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For Immediate Release

REIT Issuer
Hankyu Hanshin REIT, Inc. (Securities Code: 8977)
19-19 Chaya-machi, Kita-ku, Osaka
Toyoshige Okazaki, Executive Director

Asset Management Company
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Notice Concerning the Statement of Opinion (Neutral) on Tender Offer for Investment Units of Hankyu Hanshin REIT, Inc. by CITCO TRUSTEES (UT) LIMITED AS TRUSTEE OF 3D ENDEAVOR MASTER FUND – II

On February 13, 2025, CITCO TRUSTEES (UT) LIMITED AS TRUSTEE OF 3D ENDEAVOR MASTER FUND - II (hereafter the "Tender Offeror") commenced a tender offer (hereafter the "Tender Offer") for 60,208 units (ownership ratio [Note] 8.66%) to 94,968 units (ownership ratio 13.66%) of the investment units (hereafter the "Investment Units") of Hankyu Hanshin REIT, Inc. (hereafter "HHR"). HHR hereby announces that the Board of Directors of HHR has resolved, by the unanimous consent of the Executive Director and Supervisory Directors, to take a neutral position toward the Tender Offer and to leave it to each unitholder to decide whether or not to tender the Investment Units to the Tender Offer.

(Note) According to the tender offer registration statement (hereafter the "Tender Offer Registration Statement") about the Tender Offer filed on February 13, 2025 by the Tender Offeror, "ownership ratio" means the ratio (rounded to the second decimal place) calculated based on the total number of issued and outstanding investment units (695,200 units), obtained by deducting the 0 units of treasury investment units from the 695,200 units of issued and outstanding investment units as of November 30, 2024, as described in "Hankyu Hanshin REIT, Inc. Financial Results for the 39th Fiscal Period From June 1, 2024 to November 30, 2024" released by HHR on January 24. Hereinafter, the same shall apply.

1. Overview of the Tender Offeror (Note)

① Name	CITCO TRUSTEES (UT) LIMITED AS TRUSTEE OF 3D ENDEAVOR MASTER FUND – II
② Address	89 Nexus Way, Camana Bay, PO Box 31106, Grand Cayman, KY-1-1205, Cayman Islands
③ Grounds of Establishment, etc.	Trust established under Cayman Islands law
④ Name of the Trustee	Citco Trustees (UT) Limited
⑤ Description of Business	Investment business, including raising funds and acquiring, holding, selling, or disposing of investment securities
⑥ Total Investment Amount	JPY 770,010,000
⑦ Date of Establishment	March, 2024
⑧ Relationship between HHR and the Tender Offeror	
Relationship between HHR and the Tender Offeror	3D Opportunity Master Fund, managed by 3DIP, which also provides discretionary investment management service as a trust to the trustee of the Tender Offeror, Citco Trustees (UT) Limited, owns 9,312 units (ownership ratio 1.34%) of the Investment Units.
Relationship between HHR and the Trustee	Not applicable, except as described above.

(Note) Descriptions of the Tender Offeror are based on the Tender Offer Registration Statement.

2. Purchase Price

JPY143,770 per investment unit

3. Details of, and Grounds and Reasons for, the Opinion regarding the Tender Offer

(1) Details of the opinion regarding the Tender Offer

HHR has resolved at the executive meeting of HHR held on March 19, 2025, to take a neutral position toward the Tender Offer based on the grounds and reasons described below in “(2) Grounds and reasons for the opinion regarding the Tender Offer,” and to leave it to each unitholder to decide whether or not to tender Investment Units to the Tender Offer.

(2) Grounds and reasons for the opinion regarding the Tender Offer

(i) How and why HHR resolved to reserve its opinion on the Tender Offer as of February 25, 2025

Since the commencement of the Tender Offer, HHR carefully evaluated and examined the details of the Tender Offer. However, the Board of Directors of HHR resolved to reserve making a statement of opinion on the Tender Offer on that date by the unanimous consent of the Executive Director and Supervisory Directors at the executive meeting of HHR held on February 25, 2025.

The Tender Offer was made without any prior consultation with HHR. In response to the announcement of the Tender Offer by the Tender Offeror, in order to form HHR’s opinion on the Tender Offer, HHR had attempted to collect information on the trustee of the Tender Offeror, Citco Trustees (UT) Limited and 3D Opportunity Master Fund (hereafter “3Ds”), including an interview by Hankyu Hanshin REIT Asset Management, Inc. (hereafter the “Asset Management Company”), the asset management company of HHR, on February 14, 2025 (hereafter the “Interview on February 14, 2025”) in response to the request from Mr. Kanya Hasegawa, Managing Director of 3DIP (which is stated to provide the trustee of the Tender Offeror with discretionary investment management service), where HHR received an explanation on the purpose of the Tender Offer, the plan after the Tender Offer, among other things.

