

Disclaimers

This document has been prepared solely for the purpose of providing U.K. and Dutch investors with certain information under Article 23 of the European Alternative Investment Fund Managers Directive (European Directive 2011/61/EU) (the “AIFMD”) as implemented in their respective jurisdictions. Accordingly, you should not use this document for any other purpose.

European Economic Area and United Kingdom Investors

The AIFMD was adopted on June 8, 2011 and was required to be implemented by each Member State of the European Economic Area (the “EEA”) into its national legislation by July 22, 2013. The units of SANKEI REAL ESTATE Inc. (“SRE” or the “AIF”) may not be marketed (within the meaning given to the term “marketing” under the AIFMD), and the Communication may not be conducted, to prospective investors domiciled or with a registered office in any Member State of the EEA or the United Kingdom unless: (i) the units of SRE may be marketed under any national private placement regime (including under the AIFMD) or other exemption in that Member State or the United Kingdom (as applicable); or (ii) the units of SRE can otherwise be lawfully marketed or sold in that Member State or the United Kingdom (as applicable) in circumstances in which the AIFMD does not apply, provided that any such offer or sale is not made to a retail investor as described above. We have made a notification to each of the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten, the “AFM”) and the United Kingdom Financial Conduct Authority pursuant to Article 42 of the AIFMD in order to market the units of SRE in the Netherlands and the United Kingdom, respectively.

Netherlands

The units of SRE are being marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (Wet op het financieel toezicht, or the “Wft”). In accordance with this provision, Sankei Building Asset Management Co., Ltd. (the “the AIFM”) notified with the AFM of its intention to offer these units in the Netherlands. The units of SRE will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that are qualified investors (gekwalificeerde beleggers) within the meaning of Article 1:1 of the Wft. As a consequence neither the AIFM nor SRE is subject to the license requirement for investment institutions (*beleggingsinstellingen*) or their managers pursuant to the Wft. Consequently, the AIFM and SRE are only subject to the supervision of the Netherlands Central Bank (De Nederlandsche Bank) or the AFM for the compliance with the ongoing regulatory requirements as referred to in the Dutch law implementation of Article 42 of the AIFMD. According to Article 23 of the AIFMD, the prospectus is not subject to approval by the AFM. No approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the Regulation (EU) 2017/1129 (the “Prospectus Regulation”) as amended and applicable in the Netherlands.

Prohibition of Sales to EEA Retail Investors

In addition to the restrictions under the AIFMD, the units of SRE are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (the “MiFID II”) including any client, beneficiary, principal, or similar of any person

acting as a trustee, agent, nominee, or similar; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation, as amended. Consequently, no key information document has been prepared required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the units of SRE or otherwise making them available to retail investors in the EEA. Therefore, offering or selling the units of SRE, or otherwise making them available, to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

The units of SRE are being marketed in the United Kingdom pursuant to Article 59 of the United Kingdom Alternative Investment Fund Managers Regulations 2013. In accordance with this provision, AIFM has notified the Financial Conduct Authority (the “FCA”) of its intention to offer these units in the United Kingdom. For the purposes of the United Kingdom Financial Services and Markets Act 2000 (“FSMA”) SRE is an unregulated collective investment scheme which has not been authorized by the FCA. Accordingly, any communication of an invitation or inducement to invest in SRE may be made only to: (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”), as amended; or (ii) high net worth companies, unincorporated associations or other entities falling within Articles 49(2)(a) to (d) of the Order; or (iii) other persons to whom it may lawfully be communicated (all such persons, together being referred to as “Relevant Persons”). In the United Kingdom, this document and its contents are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The transmission of this document and its contents in the United Kingdom to any person other than a Relevant Person is unauthorized and may contravene the FSMA and other United Kingdom securities laws and regulations.

Prohibition of Sales to UK Retail Investors

In addition to the restrictions under the AIFMD, as retained by the United Kingdom in its domestic laws, the Units of SRE are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes of this provision, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129, as it forms part of domestic law by virtue of the EUWA; and the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the units to be offered so as to enable an investor to decide to purchase or subscribe the units.

