HEIWA REAL ESTATE REIT, Inc.

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For Immediate Release

REIT Issuer
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Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units

HEIWA REAL ESTATE REIT, Inc. (the "Investment Corporation") announces that it has passed a resolution at a meeting of its Board of Directors held today, concerning the issuance of new investment units and the secondary offering of investment units as follows.

Details

1. Issuance of new investment units through public offering (Primary Offering)

(1)	Number of investment units to be offered	54,300 units
(2)	Amount to be paid in (issue value)	To be determined The amount to be paid in will be determined at a meeting of the Investment Corporation's Board of Directors to be held on a date between Wednesday, November 25, 2026 and Monday, November 30, 2026 in accordance with the methods stated in Article 25 of the Japan Securities Dealers Association's Rules Concerning Underwriting, Etc. of Securities (the "Pricing Date").
(3)	Total amount to be paid in (total issue value)	To be determined
(4)	Issue price (offer price)	To be determined The issue price (offer price) will be determined in accordance with methods stated in Article 25 of the Japan Securities Dealers Association's Rules Concerning Underwriting, Etc. of Securities. If the Pricing Date is Wednesday, November 25, 2026 or Thursday, November 26, 2026, the price will be provisionally calculated (price shall be rounded down to the nearest yen) by deducting the 4,030 yen in distributions per unit forecast for the fiscal period ending November 30, 2026 (excluding distributions in excess of projected earnings) from the closing price in regular trading of the Investment Corporation's

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		investment units (“Investment Units”) on the Tokyo Stock Exchange (“TSE”) on the Pricing Date (the closing price for the units on the immediately preceding date in the event that no price is available on the Pricing Date) and by multiplying the result by a number between 0.90 and 1.00, and, if the Pricing Date is Friday, November 27, 2026 or Monday, November 30, 2026, the price will be provisionally calculated (price shall be rounded down to the nearest yen) by multiplying a number between 0.90 and 1.00 by the closing price in regular trading of the Investment Units on the TSE on the Pricing Date (or, if there is no closing price on that day, the amount obtained by deducting the above forecast distributions per unit (excluding distributions in excess of projected earnings) from the closing price on the immediately preceding date; provided, however, that if the Pricing Date is Monday, November 30, 2026 and there is no closing price on that day but there is a closing price on Friday, November 27, 2026, the closing price on Friday, November 27, 2026), taking market demand and other factors into consideration.
(5)	Total amount of issue price (total offer price)	To be determined
(6)	Offering method	The Investment Units shall be offered through a primary offering and shall be purchased and underwritten in full by a group of underwriters of which certain Japanese underwriters are the joint lead managers (the "Joint Lead Managers") and other underwriters (the Joint Lead Managers and other such underwriters, collectively, the “Underwriters”). Certain of the Joint Lead Managers also act as joint book runners (the "Joint Book Runners"). Some of the Investment Units to be issued above may be sold to overseas investors in the overseas markets, mainly in Europe and Asia, excluding the United States and Canada.
(7)	Details of underwriting agreement	The Underwriters shall pay the Investment Corporation the total amount equivalent to the total amount to be paid in (issue value) on the payment date stated in the following item (11). The difference between the total amount to be paid in for the primary offering (issue value) and the total amount of the issue price (offer price) shall be the proceeds of the Underwriters. The Investment Corporation shall pay no underwriting fee to the Underwriters.
(8)	Subscription unit	1 unit or more, in multiples of 1 unit
(9)	Subscription period	The first business day following the Pricing Date.
(10)	Payment period for deposit in securities	From the business day following the Pricing Date to the day two business days after the Pricing Date
(11)	Payment date	Any day between Tuesday, December 1, 2026 and Friday, December 4, 2026. However, it shall be the fourth business day after the Pricing Date.
(12)	Delivery date	The business day following the payment date
(13)	The issue price (offer price), the amount to be paid in (issue value) and other matters necessary for the issuance of new investment units through the primary offering shall be determined at future meetings of the Investment Corporation’s Board of Directors.	
(14)	Each of the above items shall be subject to the effectuation of securities registration under the Financial Instruments and Exchange Act.	

2. Secondary offering of investment units (Secondary offering through over-allotment)

(1)	Seller	The lead Underwriter (the “Lead Underwriter”)
(2)	Number of investment units to be offered in the secondary	2,700 units

