

September 30, 2024

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation

Name of Representative:

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 Prepayment of Loan

Invincible Investment Corporation (“INV”) today implemented the prepayment (the “Prepayment”) of some of its existing loans.

1. Details and Reasons for the Prepayment

Of the JPY 56,725 million loan INV borrowed on July 31, 2024 to fund a portion of the property acquisition funds and related expenses for the acquisition of 12 hotel properties, a tranche of JPY 1,500 million was procured as a bridge loan due within one year. On September 12, 2024 INV issued investment corporation bonds, one of the uses of which was to fund the repayment of the bridge loan, and having raised the funds, INV has implemented the prepayment as follows:

Loan	Prepayment Amount (JPY million)	Prepayment Date	Source of Funds for Prepayment
New Syndicate Loan (015)	1,500	September 30, 2024	A portion of funds raised from Invincible Investment Corporation 12th series unsecured bonds (with pari passu conditions among specified investment corporation bonds) (Note 1)

(Note 1) For the details of the investment corporation bonds, please refer to the press release entitled “Notice concerning Issuance of Investment Corporation Bonds” dated September 6, 2024

2. Status of Loan after the Prepayment

New Syndicate Loan (015)

(as of September 30, 2024)

Lender	Borrowing Date	Borrowing Amount Before the Prepayment (JPY million)	Prepayment Amount (JPY million)	Borrowing Amount After the Prepayment (JPY million)	Interest Rate (Annual Rate)	Maturity Date	Borrowing Method
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	July 31, 2024	3,425	-	3,425	0.55182% (Note 1)	July 31, 2025	Unsecured / with no guarantee
Mizuho Bank, Ltd.		1,500	1,500	-	-	July 31, 2025	
SBI Shinsei Bank, Limited The Bank of Fukuoka, Ltd. The Chiba Bank, Ltd. The Chukyo Bank, Ltd. The Kiyo Bank, Ltd. The San-In Godo Bank, Ltd. Suruga Bank Ltd.		6,500	-	6,500	0.92727% (Note 1)	July 16, 2029	
MUFG Bank, Ltd.		1,500	-	1,500	1.59750% (Note 1)	July 16, 2030	
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan Inc. San ju San Bank, Ltd. The Chiba Bank, Ltd. The Kiyo Bank, Ltd.		20,733	-	20,733	1.02727% (Note 1)	July 16, 2030	
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan Inc. The Yamaguchi Bank Ltd. The Tochigi Bank Ltd. The Kagawa Bank Ltd.		23,067	-	23,067	1.12727% (Note 1)	July 16, 2031	
Total		56,725	1,500	55,225			

(Note 1) The interest rate applicable as of September 30, 2024 is shown.

(Note 2) For details of the loan, please refer to "Notice concerning Debt Financing" on July 18, 2024.

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3. Change in Balance of Interest-bearing Liabilities, etc.

(Unit : million yen)

	Before the Prepayment (As of September 29, 2024)	After the Prepayment (As of September 30, 2024)	Increase/ Decrease
Total Loans	300,597	299,097	-1,500
Total Investment Corporation Bonds	25,100	25,100	—
Total Interest-bearing Liabilities (The amount excluding short-term consumption tax loan)	325,697 (322,272)	324,197 (320,772)	-1,500 (-1,500)
Total Appraisal Value of Assets Owned by INV (Note 1)	752,521	752,521	—
LTV (Based on Appraisal Value) (%) (Note 2)	42.8	42.6	-0.2

(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.

4. Future Outlook

The impact of the Prepayment to financial results is minimal.

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