

November 15, 2024

For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
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Asset Management Company
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Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)
and Early Repayment of Borrowings

Star Asia Investment Corporation (“SAR”) announced today that it has decided to issue investment corporation bonds as described below (the “Investment Corporation Bonds”) and repay borrowings prior to maturity (the “Early Repayment of Borrowings”) (collectively referred to as the “Execution”), based on the comprehensive resolution concerning the issuance of investment corporation bonds passed at the board of directors’ meeting held on October 30, 2024 and Shelf Registration Statement of Investment Corporation Bonds submitted on April 28, 2023.

1. Issuance of Investment Corporation Bonds

(1) Summary of Investment Corporation Bonds

(1) Name	Star Asia Investment Corporation Second Series Unsecured Investment Corporation Bonds (Ranking pari passu among specified investment corporation bonds) (Green Bonds)
(2) Total issue amount	1,000 million yen
(3) Form of bond certificate	As the Investment Corporation Bonds are subject to the provisions of the Act on Book-Entry Transfer of Corporate Bonds and Shares, no bond certificates will be issued
(4) Issue price	100 yen per 100 yen of each bond
(5) Redemption price	100 yen per 100 yen of each bond
(6) Interest rate	1.395 % per annum
(7) Denomination price	100 million yen
(8) Offering method	Public Offering
(9) Subscription date	November 15, 2024
(10) Payment date	November 21, 2024
(11) Collateral and guarantee	Neither collateral nor guarantee is provided for the Investment Corporation Bonds, and no asset has been particularly reserved for the Investment Corporation Bonds.
(12) Redemption method and date	The total amount of the principal of the Investment Corporation Bonds will be redeemed on November 21, 2029. The Investment Corporation Bonds may be retired by purchase at any time on or after the day following the payment date, unless otherwise stipulated by the Book-Entry Transfer Institution.
(13) Interest payment date	May 21 and November 21 of each year
(14) Financial covenants	A Negative pledge has been established.

(15)	Bond credit rating	A+ (Japan Credit Rating Agency, Ltd.)
(16)	Fiscal agent, issuing agent and payment agent	Sumitomo Mitsui Trust Bank, Limited
(17)	Underwriter	SMBC Nikko Securities Inc.
(18)	Structuring Agent	SMBC Nikko Securities Inc.

(2) Reason for the Issuance

SAR has decided to issue the Investment Corporation Bonds for the purpose of diversifying funding methods and prolonging the repayment dates of its interest-bearing debts, and also to promote fixing of interest rates.

The Investment Corporation Bonds is to be executed by green bonds based on the Green Finance Framework (Note) (the “Framework”) formulated by SAR.

(Note) The borrowings are to be made as financing of funds required to acquire assets which satisfy the green eligibility criteria under the Framework. For details of the Framework, please refer to the "Green Finance Framework" page on SAR's website. (<https://starasia-reit.com/en/esg/greenfinance.html>)

(3) Amount of Funds to be Raised, Use of Proceeds and Scheduled Timing of Expenditure

(a) Amount of funds to be raised (estimated net proceeds)

985 million yen

(b) Specific use of proceeds and scheduled timing of expenditure

The proceeds are expected to be appropriated to the repayment on November 29, 2024 for the debt to fall due on April 30, 2025. The funds procured through the Investment Corporation Bonds will be managed as cash or cash equivalents until such time of appropriation for the above-mentioned purpose.

2. Early Repayment of Borrowings

(1) Summary of Borrowings for which Early Repayment will be Executed

Short-term borrowings to mature on April 30, 2025 (Note)

For details, please refer to the press release disclosed by SAR dated April 25, 2024 entitled “Notice Concerning Debt Financing (Refinancing by Green Loans)”.

Term (Note)	Lender	Borrowing Amount	Interest Rates		Date of Borrowings	Principal Repayment Date	Repayment Method	Security
Short-term borrowings	Sumitomo Mitsui Banking Corporation (Green Loans)	500 million yen	Floating	Base interest rate (JPY 3M TIBOR)	April 30, 2024	April 30, 2025	Lump sum repayment on principal repayment date	Unsecured and Unguaranteed
	Mizuho Bank, Ltd. (Green Loans)	500 million yen		+				

(Note) 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.

(2) Source for Early Repayment

Funds procured through the Investment Corporation Bonds as stated in Section 1 above and cash on hand

3. Status of Borrowings and Investment Corporation Bonds after the Execution (as of November 30, 2024)

(Unit: million yen)

	Before the Issuance	After the Issuance	Change
Short-term borrowings	1,800	800	-1,000
Long-term borrowings	136,880	136,880	-
Total borrowings	138,680	137,680	-1,000
Investment corporation bonds	1,000	2,000	1,000
Total borrowings and Investment corporation bonds	139,680	139,680	-

4. Outlook

Since the impact of the Execution is immaterial, there are no changes to the management status forecast for operating results for the fiscal period ending January 31, 2025 (August 1, 2024 to January 31, 2025) and the fiscal period ending July 31, 2025 (February 1, 2025 to July 31, 2025) described in “(REIT) Financial Report for Fiscal Period Ended January 31, 2024” announced on September 13, 2024.

5. Other Matters Required for Investors to Understand and Evaluate the Above Information Appropriately

Concerning the risks related to the issuance of the Investment Corporation Bonds etc., there are no changes to the contents described in “Part I: Fund Information / Section 1 - Status of the Fund / 3. Investment Risks” stated in the Securities Report submitted on October 30, 2024.

Regarding the issuance and redemption etc. of the Investment Corporation Bonds, SAR has today submitted Shelf Registration Supplements to the Director-General of the Kanto Finance Bureau.

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

This is an English translation of the announcement in Japanese dated November 15, 2024. However, no assurance or warranties are given for the completeness or accuracy of this English translation.