales	¥306,418,000	¥294,964,000	¥293,056,000
Operating profit	¥63,770,000	¥55,071,000	¥45,167,000
Ordinary profit	¥64,073,000	¥61,625,000	¥259,720,000
Profit	¥63,611,000	¥61,438,000	¥272,293,000
Earnings per share	¥1,174	¥1,134	¥5,024

Dividends per share	¥0	¥0	¥0
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(Note 1) Ordinary profit for the fiscal year ended September 2025 includes dividend income of ¥214,000,000 from Iida Jidosha Co., Ltd., and profit for the same fiscal year includes the same dividend income and a ¥12,798,000 gain on sale of non-current assets.

(Note 2) Sawaracity conducted a company split in the fiscal year ended September 2025, and as a result, retained earnings brought forward decreased by ¥493,623,000.

(2) Iida Jidosha Co., Ltd.

(1) Name	Iida Jidosha Co., Ltd.		
(2) Location	1-3-1 Kita, Katori, Chiba		
(3) Title and name of representative	President Sanae Tarutani		
(4) Business	Real estate leasing		
(5) Capital	¥10 million		
(6) Established	October 1, 1966 (from certified copy of register)		
(7) Major shareholder and shareholding ratio	Sawaracity Co., Ltd. 100.0%		
(8) Relationship with the Company	Capital relationship	Not applicable	
	Personal relationship	Not applicable	
	Business relationship	Not applicable	
(9) Operating results and financial condition of Iida Jidosha over the most recent three fiscal years			
Fiscal year	FY09/23	FY09/24	FY09/25
Net assets	¥283,687,000	¥280,330,000	¥71,310,000
Total assets	¥335,327,000	¥319,087,000	¥109,667,000
Net assets per share	¥14,184	¥14,017	¥3,565
Net sales	¥21,144,000	¥20,764,000	¥20,782,000
Operating profit	¥7,178,000	¥4,594,000	¥5,931,000
Ordinary profit	¥9,070,000	¥6,182,000	¥6,640,000
Profit	¥7,045,000	¥4,643,000	¥4,980,000
Earnings per share	¥352	¥232	¥249
Dividends per share	¥0	¥400	¥10,700

(Note) In the fiscal year ended September 2025, Iida Jidosha Co., Ltd. paid a dividend of ¥214,000,000 to Sawaracity, its shareholder, and as a result, its net assets decreased.

4. Overview of Party from Whom Shares Will Be Acquired

(1) Name	Sanae Tarutani
(2) Location	Katori, Chiba
(3) Relationships with the Company	No capital, personal, or business relationships

5. Number of shares to be acquired, acquisition price, and share ownership before and after acquisition

(1) Shares held prior to acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0.00%)
(2) Number of shares to be acquired	54,200 shares (Number of voting rights: 54,200)
(3) Shares to be held following acquisition	54,200 shares (Number of voting rights: 54,200) (Percentage of voting rights held: 100.00%)

* The acquisition price is not disclosed because it is less than 3% of the Company's consolidated net assets as of the end of the immediately preceding fiscal year, is expected to have only a negligible impact on the Company's consolidated financial results, and the counterparty is an individual and it is necessary to consider the protection of information concerning the individual's assets. The acquisition price was determined through discussions between the parties after reasonably taking into account factors including the results of a share valuation and legal and financial due diligence, both conducted by external experts, and the Company considers the amount fair and reasonable.

6. Schedule

(1) Resolution date	September 30, 2026
(2) Date of agreement	September 30, 2026
(3) Share transfer date	October 30, 2026 (scheduled)

7. Outlook

The Company is currently reviewing the impact of this transaction on its consolidated results for the fiscal year ending November 30, 2026. The Company's current projections indicate this impact will be negligible. Should any matters requiring disclosure arise, the Company will promptly deliver a corresponding announcement.