

FOR IMMEDIATE RELEASE

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## Notice Concerning Borrowing of Funds

Activia Properties Inc. (“API”) announces that it decided to borrow funds (the “Borrowing”) today. Details are as follows:

### I. Borrowings

#### 1. Details of the borrowings

##### < Long-term borrowings >

| Lender   | Loan amount   | Interest rate                                   | Drawdown date (plan) | Due date (Note 1) | Borrowing and repayment methods, security, and guarantee   |
|--|---------------|---|----------------------|-------------------|--|
| Taiyo Life Insurance Company<br>Mitsui Sumitomo Insurance Company, Limited | 1 billion yen | To be determined (Fixed rate) (Note 2) (Note 3) | September 29, 2023   | March 29, 2030    | Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed |
| Resona Bank, Limited.<br>The Yamagata Bank, Ltd.                           | 2 billion yen | 0.11625% + Base rate (Note 4)                   | September 29, 2023   | March 29, 2027    | Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed |

(Note 1) If the due date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.

(Note 2) Interest rate of the borrowing will be announced upon the determination.

(Note 3) The interest payment will be made on March 29, 2024 and the last days of March and September in each year thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)

(Note 4) The interest payment will be made on the last day of October 2023 and the last day of each month thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)

The base rate applicable to the period for the calculation of the interest payable on an interest payment date is the JBA one-month Japanese Yen TIBOR as of a date two business days prior to the interest payment date immediately preceding each interest payment date. (For the first interest payment, it will be on the drawdown date.) However, if the base rate applicable to the calculation period doesn't exist, the base rate will be the one corresponding to the period that will be calculated based on a method provided in the agreement. After this, API will not announce the interest rate decisions for the borrowing. For changes in the JBA Japanese Yen TIBOR, the base rate, please check the website of the JBA TIBOR Administration (<http://www.jbatibor.or.jp/english>).

## 2. Reasons for the borrowing

API will use the funds from the borrowings to redeem long-term borrowings of 3 billion yen (the "Existing Long-term Borrowings") with a due date of March 29, 2023. For the details of the Existing Long-term Borrowings, please refer to "Notice Concerning Borrowing of Funds and Early Repayment of Borrowings" released on March 27, 2017 and "Notice Concerning Borrowings of Funds" released on March 25, 2020.

## 3. Amount, use and schedule of disbursement of funds to be raised

### (1) Total amount

3 billion yen in total

### (2) Specific purpose of use

Funds will be used to redeem the Existing Long-term Borrowings

### (3) Scheduled date of disbursement

September 29, 2023

## II. Status of borrowings payable, etc. after the Borrowing

### 1. Interest-bearing debt balance after the Borrowing

(In millions of yen)

|  | Before<br>the Borrowing<br>(As of September 22,<br>2023) | After<br>the Borrowing<br>(As of September 29,<br>2023) | Change  |
|--|--|---|---------|
| Short-term borrowings<br>(Note)                                | 0  | 0   | 0       |
| Long-term borrowings<br>to be repaid within one year           | 32,500   | 29,500  | (3,000) |
| Long-term borrowings<br>(Note)                                 | 205,650  | 208,650   | 3,000   |
| Total amount of borrowings                                     | 238,150  | 238,150   | 0       |
| Investment corporation bonds<br>to be redeemed within one year | 5,000  | 5,000   | 0       |
| Investment corporation bonds                                   | 22,700   | 22,700  | 0       |
| Total amount of borrowings and<br>investment corporation bonds | 265,850  | 265,850   | 0       |

(Note) Short-term borrowings refer to borrowings with a maturity period of one year or less, and long-term borrowings refer to borrowings with a maturity period of more than one year.

## 2. Basic financing information after the Borrowing

|  | Before<br>the Borrowing<br>(As of September 22,<br>2023) | After<br>the Borrowing<br>(As of September 29,<br>2023) | Change<br>(point) |
|--|--|---|-------------------|
| Long-term debt ratio<br>(Note 1) (Note 4)  | 100.0%   | 100.0%  | 0.0               |
| Long-term debt ratio<br>(excluding the long-term borrowings<br>to be repaid and investment<br>corporation bonds to be redeemed<br>within one year) (Note 2) (Note 4) | 85.9%  | 87.0%   | 1.1               |
| Fixed interest ratio<br>(Note 3) (Note 4)  | 94.1%  | 94.1%   | 0.0               |

(Note 1) Long-term debt ratio is the ratio of the outstanding long-term borrowings (including the long-term borrowings to be repaid within one year) and investment corporation bonds (including the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 2) Long-term debt ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) is the ratio of the outstanding long-term borrowings (excluding the long-term borrowings to be repaid within one year) and investment corporation bonds (excluding the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 3) Fixed interest ratio is the ratio of the total of outstanding interest-bearing debt with fixed interest rates to the total of outstanding interest-bearing debt. The total of outstanding interest-bearing debt with fixed interest rates includes debts whose interest rates were converted into fixed interest rates by interest rate swap agreements.

(Note 4) Figures are rounded to the first decimal place.

## III. Other

Regarding the risks related to the repayment of the Borrowings, there are no significant changes in the “Investment Risk” section of the securities report submitted on August 30, 2023.

\*Website of API: <https://www.activia-reit.co.jp/en/>