

April 16, 2021

For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
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Notice Concerning Debt Financing (Refinancing)

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

1. Details of the Debt Financing

Term (Note 1)	Lenders	Borrowing amount	Interest rate (Note 4) (Note 5)	Date of borrowing	Borrowing method	Principal Repayment Date (Note 6)	Repayment method	Security
Long-term borrowings	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 2)	5,960 million yen	Base interest rate (JPY 3M TIBOR) +0.60%	April 20, 2021	Borrowing based on the individual term loan agreement expected to be dated April 16, 2021 based on the basic agreement dated July 29, 2020 with Sumitomo Mitsui Banking Corporation as agent.	April 30, 2026	Lump sum repayment on principal repayment date (Note7)	Unsecured and Unguaranteed
	A syndicate of lenders with Sumitomo Mitsui Banking Corporation and Mizuho Bank, Ltd. as arrangers (Note 3)	3,000 million yen	Base interest rate (JPY 3M TIBOR) +0.80%			April 28, 2028		

(Note 1) Long-term borrowings refer to borrowings where the period up to the repayment date is one year or more. The same applies hereinafter for long-term borrowings.

(Note 2) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., The Bank of Yokohama, Ltd., Shinsei Bank, Limited, Aozora Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited.

(Note 3) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, The Kiyo Bank, Ltd., and Fukoku Mutual Life Insurance Company.

(Note 4) Financing fees and other charges payable to the lenders are not included.

(Note 5) The first interest payment date is April 30, 2021, and thereafter, interest payment dates shall fall on the last day of every 3 months and on the principal repayment date. However, if such day is a non-business day, the interest

payment date shall be the immediately following business day, or if such day 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 three month interest rate for Japanese Yen 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, for the calculation of interest for the first interest period, the higher of either (i) the rate of interest indicated for an interest period which is nearest to and shorter than the relevant interest calculation period, and (ii) the rate of interest indicated for an interest period which is nearest to and longer than the relevant interest calculation period shall be applied. For Japanese Yen TIBOR announced by the JBA TIBOR Administration which is used as the base interest rate, please confirm in the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/>).

- (Note 6) If the principal repayment date is not a business day, repayment shall be made on the next following business day; however, if such date falls in the next month, repayment shall be made on the immediately preceding business day.
- (Note 7) If certain conditions, such as advance notification in writing by SAR, are met 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 8) 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 repayment of debt consisting of the JPY 7,300 million long-term borrowing to mature on April 20, 2021 announced in the press release dated April 20, 2016 entitled "Notice Concerning Execution of Debt Financing and Establishment of Interest Rate Swaps", and the short-term borrowing with an outstanding principal amount of JPY 1,660 million to mature on April 20, 2021 announced in the press release dated March 16, 2021 entitled "Notice Concerning Debt Financing (Refinancing)". (The Debt Financing and the repayment of the existing borrowings shall hereinafter be referred to collectively as the "Refinancing".)

With respect to the Debt Financing, in order to enhance stability of its financial base, SAR intends to consider fixing the interest payments by entering into interest rate swap agreements etc.

3. Total amount of funds to be procured by the Debt Financing, use of funds and schedule of expenditure

(1) Amount of funds to be procured

JPY 8,960 million in total

(2) Specific use of funds to be procured and schedule of expenditure

Specific use of funds	Amount	Schedule of Expenditure
To be allocated to repayment of the existing borrowings stated in Section 2 above.	8,960 million yen	April 20, 2021

4. Status of Borrowings etc. after the Refinancing

(Unit: million yen)

	Before the Refinancing	After the Refinancing	Change
Short-term borrowings	3,810	2,150	-1,660
Long-term borrowings	78,630	80,290	1,660

Total borrowings	82,440	82,440	—
Investment corporation bonds	—	—	—
Total borrowings and Investment corporation bonds	82,440	82,440	—
Other interest-bearing liabilities	—	—	—
Total interest-bearing liabilities	82,440	82,440	82,440

5. Future Outlook

The impact of the Refinancing on the operating results is insignificant, and the impact on the forecast of operating results for the fiscal period ending July 31, 2021 (February 1, 2021 to July 31, 2021) and the fiscal period ending January 31, 2022 (August 1, 2021 to January 31, 2022) which was announced by SAR in the “(REIT) Financial Report for Fiscal Period Ended January 31, 2021” dated March 16, 2021 is minimal, and there are no changes to the forecast.

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

In conjunction with the risks pertaining to the repayment of the Debt Financing, 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, 2020.

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

This is an English translation of the announcement in Japanese dated April 16, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.