

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

December 25, 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 with Green Loan and Others)

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 15,230 million of new loan agreements (the "New Borrowing") today in order to repay the existing borrowing of the same amount. A portion of the New Borrowing will be executed as a green loan based on the Green Finance Framework (Note 1).

(Note 1) For the details of the green finance framework, please refer to the INV's website below.

https://www.invincible-inv.co.jp/en/upd/framework_202406_ENG.pdf

(Note 2) For the details of our debt financing, please refer to the INV's website below.

<https://www.invincible-inv.co.jp/en/finance/loan.html>

2. Details of the New Borrowing (anticipated)

< New Syndicate Loan (016) >

6-Year Loan

- | | | |
|-------------------------|---|--|
| (1) Lenders | : | Mizuho Bank, Ltd.
Sumitomo Mitsui Trust Bank, Limited
Sumitomo Mitsui Banking Corporation
The Kiyo Bank, Ltd.
The Yamaguchi Bank, Ltd.
Aozora Bank, Ltd.
SBI Shinsei Bank, Limited |
| (2) Borrowing amount | : | JPY 3,342.2 million |
| (3) Interest rate, etc. | : | 1-month JPY TIBOR (Base Rate) + spread (0.600%)
Floating interest rate (Note 1) |

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Invincible Investment Corporation

- (4) Borrowing method : Borrowing based on separate term loan agreement dated December 25, 2024
Unsecured / with no guarantee
- (5) Agreement date : December 25, 2024
- (6) Anticipated borrowing date : January 16, 2025
- (7) Interest payment date : The first payment is due on January 31, 2025, and subsequent payments will be due on the last business day of each month until the principal repayment date, as well as on the principal repayment date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : March 14, 2031

5-Year Loan

- (1) Lenders : The Nomura Trust and Banking Co., Ltd.
- (2) Borrowing amount : JPY 100 million
- (3) Interest rate, etc. : 1-month JPY TIBOR (Base Rate) + spread (0.500%)
Floating interest rate (Note 1)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated December 25, 2024
Unsecured / with no guarantee
- (5) Agreement date : December 25, 2024
- (6) Anticipated borrowing date : January 16, 2025
- (7) Interest payment date : The first payment is due on January 31, 2025, and subsequent payments will be due on the last business day of each month until the principal repayment date, as well as on the principal repayment date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : March 14, 2030

6-Year Loan (green loan)

- (1) Lenders : Mizuho Bank, Ltd.
Sumitomo Mitsui Trust Bank, Limited
Sumitomo Mitsui Banking Corporation
The Yamaguchi Bank, Ltd.
Aozora Bank, Ltd.
SBI Shinsei Bank, Limited
- (2) Borrowing amount : JPY 8,897 million
- (3) Interest rate, etc. : 1-month JPY TIBOR (Base Rate) + spread (0.600%)
Floating interest rate (Note 1)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated December 25, 2024
Unsecured / with no guarantee
- (5) Agreement date : December 25, 2024
- (6) Anticipated borrowing date : January 16, 2025
- (7) Interest payment date : The first payment is due on January 31, 2025, and subsequent payments will be due on the last business day of each month until the principal repayment date, as well as on the principal

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- repayment date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : March 14, 2031

6-Year Loan

- (1) Lenders : Development Bank of Japan, Inc.
- (2) Borrowing amount : JPY 300 million
- (3) Interest rate, etc. : 3-month JPY TIBOR (Base Rate) + spread (0.600%)
Floating interest rate (Note 2)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated December 25, 2024
Unsecured / with no guarantee
- (5) Agreement date : December 25, 2024
- (6) Anticipated borrowing date : January 16, 2025
- (7) Interest payment date : The first payment is due on March 31, 2025, and thereafter, on the last business day of March, June, September and December of each year until the principal repayment date, as well as on the principal repayment date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : March 14, 2031

6-Year Loan

- (1) Lenders : MUFG Bank, Ltd.
- (2) Borrowing amount : JPY 2,590.8 million
- (3) Interest rate, etc. : To be determined (Note 4)
Fixed interest rate
- (4) Borrowing method : Borrowing based on separate term loan agreement dated December 25, 2024
Unsecured / with no guarantee
- (5) Agreement date : December 25, 2024
- (6) Anticipated borrowing date : January 16, 2025
- (7) Interest payment date : The first payment is due on January 31, 2025, and subsequent payments will be due on the last business day of each month until the principal repayment date, as well as on the principal repayment date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : March 14, 2031

(Note 1) Base rate applicable to each interest calculation period for the interest to be paid on the relevant interest payment date shall be the 1-month JPY TIBOR announced by the Japanese Bankers Association as of the date two Japanese business days prior to the preceding interest payment date (in case of the initial interest calculation period, two Japanese business days prior to the borrowing date).

(Note 2) Base rate applicable to each interest calculation period for the interest to be paid on the relevant interest payment date shall be the 3-month JPY TIBOR announced by the Japanese Bankers Association as of the date two Japanese business days prior to the preceding interest payment date (in case of the initial interest calculation period, two Japanese business days prior to the borrowing date).

