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For Immediate Release

Real Estate Investment Trust Securities Issuer
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(Code: 3468)

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Notice Concerning Debt Financing (Refinancing)

Star Asia Investment Corporation (“SAR”) announces today that it has decided to execute debt financings (the “Debt Financing”) as described below.

1. The Debt Financing

(1) Details of the Debt Financing (Note 1)

Term (Note 2)	Lenders	Borrowing amounts	Interest Rates (Note5) (Note6)	Date of Borrowing	Borrowing Method	Principal Repaym ent Date (Note 7)	Repayme nt Method	Security
Long-term borrowings	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 3)	3,785 million yen	Base interest rate (JPY 3-month TIBOR) + 0.40 %	October 20, 2021	Borrowings based on the individual term loan agreement dated October 18, 2021, based on the basic agreement dated July 29, 2020 with Sumitomo Mitsui Banking Corporation as agent.	October 21, 2024	Lump sum repayment on principal repayment date (Note 8)	Unsecured and Unguaranteed
	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 4)	3,115 million yen	Base interest rate (JPY 3-month TIBOR) + 0.60 %		October 20, 2026			

(Note 1) This information is based on the notice on results of consideration regarding the Debt Financing issued by the arrangers. However, it does not guarantee that the actual financing will be conducted as described above, because the lenders need to go through prescribed screening procedures..

(Note 2) Borrowings with a repayment period of 1 year or less are classified as “short-term” and borrowings with repayment periods exceeding 1 year are classified as “long-term”.

- (Note 3) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Limited., Aozora Bank, Ltd., Resona Bank, Limited, The Bank of Fukuoka, Ltd, Mizuho Trust & Banking Co., Ltd and The Daiichi Life Insurance Company.
- (Note 4) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Limited., Aozora Bank, Ltd., Resona Bank, Limited and Mizuho Trust & Banking Co., Ltd.
- (Note 5) Financing fees and other charges payable to the lenders are not included.
- (Note 6) The first interest payment date is October 29, 2021, and thereafter, interest payment dates are the last day of every 3-months and the principal repayment date. However, if such date is a non-business day, the interest payment date shall be the immediately following business day, or if such date falls in the next month, the interest payment date shall be the immediately preceding business day. For borrowings with floating interest rates, the base interest rate applicable to the calculation period for payment of interest on any given interest payment date is the Japanese Yen TIBOR for 3 months as announced by JBA TIBOR Administration at 11 a.m. (Tokyo time, the same applies hereinafter) or at the point of time after 11 a.m. and as close to 11 a.m. as possible, on the date which is two business days prior to the immediately preceding interest payment date (or two business days before the drawdown date for the first interest payment date). However, if no interest rates are found for the corresponding interest calculation period, the base interest rate for the relevant period shall be calculated based on the method set forth in the individual term loan agreement. For Japanese Yen TIBOR announced by the JBA TIBOR Administration which is used as the base interest rate, please check with the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/rate/>) Concerning the Debt Financing, it is being considered to fix the interest payments by entering into interest rate swap agreements, etc.
- (Note 7) If a principal repayment date is not a business day, repayment shall be made on the next business day; however, if such date falls on the next month, repayment shall be made on the immediately preceding business day.
- (Note 8) If certain conditions, such as advance notification in writing by SAR, are satisfied during the period between the date of borrowing and the principal repayment date, SAR may prepay the borrowed amounts either in whole or in part prior to maturity.
- (Note 9) Certain financial covenants, such as stipulating that certain financial figures should be maintained based on assets and liabilities, are expected to be established for the Debt Financing.

(2) Reason for the Debt Financing

The amounts procured by the Debt Financing will be applied to the repayment of a portion (JPY 6,900 million) of the JPY7,300 million long-term borrowings described in the press release dated April 12, 2018 entitled "Notice Concerning Debt Financing and Repayment of Borrowings", which will come due on October 20, 2021 (the Debt Financing together with such repayment of the existing borrowing shall be referred to as the "Refinancing"). The difference between the existing borrowing of JPY 7,300 million and the Debt Financing of JPY 6,900 million of JPY 400 million will be repaid using the funds procured by issue of investment corporation bonds as described in the press release dated September 16, 2021 entitled "Notice Concerning Issuance of Investment Corporation Bonds" SAR will consider fixing interest rate payments by entering into interest rate swap agreements etc. for the Debt Financing in order to improve stability of its financial foundation.

- (3) Total amount of funds to be procured by the Debt Financing, use of funds and schedule of expenditures
- i) Amount of funds to be procured
- Total 6,900 million yen

ii) Specific use of funds to be procured and schedule of expenditures

Specific use of funds	Amount million yen	Schedule of Expenditures
To be allocated to repayment of the Existing Loans stated in Section (2) above.	6,900	October 20, 2021

(4) Status of Borrowings etc. after the Refinancing

(Unit: million yen)

	Before the Refinancing	After the Refinancing	Change
Short-term borrowings (Note)	—	0	—
Long-term borrowings (Note)	89,440	89,040	-400
Total borrowings	89,440	89,040	-400
Investment corporation bonds	1,000	1,000	—
Total borrowings and Investment corporation bonds	90,440	90,040	-400

2. Future outlook

The impact of the Refinancing on the operating results is immaterial, and the impact on the forecast of operating results for the fiscal period ending January 31, 2022 (August 1, 2021 to January 31, 2022) and the fiscal period ending July 31, 2022 (February 1, 2022 to July 31, 2022) which were announced by SAR in the “(REIT) Financial Report for Fiscal Period Ended July 31, 2021” dated September 14, 2021 is minimal, and there are no changes to the forecast.

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

In conjunction with the risks related to the Refinancings, there are no changes to the section “Part 2. Reference Information, 2. Supplementary Information on Reference Documents, 3. Investment Risks” found in the securities report (Japanese only) submitted on August 2, 2021.

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

This is an English translation of the announcement in Japanese dated October 15, 2021.

However, no assurance or warranties are given for the completeness or accuracy of this English translation.