

[For Information Purpose Only.]

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

October 12, 2021

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
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Notice concerning Unwinding of Put/Call Options

Invincible Investment Corporation (“INV”) announces today that INV has implemented the unwinding (the “Unwinding”) of the following put/call options (the “Put/Call Options”) that were carried out with respect to cash flows from the Westin Grand Cayman Seven Mile Beach Resort & SPA and the Sunshine Suites Resort (the “Cayman Hotels”).

INV has carried out the Put/Call Options in order to hedge the fluctuation of exchange rates in relation to cash flows from the Cayman Hotels, designating an amount of approximately 85% of the assumed NOI for the Cayman Hotels as the hedged amount. Due to the outbreak of COVID-19, however, the operations of the Cayman Hotels were suspended in late March 2020, and the Cayman Hotels continue to face a difficult operating environment forcing the hotels to operate on a limited basis. Therefore, INV has unwound the put/call options for the period from April 2020 to June 2021, as announced in the press releases “Notice concerning Partial Unwinding of Put/Call Options” dated May 15, 2020, June 10, 2020, June 26, 2020 and November 13, 2020, while INV has executed the put/call options for the period from July 2021 to September 2021 as scheduled, considering the contract amount, exchange rate, and cancellation cost, etc.

As announced in “Performance Update for August 2021” dated September 27, 2021, the Cayman Islands government has declared that it will continue to require tourists to self-quarantine for seven or ten days, at least until the end of this year. As a result, it will take some time for the Cayman Hotels to fully resume operations and income from the Cayman Hotels will significantly decrease during the period from October to December 2021. Therefore, INV has unwound the Put/Call Options (contract amount: USD 5,426,000) today.

As a result of the Unwinding, all the transactions which were announced in “Notice concerning Execution of Put/Call Options” dated February 21, 2020 have been either executed or unwound.

This English language notice is a translation of the Japanese-language notice released on October 12, 2021 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. Overview of the Put/Call Options

The below are the specific details around the Put/Call Options subject to the Unwinding.

Purchase of Put Options

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 5,426,000
(3) Contract Type	Purchase of Put Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	January 7, 2022

Sale of Call Options

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 5,426,000
(3) Contract Type	Sale of Call Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	January 7, 2022

2. Result of the Unwinding

INV unwound the Put/Call Options at the spot rate (1 USD = 113.29 JPY) as of October 12, 2021.

As a result, it is expected that JPY 16 million will be recorded as non-operating expenses for the fiscal period ending December 2021.

3. Future Outlook

The impact to the INV's financial results by the Unwinding is minor. INV's forecasts for financial results and distribution for the fiscal period ending December 2021 (from July 1, 2021 to December 31, 2021) will be announced at a later date, once we have a clearer outlook.

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

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