

[For Information Purpose Only.
The Japanese language press release should be referred to as the original.]

September 12, 2022

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation
Naoki Fukuda, Executive Director
(Securities code: 8963)

Asset Manager:

Consonant Investment Management Co., Ltd.
Naoki Fukuda, President & CEO
Contact: Jun Komo
General Manager of Planning Department
(Tel. +81-3-5411-2731)

Notice concerning Debt Financing (Refinance)

Invincible Investment Corporation ("INV") has determined today to obtain new debt financing to refinance existing debt. Details are as follows.

1. Reason for borrowing

INV has decided and executed a new loan agreement (the "New Borrowing") today in order to repay the Term Loan (X) in the amount of JPY 3,000 million due on September 14, 2022.

(Note) For details of the borrowings to be repaid, please refer to "4. Details of loan to be repaid" below, as well as the following press releases: "Notice concerning Debt Financing (Refinance)" dated September 10, 2021 for the Term Loan (X).

2. Details of the New Borrowing (anticipated)

< Term Loan (006) >

1-Year Loan

- | | | |
|--------------------------------|---|---|
| (1) Lender | : | Sumitomo Mitsui Banking Corporation |
| (2) Borrowing amount | : | JPY 3,000 million |
| (3) Interest rate, etc. | : | 1-month JPY TIBOR (Base Rate) + spread (0.25000%)
Variable interest rate (Note) |
| (4) Borrowing method | : | Borrowing based on separate term loan agreement dated September 12, 2022
Unsecured / with no guarantee |
| (5) Agreement date | : | September 12, 2022 |
| (6) Anticipated borrowing date | : | September 14, 2022 |
| (7) Interest payment date | : | (i) The last Japanese business day of each month before the principal maturity date, beginning with September 30, 2022, and
(ii) the principal maturity date |
| (8) Principal repayment method | : | Lump-sum repayment on the principal maturity date |

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(9) Principal maturity date : September 14, 2023

- (Note)
- Base rate applicable to each interest calculation period for the interests to be paid on the relevant interest payment date shall be the 1-month JPY TIBOR announced by Japanese Bankers Association two Japanese business days prior to the immediately preceding interest payment date (in case of the initial interest calculation period, two Japanese business days prior to the borrowing date).
 - JPY TIBOR announced by the Japanese Bankers Association is available at its website (<https://www.jbatibor.or.jp/english/>).
 - Details of our debt financing is available at the “Borrowings & Investment Corporation Bonds” page of INV’s website (<https://www.invincible-inv.co.jp/en/finance/loan.html>).

3. Loan proceeds, use of proceeds and scheduled timing of disbursement

(1) Loan proceeds

JPY 3,000 million

(2) Use of proceeds

The proceeds will be appropriated for the repayment of the Term Loan (X).

(3) Scheduled timing of disbursement

September 14, 2022

4. Details of loan to be repaid

Term Loan (X)

Lender	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Sumitomo Mitsui Banking Corporation	Sep. 14, 2021	3,000	3,000	—	0.32091% (Note)	Sep. 14, 2022	Unsecured/ non-guaranteed

(Note) The interest rate applicable as of September 12, 2022 is shown.

5. Future outlook

The impact of the New Borrowing on financial results is minimal. Moreover, the forecast of financial results and DPU for the fiscal period ending December 2022 will be announced at a later date, once we have a clearer outlook.

6. Other matters necessary for investors’ appropriate understanding/judgment of concerned information

With respect to the risks associated with the New Borrowing, please refer to the content of “Investment Risks” stated in the securities report for the fiscal period ended December 2021 (from July 1, 2021 to December 31, 2021) (available in Japanese only) filed on March 25, 2022.

Website of INV: <https://www.invincible-inv.co.jp/en/>

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■ Change in balance of interest-bearing liabilities (anticipated)

(Unit : JPY million)

	Before the New Borrowing (As of September 12, 2022)	After the New Borrowing (As of September 14, 2022)	Increase (Decrease)
Total loans	233,172	233,172	—
Total investment corporation bonds	8,200	8,200	—
Total interest-bearing liabilities	241,372	241,372	—
Total appraisal value of assets owned by INV (Note 1)	537,738	537,738	—
LTV (based on appraisal value) (Note 2) (%)	44.9	44.9	—

(Note 1) Based on the 128 properties owned by INV as of today (including preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel and the overseas real estate assets (“The Westin Grand Cayman Seven Mile Beach Resort & Spa” and “Sunshine Suites Resort”). The appraisal values for the 127 properties (excluding preferred equity interest in the TMK) are based on figures stated in the appraisal reports on the valuation date of June 30, 2022. As announced in “Notice concerning Acquisition of Domestic Real Estate (Additional Acquisition)” dated September 9, 2022, INV acquired a land adjacent to Hotel Epinard Nasu on September 9, 2022, and the above total appraisal value includes the appraisal value of the land in the amount of JPY 27 million (valuation date: June 21, 2022). For the preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset, the acquisition price (INV’s investment amount) of such preferred equity interest, JPY 17,845 million, is deemed as the appraisal value. For the appraisal value of overseas real estate assets, the exchange rate of 1 USD = 110.45 JPY is used under the foreign exchange forward entered into on July 26, 2018 and executed on September 26, 2018.

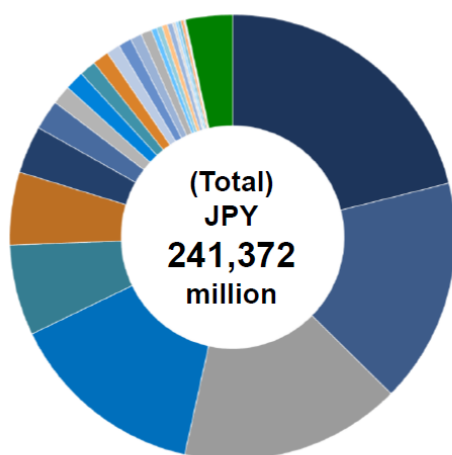
(Note 2) “LTV (based on appraisal value)” in the above table is calculated according to the following formula:

$$\text{LTV (based on appraisal value)} = \frac{\text{Total interest-bearing liabilities (excluding short-term consumption tax loan)} + \text{Total appraisal value of assets owned by INV}}{\text{Total appraisal value of assets owned by INV}} \times 100$$

“Total interest-bearing liabilities” does not include the interest-bearing liabilities of the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset.

(Note 3) The amounts are rounded down to the nearest million yen. The percentages are rounded to the nearest one decimal place.

■ Lender formation after the New Borrowing (anticipated)



Mizuho Bank	21.1%	Fukuoka Bank	0.8%
MUFG	16.3%	Nishi-Nippon City Bank	0.8%
SMBC	16.0%	Kiraboshi Bank	0.4%
SMTB	14.4%	Momiji Bank	0.4%
Citibank	6.6%	Yamaguchi Bank	0.4%
Shinsei Bank	5.3%	The Chukyo Bank	0.4%
DBJ	3.5%	Dai-ichi Life Insurance	0.2%
Resona Bank	2.2%	Kagawa Bank	0.2%
San ju San Bank	1.4%	Tochigi Bank	0.2%
Aozora Bank	1.4%	Kiyo Bank	0.2%
Tokyo Star Bank	1.2%	Ogaki Kyoritsu Bank	0.1%
Nomura TB	1.2%	Hiroshima Bank	0.1%
Aeon Bank	1.0%	REIT Bond	3.4%
Shizuoka Bank	1.0%		

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