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October 31, 2025

For immediate release

Kiyoyuki Tsuchimoto, Representative Executive Officer,
President and CEO
Heiwa Real Estate Co., Ltd.
1-10, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo
(Code No. 8803) TSE Prime Market, NSE Premier Market, Fukuoka, and Sapporo

**Notice of Decision to Make Partial Revisions to, and Acquire Additional Shares for,
the Company's Stock Compensation Plan**

Heiwa Real Estate Co., Ltd. (hereafter, the “Company”) announced today that it will continue with the stock compensation plan (hereafter, the “Plan”) after making partial revisions as approved by the Compensation Committee in its meeting held on October 27, 2025. Originally adopted in 2019, the Plan was designed for the Company's executive officers (excluding non-residents of Japan), managing officers (excluding non-residents of Japan and managing officers who have been specially appointed to be in charge of the Audit Committee Office), and directors and managing officers of the Company's major subsidiaries (excluding part-time directors, directors or managing officers who have been seconded from the Company, and non-residents of Japan) (hereafter, collectively the “Directors, etc.”). The Board of Directors has decided, in a meeting also held today, to have additional shares of the Company acquired for the Plan by the trustee of the trust that has been established for the Plan (hereafter, the “Trust”). The Trust is based on a trust agreement for the Plan that has been concluded with Resona Bank Ltd. Details are as follows.

1. Partial Revisions to the Plan

(1) Eligibility for the Plan

The Directors, etc. of the Company who are currently eligible for the Plan, as well as external directors and full-time members of the Audit Committee who have non-executive roles (excluding non-residents of Japan; hereafter, “Non-executive Managing Officers”) will be eligible for the Plan (hereafter, all those eligible are termed collectively “Eligible Directors, etc.”).

Stock compensation for the Directors, etc. will comprise a fixed component payable commensurate with rank and a performance-linked component payable according to achievement of performance targets, whereas stock compensation for Non-executive Managing Officers will only comprise a fixed component. The purpose is to provide motivation to improve business performance and enhance corporate value over the medium-to-long term and to seek shared value with shareholders as those eligible bear not only the benefits of stock price increases but also the risks of stock price declines.

(2) Updated Target Period for the Plan

Three fiscal years, from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028.

(3) Upper Limits on Trust Funds Contributed by Heiwa Real Estate

A maximum of ¥872 million in funds will be contributed to the Trust for the acquisition of stock in order to

provide Company stock to those eligible for the Plan during the updated target period.

(4) Method of Share Acquisition by the Trust and Maximum Number of Shares to Be Acquired

The Trust plans to acquire the shares from the stock market, within the maximum amount of funds contributed to the Trust as described in section (3) above, and will not involve the Company issuing any new shares or disposing of treasury shares. During the target period, 363,000 shares will be the maximum number of shares that can be acquired without delay after the Plan has been updated.

2. Overview of the Trust

(1) Name	Stock Compensation Trust for Directors and Officers
(2) Entrustor	Heiwa Real Estate Co., Ltd.
(3) Trustee	Resona Bank Ltd. (Custody Bank of Japan, Ltd., will be designated as a new trustee)
(4) Beneficiaries	Those who meet beneficiary requirements set in the Company's Stock Compensation Rules from among the Eligible Directors, etc.
(5) Trust administrator	A third-party that has no interest in the Company or its subsidiaries
(6) Trust agreement date	August 1, 2019 (revisions scheduled to be agreed in November 2025)
(7) Date of additional contribution of funds	Planned for November 4, 2025
(8) Period of the Trust	From August 1, 2019, until the Trust is terminated (continuing as long as the Plan is in place without a specified date of expiry)

3. Details of the additional acquisitions of the Company's stock by the Trust

(1) Type of stock to be acquired	The Company's common stock
(2) Maximum amount of funds available to the Trust for the acquisition of stock	¥872 million
(3) Maximum number of shares that can be acquired	363,000 shares
(4) Amount of additional funds	¥731 million (planned)
(5) Number of additional shares to be acquired	325,000 shares (planned)
(6) Method of acquiring the shares	Acquisition from the stock market, without the Company issuing any new shares or disposing of treasury shares
(7) Period of stock acquisitions	Planned from November 4, 2025, to January 30, 2026

Note: The Trust will make the additional acquisition of Company shares using, as the funding source, the total of ¥731 million in cash from the additional contributions announced above plus ¥50 million in cash that are Trust assets.