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

February 3, 2025

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
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Notice concerning Conclusion of the Fixed-term Building Lease and Property Management Agreements (Hotel MyStays Hakodate-Goryokaku / Flexstay Inn Shirogane)

Invincible Investment Corporation (“INV”) announced the decision made today by Consonant Investment Management Co., Ltd. (“CIM”), the asset manager of INV, to conclude fixed-term building lease and property management agreements (“Next Agreements”) with MyStays Hotel Management Co., Ltd. (“MHM”) for two hotels (the “Two Hotels”), as the current fixed-term building lease and property management agreements (“Current Agreements”) expire on February 5, 2025.

The Two Hotels are "Hotel MyStays Hakodate-Goryokaku"¹ and "Flexstay Inn Shirogane", and are referred to as "Hakodate-Goryokaku" and "Shirogane", respectively.

MHM has received investments through funds managed by affiliates of the Sponsor, Fortress Investment Group LLC (“FIG”). Therefore, CIM has treated MHM as equivalent to Sponsor-related Persons². As such, CIM and INV have sincerely deliberated, discussed, and resolved to conclude the Next Agreements in accordance with the internal rules of CIM to handle the related party transactions.

(Note 1) The name of the property at the time of acquisition by INV was “Hotel Nets Hakodate”.

(Note 2) A Sponsor-related Person is (i) any person who falls under the “Interested Persons, etc.” set forth in the Investment Trust Act and the Orders for Enforcement of the Act on Investment Trust and Investment Corporations, (ii) all shareholders of CIM and (iii) special purpose companies (tokubetsu mokuteki kaisha) (a) which delegate their management to persons who fall under (ii) above, or (b) which are invested by or invested through anonymous partnership (tokumei kumiai) by persons who fall under (ii) above. Hereinafter the same.

This English language notice is a translation of the Japanese-language notice released on February 3, 2025 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.

1. Outline of the Next Agreements

The main terms and conditions of the Current Agreements / Next Agreements are as follows. For details of the Two Hotels and the Current Agreements, please refer to the following press release: “Notice concerning Acquisition of Assets and Entering into Leasing Contract” dated February 4, 2015 and “Part I Fund Information / 1 Status of Fund / 5 Management Status / (2) Investment Assets” of the Securities Report for the 42nd fiscal period (from January 1, 2024 to June 30, 2024) filed by INV on September 26, 2024 (available in Japanese only).

Comparison of main items between the Current Agreements and the Next Agreements

		Current Agreements	Next Agreements
Contract Period (Two Hotels)		February 6, 2015 – February 5, 2025	February 6, 2025 – February 5, 2035
Fixed Rent	Hakodate-Goryokaku	Annual basis: JPY 96,000,000	Same as Left (No change)
	Shirogane	Annual basis: JPY 57,000,000	Same as Left (No change)
Variable Rent (Two Hotels)		Calculated on a 3-month basis: February - April, May - July, August - October, and November - January. The amount obtained by deducting (i) the total amount of expenses, management 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).	Calculated on a 6-month basis: January - June, and July - December. The amount obtained by deducting (i) the total amount of expenses, management 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).
Management Fees (Two Hotels)		Undisclosed (Note 1). However, in principal the amount obtained by summing (i) the amount equal to 2% of the monthly gross sales; (ii) the amount equal to 0-6% of the monthly sales resulting from the guests generated from the head office sales division of MHM or via the website managed and operated by MHM; and (iii) the amount equal to 4-6% of the amount obtained by deducting the amounts set forth in (i) and (ii) from the monthly gross sales less operating expenses excluding management fees.	Same as Left (No change)

(Note 1) Not disclosed because consent from the tenant has not been obtained.

Moreover, please refer to the press release “Notice concerning Conclusion of the Fixed-term Building Lease and Property Management Agreements (Hotel MyStays Kanda / Hotel MyStays Asakusa)” dated May 22, 2024 for the background of the conclusion of the Next Agreements. The background of the

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conclusion of the Next Agreements are similar.

2. Outline of MHM

Tenant and operator of the Two Hotels

(i) Name	MyStays Hotel Management Co., Ltd.
(ii) Location	Roppongi Hills North Tower 14 th Floor, 6-2-31, Roppongi, Minato-ku, Tokyo, Japan
(iii) Title and name of representative officer	President and CEO, Ryoichi Shirota
(iv) Business	Hotel and Ryokan (Japanese inn) operation and management
(v) Capital	JPY 100 million (as of the end of September 2024)
(vi) Date of establishment	July 8, 1999
(vii) Relationship between INV/Asset Manager and the Tenant/Operator	
Capital relationships	While there are no capital relationships that should be noted between INV/CIM and MHM, the parent company of MHM is owned by a fund operated by affiliates of FIG. FIG is a subsidiary of a company which indirectly holds 100% of CIM's outstanding shares.
Personnel relationships	As of today, among the directors of INV and the officers and employees of CIM, Naoki Fukuda, who is Executive Director of INV and CEO of CIM, Naoto Ichiki, who is Chairman and Director and Head of the New REIT Preparation Office of CIM, and Christopher Reed, who is a part-time director of CIM, are seconded from Fortress Investment Group Japan Godo Kaisha, a subsidiary of FIG.
Transactional relationships	As of today, INV has entered into lease agreements (Note 1) with MHM with respect to 91 hotel properties.
Whether the Tenant/Operator is a related party	MHM is not a related party of INV/CIM. Further, related persons and affiliates of MHM are not related parties of INV/CIM. Furthermore, MHM is not an interested party, etc. of CIM as provided in the Act on Investment Trusts and Investment Corporations.

(Note 1) Agreements with MHM subsidiaries and management contracts between MHM and tenants are included.

3. Transactions with Interested Persons etc.

MHM, tenant and operator of the Two Hotels, is not Sponsor-related Persons under the voluntary rules established by CIM as countermeasures against conflicts of interests in the management of INV's investments. However, MHM has received investments through funds managed by affiliates of the Sponsor, FIG. Therefore, CIM has treated MHM as equivalent to Sponsor-related Persons.

In accordance with Sponsor-Related Person Transaction Rules and Sponsor-Related Person Transaction Management Manual, which are internal rules of CIM, and following the deliberation and resolution of the compliance committee meeting and the investment committee meeting both held on January 30, 2025, the board of directors of CIM and INV held on February 3, 2025 each approved the conclusion of the Next Agreements.

4. Future Outlook

The impact of the conclusion the Next Agreements on financial results is minimal.

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

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