

January 20, 2025

To All Concerned Parties

Issuer of Real Estate Investment Trust Securities:

Nippon Accommodations Fund Inc.

Takashi Ikeda, Executive Director

(TSE Code: 3226)

Investment Trust Management Company:

Mitsui Fudosan Accommodations Fund

Management Co., Ltd.

Hiroshi Kojima, President and CEO

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Notice Concerning Investment Unit Split, Partial Amendment to the Articles of Incorporation, and Revision of the Forecast Distributions per Unit for the Fiscal Period Ending August 31, 2025

Nippon Accommodations Fund Inc. ("NAF") hereby provides notice of resolutions adopted at its Board of Directors meeting held today to split its investment units ("the Split") and to amend its articles of incorporation.

In addition, in conjunction with the implementation of the Split, the forecast distributions per unit for the fiscal period ending August 2025 (March 1, 2025 to August 31, 2025) announced in the "Financial Results for the Fiscal Period from March 1, 2024 to August 31, 2024" (hereafter "Financial Results") dated October 17, 2024 has been revised as follows.

1. Purpose of the Split

Based on the introduction of the new Nippon Individual Savings Account ("New NISA") starting from January 2024, the Investment Corporation will implement the Split, aiming to create a more accessible investment environment for investors by lowering the amount per investment unit, thereby expanding investors base and improving the liquidity of our investment units.

2. Outline of Split

(1) Method of the Split

As of February 28, 2025 as the record date, each of the investment units owned by the unitholders who are registered or recorded in the latest register of unitholders will be divided on a five-for-one basis. the Investment Corporation determined the Split ratio by considering the acquisition of investment units in the New NISA accounts, the investment unit price after the Split, and the desirable level of investment units indicated by the Tokyo Stock Exchange ("TSE").

(2) Number of investment units to be Increased through the Split

(i) number of issued and outstanding investment units before the Split : 503,472 units

(ii) number of investment units to be increased through the Split : 2,013,888 units

(iii) number of issued and outstanding investment units following the Split : 2,517,360 units

(iv) total number of issuable investment units following the Split: 20,000,000 units (Note 1)

(Note 1) Please refer to "4. Partial Amendments of Articles of Incorporation" below.

3. Schedule of the Split

(1) date of public announcement of record date: February 13, 2025 (anticipated)

(2) record date: February 28, 2025 (Note 2)

(3) effective date: March 1, 2025

(Note 2) The final trading day with rights on the TSE is scheduled for February 26, 2025

4. Partial Amendments of Articles of Incorporation

(1) Rationale of Amendment

For increasing the total number of issuable investment units in proportion to the Split ratio of the investment units, the Investment Corporation will amend Article 6, Paragraph 1 of the articles of incorporation by a resolution of the board of directors meeting, without a resolution of General Meeting of Unitholders, based on the provisions of Article 184, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 81-3, Paragraph 2 of the Act on Investment Trusts and Investment Corporations.

(2) Contents of Amendment

Contents of the amendment are as follows:

(the underlined part will be changed)

before change	after change
Article 6. (Total Number of Units Authorized to Be Issued by the Company) 1. The total number of units authorized to be issued by the Company shall be <u>four million (4,000,000) units.</u>	Article 6. (Total Number of Units Authorized to Be Issued by the Company) 1. The total number of units authorized to be issued by the Company shall be <u>twenty million (20,000,000) units.</u>

(3) Schedule of Amendment (effective date)

March 1, 2025

5. Revision of the Forecast Distributions per Unit for the Fiscal Period Ending August 31, 2025

(1) Reason for the revision

In conjunction with the Split, in which five units will be issued for each unit, the forecast distributions per unit for the fiscal period ending August 2025, which was announced in the Financial Results, will be revised in accordance with the ratio of the Split. Please be advised that this revision to the forecast distributions per unit is a result of the increase in the total number of investment units issued as a consequence of the Split. There have been no changes to the forecast of the investment situation or the forecast of the actual distributions.

Furthermore, the forecast distributions per unit for the fiscal period ending February 2025 (September 1, 2024, to February 28, 2025), which was announced concurrently with the Financial Results, remains unchanged due to the Split becoming effective on March 1, 2025.

(2) Revision of the Forecast Distributions per Unit for the Fiscal Period Ending in August 31, 2025

	Distributions per Unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total number of investment units issued and outstanding at end of period
Previous forecast	10,900 yen	—	503,472 units
Revised forecast	2,180 yen	—	2,517,360 units
(Reference) Fiscal Period Ended August 2024	11,064 yen	—	503,472 units

(Note) Please refer to the “Underlying assumptions of forecasts for the 38th period (from September 1, 2024 to February 28, 2025) and the 39th period (from March 1, 2025 to August 31, 2025)” on page 9 to 11 of the Financial Results for a detailed overview of the underlying assumptions of the above forecast distributions per unit except for total number of investment units issued and outstanding at end of period.

The above forecasted figures are calculated based on certain assumptions at the time of preparation of this information. Therefore, distribution per unit may change due to future acquisition or sale of investment assets, fluctuation in the real estate market or other changes in the environment in which NAF operates. Accordingly, the forecasts are not a guarantee of any cash distribution amount

Contents of the amendment are as follows: NAF website: <https://www.naf-r.jp/english/>

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