

June 20, 2025

For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.

5-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo

Aya Motomura, Executive Director

(Securities Code: 8966)

Asset Management Company

HEIWA REAL ESTATE Asset Management CO., LTD.

Masanori Hirano, Representative Director, President and Chief Executive Officer

Inquiries: Naomi Kawasaki, General Manager of Planning & Finance Department

TEL. +81-3-3669-8771

Notice Concerning the Determination of the Number of Investment Units for the Issuance of New Investment
Units through Third-Party Allotment

HEIWA REAL ESTATE REIT, Inc. (hereinafter referred to as the “Investment Corporation”) announces that today the lead Underwriter (the “Lead Underwriter”), the scheduled holder of the new investment units issued through third-party allotment (hereinafter referred to as the “Third-Party Allotment”) determined by resolution of the Investment Corporation's Board of Directors at meetings held on May 19, 2025 and May 22, 2025, at the same time as resolutions for the issuance of new investment units through public offering (primary offering) and the secondary offering of investment units through over-allotment, notified the Investment Corporation of its intention to apply for all of the anticipated number of investment units to be issued. Details are as follows.

Details

- | | | |
|-----|--|---|
| (1) | Number of new investment units to be issued | :2,600 units
(anticipated number of investment units: 2,600 units) |
| (2) | Amount to be paid in (issue value) | :119,022 yen per unit |
| (3) | Total amount to be paid in (total issue value) | :309,457,200 yen |
| (4) | Allottee and allotted units | :The Lead Underwriter and 2,600 units |
| (5) | Subscription period (subscription date) | :June 23, 2025 (Monday) |
| (6) | Payment date | :June 24, 2025 (Tuesday) |

<Reference>

1. Change in the total number of outstanding investment units after the Third-Party Allotment

- | | | |
|-----|---|------------------|
| (1) | Current number of issued investment units outstanding | :1,248,933 units |
| (2) | Number of new investment units to be issued through the Third-Party Allotment | :2,600 units |
| (3) | Total number of issued investment units after the Third-Party Allotment | :1,251,533 units |

※ For details of the Third-Party Allotment, please refer to “Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units” published on May 19, 2025 and “Notice Concerning Determination of Prices, etc. for Issuance of New Investment Units and Secondary Offering of Investment Units” published on May 22, 2025.

<p>Note: This press release has been prepared for the purpose of announcing to the public certain matters relating to the number of investment units for the issuance of new Investment units through the Third-Party Allotment, and has not been prepared for the purpose of soliciting investment.</p> <p>This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.</p>
--

2. Specific use of proceeds to be procured through the Third-Party Allotment

The proceeds (309,457,200 yen) to be received from the Third-Party Allotment will be used to partially fund the expenses associated with the acquisition of specified assets (as set forth in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended), the same applies hereinafter) announced in the “Notice Concerning Acquisition of Domestic Assets (Park East Sapporo, KYOMACHIBORI SQUARE and HF OSHIAGE RESIDENCE)”, dated May 19, 2025, and the associated expenses for the Third-Party Allotment and the issuance of new investment units through public offering, a resolution for which was passed on the same day as the resolution for the Third-Party Allotment. The Investment Corporation will keep any remaining balance as cash reserves to be used to partially fund future acquisitions of specified assets.

(Note) The proceeds to be procured will be placed with financial institutions until the expenditure is made.

* Investment Corporation Website: <https://www.heiwa-re.co.jp/en/>

DISCLAIMER:

Heiwa Real Estate REIT, Inc. makes no assurance or warranty with respect to the completeness or accuracy of this English translation. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail. For complete and accurate information, please refer to the Japanese original.

Note: This press release has been prepared for the purpose of announcing to the public certain matters relating to the number of investment units for the issuance of new Investment units through the Third-Party Allotment, and has not been prepared for the purpose of soliciting investment.
This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.