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Company: Star Mica Holdings Co., Ltd.
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Announcement Regarding the Formation of a Real Estate Fund for the Securitization of Pre-owned Condominiums

We are pleased to announce that Star Mica Co., Ltd., a core operating company of our group (hereinafter referred to as “Star Mica”), has today securitized a portfolio of our pre-owned condominiums and transferred the trust beneficiary rights to Deneb LLC, a real estate fund for securitizing these assets.

1. Background and Purpose

Guided by our corporate philosophy (mission) of “striving to realize society from ‘build’ to ‘utilize,’” we aim to achieve popularize and establish the housing circular eco-system through supplying renovated condominiums.

As part of this context, in our Mid-Term Plan “Find the Value 2026,” announced January 12, 2024, we positioned the “fund business development” as one of our key business strategies to improve profitability and operational efficiency. We will try to reproduce our unique business model - cultivated over 20 years since our founding - within a securitized fund scheme. This model involves purchasing pre-owned family condominiums with tenants, renovating them after the tenant's leave, and then selling them to home buyers for their own residential use.

As the first initiative to realize this “promotion of fund structuring”, we have successfully formed a securitized fund and commenced its operation by transferring the trust beneficiary rights of pre-owned condominiums owned by Star Mica to Deneb LLC.

Additionally, while Star Mica has made a Tokumei Kumiai (anonymous partnership) investment in Deneb LLC, a portion of these funds used for this investment was raised based on the capital and business alliance with Development Bank of Japan Inc. (hereinafter “DBJ”) on April 30, 2025. For further details on the capital and business alliance with DBJ, please refer to “Notice Regarding Capital and Business Alliance and Issuance of New Shares Through Third-Party Allotment” dated April 30, 2025 and “Notice Regarding Payment Completion for Issuance of New Shares through Third-Party Allotment” on May 16, 2025.

Going forward, we believe that actively promoting the “fund business development” strategy will contribute to enhancing our corporate value in the mid-long term.

2. Overview of the Fund

(1) Name	Deneb LLC	
(2) Location	3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo	
(3) Business Operations	Acquisition, holding, and disposition of real estate beneficial interests	
(4) Relationship with Our Group	Capital Relationship	Star Mica has invested JPY 119 million as a Tokumei Kumiai (anonymous partnership) investment.
	Personnel Relationship	No specific matters to report
	Transaction Relationship	No specific matters to report.

3. Overview of Underlying Assets (Real Estate Trust Beneficiary Rights)

(1) Underlying Assets	Real estate trust beneficiary rights underlying 116 units of pre-owned condominiums with tenants mainly located in the Tokyo Metropolitan Area and Kansai Area, owned by Star Mica.
(2) Transfer Price	JPY 2,432 million
(3) Transferor	Star Mica Co., Ltd.
(4) Transferee	Deneb LLC

4. Future Outlook

We will record the transfer of the underlying assets in our consolidated financial results for the second quarter of the fiscal year ending November 2025. Since this transfer has already factored into our full-year earnings forecast for the fiscal year ending November 2025, which was announced on January 14, 2025, there is no revision to the current full-year earnings forecast at this time.

Note : This document is intended to announce the establishment of Deneb LLC and the transfer of trust beneficiary rights to the company, and is not prepared for the purpose of soliciting investments.