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May 16, 2025

For immediate release

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**Notice of Stock Split and Related Partial Amendment to the Articles of Incorporation, Revision to
Planned Dividend, and Change (Enhancement) to Shareholder Benefit Program**

Heiwa Real Estate Co., Ltd. (hereafter, the “Company”) announced today that it has resolved to implement a stock split together with a related partial amendment to the Articles of Incorporation, a revision to the planned dividend, and a change to the shareholder benefit program, as outlined below.

1. Stock split

(1) Purpose

The purpose of the stock split is to lower the investment unit price of the Company’s shares, thereby creating a more accessible investment environment for investors with a view to expanding the investor base.

(2) Overview

i. Method

The stock split will be conducted at a ratio of 2-for-1, with the Company’s common shares held by shareholders recorded in the shareholder register as of the record date, June 30, 2025.

ii. Number of shares to be issued

Total number of outstanding shares prior to the stock split	38,859,996
ii. Number of shares to be issued as a result of the stock split	38,859,996
Number of shares to be issued following the stock split	77,719,992
Total number of authorized shares following the stock split	220,000,000

iii. Schedule

Announcement of record date (scheduled)	June 13, 2025 (Friday)
Record date	June 30, 2025 (Monday)
Effective date	July 1, 2025 (Tuesday)

(3) Other

- There will be no change in the amount of share capital as a result of this stock split.
- Since the effective date of this stock split is July 1, 2025, the fiscal year-end dividend per share for the

fiscal year ended March 31, 2025, based on the record date of March 31, 2025, will be calculated based on the number of shares outstanding before the stock split.

2. Related partial amendment to the Articles of Incorporation

(1) Reason for amendment

In line with this stock split, the total number of authorized shares will be amended as of July 1, 2025, in accordance with Article 184, Paragraph 2 of the Companies Act.

(2) Details

The details of the amendment are as follows:

(Changes have been underlined.)

Articles of Incorporation Prior to Amendment	Articles of Incorporation Following Amendment
(Total Number of Authorized Shares) Article 6: The total number of authorized shares of the Company shall be 110,000,000 shares.	(Total Number of Authorized Shares) Article 6: The total number of authorized shares of the Company shall be 220,000,000 shares.

(3) Schedule of the amendment

Effective date: July 1, 2025

3. Revision to planned dividend

In line with this stock split, the planned dividend per share amounts for the fiscal year ending March 31, 2026, as disclosed in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025,” issued on April 30, 2025, will be revised as follows. The revision to the planned dividends takes into account the increased number of shares due to the stock split. As a result, while the dividend per share will be adjusted, the total annual dividend payout will remain the same as previously announced.

	Annual dividends per share		
	Interim	Year-end	Total
Previous plan (Announced on April 30, 2025)	¥73	¥103 (Comprised of ordinary dividends totaling ¥73 per share and special dividend of ¥30 per share)	¥176 (Comprised of ordinary dividends totaling ¥146 per share and special dividend of ¥30 per share)
Revised plan	¥36	¥52 (Comprised of ordinary dividends totaling ¥37 per share and special dividend of ¥15 per share)	¥88 (Comprised of ordinary dividends totaling ¥73 per share and special dividend of ¥15 per share)
[Calculated on a pre-split basis]	[¥72]	[¥104] (Comprised of ordinary dividends totaling ¥74 per share and special dividend of ¥30 per share)	[¥176] (Comprised of ordinary dividends totaling ¥146 per share and special dividend of ¥30 per share)

	Annual dividends per share		
	Interim	Year-end	Total
Dividend per share paid in the previous fiscal year (ended March 31, 2025)	¥63	¥109 (Comprised of ordinary dividends totaling ¥79 per share and special dividend of ¥30 per share)	¥172 (Comprised of ordinary dividends totaling ¥142 per share and special dividend of ¥30 per share)

4. Change (enhancement) to shareholder benefit program

(1) Reason for amendment

The Company distributes shareholder benefits each year based on the number of shares held and the duration of ownership as of the shareholder registry date on March 31.

In conjunction with this stock split, the criteria for the shareholder benefit program will be revised as follows.

The purpose of this change is to increase the attractiveness of investing in the Company's shares and encourage more shareholders to hold shares over the medium and long term. Specifically, the criteria for long-term shareholders will be expanded to 500 shares or more post-split (previously 250 shares or more prior to the split).

(2) Details

Prior to Change		Following Change	
100 to 299 shares	Daimaru Matsuzakaya Department Stores catalog gift (online catalog gift worth ¥3,000)	200 to 499 shares (previously 100 to 249 shares)	Daimaru Matsuzakaya Department Stores catalog gift (online catalog gift worth ¥3,000)
300 shares or more (holding period less than three years)		500 shares or more (previously 250 shares or more) (holding period less than three years)	
300 shares or more (holding period three years or more; long-term shareholders)	Daimaru Matsuzakaya Department Stores catalog gift (online catalog gift worth ¥5,000)	<u>500 shares or more</u> <u>(previously 250 shares or more)</u> (holding period three years or more; long-term shareholders*)	Daimaru Matsuzakaya Department Stores catalog gift (online catalog gift worth ¥5,000)

* The “long-term shareholders” under the new system are those who have continuously held 500 shares or more (250 shares or more prior to the stock split) for three years or more. Specifically, this refers to shareholders who have been listed or recorded in the shareholder registry under the same shareholder number on the record dates (March 31 and September 30) for at least seven consecutive times.

(3) Timing of change

The revised program will apply to shareholders listed in the shareholder registry as of March 31, 2026.