

April 26, 2023

For Immediate Release

Real Estate Investment Trust Securities Issuer  
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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” or “Refinancing”) as described below.

1. Details of the Debt Financing

Method of Borrowings: Borrowings under individual term loan agreements signed on April 26, 2023 with the lenders described below.

Term (Note 1)	Lenders	Borrowing amounts	Interest Rates (Note 2) (Note 3)		Expected Date of Borrowings	Principal Repayment Date (Note 4)	Repayment Method	Security
Long-term borrowings	Sumitomo Mitsui Banking Corporation	500 million yen	Floating	Base interest rate (JPY 3M TIBOR) +0.20 %	April 28, 2023	April 30, 2024	Lump sum repayment on principal repayment date (Note 5)	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	500 million yen	Floating	Base interest rate (JPY 3M TIBOR) +0.20 %				

(Note 1) 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”. The same applies below.

(Note 2) Financing fees and other charges payable to the lenders are not included.

(Note 3) The first interest payment date is July 31, 2023, 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/>)

- (Note 4) 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 5) 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 6) 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 proceeds from the Debt Refinancing will be appropriated to the repayment of the 1,000 million long-term borrowing to mature on April 28, 2023. For details, please refer to the press release announced by SAR Corporation dated April 15, 2022 entitled “Notice Concerning Debt Financing (Refinancing)”.

## 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 1,000 million yen

### II. Specific use of funds to be procured and schedule of expenditures

Specific use of funds	Amount million yen	Scheduled date of Expenditure
To be allocated to repayment of the existing loans stated in Section 2 above.	1,000	April 28, 2023

## 4. Status of Borrowings etc. after the Refinancing

(Unit: million yen)

	Before the Refinancing	After the Refinancing	Increase/Decrease
Short-term borrowings	—	—	—
Long-term borrowings	95,840	95,840	—
Total borrowings	95,840	95,840	—
Investment corporation bonds	1,000	1,000	—
Total of borrowings and investment corporation bonds	96,840	96,840	—

## 5. Future outlook

The impact of the refinancing on the on the forecast of operating results for the fiscal period ending July 31, 2023 (February 1, 2023 to July 31, 2023) and the fiscal period ending January 31, 2024 (August 1, 2023 to January 31, 2024) has already been reflected in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2023” which SAR announced on March 16, 2023.

6. Other matters required for investors to appropriately understand and evaluate the above information  
In conjunction with the risks related to the refinancing, there are no changes to “Part 1. Fund Information, I. Overview of the Fund, 3. Investment Risks” stated in the securities report (Japanese only) submitted on October 28, 2022.

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

*This is an English translation of the announcement in Japanese dated April 26, 2023.  
However, no assurance or warranties are given for the completeness or accuracy of this English translation.*