

September 27, 2021

For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
Representative: Atsushi Kato, Executive Officer
(Code: 3468)

Asset Management Company
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Notice Regarding Proposed Amendment of the Articles of Incorporation and Election of Directors

Star Asia Investment Corporation (“SAR”) resolved at its board of directors meeting held today to submit a proposal to SAR’s Fifth General Meeting of Unitholders scheduled to be held on October 28, 2021 (hereinafter referred to as the “Relevant Unitholders’ Meeting”) regarding partial amendment of the Articles of Incorporation and Election of Directors, as described below.

The following matters shall come into effect when they are approved by resolution at the Relevant Unitholders’ Meeting.

1. The main contents of partial amendment of the Articles of Incorporation and the reason for submitting the proposal
 - (A) In association with the revision of accounting standards related to financial instruments, necessary amendments are to be made for a part of SAR’s asset valuation method. (Concerning Article 33 of the current Articles of Incorporation.)
 - (B) For the purpose of enhancing the connection between unitholders’ interest and asset management fees, the calculation formula for the asset management fees payable to the asset management company are to be changed as follows: (a) the upper limit of the rate of On-going Fees I which is calculated based on the total valuation amount of SAR’s managed assets is to be lowered to 0.2% from 0.3%, and (b) the calculation formula for On-going Fees II which is calculated based on “the amount derived by dividing the distributable amounts prior to deducting On-going Fees II as of the end of the relevant business period by the total number of issued and outstanding investment units” and “the total amount of real estate leasing income from the relevant business period after deducting real estate leasing expenses (other than depreciation costs and fixed assets retirement losses)(hereinafter “NOI”)” is to be changed to “an amount to be obtained by multiplying a rate to be separately agreed with the asset management company, to be capped at 7.5% of NOI for the relevant business period”. (Concerning Article 37 of the current Articles of Incorporation.)
 - (C) With respect to the amendments to upper limits of On-going Fees I and On-going Fees II as described in paragraph (B) above (hereinafter referred to as “On-going Fees”), as such amendment will be applied from On-going Fees for SAR’s 12th business period, such effect shall be stipulated in the supplementary provisions. (Concerning Article 42 of the proposed amendment)

(D) In addition to the above, the renumbering of the Articles and other necessary changes associated with the deletion of provisions will be made.

(For details regarding the amendment of the Articles of Incorporation, please refer to the Attachment “Notice of Convocation of the Fifth General Meeting of Unitholders”(Only available in Japanese))

2. Election of Directors

SAR’s executive officer Atsushi Kato and SAR’s supervisory officers Masahiro Tamaki and Tatsuya Harada offered to resign as of the end of the Relevant Unitholders’ Meeting in order to adjust the term of office, and 1 executive officer (Atsushi Kato) and 2 supervisory officers (Masahiro Tamaki and Tatsuya Harada) are to be reelected at the same Relevant Unitholders’ Meeting.

Furthermore, to prepare for the circumstance when there is no executive director in office or where there is a vacancy which results in a shortfall in the number of executive directors prescribed under laws and regulations, one substitute executive director (Akiko Miyazawa (maiden name and full name on duty is Akiko Kanno)) will be elected.

Also, to prepare for the circumstance when there is on supervisory officer in office or where there is a vacancy which results in a shortfall in the number of supervisory officers prescribed under laws and regulations, one substitute supervisory officer (Hirotaka Isayama) will be elected.

(For details regarding election of directors please refer to the Attachment “Notice of Convocation of the Fifth General Meeting of Unitholders”(Only available in Japanese))

3. Schedule for the Relevant Unitholders’ Meeting

September 27, 2021	Board of Directors to approve the proposal to be submitted to the Relevant Unitholders’ Meeting
October 13, 2021	Send Convocation Notices for the Relevant Unitholders’ Meeting (Scheduled)
October 28, 2021	Relevant Unitholders’ Meeting (Scheduled)

<Attachment>

Notice of Convocation of the Fifth General Meeting of Unitholders (Only available in Japanese)

* SAR HP URL: <http://starasia-reit.com>

This is an English translation of the announcement in Japanese dated September 27, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.