Consequently no key information document required by Regulation (EU) No 1286/2014, as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”), for offering or selling the units or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the units or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

Article 23 (1)(a)	
Objectives of the AIF	SANKEI REAL ESTATE Inc. (“SRE” or the “AIF”) is a REIT that works on building a diversified portfolio while investing primarily on office buildings and aims to secure stable earnings over the medium to long term.
Investment strategy	<p>SRE’s basic strategy is to expand the scale of its portfolio while maintaining and improving earnings of assets under management over the medium to long term. We aim to execute this strategy by implementing an “asset recycling business model” with the Sankei Building Group, which has significant expertise in real estate development, operation and management as well as by leveraging the unique content and media development capabilities of the Fuji Media Holdings Group’s developers and the Sankei Building Group’s platform.</p> <p>SRE’s portfolio strategies are as follows:</p> <ul style="list-style-type: none"> • Asset Types <p>In October 2023, SRE changed its investment policy to convert to a diversified REIT. SRE’s primary investment target remains office buildings; the ratio of investment in office buildings is now 50-70%. Certain fixed proportion of SRE’s portfolio is generally allocated to other asset types with characteristics different from those of office buildings to attain growth and stability in portfolio revenue, with the goal of building a strong portfolio by stabilizing revenue and achieving growth capable of withstanding the cyclical real estate market. The ratio of investment in our core investment targets other than office buildings which include hotels, logistics facilities and residential facilities (including residences, student residences, and healthcare facilities) (collectively, the “Core Asset Group”) is 30-50%, with our investment in each of the asset types other than office buildings and the Core Asset Group representing 0-10%.</p> • Geographic Areas <p>In general, SRE’s primary investment areas are the Greater Tokyo area, the Greater Osaka area and the Greater Nagoya area, considering the investment policy regarding asset types, their population and economic and commercial concentration. A certain percentage of SRE’s portfolio is also invested in Japanese government ordinance-designated cities, core cities and other major regional cities across Japan, in order to diversify the portfolio risks and identify the ideal locations in light of the characteristics of each asset type. The ratio of investment in the Greater Tokyo area, the Greater Osaka area and the Greater Nagoya area is collectively 70% or more, with Japanese government ordinance-designated cities, core cities and other major regional cities across Japan collectively representing 30% or less.</p>
Types of assets the AIF may invest in	Real estate, real estate leasehold rights and surface rights and trust beneficiary rights in any of the foregoing assets.
Techniques it may employ and all associated risks	The principal risks with respect to investment in SRE are as follows:

- any adverse conditions in the Japanese economy could adversely affect SRE;
 - The majority of the properties in the portfolio is concentrated in office buildings;
 - SRE's plan to diversify its portfolio and the expected increase in investment in properties other than office buildings, including hotels, logistics properties, residential properties and other types of properties;
 - most of the properties in the portfolio are concentrated in the Greater Tokyo area, the Greater Osaka area and the Greater Nagoya area;
 - SRE may not be able to acquire properties to execute the growth and investment strategy in a manner that is accretive to earnings;
 - illiquidity in the real estate market may limit the ability to grow or adjust the portfolio;
 - SRE's reliance on the AIFM and other third service providers could have a material adverse effect on business;
 - SRE's revenues largely comprise leasing revenues from the portfolio properties, which may be negatively affected by vacancies, decreases in rent, and late or missed payments by tenants;
 - SRE faces significant competition in seeking tenants and it may be difficult to find replacement tenants;
 - SRE may suffer large losses if any of the properties incurs damage from a natural or man-made disaster;
 - any inability to obtain financing for future acquisitions could adversely affect the growth of the portfolio; and
 - SRE's failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify SRE from certain taxation benefits and significantly reduce the cash distributions to the unitholders.
- In addition, SRE is subject to the following risks:
- risks related to liquidity of units;
 - risks related to market price fluctuations of units;
 - risks that distributions to unitholders may be lower than expected;
 - risks that unitholders' rights do not match shareholders' rights;
 - risks related to the organization management of SRE;
 - risks related to outsourcing: disrupting SRE's operations in the event that trustees cannot properly perform necessary operations;
 - risks related to insider trading regulations at asset managers;
 - risks due to the inclusion of hotels, retail properties, healthcare facilities, logistics facilities and residential facilities in the portfolio;
 - risks related to high dependence on specific properties;
 - risks related to entering into forward commitment contracts;
 - risks related to holding the property in the form of co-ownership interests

