

January 30, 2026

For Immediate Release

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(TSE Standard Market, Stock code: 3454)
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**Notice Regarding Transfer of Non-Current Asset by Consolidated Subsidiary and
Recording of Extraordinary Gain**

On January 30, 2026, First Brothers Capital Co., Ltd., a consolidated subsidiary of First Brothers Co., Ltd. (the "Company"), decided to transfer a non-current asset as described below. On the same day, the Company also resolved to approve the transfer. As a result of this decision, the Company expects to record an extraordinary gain (gain on sale of non-current assets) for the fiscal year ending November 30, 2026.

1. Reason for the transfer

The First Brothers Group aims to maximize shareholder value over the medium to long term through disciplined portfolio management conscious of cost of capital. In connection with these efforts, the Group is promoting strategically flexible asset reallocation while carefully monitoring market conditions.

The property to be transferred was acquired with the intention of holding it over the medium to long term and has been leased to a Group company as a business-use property. Accordingly, for accounting purposes, it has been recorded as a non-current asset rather than as real estate held for sale. However, after comprehensively considering recent trends in the real estate transaction market, the profitability of the property, and the Group's overall capital efficiency, the Group determined that transferring the property at this time and recovering the invested capital would most effectively contribute to corporate value enhancement.

Moving forward, the Group will continue to review its asset holdings and reinvest the proceeds into high-quality opportunities expected to deliver higher returns and growth, thereby further strengthening the profitability of its portfolio.

2. Details of the asset to be transferred

Asset description and location	Transfer price	Book value	Gain on transfer	Current status
Land: 948.26 m ² Building (total floor area): 1,521.78 m ² Lot No. 187-3, Onarimachi, Kamakura City, Kanagawa Prefecture	¥2,687 million	¥1,719 million	¥960 million	Real estate for lease

Note: The gain on transfer amount shown above is approximate, calculated as the transfer price less the book value and the estimated amount of expenses related to the transfer.

3. Overview of the transferee

The transferee is a domestic operating company; however, the Company will refrain from disclosing further information due to confidentiality obligations. The Company has no capital, personal, or business relationships with the transferee that would require disclosure.

4. Overview of the consolidated subsidiary executing the transfer

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

5. Transfer schedule

(1) Date of Board resolution	January 30, 2026
(2) Date of transfer agreement	January 30, 2026
(3) Planned handover date	Late March 2026

6. Outlook

The impact of this transfer on the Company's financial results has already been reflected in the Company's consolidated earnings forecast for the fiscal year ending November 30, 2026 (announced on January 9, 2026). If, following further review, any matters requiring disclosure arise, the Company will promptly respond with corresponding announcements.