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For Immediate Release

Real Estate Investment Trust Securities Issuer
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Notice Concerning the Decision on the Acquisition of Mezzanine Loan Debt

As announced in the press release dated February 1, 2023 entitled “Notice Concerning Acquisition of Mezzanine Loan Debt -Star Asia Mezzanine Loan Debt Investment Series 8 (Class A Beneficial Interest and Class B Beneficial Interest)” and the press release dated July 19, 2023 entitled “Notice concerning change to planned acquisition date of the Mezzanine Loan Debt”, Star Asia Investment Corporation (“SAR”) has completed the acquisition of the Class B Beneficial Interests (hereinafter referred to as the “Class B Beneficial Interest”) as mezzanine loan debt investment on February 20, 2023, and furthermore, with respect to the Class A Beneficial Interest (hereinafter referred to as the “Class A Beneficial Interest”, and the Class A Beneficial Interest together with the Class B Beneficial Interest are hereinafter referred to as the “Beneficial Interests”), it was announced that it was expected to be acquired on December 31, 2023 or such other date to be separately agreed between SAR and Tokyo Capital Management Co., Ltd. (the current holder of the Class A Beneficial Interest, hereinafter referred to as “TCM”).

Now the acquisition date of the Class A Beneficial Interest has been decided and agreed between SAR and TCM. Details are described below.

1. Change to the acquisition date of the Class A Beneficial Interest

At time of announcement on July 19, 2023:

December 31, 2023, or such other date to be separately agreed between SAR and TCM.

The acquisition date decided today: September 13, 2023

2. Reason for the Decision on the Acquisition Date of the Class A Beneficial Interest

As announced in the press release dated July 19, 2023 entitled “Notice concerning change to planned acquisition date of the Mezzanine Loan Debt”, with respect to the Class A Beneficial Interest, notice was received from Centurion Two Godo Kaisha (hereinafter referred to as the “GK”), the operator of the Beneficial Interests, that there is a possibility that the mezzanine bonds which corresponds to the Beneficial Interests may be redeemed, and in response to this notice, based on discussions between TCM and Star Asia Investment Management Co., Ltd. (the “Asset Manager”), the asset manager for TCM and SAR, it was decided that TCM would continue to hold the Class A Beneficial Interest for the time being from the perspective of avoiding cumbersome practical procedures. However, given that as of present the prospect for redemption is not clear, the acquisition date of the Class A Beneficial Interest was decided.

3. Overview of the Trust Beneficial Interests

The Beneficial Interests are comprised of the Class A Beneficial Interest which corresponds to the Class A Bonds issued by the GK and the Class B Beneficial Interest which corresponds to the Class B Bonds issued by the GK.

Based on SAR’s judgement that the certainty of principal repayment is high, and also that diversification of investment targets will be realized and dividend revenues will be earned as effective use of own funds which is expected to have the effect of boosting distributable income, SAR purchased the Class B Beneficial Interest on February 20, 2023 for 340 million yen, and continues to hold the investment today.

Also, with respect to the Class A Beneficial Interest, an agreement had been signed setting forth that the Class A Beneficial Interest would be acquired on December 31, 2023, or such other date to be separately agreed between SAR and TCM.

(1) Acquisition price of the Beneficial Interests	Class A Beneficial Interest: 430,000,000 yen (Note 1) Class B Beneficial Interest: 340,000,000 yen (Note 2) Total: 770,000,000 yen (excluding acquisition expenses)
(2) Expected Dividend Yield	Class A Beneficial Interest: Base rate (Note 3) + 5.30% Class B Beneficial Interest: Base rate (Note 3) + 7.30%

(Note 1) An amount after deducting fees related to the assignment of the Class A Beneficial Interest (2,365,000 yen (including consumption tax) will be paid.

(Note 2) An amount after deducting fees related to the assignment of the Class B Beneficial Interest (1,870,000 yen (including consumption tax) was paid.