	<p>(<i>kyōyū-mochibun</i>);</p> <ul style="list-style-type: none"> • risks related to holding the property in the form of compartmentalized interests (<i>kubun-shoyū</i>); • risks of investing in leasehold rights and buildings on land leased land; • risks of acquiring land that a third party rents and owns a building on it; • risks related to holding the property through trust beneficiary interests; • risks related to properties not in operation (including properties under development); • risks related to the defective title, design, construction or other defects or problems in the properties; • risks related to possibility of unclear land boundaries; • risks related to regulations concerning building standards, etc.; • risks related to impairment losses relating to the properties; • risks related to tenant leasehold deposits and/or security deposits; • risks related to a small number of tenants or single tenant; • risks related to sellers' default as a result of financial difficulty or insolvency; • risks arising from leased properties being subleased, such as the inability to select sublessees and rental revenue being adversely affected by the sublessee's economic situation; • risks related to relying on expert reports, including but not limited to market reports; • risks related to the presence of hazardous or toxic substances in the properties, or the failure to properly remediate such substances; • risks of damage from hazardous materials and disasters in landfills; • risks related to global warming countermeasures for the properties; • risks related to investment Japanese anonymous association (<i>tokumei kumiai</i>) interests; • risks related to investment in trust beneficiary interests; • risks related to investment in real estate-based securities; • risks related to being unable to benefit from reductions in certain real estate taxes enjoyed by qualified J-REITs; • risks related to changes in Japanese tax laws; and • risks that the asset cannot be purchased or sold if economic environment changes significantly.
Any applicable investment restrictions	SRE is subject to investment restrictions under Japanese laws and regulations (e.g., the Act on Investment Trusts and Investment Corporations (the "ITA"), the Financial Instruments and Exchange Act (the "FIEA")) as well as its articles of incorporation.

	<p>SRE must invest primarily in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, leaseholds of real estate, surface rights (<i>chijō-ken</i>) (i.e., right to use land for the purpose of having a structure on it) or trust beneficiary interests for securities or real estate, leaseholds of real estate or surface rights. A listed J-REIT must invest substantially all of its assets in real estate, real estate-related assets and liquid assets as provided by the listing requirements. Real estate in this context includes, but is not limited to, real estate, leaseholds of real estate, surface rights, and trust beneficiary interests for these assets, and real estate-related assets in this context include, but are not limited to, anonymous association (<i>tokumei kumiai</i>) interests for investment in real estate. Pursuant to the ITA, investment corporations may not independently develop land for housing or to construct buildings, but may outsource such activities in certain circumstances.</p>
Circumstances in which the AIF may use leverage	<p>SRE may take out issue long- or short-term loans or corporate bonds for the purpose of asset acquisition, payment of repair expenses, payment of distributions, attaining funds required for the operation of SRE and repayment of obligations.</p>
The types and sources of leverage permitted and associated risks	<p>Loans or investment corporation bonds.</p> <p>Loans or investment corporation bonds in which SRE enters or SRE issues may be subject to restrictive covenants in connection with any future indebtedness that may restrict operations and limit its ability to make cash distributions to unitholders, to dispose of properties or to acquire additional properties. Furthermore, if SRE were to violate such restrictive covenants, such as with regard to loan-to-value ratios, lenders may be entitled to require SRE to collateralize portfolio properties or demand that the entire outstanding balance be paid.</p> <p>In the event of an increase in interest rates, to the extent that SRE has any debt with unhedged floating rates of interest or SRE incurs new debt, interest payments may increase, which in turn could reduce the amount of cash available for distributions to unitholders.</p> <p>Higher interest rates may also limit the capacity for short- and long-term borrowings, which would in turn limit SRE's ability to acquire properties, and could cause the market price of the units to decline.</p>
Any restrictions on leverage	<p>The maximum amount of each loan and corporate bond issuance will be ¥1 trillion, and the aggregate amount of all such debt will not exceed ¥1 trillion.</p>
Any restrictions on collateral and asset reuse arrangements	<p>No applicable arrangements.</p>
Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF	<p>As a general rule, SRE will maintain a conservative loan-to-value, or LTV, ratio, which is the ratio of (x) the aggregate principal amount of borrowings and investment corporation bonds to (y) the total assets of SRE's portfolio. SRE has set in principle 60% as its maximum LTV ratio; however, SRE's LTV ratio may fluctuate as a result of property acquisitions or other events.</p>

