

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

July 11, 2024

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 JPY 15,862 million of a new loan agreement (the "New Borrowing") today in order to repay the existing borrowing of JPY 22,244 million. INV plans to allocate funds procured from the issuance of the Invincible Investment Corporation 11th series unsecured bonds (with pari passu conditions among investment corporation bonds) (nickname : INV Hotel Bonds) (Note 1) dated February 9, 2024 and cash on hand for the repayment of a part of the existing borrowing aforementioned with the aim to keep LTV at an appropriate level.

(Note 1) For the details of the Invincible Investment Corporation 11th series unsecured bonds (with pari passu conditions among investment corporation bonds) (nickname : INV Hotel Bonds), please refer to the press release "Notice concerning Issuance of Investment Corporation Bonds" dated January 26, 2024.

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## 2. Details of the New Borrowing (anticipated)

### < New Syndicate Loan (014) >

#### 7-Year Loan

- (1) Lenders : Mizuho Bank, Ltd.  
MUFG Bank, Ltd.  
Sumitomo Mitsui Banking Corporation  
Sumitomo Mitsui Trust Bank, Limited  
Development Bank of Japan, Inc.
- (2) Borrowing amount : JPY 5,079 million
- (3) Interest rate, etc. : 3-month JPY TIBOR (Base Rate) + spread (0.700%)  
Floating interest rate (Note 1)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 11, 2024  
Unsecured / with no guarantee
- (5) Agreement date : July 11, 2024
- (6) Anticipated borrowing date : July 16, 2024
- (7) Interest payment date : (i) The last Japanese business day of March, June, September, and December before the principal maturity date, beginning with September 30, 2024, and (ii) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 16, 2031

#### 6-Year Loan

- (1) Lenders : Mizuho Bank, Ltd.  
SBI Shinsei Bank, Limited  
MUFG Bank, Ltd.  
Sumitomo Mitsui Banking Corporation  
Aozora Bank, Ltd.  
Sumitomo Mitsui Trust Bank, Limited
- (2) Borrowing amount : JPY 2,791 million
- (3) Interest rate, etc. : 3-month JPY TIBOR (Base Rate) + spread (0.600%)  
Floating interest rate (Note 1)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 11, 2024  
Unsecured / with no guarantee
- (5) Agreement date : July 11, 2024
- (6) Anticipated borrowing date : July 16, 2024
- (7) Interest payment date : (i) The last Japanese business day of March, June, September, and December before the principal maturity date, beginning with September 30, 2024, and (ii) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 16, 2030

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## 5-Year Loan

- (1) Lenders : Mizuho Bank, Ltd.  
SBI Shinsei Bank, Limited  
MUFG Bank, Ltd.  
Sumitomo Mitsui Banking Corporation  
Sumitomo Mitsui Trust Bank, Limited  
The Nomura Trust and Banking Co., Ltd.
- (2) Borrowing amount : JPY 4,692 million
- (3) Interest rate, etc. : 3-month JPY TIBOR (Base Rate) + spread (0.500%)  
Floating interest rate (Note 1)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 11, 2024  
Unsecured / with no guarantee
- (5) Agreement date : July 11, 2024
- (6) Anticipated borrowing date : July 16, 2024
- (7) Interest payment date : (i) The last Japanese business day of March, June, September, and December before the principal maturity date, beginning with September 30, 2024, and (ii) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 16, 2029

## 4-Year Loan

- (1) Lenders : SBI Shinsei Bank, Limited  
The Bank of Fukuoka, Ltd.
- (2) Borrowing amount : JPY 3,300 million
- (3) Interest rate, etc. : 3-month JPY TIBOR (Base Rate) + spread (0.400%)  
Floating interest rate (Note 1)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 11, 2024  
Unsecured / with no guarantee
- (5) Agreement date : July 11, 2024
- (6) Anticipated borrowing date : July 16, 2024
- (7) Interest payment date : (i) The last Japanese business day of March, June, September, and December before the principal maturity date, beginning with September 30, 2024, and (ii) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 14, 2028

(Note 1) Base rate applicable to each interest calculation period for the interests to be paid on the relevant interest payment date shall be the 3-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).

