

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

March 28, 2022

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 a new loan agreement (the "New Borrowing") today in order to repay the New Syndicate Loan (U) due on March 30, 2022.

(Note) For details of the borrowings to be repaid, please refer to "4. Details of loan to be repaid" below, as well as the following press releases: "Notice concerning Debt Financing (Refinance)" dated March 26, 2021.

2. Details of the New Borrowing (anticipated)

< New Syndicate Loan (002) >

1-Year Loan

- | | | |
|--------------------------------|---|---|
| (1) Lender | : | Mizuho Bank, Ltd.
MUFG Bank, Ltd.
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Trust Bank, Limited
Development Bank of Japan, Inc. |
| (2) Borrowing amount | : | JPY 3,039 million |
| (3) Interest rate, etc. | : | 1-month JPY TIBOR (Base Rate) + spread (0.25000%)
Variable interest rate (Note) |
| (4) Borrowing method | : | Borrowing based on separate term loan agreement dated March 28, 2022
Unsecured / with no guarantee |
| (5) Agreement date | : | March 28, 2022 |
| (6) Anticipated borrowing date | : | March 30, 2022 |

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- (7) Interest payment date : (i) The last Japanese business day of each month before the principal maturity date, beginning with April 28, 2022, and (ii) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : March 14, 2023

(Note)

- Base rate applicable to each interest calculation period for the interests to be paid on the relevant interest payment date shall be the 1-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).
- JPY TIBOR announced by the Japanese Bankers Association is available at its website (<http://www.jbatibor.or.jp/english/>).
- 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 3,039 million

(2) Use of proceeds

The proceeds will be appropriated for the repayment of the New Syndicate Loan (U).

(3) Scheduled timing of disbursement

March 30, 2022

4. Details of loan to be repaid

New Syndicate Loan (U)

Lender	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 Development Bank of Japan, Inc.	Mar. 30, 2021	3,039	3,039	—	0.32545% (Note)	Mar. 30, 2022	Unsecured/non-guaranteed

(Note) The interest rate applicable as of March 28, 2022 is shown.

5. Future outlook

The impact of the New Borrowing on financial results is minimal. Moreover, the forecast of financial results and DPU for the fiscal period ending June 2022 and onwards will be announced at a later date, once we have a clearer outlook.

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 2021 (from July 1, 2021 to December 31, 2021) (available in Japanese only) filed on March 25, 2022.

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 (Note 3) (As of March 30, 2022)	After the New Borrowing (As of March 30, 2022)	Increase (Decrease)
Total loans	233,172	233,172	—
Total investment corporation bonds	8,200	8,200	—
Total interest-bearing liabilities	241,372	241,372	—
Total appraisal value of assets owned by INV (Note 1)	535,377	535,377	—
LTV (based on appraisal value) (Note 2) (%)	45.1	45.1	—

(Note 1) Based on the 128 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 127 properties (excluding preferred equity interest in the TMK) are based on figures stated in the appraisal reports on the valuation date of December 31, 2021. 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:

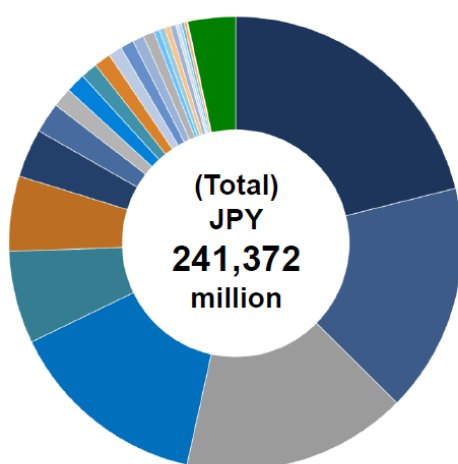
$$\text{LTV (based on appraisal value)} = \frac{\text{Total interest-bearing liabilities (excluding short-term consumption tax loan)} + \text{Total appraisal value of assets owned by INV}}{\text{Total appraisal value of assets owned by INV}} \times 100$$

“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) “Before the New Borrowing” means after the execution of the New Syndicate Loan (001) as announced in “Notice concerning Debt Financing (Refinance)” dated March 10, 2022.

(Note 4) 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	21.1%	Shizuoka Bank	1.0%
MUFG	16.3%	Fukuoka Bank	0.8%
SMBC	16.0%	Nishi-Nippon City Bank	0.8%
SMTB	14.4%	Kiraboshi Bank	0.4%
Citibank	6.6%	Momiji Bank	0.4%
Shinsei Bank	5.4%	Yamaguchi Bank	0.4%
DBJ	3.5%	The Chukyo Bank	0.4%
Resona Bank	2.2%	Dai-ichi Life Insurance	0.2%
San ju San Bank	1.4%	Kagawa Bank	0.2%
Aozora Bank	1.4%	Tochigi Bank	0.2%
Tokyo Star Bank	1.2%	Kiyo Bank	0.2%
Nomura TB	1.2%	Hiroshima Bank	0.1%
Aeon Bank	1.0%	REIT Bond	3.4%

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