

[For Information Purpose Only.]

The Japanese language press release should be referred to as the original.]

March 10, 2023

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  
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## **Notice concerning the Fixed-term Building Lease and Property Management Agreement with Major Tenant**

Since the spread of the new coronavirus (COVID-19) began to have a tremendous impact on the hotel sector, Invincible Investment Corporation ("INV") entered into an Memorandum of Understanding (the "MOU") with INV's main tenant, MyStays Hotel Management Co., Ltd. ("MHM") and its affiliates (the "MHM Group") nine times in total starting from May 11, 2020 to amend each fixed-term building lease and property management agreement ("MLPM Agreements") pertaining to the rent conditions for the period from March 1, 2020 to December 31, 2022. For details, please refer to each press release described in "3. Reference Press Release List" below.

As a result of discussions and negotiations with the MHM Group, INV is pleased to announce that we will no longer take such tentative measures from January 2023 onward, taking into account the recent trend of COVID-19 infections being under control and the subsequent recovery of the hotel market. Thus, the terms and conditions under the MLPM Agreements prior to the amendment by each MOU (hereinafter referred to as the "Original Leasing Terms and Conditions") will be applied from January 2023 onward.

### 1. Outline of the Original Leasing Terms and Conditions

<b>Original Leasing Terms and Conditions</b>	
Fixed rent	JPY 4,970 million (from January to June)
(Total for 73 properties)	JPY 6,468 million (from July to December)

This English language notice is a translation of the Japanese-language notice released on March 10, 2023 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

Variable rent	Calculated on a 3-month basis for each hotel.  The amount obtained by deducting (i) the total amount of expenses, management services fees, and fixed rents of the hotel property from (ii) the total monthly sales of the hotel property (if the calculation results are negative, the amount shall be JPY 0).
Payment method of rent	Paid on a hotel-by-hotel basis.
Payment date	The due date is the 11th of the month, which is two months from the month in which the last day of the calculation period falls (for the fixed rent, every month, and for the variable rent, every three months).

(Note) For the original lease terms of individual properties, please refer to the press release at the time of acquisition of each property.

## 2. Future Outlook

INV's forecasts for financial results and distribution for the fiscal periods ending June 2023 (from January 1, 2023 to June 30, 2023) and December 2023 (from July 1, 2023 to December 31, 2023) as announced in "Financial Summary for the December 2022 Fiscal Period (from July 1, 2022 to December 31, 2022)" was based on the assumption that certain changes would be made to the rent conditions regarding the MHM Group. Therefore, while there is a certain impact by applying the Original Leasing Terms and Conditions, INV does not make any changes to the forecast of financial results and distribution at this point in time.

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### 3. Reference Press Release List

May 11, 2020

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement with Major Tenant

September 11, 2020

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from July to September, 2020 with Major Tenant

December 11, 2020

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from October to December, 2020 with Major Tenant

March 11, 2021

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from January to June, 2021 with Major Tenant

September 10, 2021

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from July to September, 2021 with Major Tenant

December 8, 2021

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from October to December, 2021 with Major Tenant

March 11, 2022

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from January to June, 2022 with Major Tenant

September 9, 2022

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from July to September, 2022 with Major Tenant

December 9, 2022

Notice concerning Conclusion of Memorandum of Understanding to Amend the Fixed-term Building Lease and Property Management Agreement pertaining to the rent conditions for the period from October to December, 2022 with Major Tenant

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

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