Article 23(1) (b)	
<p>Procedure by which the AIF may change its investment strategy / investment policy</p>	<p>Amendment of the articles of incorporation. Amendment requires a quorum of a majority of the total issued units and at least a two-thirds vote of the voting rights represented at the meeting. Unitholders should note, however that under the ITA and SRE’s articles of incorporation, unitholders who do not attend and exercise their voting rights at a general meeting of unitholders are deemed to be in agreement with proposals submitted at the meeting, except in cases where contrary proposals are also being submitted. This deemed affirmative vote shall also not be applied to matters regarding (i) election or dismissal of an executive officer or an supervisory officer, (ii) consent to execution or cancellation of the asset management agreement with the AIFM, (iii) dissolution of SRE, (iv) combination of investment units or (v) exemption from liability of an executive officer, an supervisory officer or an auditor when (i) within two weeks from the date on which SRE announced submission of the proposals regarding the matters above to a general meeting of unitholders on its website or the date on which a convenor announced the submission through a method equivalent to such, whichever date is earlier, a unitholder who owns 1% or more of the total investment units issued for a continuous period of six months or longer has notified SRE (as well as the convenor if applicable) of their disapproval of the said proposals, or (ii) SRE has stated its disapproval of the proposals regarding the matters above in the convocation notice or announced such on its website.</p> <p>Additionally, the guidelines of the AIFM, which provide more detailed policies within SRE’s overall investment strategy and policy, can be modified without such formal amendment of the articles of incorporation.</p>
Article 23(1) (c)	
<p>Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including jurisdiction, applicable law, and the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established</p>	<p>SRE has entered into the following agreements with third service providers:</p> <ul style="list-style-type: none"> • Trademark license agreement with The Sankei Building Co., Ltd. • Trademark license agreement with Fuji Media Holdings, Inc. • Trademark license agreement with GRANVISTA Hotels & Resorts Co., Ltd. • Trademark license agreement with Sankei Building Well Care Co., Ltd. <p>All of the above agreements are governed by Japanese law.</p> <p>SRE is not involved in or threatened by any legal arbitration, administrative or other proceedings, the results of which might, individually or in the aggregate, be material.</p> <p>SRE is a corporate-type investment trust in the form of investment corporation (tōshi hojin) provided for under the ITA. Therefore, the relationship between SRE and its unitholders is governed by SRE’s articles of incorporation (as opposed to individual agreements), which can be amended from time to time upon resolution of a general unitholders’ meeting. SRE’s articles of incorporation stipulate rules relating to general unitholders meetings, including the convocation, setting of record date, exercise of voting rights, resolutions and election of SRE’s directors. The relationship between SRE and its unitholders is also governed by, and is subject to the provisions of,</p>

