

News Release



Japan Credit Rating Agency, Ltd.

25-S-0095
January 20, 2026

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

<Asset Securitization Products> Narasaki Stax Accounts Receivable ABL 26-01

<Assignment>
ABL: J-3

Rationale

Narasaki Stax securitizes its accounts receivable from the customers. Against the default risk of debtors, the payment of a portion of the purchase price equivalent to the required subordination ratio is deferred based on the creditworthiness of debtors of the receivables subject to assignment. However, because of the commingling risk and dilution risk, the ceiling of the rating is the creditworthiness of the originator. There are no concerns about capabilities of parties to the structure to carry out their administrative duties. As discussed above, risk with respect to principal repayment and interest payment is evaluated at a level consistent with J-3 rating.

Hideyuki Shoji, Tatsuya Shimizu

Rating

<Assignment>
Instrument Name: ABL 26-01 Class B ABL-1 (Narasaki Stax)
ABL Execution Amount: JPY 186,736,191
Subordination Ratio: 14.96%
Final Maturity Date: June 1, 2026
Coupon Type: Fixed
Rating: J-3

Instrument Name: ABL 26-01 Class B ABL-2 (Narasaki Stax)
ABL Execution Amount: JPY 82,495,009
Subordination Ratio: 14.96%
Final Maturity Date: June 30, 2026
Coupon Type: Fixed
Rating: J-3

<Information on Outline of Issue>

ABL Execution Date: January 22, 2026
Repayment Method: Bullet Repayment
Credit Enhancement & Liquidity Facility:
- Senior-subordinated structure (Subordination Ratio: 14.96%)
- Three-month tail period
- Subordination Ratio: Payment Retention Price / Total Amount of Receivables
Disclosure Requirements for Securitization Transaction Ratings with respect to Basel II have been met.

<Information on Structure and Stakeholders>

Originator: Narasaki Stax Co., Ltd.
SPC: Progress Funding Corporation
Arranger: North Pacific Bank, Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Yen-denominated money claim (accounts receivable) generated by originator's validated domestic transaction

Rating Assignment Date: January 20, 2026

The assumptions for the credit ratings and the definitions of the rating symbols are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

Outline of the rating methodology is shown as "Notes and Accounts Receivables" (June 2, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>). Rating methodologies for other ancillary points such as eligible deposit accounts and bankruptcy remoteness are also shown within the same page.

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

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JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)