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	offering	
		The number of investment units to be offered through the secondary offering is the maximum number of investment units that the Lead Underwriter will allocate by means of a secondary offering through over-allotment, taking demand conditions and other factors in the primary offering into consideration. This number may decrease or the secondary offering through over-allotment itself may not be conducted at all, depending on demand conditions and other factors. The number of investment units to be offered through the secondary offering will be determined on the Pricing Date, taking demand conditions and other factors into consideration.
(3)	Secondary offer price	To be determined (The secondary offer price will be determined on the Pricing Date. In addition, the secondary offer price shall be the same as the issue price (offer price) for the primary offering.)
(4)	Total amount of secondary offer price	To be determined
(5)	Offering method	Taking demand conditions and other factors in the primary offering into account, the Lead Underwriter will conduct the secondary offering of Investment Units to be borrowed from Heiwa Real Estate Co., Ltd. ("Heiwa Real Estate") ("Borrowed Investment Units"), an investor in the Investment Corporation and a shareholder of HEIWA REAL ESTATE Asset Management CO., LTD. (the "Asset Management Company"), with up to 2,700 units as the upper limit, separate from the primary offering.
(6)	Subscription unit	1 unit or more, in multiples of 1 unit
(7)	Subscription period	Same as the primary offering subscription period
(8)	Payment period for deposit in securities	Same as the primary offering payment period for deposit in securities
(9)	Delivery date	Same as the primary offering delivery date
(10)	The secondary offer price and other matters necessary for the secondary offering of investment units through over-allotment shall be determined at future meetings of the Investment Corporation's Board of Directors.	
(11)	Each of the above items shall be subject to the effectuation of securities registration under the Financial Instruments and Exchange Act.	

3. Issuance of new investment units through third-party allotment (Third-party allotment)

(1)	Number of investment units to be offered	2,700 units
(2)	Amount to be paid in (issue value)	To be determined (The amount to be paid in will be determined on the Pricing Date. In addition, the amount to be paid in shall be the same as the amount to be paid in (issue value) in the primary offering.)
(3)	Total amount to be paid in (total issue value)	To be determined
(4)	Allottee and allotted units	The Lead Underwriter: 2,700 units
(5)	Subscription unit	1 unit or more, in multiples of 1 unit
(6)	Subscription period (subscription date)	Friday, December 25, 2026
(7)	Payment date	Monday, December 28, 2026
(8)	Investment units, for which no application for subscription is made by the end of the subscription period stated in item (6) above (subscription date) shall not be issued.	
(9)	The amount to be paid in (issue value) and other matters necessary for the issuance of new investment units through the third-party allotment shall be determined at future meetings of the Investment Corporation's	

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Board of Directors.

（10） Each of the above items shall be subject to the effectuation of securities registration under the Financial Instruments and Exchange Act.

＜Reference＞

1. Secondary offering through over-allotment, etc.

（1） The Lead Underwriter may conduct a secondary offering of the Investment Units (secondary offering through over-allotment), separate from the primary offering, by borrowing from Heiwa Real Estate a maximum of 2,700 units, taking demand conditions and other factors in the primary offering into consideration. The number of investment units to be offered through the secondary offering through over-allotment shall be 2,700. This is the maximum number of units to be allocated for the secondary offering. The number may decrease or the secondary offering through over-allotment itself may not be conducted at all, depending on demand conditions and other factors.

In connection with the secondary offering through over-allotment, the Investment Corporation's Board of Directors resolved at its meeting held on Thursday, November 19, 2026 to issue 2,700 Investment Units to the Lead Underwriter by means of third-party allotment with Monday, December 28, 2026 as the payment date, for the purpose of satisfying the obligation of the Lead Underwriter to return the Borrowed Investment Units.

During the period from the date immediately after the date on which the subscription period for both the primary offering and the secondary offering through over-allotment ends to Thursday, December 24, 2026 (the "Syndicate Cover Transaction Period"), the Lead Underwriter may purchase Investment Units on the TSE in a quantity up to a number specified in the secondary offering through over-allotment with the purpose of returning the Borrowed Investment Units ("Syndicate Cover Transactions"). All Investment Units acquired by the Lead Underwriter through Syndicate Cover Transactions shall be used to return the Borrowed Investment Units. During the Syndicate Cover Transaction Period, the Lead Underwriter at its discretion may not perform any Syndicate Cover Transactions or terminate Syndicate Cover Transactions before the number of units purchased reaches the number of units of the secondary offering through over-allotment.

In addition, the Lead Underwriter may engage in stabilizing transactions in connection with the primary offering and the secondary offering through over-allotment. The Lead Underwriter may use all or part of the Investment Units purchased through such stabilizing transactions for returning Borrowed Investment Units.

In response to the third-party allotment, the Lead Underwriter plans to acquire Investment Units in the number determined by deducting the number of investment units purchased through stabilizing transactions and the Syndicate Cover Transactions and used to return the Borrowed Investment Units from the number of investment units to be offered in the secondary offering through over-allotment. Accordingly, subscriptions may not be made for all or part of the Investment Units to be issued through the third-party allotment. As a result, the final number of investment units issued in the third-party allotment may decrease to the extent set by the number of the unsubscribed investment units or the issuance of investment units through the third-party allotment may not take place at all due to the forfeiture of subscription rights.

Whether or not the secondary offering through over-allotment will take place, as well as the number of investment units to be offered in the event the secondary offering through over-allotment is conducted will be decided on the Pricing Date. The Lead Underwriter will not borrow the Investment Units from Heiwa Real Estate if the secondary offering through over-allotment does not take place. In this case, the issuance of new investment

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units through the third-party allotment will not take place at all due to forfeiture because the Lead Underwriter will not accept the third-party allotment and subscriptions will not occur. Moreover, no Syndicate Cover Transactions will take place on the TSE.

(2) The transactions described in (1) above will be carried out by the Lead Underwriter in consultation with the other Joint Book Runners.

