

March 27, 2024

Translation Purpose Only

For Immediate Release

REIT Issuer

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Asset Management Company

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Notice Concerning Borrowing of Funds

Starts Proceed Investment Corporation (“SPI”) announces that it decided at its Board of Directors’ meeting held today to conduct borrowing of funds. The details are as follows.

1. Reason and Purpose of Borrowings

SPI will borrow the funds to use them as a part of the funds to acquire specified assets (which refer to the assets set forth in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations) and the expenses related to the acquisition. These specified assets will be acquired on March 29, 2024, as announced in the Notice Concerning Acquisition and Disposition of Trust Beneficiary Interest in Domestic Real Estate dated March 27, 2024.

2. Details of Borrowings

	Term Loan 3B (eight months, floating interest rate)
Lender	Resona Bank, Limited
Loan Amount	4,000 million yen
Scheduled Drawdown Date	March 29, 2024
Principal Repayment Date	November 22, 2024
Interest Rate (Note 1)	Interest Rate (Note 1) Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.33%
Interest Payment Date	The interest payment dates shall be the last day of April 2024 and the last day of every month thereafter (however, in the event that one of these days is not a business day, the business day immediately preceding it) and the principal repayment date.
Borrowing Method	Loan agreements will be individually concluded for Term Loans 3B as of March 27, 2024, based on the basic loan agreement (hereinafter the “Basic Loan Agreement,” including subsequent revisions and addition of lenders (Note 2)) executed on November 19, 2009.
Principle Repayment Method	Lump-sum Repayment on Repayment Date (Note 3)
Collateral	Unsecured
Guarantee	Unguaranteed

(Note 1) • The base interest rate applicable to the calculation of interest payable on the interest payment day is the JBA 1-month Japanese Yen TIBOR published two business days prior to the interest payment date immediately preceding

each interest payment date (drawdown date for the first interest payment date).

- After this, SPI will not announce the determination of interest rates for the concerned borrowings. For fluctuations in the Japanese Yen TIBOR of JBA, the base interest rate, please check the website of JBA TIBOR Administration (<https://www.jbatibor.or.jp/english/>).

(Note 2) For the details of the Basic Loan Agreement, please refer to the press release Notice Concerning Borrowing of Funds and Repayment of Borrowings dated November 18, 2009.

(Note 3) SPI will repay a portion of the borrowings before the due date using the proceeds from the disposition of trust beneficiary interest stated in the Notice Concerning Acquisition and Disposition of Trust Beneficiary Interest in Domestic Real Estate dated March 27, 2024.

3. Status of Interest-Bearing Liabilities After Borrowing (as of March 29, 2024)

(Unit: million yen)

	Before Borrowing (Note 1)	After Borrowing (Note 1)	Change (Note 1)
Short-term loans payable	-	4,000	4,000
Current portion of long-term loans payable	8,761	8,761	-
Long-term loans payable	39,085	39,085	-
Total loans	47,846	51,846	4,000
Current portion of investment corporation bonds	1,000	1,000	-
Investment corporation bonds	4,000	4,000	-
Total investment corporation bonds	5,000	5,000	-
Total interest-bearing liabilities	52,846	56,846	4,000
LTV ratio (%) (Note 2)	52.6	54.5	1.9

(Note 1) All amounts in the table above and the amount below are rounded down to the nearest million yen.

(Note 2) $LTV\ ratio = \frac{\text{Interest-bearing liabilities}}{\text{Interest-bearing liabilities} + \text{Unitholders' capital}} \times 100$. The percentage is rounded to the first decimal place. Unitholders' capital is 47,536 million yen as of the date of this document.

4. Other

Regarding the risks concerning repayment, etc., of the debt financing, there are no material changes from the "Investment risks" mentioned in the latest semiannual securities report (submitted on January 29, 2024).

* Starts Proceed website: <https://www.sp-inv.co.jp/en/>