(Note 2) JPY TIBOR announced by the Japanese Bankers Association is available at its website (<https://www.jbatibor.or.jp/english/>).

(Note 3) 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 15,862 million

#### (2) Use of proceeds

The proceeds will be used for the repayment of a portion of New Syndicate Loan (L), New Syndicate Loan (M), New Syndicate Loan (009), and New Syndicate Loan (011), as well as Term Loan (W).

#### (3) Scheduled timing of disbursement

July 16, 2024 and July 20, 2024

### 4. Details of the loan to be repaid

#### New Syndicate Loan (L)

Lenders	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch Development Bank of Japan, Inc. AEON Bank, Ltd. Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	Jul. 19, 2019	4,943	4,943 (Note 1)	—	0.57984% (Note 2)	Jul. 16, 2024	Unsecured/ non-guaranteed
Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd.		4,943	—	4,943	0.74545% (Note 3)	Jan. 16, 2025	
Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. AEON Bank, Ltd. Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd.		4,942	—	4,942	0.89545% (Note 3)	Jul. 16, 2025	
Total		14,828	4,943	9,885			

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## New Syndicate Loan (M)

Lenders	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Citibank, N.A., Tokyo Branch	Jul. 16, 2019	5,796	5,796 (Note 1)	—	0.56310% (Note 2)	Jul. 16, 2024	Unsecured/ non-guaranteed
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation		5,796	—	5,796	0.74545% (Note 3)	Jan. 16, 2025	
Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited		5,795	—	5,795	0.89545% (Note 3)	Jul. 16, 2025	
Total		17,387	5,796	11,591			

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## New Syndicate Loan (009)

Lenders	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
SBI Shinsei Bank, Limited	Jul. 14, 2023	1,110	1,110	—	0.39545% (Note 3)	Jul. 16, 2024	Unsecured/ non-guaranteed
Mizuho Bank, Ltd. MUFG Bank, Ltd.		951.6	—	951.6	0.49545% (Note 3)	Jul. 16, 2026	
Sumitomo Mitsui Banking Corporation		3,774.5	—	3,774.5	0.69100% (Note 2)	Jul. 16, 2026	
Sumitomo Mitsui Trust Bank, Limited		3,774.5	—	3,774.5	1.39500% (Note 2)	Jul. 14, 2028	
SBI Shinsei Bank, Limited Resona Bank, Limited	Jul. 19, 2023	6,848	6,848 (Note 1)	—	0.39545% (Note 3)	Jul. 16, 2024	
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.		5,168.4	—	5,168.4	0.49545% (Note 3)	Jul. 16, 2026	
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited		18,858	—	18,858	0.69600% (Note 2)	Jul. 16, 2026	
Development Bank of Japan, Inc. Ogaki Kyoritsu Bank		18,858	—	18,858	1.39500% (Note 2)	Jul. 14, 2028	
<b>Total</b>		<b>59,343</b>	<b>7,958</b>	<b>51,385</b>			

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## New Syndicate Loan (011)

Lenders	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Resona Bank, Limited The Bank of Fukuoka, Ltd.	Sep. 26, 2023	1,965	1,965 (Note 1)	—	0.39545% (Note 3)	Jul. 16, 2024	Unsecured/ non-guaranteed
SBI Shinsei Bank, Limited		3,197	—	3,197	0.69100% (Note 2)	Jul. 16, 2026	
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. The Nomura Trust and Banking Co., Ltd.		24,333.25	—	24,333.25	0.89400% (Note 2)	Jul. 16, 2027	
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.		10,104.75	—	10,104.75	0.79727% (Note 3)	Jul. 16, 2028	
Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation		2,495.5	—	2,495.5	0.87900% (Note 2)	Jul. 16, 2027	
Sumitomo Mitsui Trust Bank, Limited		1,069.5	—	1,069.5	0.79727% (Note 3)	Jul. 16, 2028	
<b>Total</b>		<b>43,165</b>	<b>1,965</b>	<b>41,200</b>			

## Term Loan (W)

Lender	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
The Tokyo Star Bank, Limited.	Jul. 20, 2021	1,582	1,582 (Note 1)	—	0.54545% (Note 3)	Jul. 20, 2024	Unsecured/ non-guaranteed

(Note 1) INV plans to allocate JPY 6,000 million from the funds procured from the issuance of the Invincible Investment Corporation 11th series unsecured bonds (with pari passu conditions among investment corporation bonds) (nickname : INV Hotel Bonds) and cash on hand for the repayment in addition to the JPY 15,862 million from the New Borrowing.

