

[For Information Purpose Only.]

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

September 6, 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

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## **Notice concerning Issuance of Investment Corporation Bonds**

Invincible Investment Corporation (“INV”) hereby announces its decision today to issue its investment corporation bonds (the “Issuance”) as follows.

### 1. Summary of the investment corporation bonds

- |                                 |   |
|---------------------------------|---|
| (1) Name                        | : Invincible Investment Corporation 12th series unsecured bonds (with pari passu conditions among specified investment corporation bonds) (the “Investment Corporation Bonds”)                |
| (2) Total issue amount          | : JPY 4.2 billion   |
| (3) Form of bond certificate    | : The Act concerning Book-Entry Transfer of Corporate Bonds, Stocks etc. is applicable to the Investment Corporation Bonds, thus investment corporation bond certificates will not be issued. |
| (4) Issue price                 | : ¥100 per ¥100 of each bond  |
| (5) Redemption price            | : ¥100 per ¥100 of each bond  |
| (6) Interest rate               | : 1.300% per annum  |
| (7) Denomination price          | : JPY 100 million   |
| (8) Offering method             | : Public offering   |
| (9) Offering period             | : September 6, 2024 (Friday)  |
| (10) Payment date               | : September 12, 2024 (Thursday)   |
| (11) Collateral/Guarantee       | : Neither collateral nor guarantee is applicable, and no assets are specifically reserved as collateral for the Investment Corporation Bonds.   |
| (12) Redemption method and date | : September 12, 2029 (5 years)<br>The Investment Corporation Bonds may be purchased and cancelled at any time after the payment date, except for the case where the laws                      |

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and regulations or the Depository otherwise stipulates. If the maturity date of the Investment Corporation Bonds falls on the bank holiday, the payment will be moved forward to the previous bank business day.

- (13) Interest payment dates : March 12 and September 12 every year (the first interest payment date is to be March 12, 2025)
- (14) Rating : A+ (Japan Credit Rating Agency, Ltd.)
- (15) Financial covenants : Negative pledge among unsecured bonds
- (16) Depository : Japan Securities Depository Center, Inc.
- (17) Fiscal agent, issuing agent, and paying agent : Mizuho Bank, Ltd.
- (18) Underwriting securities companies : Mizuho Securities Co., Ltd.  
SMBC Nikko Securities Inc.  
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  
Nomura Securities Co., Ltd.

## 2. Reason for bonds issuance

INV is pleased to issue the Investment Corporation Bonds for the purpose of raising funds to redeem the investment corporation bonds and to repay part of its existing borrowings, while at the same time lengthening the average maturity period and diversifying the maturity dates.

## 3. Total amount to be raised, use of funds and scheduled timing of disbursement

### (1) Total amount to be raised (approximate net proceeds)

JPY 4,174 million in total

### (2) Use of funds and scheduled timing of disbursement

The proceeds will be used to redeem the 4th Series Investment Corporation Bonds (with pari passu conditions among specified corporate bonds) (Note 1) in the amount of JPY 1,000 million which is due in October 2024, and also to repay its existing borrowing of JPY 1,500 million that will mature in July 2025 (Note 2). The remaining amount of the proceeds will be used to repay other existing borrowings that will mature by the end of July 2025.

(Note 1) For the details of the 4th Series Investment Corporation Bonds, please refer to the press release entitled "Notice concerning Issuance of Investment Corporation Bonds" dated October 18, 2019.

(Note 2) For the details of this borrowing, please refer to the press release entitled "Notice concerning Debt Financing" dated July 18, 2024.

## 4. Future outlook

The impact of the Issuance to financial results is minimal and therefore no changes are required for the forecasts of the financial results for the fiscal periods ending December 2024 (from July 1, 2024 to December 31, 2024) and June 2025 (from January 1, 2025 to June 30, 2025).

## 5. Other matters necessary for investors' appropriate understanding/judgment of the concerned Information

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With respect to the risks associated with the Issuance, please refer to “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 and “Part II Reference Information II Supplemental Information to the Reference Documents 5. Investment Risks” of the securities registration statement (available in Japanese only) filed on July 18, 2024.

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

[For reference only]

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

(Unit : JPY million)

	Before the Issuance (As of September 6, 2024)	After the Issuance (As of September 12, 2024)	Increase (Decrease)
Total loans	300,597	300,597	—
Total investment corporation bonds	20,900	25,100	+4,200
Total interest-bearing liabilities (The amount excluding short-term consumption tax loan)	321,497 (318,072)	325,697 (322,272)	+4,200 (+4,200)
Total appraisal value of assets owned by INV (Note 1)	752,521	752,521	—
LTV (based on appraisal value) (%) (Note 2)	42.3	42.8	+0.6

(Note 1) As to “Total appraisal value of assets owned by INV”, among the 146 properties owned by INV as of today (including preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel), the appraisal value for the 133 properties held as of June 30, 2024 is based on the appraisal value stated in the appraisal reports on the valuation date of June 30, 2024. Appraisal value for the 12 properties acquired on July 31, 2024 is based on figures stated in the appraisal reports on the valuation date of June 1, 2024. 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 and included. The appraisal value of overseas real estate assets (which are “The Westin Grand Cayman Seven Mile Beach Resort & Spa” and “Sunshine Suites Resort”) is translated into JPY based on the exchange rate of 1 USD=110.45 JPY which is the foreign exchange forward rate under the foreign exchange forward agreement which we entered into on July 26, 2018 and became effective as of September 26, 2018.

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

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

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