2. Change in the total number of outstanding investment units after this issuance of new investment units

Total number of outstanding units as of today	1,343,533 units	
Increase in the number of investment units associated with the issuance of new investment units in the primary offering	54,300 units	
Total number of outstanding investment units after the issuance of new investment units in the primary offering	1,397,833 units	
Increase in the number of investment units associated with the third-party allotment	2,700 units	(Note)
Total number of outstanding investment units after the third-party allotment	1,400,533 units	(Note)

Note: The numbers of investment units stated above assume that the Lead Underwriter subscribes to all the Investment Units through the third-party allotment, and that all such investment units are issued. Subscriptions may not be made for all or part of the Investment Units issued through the third-party allotment. As a result, the final number of investment units issued through the third-party allotment may decrease to the extent set by the number of unsubscribed investment units or the issuance of investment units through the third-party allotment may not take place at all due to the forfeiture of subscription rights. Please refer to the subsection (1) in section 1. Secondary offering through over-allotment, etc. above for details.

3. Purpose and reason for the issuance

Following consideration, taking into account real estate sales market conditions, investment unit market trends, the level of distribution, and the level of NAV per unit, etc. with the aim of improving the profitability and quality of the portfolio by acquiring new 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) through financing by issuing new investment units and for the purpose of strengthening the financial base by lowering the ratio of interest-bearing debt to total assets (LTV), the Investment Corporation has determined that the growth in distributions per unit is expected to exceed the dilution of investment units and contribute to further enhancement of unitholder value and therefore decided to issue new investment units.

4. Amount of proceeds, their use and planned disbursement date

(1) Amount of proceeds (estimated net proceeds)

6,462,000,000 yen (maximum)

Note: The amount above is the sum of the net proceeds of 6,156,000,000 yen from the primary offering and the maximum net proceeds of 306,000,000 yen from the issuance of new investment units through the third-party allotment. The amount stated above is an estimate based on the closing price for regular transactions in Investment Units on the TSE on November 6, 2026 (Friday).

(2) Specific use of proceeds and their planned disbursement date

The net proceeds (6,156,000,000 yen) to be received from the primary offering will be used to partially fund acquisitions of the specified assets. In addition, the Investment Corporation plans to use the maximum net proceeds from the issuance of new investment units through third-party allotment (306,000,000 yen) to fund a part of the expenses associated with the acquisition of the specified assets and a part of the expenses necessary for the primary offering and the issuance of new investment units through third-party allotment. Remaining balance (if any) will be

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kept as part of cash reserves to be used for a part of future acquisitions of specified assets.

For details of the specified assets, please refer to "Notice Concerning Acquisition of Domestic Assets (HF MINAMI-SHINAGAWA BUILDING I, HF MINAMI-SHINAGAWA BUILDING II and HF MINAMI-SHINAGAWA BUILDING III)" released today.

Note: The Investment Corporation will place the proceeds with a financial institution until their disbursement.

5. Designation of Purchasers

The Underwriters plan to sell 1,300 units and 10,000 units of the Investment Units to be offered through the primary offering to the Asset Management Company and Heiwa Real Estate, respectively, as the purchasers designated by the Investment Corporation.

6. Restrictions on sale, additional issuance, etc.

(1) In connection with the primary offering, the Investment Corporation plans to request Heiwa Real Estate to undertake to the Underwriters acting as the Joint Lead Managers that no sale or the like (excluding the lending of Investment Units in connection with the secondary offering through over-allotment and the like) will be conducted involving the 162,145 Investment Units which Heiwa Real Estate has held since before the primary offering and the 10,000 Investment Units which Heiwa Real Estate is scheduled to acquire through the primary offering, without the prior written consent of the Underwriters acting as the Joint Lead Managers during the period commencing on the Pricing Date and ending on the date 180 days after the delivery date of the Investment Units.

In the event of the above, the Underwriters acting as the Joint Lead Managers are scheduled to have the authority to cancel any such agreement, in whole or in part, during the restriction period, or shorten the restriction period at their discretion.

(2) In connection with the primary offering, the Asset Management Company will be requested to agree with the Joint Lead Managers that no sale or the like will be conducted involving the 3,334 Investment Units which the Asset Management Company has owned since before the primary offering and the 1,300 Investment Units which the Asset Management Company plans to acquire through the primary offering, without the prior written consent of the Joint Lead Managers during the period commencing on the Pricing Date and ending on the date 180 days after the delivery date of the Investment Units.

In the event of the above, the Joint Lead Managers are scheduled to have the right to cancel any such agreement, in whole or in part, during the restriction period, or shorten the restriction period at their discretion.

(3) In connection with the primary offering, the Investment Corporation will agree with the Joint Book Runners that no issuance of Investment Units or the like (excluding the issuance of Investment Units or the like in cases such as the primary offering, the third-party allotment and the split of investment units) will be conducted without the prior written consent of the Joint Book Runners during the period commencing on the Pricing Date and ending on the date 90 days after the delivery date of the Investment Units.

In the event of the above, the Joint Book Runners will have the right to cancel any such agreement, in whole or in part, during the restriction period, or shorten the restriction period at their discretion.

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

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