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(Note 2) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. Therefore, the effective fixed rate is shown. For details of the interest rate swap agreements, please refer to the following press releases: “Notice concerning Execution of Interest Rate Swap Agreements” as well as “(Correction) Notice concerning Execution of Interest Rate Swap Agreements” dated July 17, 2019 for the New Syndicate Loan (L); “Notice concerning Debt Financing (Refinance) and Execution of Interest Rate Swap Agreement” dated July 11, 2019 for the New Syndicate Loan (M); “Notice concerning Execution of Interest Rate Swap Agreements” dated December 20, 2023 as well as “Notice concerning Execution of Interest Rate Swap Agreements” dated May 31, 2024 for the New Syndicate Loan (009); “Notice concerning Execution of Interest Rate Swap Agreements” dated December 20, 2023 for the New Syndicate Loan (011).

(Note 3) The interest rate applicable as of July 11, 2024 is shown

## 5. Future outlook

The impact of the New Borrowing on financial results is minimal.

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 2023 (from July 1, 2023 to December 31, 2023) (available in Japanese only) filed on March 27, 2024.

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



# Invincible Investment Corporation

[For reference only]

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

(Unit : JPY million)

	Before the New Borrowing (As of July 11, 2024)	After the New Borrowing (As of July 20, 2024)	Increase (Decrease)
Total loans	250,254	243,872	-6,382
Total investment corporation bonds	20,900	20,900	—
Total interest-bearing liabilities (The amount excluding short-term consumption tax loan)	271,154 (271,154)	264,772 (264,772)	-6,382 (-6,382)
Total appraisal value of assets owned by INV (Note 1)	629,696	629,696	—
LTV (based on appraisal value) (Note 2) (%)	43.1	42.0	-1.1

(Note 1) Based on the 134 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 133 properties (excluding preferred equity interest in the TMK) are based on figures stated in the appraisal reports on the valuation date of December 31, 2023. 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.

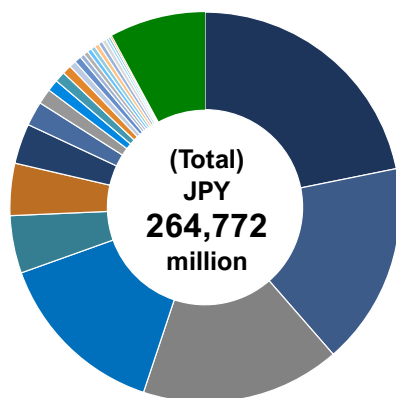
(Note 2) “LTV (based on appraisal value)” in the above table is calculated according to the following formula:

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

“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	21.8%	Fukuoka Bank	0.6%
MUFG	16.8%	Ogaki Kyoritsu Bank	0.4%
SMBC	16.5%	The Chiba Bank	0.4%
SMTB	14.4%	Kiraboshi Bank	0.4%
SBI Shinsei Bank	4.8%	Momiji Bank	0.4%
DBJ	4.3%	Yamaguchi Bank	0.4%
Tokyo Star Bank	3.3%	The Chukyo Bank	0.4%
Aozora Bank	2.0%	Tochigi Bank	0.3%
San ju San Bank	1.3%	Aeon Bank	0.2%
Nomura TB	1.0%	Kagawa Bank	0.2%
Shizuoka Bank	0.9%	Kiyo Bank	0.2%
Resona Bank	0.8%		
Nishi-Nippon City Bank	0.6%	REIT Bond	7.9%

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