	<p>Japanese law, including the ITA.</p> <p>The courts in Japan would recognize as a valid and final judgment any final and conclusive civil judgment for monetary claims (which, for this purpose, are limited to those of a purely civil nature and do not include monetary claims of the nature of criminal or administrative sanction, such as punitive damages, even though they take the form of civil claims) against SRE obtained in a foreign court provided that (i) the jurisdiction of such foreign court is admitted under the laws of Japan, (ii) SRE has received service of process for the commencement of the relevant proceedings, otherwise than by a public notice or any method comparable thereto, or has appeared without any reservation before such foreign court, (iii) neither such judgment nor the relevant proceeding is repugnant to public policy as applied in Japan, and (iv) there exists reciprocity as to the recognition by such foreign court of a final judgment obtained in a Japanese court and (v) there is no conflicting judgement on the subject matter by any Japanese court.</p>
Article 23(1) (d)	
<p>The identity of the AIFM, AIF's depositary, auditor and any other service providers and a description of their duties and the investors' rights thereto</p>	<ul style="list-style-type: none"> • AIFM (Asset Manager Company): Sankei Building Asset Management Co., Ltd. The AIFM provides services related to asset management, financing of the AIF, reporting to the AIF and other related matters. • Custodian: Sumitomo Mitsui Trust Bank, Limited The Custodian provides administrative services related to custody of assets. • General Administrator (Institution Management): Mizuho Trust & Banking Co., Ltd. The general administrator carries out administrative operations related to the institutional management (Board of Directors' Meeting, Unitholders' Meeting) of SRE. • General Administrator (Calculation and Accounting): Reiwa Accounting Holdings Co., Ltd. The General Administrator (Calculation and Accounting) carries out calculation and preparation of accounting records for SRE. • General Administrator (Tax): Reiwakaikisha Tax Corporation The General Administrator (Tax) carries out tax-related administrative operations for SRE. • Transfer Agent: Mizuho Trust & Banking Co., Ltd. The transfer agent provides administrative services related to unitholders' roster, addressing unitholders' claims, offers and notices and management of institutions. • Accounting Auditor: Ernst & Young ShinNihon LLC The auditor audits financial statements and prepare audit reports. <p>Service providers owe contractual obligations under their respective agreements with the AIF or AIFM, as the case may be. In addition, the FIEA</p>

	<p>provides that an asset manager owes a J- REIT a fiduciary duty and must conduct its activities as the asset manager in good faith.</p> <p>The FIEA also prohibits an asset manager from engaging in certain specified conduct, including entering into transactions outside the ordinary course of business or with related parties of the asset manager that are contrary to or violate the J-REIT's interests.</p> <p>Pursuant to the ITA, the unitholders have the right to approve the execution or termination of the asset management agreement at a general meeting of unitholders.</p>
Article 23(1) (e)	
Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance)	Not applicable.
Article 23(1) (f)	
Description of any delegated management function such as portfolio management or risk management and of any safekeeping function delegated by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	<p>Not applicable.</p> <p>There is no delegation of such functions beyond the AIFM, which is responsible for portfolio and risk management, and the Custodian, which is responsible for safekeeping activities.</p>
Article 23(1) (g)	
Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard-to-value assets	SRE shall evaluate assets in accordance with its article of incorporation. The methods and standards that SRE uses for the evaluation of assets shall be based on the Regulations Concerning the Calculations of Investment Corporations, as well as the Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations and other regulations stipulated by ITA, in addition to Japanese GAAP. J-REITs may only use the valuation methods prescribed in the rules of the Investment Trusts Association, Japan, which emphasize market price valuation.
Article 23(1) (h)	
Description of the AIF's liquidity risk management, including redemption rights in normal and exceptional	<p>SRE seeks to manage the capital resources and liquidity sources to provide adequate funds for current and future financial obligations and other cash needs and acquisitions.</p> <p>SRE manages liquidity risk by diversifying funding methods, diversifying</p>

<p>circumstances and existing redemption arrangements with investors</p>	<p>repayment dates and considering balanced funding.</p> <p>SRE manages liquidity risk by interest rate risk by controlling LTV appropriately.</p> <p>As is a closed-end investment corporation, unitholders are not entitled to request the redemption of their investment.</p>
<p>Article 23(1) (i)</p>	
<p>Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors</p>	<p><u>Remuneration:</u></p> <p>The articles of incorporation provide that the AIF may pay each of its executive director up to ¥800,000 per month and each of its supervisory directors up to ¥600,000 per month.</p> <p><u>Asset Management Fees:</u></p> <p>The AIF pays the AIFM the following asset management fees (amounts are rounded down to the nearest whole number):</p> <ul style="list-style-type: none"> • Asset Management Fee #1 <u>Formula</u> (for each business period): (a) x (b) (a): Total assets of a balance sheet at the end of the previous fiscal year (b): A rate (up to 0.5%) to be agreed to between the AIF and the AIFM separately • Asset Management Fee #2 <u>Formula</u> (for each business period): (a) x (b) (a): Real estate rental business NOI (b): A rate (up to 5.0%) to be agreed to between the AIF and the AIFM separately • Acquisition fee <u>Formula:</u> (a) x (b) (a): Acquisition price (b): A rate (up to 1.0%) to be agreed to between the AIF and the AIFM separately • Disposition fee <u>Formula:</u> (a) x (b) (a): Disposition price (b): A rate (up to 1.0%) to be agreed to between the AIF and the AIFM separately • Merger fee (payable in case the AIFM conducts investigation and evaluation of assets held by the entity to be merged with the AIF as well as operations related to the merger the merger takes effect) <u>Formula:</u> (a) x (b) (a): Valuation of assets held by the other party on the effective date of the merger (b): A rate (up to 1.0%) to be agreed to between the AIF and the AIFM separately <p><u>Custodian Fee:</u></p> <p><u>Formula</u> (for each month): The amount of assets of the AIF as of the end of</p>