Furthermore, HHR carefully evaluated and examined the Tender Offer, including the contents of the Tender Offer Registration Statement.

However, the information available to HHR by February 25, 2025, including the contents of the Tender Offer Registration Statement and the explanation at the Interview on February 14, 2025, was limited, and was not clear enough to ascertain the details of various issues considered important in evaluating and examining the appropriateness and any other terms and conditions of the Tender Offer, including the organization of 3Ds regarding the investment management of real estate, the future prospects after the Tender Offer regarding the purpose of 3Ds owning the Investment Units and change in plan for additional acquisition of Investment Units by 3Ds, and the evaluation of the intrinsic value of HHR by 3Ds.

Therefore, the Board of Directors of HHR believed that it should continue to collect information on the Tender Offer and 3Ds and form its opinion regarding the Tender Offer, after carefully evaluating and examining the terms and conditions and the pros and cons of the Tender Offer thereof, from the view of maximizing the value of HHR and the common interest of unitholders.

Accordingly, HHR determined that accurate information on the Tender Offer and 3Ds should be collected using the framework of questions to the Tender Offeror, and the Board of Directors of HHR resolved on February 25, 2025, to file the Opinion Statement, including questions to the Tender Offeror as described in “7. Questions to the Tender Offeror” of “Notice Concerning the Statement of Opinion (Reservation) on Tender Offer for Investment Units of Hankyu Hanshin REIT, Inc. by CITCO TRUSTEES (UT) LIMITED AS TRUSTEE OF 3D ENDEAVOR MASTER FUND – II” on the same date and in Appendix. At the same time, as it was necessary to continue carefully evaluating and examining the appropriateness of the Tender Offer on the basis of the context of the Tender Offeror’s Answer to the questions to be filed by the Tender Offeror, the Board of Directors of HHR resolved to reserve the opinion on the Tender Offer as of February 25, 2025.

(ii) How and why HHR has resolved to take a neutral position toward the Tender Offer

After receiving the questions from HHR, the Tender Offeror filed a report to the Director-General of the Kanto Local Finance Bureau to answer those questions (hereafter the “Tender Offeror’s Answers”) dated March 4, 2025. Since then, HHR has carefully evaluated and examined the contents of the Tender Offer Registration Statement and the Tender Offeror’s Answers, as well as information on the Tender Offer and 3Ds which HHR had collected on its own, with a view to securing and enhancing HHR unitholder value over the medium-to-long-term.

As a result, HHR has resolved at the executive meeting of HHR held on March 19, 2025, by unanimous consent of all Executive Directors and Supervisory Directors, to take a neutral position toward the Tender Offer, and to leave it to each unitholder of HHR to decide whether or not to tender Investment Units to the Tender Offer.

To begin with, according to the Tender Offer Registration Statement and the Tender Offeror’s Answers, 3Ds intends to acquire Investment Units purely for investment purposes. Therefore, HHR considers that the Tender Offeror’s acquisition of Investment Units through the Tender Offer will not contribute to securing and enhancing HHR unitholder value over the medium-to-long-term, and that HHR cannot agree with the Tender Offer.

On the other hand, HHR is unable to clearly determine that the Tender Offeror’s acquisition of Investment Units through the Tender Offer would or could have a serious negative impact on HHR securing and enhancing unitholder value over the medium-to-long-term.

According to the Tender Offer Registration Statement and the Tender Offeror's Answers, 3Ds intends to own the Investment Units purely for investment purposes and does not intend to control HHR's management through the exercise of voting rights, or to influence HHR's management through important proposal activities or director appointments. On the other hand, after the completion of the Tender Offer, 3Ds plans to request HHR to hold IR meetings, and to convey 3Ds' views at the IR meetings, including market valuation of HHR's portfolio, and HHR's efforts and policies such as capital allocation of HHR's asset management to realize internal and external growth. 3Ds has also stated that they have no specific policies from their own view to date, but HHR does not believe that HHR can completely rule out the possibility that 3Ds may require HHR to implement measures that may have a serious negative impact on securing and enhancing unitholder value over the medium-to-long-term by pursuing short-term profits.

