

January 30, 2023

To All Concerned Parties

Investment Corporation
ESCON JAPAN REIT Investment Corporation
Representative: Atsumu Sasaki, Executive Director
(Securities Code: 2971)

Asset Manager
ES-CON ASSET MANAGEMENT Ltd.
Representative: Wataru Orii
President and Representative Director
Inquiries: Kennichi Tanaka
General Manager of the Department of
Finance and Control
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Notice Concerning Change of Representative Director of the Asset Management Company

ESCON JAPAN REIT Investment Corporation (hereinafter, “ESCON REIT”) announces today that the General Meeting of Shareholders and the Board of Directors of ES-CON ASSET MANAGEMENT Ltd. (hereinafter, the “Asset Manager”), the asset management company for ESCON REIT, was held today and decided to change the representative director of the Asset Manager.

1. Details of the Asset Manager’s Change of Representative Director

(1) Appointed Director (Effective date: January 30, 2023)

Representative Director (full time, dedicated) Wataru Orii(New)

(2) Retiring Director (Effective date: January 30, 2023)

Representative Director (full time, dedicated) Takeharu Kagiya

【Previous Directors】 (The parts that have been changed are underlined)

Representative Director (full time, dedicated)	<u>Takeharu Kagiya</u>
Director (full time, dedicated)	Hiroshi Tokunaga
Director (part time, dedicated)	Masataka Shimaoka
Director who is a member of the Audit and Supervisory Committee (part time, outside director)	Masaki Sakamoto
Director who is a member of the Audit and Supervisory Committee (part time, outside director)	Hiroshi Matsumoto
Director who is a member of the Audit and Supervisory Committee (part time)	Megumi Nakadozono

【New Directors】 (as of January 30, 2023) (The parts that have been changed are underlined)

Representative Director (full time, dedicated)	<u>Wataru Orii(new)</u>
Director (full time, dedicated)	Hiroshi Tokunaga
Director (part time, dedicated)	Masataka Shimaoka
Director who is a member of the Audit and Supervisory Committee (part time, outside director)	Masaki Sakamoto
Director who is a member of the Audit and Supervisory Committee (part time, outside director)	Hiroshi Matsumoto
Director who is a member of the Audit and Supervisory Committee (part time)	Megumi Nakadozono

2. Reason for Appointment of Representative Director

The Asset Manager received a business suspension order and a business improvement order on July 15, 2022 and submitted a report to the Commissioner of the Financial Services Agency on August 15, 2022, summarizing the status of its business improvement measures. With the support of its parent company ES-CON JAPAN, Ltd. and its ultimate parent company Chubu Electric Power Co., Inc., the Asset Manager has been making company-wide efforts to clarify our management stance regarding compliance with laws and regulations, to establish responsible compliance and internal control

frameworks headed by our management team, and to review our operation methods in order to achieve fair and appropriate business operations.

For details, please refer to the press release below.

- “Notice Concerning Submission of Business Improvement Report by the Asset Manager” dated August 15, 2022
- “Notice Concerning Adoption of Declaration of Compliance by the Asset Manager” dated August 31, 2022
- “Notice Concerning Change in an Important Employee at the Asset Manager”
“Notice Concerning Adoption of "Management Principles" by the Asset Manager”
- “Notice Concerning Changes to the Flow of Operations of Property Acquisitions at the Asset Manager” dated September 26, 2022
- “Notice Concerning Change of Director of the Asset Manager” dated October 5, 2022

In addition, as announced in the "Notice Concerning the Conclusion of a Compensation Agreement" dated January 16, 2023, regarding compensation for damages caused by the Asset Manager's breach of its duty of loyalty, the Asset Manager executed an agreement concerning compensation with ESCON REIT on the same date, and completed compensation for the full amount of damages on January 17, 2023.

Furthermore, as announced in the "Notice Concerning Debt Financing (Refinancing)" dated January 25, 2023, we will refinance 9,860 million yen in long-term borrowings that will become due for repayment on January 31, 2023.

As stated above, the Asset Manager has been making concerted efforts to restore confidence through the concerted efforts of its officers and employees, including the previous Representative Director.

Wataru Orii, who, as of today, has assumed the position of President & Representative Director of the Asset Manager, has been involved in the formation and operation of private placement funds targeting domestic and foreign investors since 1998, and since then has been involved in the public listing of Japan's first investment corporation specializing in residential properties and the public listing of an investment corporation that invests in office and retail facilities. He also has experience as the representative of an asset management company managing a total of approximately 350 billion yen in assets for three publicly listed investment corporations and private funds. Mr. Orii was elected as the representative of the Asset Manager based on his abundant experience and knowledge gained from his involvement the REIT industry in Japan from its early days to the present.

Going forward, under its new Representative Director, the Asset Manager will continue to strive to optimize the management of its assets, implement measures that will contribute to its growth, and strive to increase unitholder value.

Career summary of the appointed Representative Director is shown in Appendix.

This change of directors complies with the Financial Instruments and Exchange Law, the Building Lots and Buildings Transaction Business Law, and other applicable laws and regulations of Japan.

【URL of ESCON REIT: <https://www.escon-reit.jp/en/index.html>】

【Appendix】

Career summary of representative director (New) as of January 30, 2023

Name	Career summary (Name of company at time of employment)	
Wataru Orii	April, 1990 November, 1998 June, 2001 December, 2005 February, 2009 September, 2010 January, 2011 July, 2012 June, 2015 March, 2019 September, 2021 January, 2022 January, 2023	TOKYU LAND CORPORATION Pacific Management Co., Ltd. Director in charge of Investment Planning Headquarters Director in charge of Sales Headquarters President & Representative Director Ichigo Inc. Managing Executive Officer and General Manager of Sales Strategy Department Executive Officer and Deputy Director of Sales Strategy Department Ichigo Investment Advisors Co., Ltd. Representative Director Director Executive Chairman ES CON JAPAN Ltd. Executive Officer Assistant General Manager of Development Business Headquarter Executive Officer General Manager of Business Strategy Headquarters ES-CON ASSET MANAGEMENT Ltd. President & Representative Director (Current position)