



March 31, 2025

To Whom It May Concern,

Listed company name: MUGEN ESTATE Co., Ltd.
 Representative: Shinichi Fujita, President
 (Code : 3299 TSE Standard Market)
 Contact: Norihito Hosokawa, Senior Executive Officer,
 Department Manager of Corporate Planning
 & Strategy Department
 Email: info_e@mugen-estate.co.jp

Notice of Financing through "Chibagin Positive Impact Finance" from The Chiba Bank

MUGEN ESTATE (hereinafter, the "Company") hereby announces that it has acquired financing of 500 million yen through the "Chibagin Positive Impact Finance" program provided by The Chiba Bank, Ltd. (Chiba City, Chiba Prefecture; President: Tsutomu Yonemoto).

The Company plans to allocate the full amount of this financing to business funds for its core purchase and resale business. It recognizes its purchase and resale business constitutes an environmentally friendly business model that promotes the renovation and distribution of pre-owned real estate and makes effective use of existing resources, thereby contributing to the realization of a sustainable society. Additionally, as part of its sustainability management efforts, the Company is disclosing information based on TCFD recommendations, establishing human resource strategies linked to its management strategies and implementing other initiatives. Going forward, it will continue to actively promote initiatives that contribute to the resolution of environmental and social issues.

[Loan Overview]

Contract execution date	Monday, March 31, 2025
Amount of financing	500 million yen
Loan period	5 years
Use of funds	Working capital

【Examples of KPIs in this Positive Impact Financing】

Evaluation details	Domain (Theme)	Initiatives and KPIs (targets)
	Environment	<ul style="list-style-type: none"> Achieve net sales of 100,925 million yen in the Real Estate Trading Business (Track record for fiscal 2024: 59,758 million yen) Achieve 540 renovations using facilities that conserve water and electricity (Track record for fiscal 2024: 456 projects)

	Domain (Theme)	Details of initiatives and KPIs (targets)
Evaluation details	Social	<ul style="list-style-type: none"> • Maintain average monthly overtime hours for all employees at 16 hours or less (Track record for fiscal 2024: 19 hours) • Achieve a paid leave utilization rate of 80% or more for managers (Track record for fiscal 2024: 79.1%) • Acquire Platinum Kurumin certification by fiscal 2025 • Achieve at least 50% of male employees taking childcare leave (Track record for fiscal 2024: 44.4%) • Actively promote the employment of women and achieve a female employee ratio of 35.0% of the Group's workforce (Track record for fiscal 2024: 33.5%) • Achieve a female manager ratio of 8% or more (Track record for fiscal 2024: 2.2%)

[Outline of Positive Impact Finance]

This is a loan product that observes the framework of international financial principles, and holistically analyzes and evaluates the impact of corporate activities on the environment, society, and the economy (hereinafter referred to as "impact assessment"). Through setting and monitoring targets (hereinafter referred to as "KPIs") for initiatives aimed at increasing positive impacts and reducing negative impacts identified through impact assessments, it supports continuous promotion of the initiatives.

The impact assessment and monitoring for this financing are jointly conducted by The Chiba Bank, Ltd. and its group company Chibagin Research Institute Corporation. In addition, a third-party opinion*1 is obtained from the Japan Credit Rating Agency, Ltd. to ensure objectivity.

This framework has received a third-party opinion from Japan Credit Rating Agency, Ltd. on its conformity with the Principles for Positive Impact Finance (PIF Principles) established by the United Nations Environment Programme Finance Initiative (UNEP FI)*2.

*1 For more information on the third-party opinion regarding compliance with the "Principles for Positive Impact Finance" and the rationality of the KPIs used, please visit the Japan Credit Rating Agency's website. (<https://www.jcr.co.jp/en/greenfinance/>)

*2 Organization established based on a voluntary agreement between the United Nations Environment Programme (UNEP), a subsidiary body of the United Nations, and financial institutions

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