In addition, with respect to 3Ds' investment policy for the Investment Units or other practices, the Tender Offer Registration Statement and the Tender Offeror's Answers state, among other things, that owning the Investment Units is purely for investment purposes, and that no further acquisition of Investment Units is planned, but many of these statements are subject to certain conditions, including "at this moment." This means that HHR cannot exclude the possibility that, notwithstanding the description in the Tender Offer Registration Statement and the Tender Offeror's Answers, 3Ds may change its condition that owning the Investment Units is purely for investment purposes, and may acquire additional Investment Units, after the completion of the Tender Offer.

In fact, as described above, taking into account that 3Ds has stated that owning the Investment Units is purely for investment purposes, and that no further acquisition of Investment Units is planned, We believe that at this time, it cannot be determined that 3D's ownership of Investment Units could prevent HHR from securing and enhancing unitholder value over the medium-to-long-term. In addition, 3Ds is permitted to acquire 104,280 units of the Investment Units at maximum (an ownership ratio of 15.00%) as the Tender Offer is set with that maximum number. In light of these circumstances, HHR believes that it is difficult to say that there is a risk of a serious negative impact on securing and enhancing unitholder value over the medium-to-long-term even if 3Ds changes the purpose of owning the Investment Units to other than investment.

Furthermore, HHR has taken into account the following points in the circumstances of HHR, in addition to securing and enhancing HHR unitholder value over the medium-to-long-term, and the purchase price of each HHR Investment Unit (hereafter "Purchase Price").

- ① The premium of 10% to 17.85% to both the closing price on February 10, 2025, which is before the Tender Offer was publicly announced, and the mean value of the closing prices of the last one, three and six months to that date, while the 143,770 yen of the Purchase Price is only approximately 80% of the NAV per unit of HHR, 180,422 yen (as of November 30, 2024).
- ② As set out in "Notice Concerning Acquisition of Domestic Real Estate, and Transfer of Domestic Real Estate Trust Beneficiary Interest" dated March 11, 2025, and "Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Interest" and "Notice Concerning Revision to the Forecasts of Financial Results and Distribution for the Fiscal Period Ending May 2025 and Ending November 2025" dated March 19, HHR announced its asset replacement measure for the growth of distribution, and HHR has been taking, and will take, various measures to enhance HHR unitholder value, regardless of whether or not HHR will proceed with the Tender Offer and whether or not the Tender Offer is successful.
- ③ It is planned that Hankyu Hanshin Properties Corp. (Note) will acquire additional Investment

Units, which is expected to bring sponsor support that will contribute to the sustainable growth of HHR and will assuredly provide HHR's unitholders with certain selling opportunities other than through the Tender Offer.

- ④ Even if the Tender Offer is completed, it is expected that the Investment Units will continue to be listed and that it will be possible for HHR's unitholders to choose to retain their Investment Units because the maximum number of Investment Units to be purchased has been set and because 3Ds does not intend to acquire additional Investment Units and have the Investment Units delisted as a result of the Tender Offer at the time the Tender Offer Registration Statement and the Tender Offeror's Answers were submitted, regardless of whether or not 3Ds will be able to acquire the maximum number of Investment Units to be purchased.

(Note) As stated in "Notice Concerning Acquisition of Additional HHR Investment Units by Hankyu Hanshin Properties Corp" dated March 19, 2025, HHR received a notice from Hankyu Hanshin Properties Corp., a sponsor company of HHR, that it will acquire additional Investment Units in the market through entrusting their purchase to a securities company (maximum number of Investment Units to be acquired: 81,185 units; acquisition period: March 21, 2025, to March 19, 2026 (planned)). HHR has sought to maximize unitholders' interest by obtaining opportunities for external and internal growth with the cooperative strategy under which HHR acquires properties owned and stably operated, or part of properties newly developed, by Hankyu Hanshin Holdings Group (the corporate group under Hankyu Hanshin Holdings, Inc. as a holding company; hereafter the "Sponsor Group") and the Sponsor Group undertakes the next development using the funds. The Additional Acquisition further clarifies the intention of support by the Sponsor Group, and going forward, the sponsor support contributing to sustainable growth of HHR is expected.

Based on the foregoing, HHR believes that it is very difficult to find any reason to support or oppose the Tender Offer, and as a result, HRR should take a neutral position toward the Tender Offer and leave it to each unitholder of HHR to decide whether or not to tender Investment Units to the Tender Offer.