(Note 3) JPY TIBOR announced by the Japanese Bankers Association is available at its website (<https://www.jbatibor.or.jp/english/>).

(Note 4) The fixed interest rate is to be determined on January 14, 2025, and INV will announce the details once determined.

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3. Loan proceeds, use of proceeds and scheduled timing of disbursement

(1) Loan proceeds

JPY 15,230 million

(2) Use of proceeds

The proceeds will be used for the repayment of the New Syndicate Loan (P), the New Syndicate Loan (L), and the New Syndicate Loan (M) (Note 1).

Of the loan proceeds, the 6-Year Loan tranche (JPY 8,897 million) will be executed as a green loan which will be used to repay the borrowing for the acquisition of Hotel MyStays Matsuyama (rated five stars “★★★★★” in BELS certification) and Hotel MyStays Haneda (rated five stars “★★★★★” in BELS certification), green buildings which satisfy the eligible criteria of the Green Finance Framework.

(3) Scheduled timing of disbursement

January 16, 2025 (Note 1)

(Note 1) As New Syndicate Loan (P) is due on January 6, 2025, the loan will be repaid using cash on hand. Once the New Borrowing is executed on January 16, 2025, the reduced cash on hand will be replenished using a portion of the borrowing.

4. Details of loans to be repaid

New Syndicate Loan (P)

Lenders	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Sumitomo Mitsui Trust Bank, Limited Momiji Bank, Ltd. The Kiyo Bank, Ltd.	Jan. 6 2020	4,491	4,491	—	0.64291% (Note 1)	Jan. 6, 2025	Unsecured/ non- guaranteed
Total		4,491	4,491	—			

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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	Jul. 19 2019	4,943	4,943	—	0.91455% (Note 2)	Jan. 16, 2025	Unsecured/ non-guaranteed
Development Bank of Japan, Inc. AEON Bank, Ltd. Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	Jul. 19 2019	4,942	—	4,942	1.06455% (Note 2)	Jul. 16, 2025	Unsecured/ non-guaranteed
Total		9,885	4,943	4,942			

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	Jul. 16 2019	5,796	5,796	—	0.91455% (Note 2)	Jan. 16, 2025	Unsecured/ non-guaranteed
Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited	Jul. 16 2019	5,795	—	5,795	1.06455% (Note 2)	Jul. 16, 2025	Unsecured/ non-guaranteed
Total		11,591	5,796	5,795			

(Note 1) This is a borrowing with floating interest rate, but the interest rate is fixed through an interest rate swap agreement. Therefore, the effective fixed rate is shown. For details of the interest rate swap agreement for the New Syndicate Loan (P), please refer to the following press releases: "Notice concerning Execution of Interest Rate Swap Agreement" dated December 27, 2019

(Note 2) The interest rate applicable as of December 25, 2024 is shown

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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 June 2024 (from January 1, 2024 to June 30, 2024) (available in Japanese only) filed on September 26, 2024.

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

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

(Unit : JPY million)

	Before the New Borrowing (As of December 25, 2024)	After the New Borrowing (As of January 16, 2025)	Increase / Decrease
Total loans	299,097	299,097	—
Total investment corporation bonds	24,100	24,100	—
Total interest-bearing liabilities	323,197 (320,772)	323,197 (320,772)	— (—)
Total appraisal value of assets owned by INV (Note 1)	752,521	752,521	—
LTV (based on appraisal value) (Note 2) (%)	42.5	42.5	—

(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.

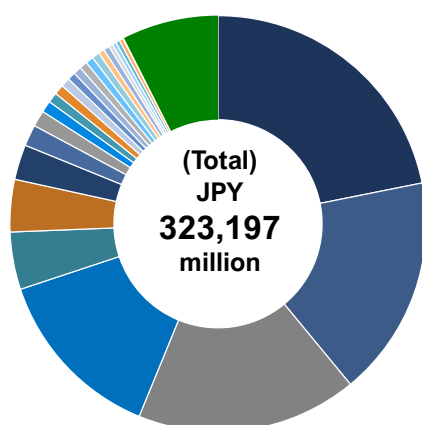
(Note 2) “LTV (based on appraisal value)” in the above table is calculated according to the following formula:

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

“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	21.9%	Suruga Bank	0.6%
MUFG	17.2%	The Chiba Bank	0.6%
SMBC	17.2%	The Chukyo Bank	0.6%
SMTB	13.7%	Tochigi Bank	0.6%
DBJ	4.5%	Nishi-Nippon City Bank	0.5%
SBI Shinsei Bank	4.1%	Kiyo Bank	0.5%
Tokyo Star Bank	2.7%	Kagawa Bank	0.3%
Aozora Bank	1.7%	The San-in Godo Bank	0.3%
San ju San Bank	1.3%	Ogaki Kyoritsu Bank	0.3%
Yamaguchi Bank	0.9%	Kiraboshi Bank	0.3%
Nomura TB	0.8%	Aeon Bank	0.1%
Fukuoka Bank	0.8%		
Shizuoka Bank	0.7%		
Resona Bank	0.6%	REIT Bond	7.5%

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