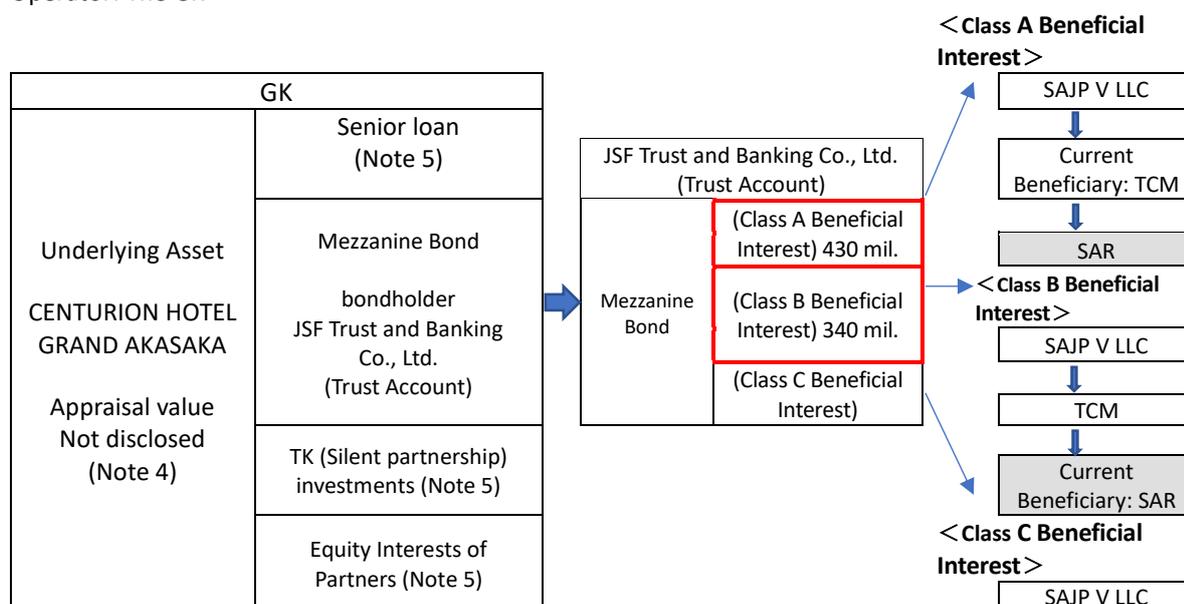
(Note 3) Base rate is JBA 3-month JPY TIBOR. The Japanese yen TIBOR by JBA can be confirmed on the website of the JBA TIBOR Administration (<https://www.jbatibor.or.jp/english/rate/>). For each interest calculation period, the rate announced at 11 a.m. (Tokyo time) two business days prior to the last day of the previous calculation period of the relevant calculation period will be applied as the base rate. The amount to be received after deduction of the trust fees is calculated by the rates below.

Class A Beneficial Interest: Base rate + 5.047%

Class B Beneficial Interest: Base rate + 7.047%

<General Description of the Structure of the Trust Beneficial Interests>

Operator: The GK



(Note 4) The appraisal value stated in the appraisal report obtained by the Asset Manager for the Underlying Asset is not disclosed, because consent to disclosure has not been obtained from the current owner. The LTV which is the ratio of the total amount of the Beneficial Interests and senior claims to the appraisal value is lower than 85%, which is SAR's investment standard for investments in mezzanine loan debts (announced in the "Notice Concerning Acquisition of Mezzanine Loan Debt (Subordinate Bonds)" dated October 25, 2017. The same applies below.)

(Note 5) The lender(s) of the senior loan(s), the TK investors and members of the GK are not disclosed, as consents for such disclosures have not been obtained.

For details regarding the Beneficial Interest, please refer to the press released announced on February 1, 2023 "Notice Concerning Acquisition of Mezzanine Loan Debt- Star Asia Mezzanine Loan Debt Investment Series 8 (Class A Beneficial Interest and Class B Beneficial Interest)".

4. Future outlook

The impact of the decision of the acquisition date of the Class A Beneficial Interest on the on the forecast of operating results for the fiscal period ending January 31, 2024 (August 1, 2023 to January 31, 2024) and the fiscal period ending July 31, 2024 (February 1, 2024 to July 31, 2024) has already been reflected in the “(REIT) Financial Report for Fiscal Period Ended July 31, 2023” which SAR announced on September 13, 2023.

5. Other matters required for investors to appropriately understand and evaluate the above information

In conjunction with the risks related to the refinancing, there are no changes to Part II. Reference Information / II. Information Supplementary to Reference Documents / 3. Investment Risks” stated in the Securities Registration Statement (Japanese only) submitted on August 7, 2023.

SAR, as part of the active management strategy that leads to maximization of unitholders’ value, will continue to consider investments in mezzanine loan debts, which not only realizes diversification of investment targets, but also allows SAR to receive dividend income and boost distributable profits through effective use of cash on hand.

* Star Asia Investment Corporation website address: <https://starasia-reit.com/en/>

*This is an English translation of the announcement in Japanese dated September 13, 2023.
However, no assurance or warranties are given for the completeness or accuracy of this English translation.*