the preceding month x 0.03% / 12

General Administrator Fee (Institution Management):

The AIF pays to the General Administrator a general administrator fee (for six months) to be agreed to between the AIF and the General Administrator separately up to a maximum amount calculated according to the following table (not to exceed ¥8,000,000 per year).

	Maximum amount
Total assets at the end of the previous fiscal period were ¥75 billion or less	¥3,000,000
Total assets at the end of the previous fiscal period were over ¥75 billion	¥4,000,000

General Administrator Fees (Calculation and Accounting):

- General Administrator Fee
Formula (for each month): (a) x 1 / 12 + (b) x (c)
(a): Annual fixed remuneration amount (up to ¥20,000,000) to be agreed to between the AIF and the General Administrator in writing
(b): Variable remuneration monthly unit price (up to ¥500,000) to be agreed to between the AIF and the General Administrator in writing
(c): Number of properties owned by the AIF on the last day of the fiscal period immediately before each fiscal period - the number of properties to be agreed to between the AIF and the General Administrator in writing
- Fee for creating fixed asset ledger for newly acquired property
The AIF pays to the General Administrator a fee to be agreed to between the AIF and the General Administrator separately in writing (not to exceed ¥1,000,000 per year).

General Administrator Fees (Tax):

- Fee for assistance in preparing and filing corporation tax returns, local tax returns and consumption tax returns and preparing depreciable asset returns
The AIF pays to the General Administrator a fee to be agreed to between the AIF and the General Administrator separately in writing (not to exceed ¥20,000,000 per year).
- Fee for assistance in preparing legal and payment records
The AIF pays to the General Administrator a fee to be agreed to between the AIF and the General Administrator separately in writing (not to exceed ¥500,000 per year).

Transfer Agent Fee:

The AIF pays to the Transfer Agent a transfer agent fee to be agreed to

	<p>between the AIF and the Transfer Agent separately up to an amount calculated according to the following table.</p> <ul style="list-style-type: none"> Monthly standard fee – Monthly standard fee shall be the amount calculated according to the following table and divided by 6 (subject to a minimum of ¥200,000). <table border="1" data-bbox="587 427 1311 689"> <thead> <tr> <th>Number of Unitholders</th> <th>Fees per Unitholder</th> </tr> </thead> <tbody> <tr> <td>first 5,000 unitholders</td> <td>¥480</td> </tr> <tr> <td>over 5,000 to 10,000</td> <td>¥420</td> </tr> <tr> <td>over 10,000 to 30,000</td> <td>¥360</td> </tr> <tr> <td>over 30,000 to 50,000</td> <td>¥300</td> </tr> <tr> <td>over 50,000 to 100,000</td> <td>¥260</td> </tr> <tr> <td>over 100,000</td> <td>¥225</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Other fees – The AIF pays the transfer agent fees for various other services, including fees for services in connection with the payment of dividends, the preparation, maintenance and storage of the AIF’s unitholder register, preparation and reporting of the end-of-period unitholders register and unitholder statistical data. <p><u>Auditor Fee:</u></p> <p>The AIF pays the accounting auditor up to ¥20 million per fiscal period. The board of directors is responsible for determining the compensation amount for the accounting auditor.</p>	Number of Unitholders	Fees per Unitholder	first 5,000 unitholders	¥480	over 5,000 to 10,000	¥420	over 10,000 to 30,000	¥360	over 30,000 to 50,000	¥300	over 50,000 to 100,000	¥260	over 100,000	¥225
Number of Unitholders	Fees per Unitholder														
first 5,000 unitholders	¥480														
over 5,000 to 10,000	¥420														
over 10,000 to 30,000	¥360														
over 30,000 to 50,000	¥300														
over 50,000 to 100,000	¥260														
over 100,000	¥225														
Article 23(1) (j)															
Description of the AIFM's procedure to ensure fair treatment of investors and details of any preferential treatment received by investors, including detailing the type of investors and their legal or economic links with the AIF or AIFM	Under Article 77 paragraph 4 of the ITA, which applies the requirements of Article 109 paragraph 1 of the Companies Act to investment corporations, investment corporations are required to treat unitholders equally depending on the number and content of units held. In addition, upon liquidation, the allotment of residual assets to unitholders is required to be made equally depending on the number units held under Article 77 paragraph 2 item 2 and Article 158 of the ITA.														
Article 23(1) (k)															
The latest annual report referred to in Article 22(1)	Additional information may be found in our most recent semi-annual report prepared in accordance with Article 22 of the AIFMD, which is available at the Asset Manager’s office located at 2-3-4 Uchikanda, Chiyoda-ku, Tokyo.														
Article 23(1) (l)															
The procedure and conditions for the issue	SRE is authorized under its articles of incorporation to issue up to 10 million units. Its units have been listed on the Tokyo Stock Exchange since March 12,														

and sale of the units	2019. Secondary market sales and transfers of units will be conducted in accordance with the rules of the Tokyo Stock Exchange. Unit prices on the Tokyo Stock Exchange are determined on a real-time basis by the equilibrium between bids and offers. The Tokyo Stock Exchange sets daily price limits, which limit the maximum range of fluctuation within a single trading day. Daily price limits are set according to the previous day's closing price or special quote.																								
Article 23(1) (m)																									
Latest net asset value of the AIF or latest market price of the unit or share of the AIF	SRE's unit's latest market price is publicly available at the Tokyo Stock Exchange or from financial information vendors at https://en.japan-reit.com/meigara/2972/ .																								
Article 23(1) (n)																									
Details of the historical performance of the AIF, where available	The units of SRE were listed on the Tokyo Stock Exchange on March 12, 2019. The most recent five fiscal periods performance of the units is as follows. <table border="1"> <thead> <tr> <th>Fiscal period (six months ended)</th> <th>Total Assets (JPY millions)</th> <th>Total Net Assets (JPY millions)</th> <th>Net Assets per unit (JPY)</th> </tr> </thead> <tbody> <tr> <td>February 29, 2024</td> <td>104,802</td> <td>50,473</td> <td>108,056</td> </tr> <tr> <td>August 31, 2023</td> <td>112,235</td> <td>50,565</td> <td>108,253</td> </tr> <tr> <td>February 28, 2023</td> <td>105,828</td> <td>50,512</td> <td>108,140</td> </tr> <tr> <td>August 31, 2022</td> <td>106,553</td> <td>50,910</td> <td>108,993</td> </tr> <tr> <td>February 28, 2022</td> <td>106,523</td> <td>50,827</td> <td>108,814</td> </tr> </tbody> </table>	Fiscal period (six months ended)	Total Assets (JPY millions)	Total Net Assets (JPY millions)	Net Assets per unit (JPY)	February 29, 2024	104,802	50,473	108,056	August 31, 2023	112,235	50,565	108,253	February 28, 2023	105,828	50,512	108,140	August 31, 2022	106,553	50,910	108,993	February 28, 2022	106,523	50,827	108,814
Fiscal period (six months ended)	Total Assets (JPY millions)	Total Net Assets (JPY millions)	Net Assets per unit (JPY)																						
February 29, 2024	104,802	50,473	108,056																						
August 31, 2023	112,235	50,565	108,253																						
February 28, 2023	105,828	50,512	108,140																						
August 31, 2022	106,553	50,910	108,993																						
February 28, 2022	106,523	50,827	108,814																						
Article 23(1) (o)																									
Identity of the prime broker, any material arrangements of the AIF with its prime brokers, how conflicts of interest are managed with the prime broker and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the prime broker that may exist	Not applicable.																								
Article 23(1) (p)																									
Description of how and	The AIFM will disclose the matters described in Articles 23(4) and 23(5)																								

