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For Immediate Release

Real Estate Investment Trust Securities Issuer

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SANKEI REAL ESTATE Inc.

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(TSE code: 2972)

Asset Management Company

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Notice of Additional Acquisition of Investment Units by The Sankei Building Co., Ltd.

Sankei Building Asset Management Co., Ltd., the asset management company to which SANKEI REAL ESTATE Inc. (“SANKEI REAL ESTATE”) entrusts the management of its assets (the “Asset Management Company”), announces that it received a notice today from the sponsor, The Sankei Building Co., Ltd. (the “Sponsor”), indicating that it will additionally acquire investment units (the “Initiative”) of SANKEI REAL ESTATE.

The acquisition of these investment units constitutes an acquisition of 5% or more on a voting rights basis and constitutes “an act equivalent to a tender offer” as defined in Article 31 of the Order for Enforcement of the Financial Instruments and Exchange Act. Moreover, matters scheduled to be determined stated in this notice are scheduled to be announced once SANKEI REAL ESTATE receives a notification from the Sponsor, given the finalization of transaction conditions on the domestic real estate trust beneficiary rights and others described in “Notice of Revival Plan and Granting of Preferential Negotiation Rights for Sale and Acquisition of Domestic Real Estate Trust Beneficiary Rights” separately announced today.

This document serves as both a disclosure by SANKEI REAL ESTATE under the Securities Listing Regulations and a public announcement made in accordance with Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act based on a request made to SANKEI REAL ESTATE (the investment corporation for unit purchase) by The Sankei Building Co., Ltd.

1. Details of the Acquisition

(1)	Total number of investment units to be acquired	The maximum number to be acquired will be 46,652 units. However, if the price of the investment units exceeds the initially set maximum price during the acquisition period, the maximum number of units to be acquired may not be reached or the acquisition may not take place at all.
(2)	Acquisition period	The acquisition period will be a maximum of 220 business days from the date determined by the Sponsor during the period from today to the end of February 2024. However, it may be terminated during the period if the number of investment units acquired reaches the maximum number of investment units, or in other circumstances. Moreover, said date and period (the final acquisition date) will be announced at a later date.
(3)	Acquisition method	The Sponsor will acquire SANKEI REAL ESTATE’s investments units through open market purchases in accordance with a sale transaction agreement to be entered into with a securities company.

2. Significance of the Acquisition

Since its listing, SANKEI REAL ESTATE has been striving to expand the scale of its assets while maintaining and improving earnings of assets under management over the medium to long term by making maximum use of the Sankei Building Group’s platform under its “asset recycling business model.”<sup>(Note 1)</sup> In order to respond to changes

in the business environment triggered by the outbreak of COVID-19, SANKEI REAL ESTATE has decided to implement the “Revival Plan.”<sup>(Note 2)</sup> The Initiative shows the Sponsor’s firm commitment to the Revival Plan, reaffirming the Sponsor’s position as a supporter of SANKEI REAL ESTATE.

Further same-boat investment by the Sponsor aligns the interests of the unitholders of SANKEI REAL ESTATE with those of the Sponsor. Support from the Sponsor is expected to lead to not only the steady execution of the Revival Plan but also SANKEI REAL ESTATE’s sustainable growth.

(Note 1) “The asset recycling business model” is a business model in which SANKEI REAL ESTATE and the Sankei Building Group mutually contribute to each other’s growth. This is achieved by creating an asset cycle in which SANKEI REAL ESTATE acquires and holds real estate invested in and developed by the Sankei Building Group, expanding the scale of these assets. Meanwhile, the Sankei Building Group uses the funds obtained through the sale of assets to generate new real estate investment and development, and the real estate invested in and developed by the Sankei Building Group further becomes (candidate) properties for investment by SANKEI REAL ESTATE.

(Note 2) The Revival Plan consists of three elements designed to eliminate latent risks in SANKEI REAL ESTATE’s internal environment and bring about the revival of SANKEI REAL ESTATE as a REIT capable of sustainable growth: (i) a large-scale portfolio rebalancing, (ii) partial amendment to the management guidelines (conversion to a diversified REIT), and (iii) additional acquisition of investment units by the Sponsor. For details, please refer to “Notice of Revival Plan and Granting of Preferential Negotiation Rights for Sale and Acquisition of Domestic Real Estate Trust Beneficiary Rights” separately announced today and “Supplementary Explanation Material for Today’s Press Releases” to be announced soon.

### 3. Status of Sponsor Ownership of SANKEI REAL ESTATE Investment Units Before and After the Acquisition

	Before	The Acquisition (Maximum)	After (Maximum) (Note 1)	(Reference) At time of IPO (Note 2)
Number of investment units issued and outstanding	467,099 units	467,099 units	467,099 units	238,600 units
Investment units owned by the Sponsor	17,479 units	46,652 units	64,131 units	11,362 units
Sponsor ownership ratio	3.74%	9.99%	13.73%	4.74%

(Note 1) “Investment units owned by the Sponsor” and “Sponsor ownership ratio” are based on the assumption that the maximum number of investment units are all acquired. The actual resulting number of investment units owned and ownership ratio may be less than the figures stated.

(Note 2) These figures incorporate the capital increase through third-party allotment in connection with IPO with March 11, 2019, as the payment date.

\* SANKEI REAL ESTATE Inc. website: <https://www.s-reit.co.jp/en/>