

March 15, 2024

Company name: J T O W E R Inc.
Representative: Representative Director
Atsushi Tanaka
(TSE Growth Code No. 4485)
Contact: Ryosuke Nakamura
Managing Director, CFO

Notice of repayment of borrowings and borrowing of funds (refinancing)

JTOWER Inc. (the "Company") hereby announces that at the Board of Directors meeting held on March 15, 2024, the Company resolved to repay the borrowings and borrow funds (refinancing) (hereinafter, the Repayment and Refinancing of the Borrowings).

1. Background and Purpose of the Repayment and Refunding of Borrowings

The Company will make use of a portion of the funds raised through the issuance of new shares through the international offering (5.0 billion yen) (For details, please refer to the "Notice Regarding Issuance of New Shares through International Offering" announced February 16, 2024) and own funds, to repay 10.0 billion yen of the total amount borrowed of 15.0 billion yen under the loan agreement on November 30, 2022 before maturity, and then refinance the loan by 5.0 billion yen. The repayment and refinancing of the borrowings will reduce interest-bearing debt and improve the borrowing conditions.

Going forward, our financial strategy will be to strengthen our financial base, expand our future debt funding capacity and improve the agility of implementing our growth strategy, centered on Infra-Sharing business, while also utilizing funds for growth investments raised through international offering with the aim of achieving medium-to long-term growth.

The majority of the borrowings of the Company are by the subsidiaries (such as JTOWER Infrastructure Inc.) that own telecommunications towers. In the majority of borrowings, interest rates have been fixed through interest rate swap agreements and the risk of interest rate hike in the future is hedged.

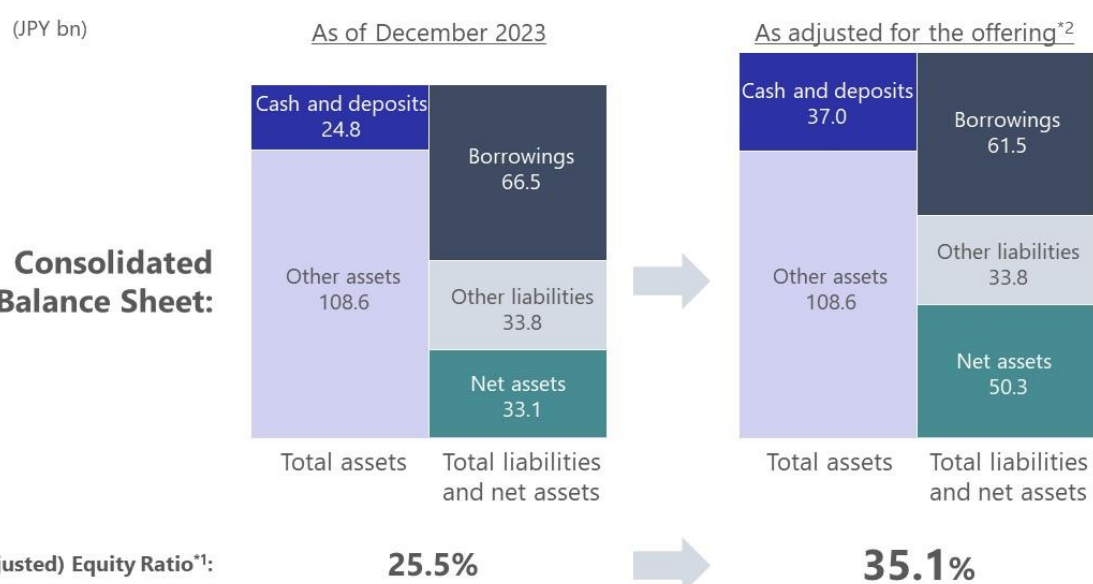
2. Outline of the Loans

(1)	Borrower	JTOWER Inc.
(2)	Use of funds	Appropriation for acquisition costs of telecommunications tower facilities and related costs
(3)	Lenders	Mizuho Bank, Ltd.
(4)	Amount borrowed	5.0 billion yen
(5)	Term of loan	3 years
(6)	Applicable interest rate	Base interest rate + Spread
(7)	Collateral status	Unsecured/non-guaranteed

(Reference) Outline of the loan agreement for prepayment

(1)	Borrower	JTOWER Inc.
(2)	Use of funds	Funds for investment in the Subsidiary, etc.
(3)	Lenders	Mizuho Bank, Ltd. MUFG Bank, Ltd.
(4)	Amount borrowed	15.0 billion yen
(5)	Final repayment date	December 30, 2025
(6)	Applicable interest rate	Base interest rate + Spread
(7)	Collateral status	Unsecured/non-guaranteed

3. Outline of the balance sheet after the international offering and the repayment and refunding of borrowings



*1: (Adjusted) Equity Ratio = (Net assets excluding Non-controlling interests + Investment from Non-controlling shareholders) / Total assets

*2: As adjusted for the payment of approximately JPY 17.2bn from the equity offering in February 2024 and the borrowings repayment of JPY 5.0bn

4. Future Outlook

Currently, we conclude this transaction has a minor impact on our consolidated results. We will provide prompt notice of any events that may have a material impact on our consolidated financial results.