when periodic disclosures will be made in relation to leverage, liquidity and risk profile of the assets, pursuant to Articles 23(4) and 23(5)	periodically through the AIF Internet website and semi-annual report.
Article 23(2)	
The AIFM shall inform the investors before they invest in the AIF of any arrangement made by the depositary to contractually discharge itself of liability in accordance with Article 21(13)	Not applicable.
The AIFM shall also inform investors of any changes with respect to depositary liability without delay	Not applicable.
Article 23(4)(a)	
Percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature. The percentage shall be calculated as the net value of those assets subject to special arrangements divided by the net asset value of the AIF concerned	There are no assets that are subject to special arrangements arising from their illiquid nature.
Overview of any special arrangements, including whether they relate to side pockets, gates or other arrangements	There are no such special arrangements.
Valuation methodology applied to assets which are subject to such arrangements	There are no such special arrangements.
How management and performance fees apply to such assets	There are no such special arrangements.

Article 23(4)(b)	
Any new arrangements for managing the liquidity of the AIF	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
For each AIF that the AIFM manages that is not an unleveraged closed-end AIF, notify to investors whenever they make changes to its liquidity management systems (which enable an AIFM to monitor the liquidity risk of the AIF and to ensure the liquidity profile of the investments of the AIF complies with its underlying obligations) that are material in accordance with Article 106(1) of Regulation (EU) No 231/2013 (ie. there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the AIF).	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Immediately notify investors where they activate gates, side pockets or similar special arrangements or where they decide to suspend redemptions	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Overview of changes to liquidity arrangements, even if not special	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

arrangements	
Terms of redemption and circumstances where management discretion applies, where relevant	SRE is a closed-end investment corporation, and unitholders are not entitled to request the redemption of their investment.
Also any voting or other restrictions exercisable, the length of any lock-up or any provision concerning 'first in line' or 'pro-rating' on gates and suspensions shall be included	There are no voting or other restrictions on the rights attaching to units.
Article 23(4)(c)	
The current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks	<p>Deposits are exposed to risks of failure of the financial institution holding the deposit and other credit risks, but such risks are controlled through diversification of financial institutions holding the deposits.</p> <p>The fund proceeds from borrowings and issuance of investment corporation bonds are used for the purpose of investing in properties, conducting repairs, paying cash distributions, operating the AIF, repaying obligations and other activities. These borrowings and investment corporation bonds are exposed to liquidity risks. SRE strives to reduce the liquidity risks and a risk of rising interest rates by diversifying repayment dates, fee, and so forth.</p> <p>Derivative transactions are also utilized to hedge the interest rate risks arising from any borrowing or other debts.</p> <p>SRE retains cash and deposits sufficient to response any potential finance needs, including funds for acquiring asset, paying cash distributions, and so forth.</p>
Measures to assess the sensitivity of the AIF's portfolio to the most relevant risks to which the AIF is or could be exposed	No such measures have been implemented.
If risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded a description of the circumstances and the remedial measures taken	No such situation has occurred.

Article 23(5)(a)	
Any changes to the maximum amount of leverage which the AIFM may employ on behalf of the AIF, calculated in accordance with the gross and commitment methods. This shall include the original and revised maximum level of leverage calculated in accordance with Articles 7 and 8 of Regulation (EU) No 231/2013, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the AIF.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Any right of the reuse of collateral or any guarantee granted under the leveraging agreement, including the nature of the rights granted for the reuse of collateral and the nature of the guarantees granted	No such right or guarantee exists.
Details of any change in service providers relating to the above.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Article 23(5)(b)	
Information on the total amount of leverage employed by the AIF calculated in accordance with the gross and commitment methods	<ul style="list-style-type: none"> • The aggregate amount of debt with interest is JPY 50,200 million as of February 29, 2024. •