- (3) Whether or not there are plans for the Tender Offeror to acquire additional Investment Units after the Tender Offer

According to the Tender Offer Registration Statement, as of the filing date of the Tender Offer Registration Statement, 3Ds do not plan to acquire additional Investment Units regardless of whether the Tender Offeror will be able to acquire Investment Units up to the maximum number of Investment Units (94,968 units, ownership ratio 13.66%) to be purchased in the Tender Offer.

- (4) Possibility of delisting and reasons therefor

As of the date of this announcement, the Investment Units are listed on the Real Estate Investment Trust Securities Market of the Tokyo Stock Exchange, Inc.

According to the Tender Offer Registration Statement, 3Ds intend to own the Investment Units purely for investment purposes and set the maximum units to be purchased through the Tender Offer at 94,968 units, therefore, the maximum ownership ratio of the Investment Units by 3Ds after the Tender Offer will be 15.00% at maximum, and the Investment Units are not expected to be delisted.

(5) Measures to ensure fairness and measures to avoid conflicts of interest

HHR appointed Anderson Mori & Tomotsune as its legal adviser, which is independent of both HHR and the Tender Offeror, to ensure the fairness and appropriateness of the decision-making process in reviewing the Tender Offer. With the advice of the external adviser and other experts, we carefully reviewed the Tender Offer. Please note that Anderson Mori & Tomotsune is not classified as a party related to HHR and the Tender Offeror, nor does it have any significant vested interest in the Tender Offer to be identified here. The Tender Offer Period of the Tender Offer (hereafter the “Tender Offer Period”) was intended to be 20 business days, which was the shortest period as set forth in law. However, HHR planned to carefully evaluate and review the Tender Offeror’s Answer, once filed by the Tender Offeror, together with the details of the Tender Offer Registration Statement and other related information, and to decide HHR’s final opinion on the Tender Offer to be released. In addition, as described in “8. Request for Extension of the Tender Offer Period” below, HHR made a Request for Extension of the Tender Offer Period of the Tender Offer pursuant to Section 2, Paragraph 2, Article 27-10 of the Act. This was partly because it was expected to take some time to finalize HHR’s opinion on the Tender Offer, and partly because it was thought that it was necessary to ensure that unitholders have sufficient time to consider carefully whether or not to tender on the basis of the Opinion Statement once filed by HHR. The Tender Offer Period of the Tender Offer after the extension pursuant to Paragraph 3, Article 27-10 of the Act will expire on Friday, March 28, 2025 (after 30 business days).

4. Matters Related to Important Agreements among Tender Offeror and the Unitholders and/or Directors of HHR Concerning Tendering Tender Offer

Not applicable.

5. Details of Provision of Benefits from the Tender Offeror or a Special Related Party of the Tender Offeror

Not applicable.

6. Response Policy with respect to Basic Policy Related to Corporate Control of Company

Not applicable.

7. Questions to the Tender Offeror

There is no change to the content described in “Notice Concerning the Statement of Opinion (Reservation) on Tender Offer for Investment Units of Hankyu Hanshin REIT, Inc. by CITCO TRUSTEES (UT) LIMITED AS TRUSTEE OF 3D ENDEAVOR MASTER FUND – II.”

8. Request for Extension of Tender Offer Period

As described in “(5) Measures to ensure fairness and measures to avoid conflicts of interest” under “3. Details of, and Grounds and Reasons for, the Opinion regarding the Tender Offer,” the Tender Offer Period of the Tender Offer was intended to be 20 business days, which was the shortest period as set forth in law. However, HHR planned to carefully evaluate and review the Tender Offeror’s Answer, once filed by the Tender Offeror, together with the details of the Tender Offer Registration Statement and other related information, and to decide HHR’s final opinion on the Tender Offer to be released. In addition, HHR requested Extension of the Tender Offer Period of the Tender Offer pursuant to Section 2, Paragraph 2, Article 27-10 of the Act. This was partly because it was expected to take some

time to finalize HHR's opinion on the Tender Offer, and partly because it was thought that it was necessary to ensure that unitholders have sufficient time to consider carefully whether or not to tender on the basis of the Opinion Statement once filed by HHR. The Tender Offer Period of the Tender Offer after the extension pursuant to Paragraph 3, Article 27-10 of the Act will expire on Friday, March 28, 2025 (after 30 business days).

*HHR' website is <https://www.hankyuhanshinreit.co.jp/>