

[For Information Purpose Only.]

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

September 9, 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 and CEO
Contact: Jun Komo
General Manager of Planning Department
(Tel. +81-3-5411-2731)

Notice concerning Acquisition of Domestic Real Estate (Additional Acquisition)

Invincible Investment Corporation (“INV”) is pleased to announce the decision to acquire real estate (the “Acquisition”) pertaining to land adjacent to Hotel Epinard Nasu (the “Acquired Asset”), an existing domestic hotel property owned by INV, as decided on September 9, 2022 by Consonant Investment Management Co., Ltd. (“CIM”), the asset manager of INV. Moreover, the Acquisition was completed today.

1. Overview of Acquisition

(in million yen)

Property Number	Property Name	Acquisition Price ¹	Appraisal Value ²	Seller ³	Acquisition Date
D44	Hotel Epinard Nasu (Additional acquisition of adjacent land)	21	27	Nasu Estate Co., Ltd.	September 9, 2022

(Note 1) Acquisition Price shows purchase price set forth in the purchase and sale agreement (“PSA”) and do not include adjustments for property taxes, city planning taxes, or national or local consumption taxes. The same shall apply hereinafter.

(Note 2) Appraisal Value is based on appraisal value stated in the appraisal report by JLL Morii Valuation & Advisory K.K. on the valuation date of June 21, 2022. Since the subject of the appraisal is the land, the operating income, operating expenses, etc. have not been calculated. Therefore, the summary of the appraisal report is omitted.

(Note 3) For an overview of the seller, please refer to “4. Overview of Seller” as described below.

(Note 4) Brokerage is not applicable in connection with the Acquisition.

(Note 5) Amounts are rounded down to the nearest unit. The same shall apply hereinafter.

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2. Reasons for Acquisition

The Acquired Asset is 17,625m² of land adjacent to the southwest of Hotel Epinard Nasu (hereinafter referred to as the “Property”) owned by INV. There was a proposal for sale from the seller, and CIM considered and determined that the acquisition of the Acquired Asset would contribute to maintaining and improving the future value of the Property.

CIM is considering to develop the land as a place where hotel guests can enjoy activities such as interacting with animals in nature which is the charm of Nasu highland.

3. Details of the Acquired Asset

(1) Details of the Acquired Asset

Details, profit and loss status and outline of appraisal report of the Acquired Asset are as follows:

<Explanation of details of the Acquired Asset>

a. “Outline of Specified Asset and Property” column:

- “Type of Specified Asset” indicates the type (the legal form) of specified asset.
- “Date of Acquisition” indicates the date when an acquisition is executed, which is specified in the purchase agreement or the trust beneficiary right sales agreement.
- “Purchase Price” indicates a purchase price of the Acquired Asset which is specified in the purchase agreement or the trust beneficiary right sales agreement; Consumption tax is not included, and rounded down to the nearest million yen.
- “Appraisal Value” indicates reported price by appraisal agency for acquisitions.
- The details in “Location (excluding address)” and “Lot Area” of the “Land” are, unless otherwise specified, as shown in the property register.
- “Transport” indicates the time to walk to the nearest station based on the description in the Real Estate Appraisal Report (in case there is no description of time distance in the Real Estate Appraisal Report, “Transport” is calculated by assuming walking time on the road distance of 80 meters per minute in accordance with the Fair Competition Code on the Real Estate Representations (Fair Trade Commission Notification No.2 of 2003, including subsequent revisions) (hereinafter, referred to as the “Fair Competition Code”) and the Ordinance for Enforcement of the Fair Competition Code). If unidentified, it is based on the description in other materials.
- In “Zoning” regarding land, the class of zoning under the respective items of Article 8(1) of the City Planning Act (Act No.100 of 1968, as amended; the “City Planning Act”) is listed.
- In “Building Coverage Ratio” regarding land, the ratio of a building’s area with regard to the land area as set forth under Article 53 of the Building Standards Act (Act No. 201 of 1950, as amended; the “Building Standards Act”) is listed.
- In “Floor Area Ratio” regarding land, the ratio of a building’s floor area with regard to the land area as set forth under Article 52 of the Building Standards Act is listed.
- In “Trustee”, the trustee after INV’s acquisition of the asset is listed.
- In “Trust Period”, the trust period after INV’s acquisition of the asset is listed.

b. Descriptions in the “Special Notes”:

Descriptions in the “Special Notes” fields are matters that are deemed important in consideration of their impact on rights, appraisal value, profitability and disposability of each real property or trusted real property.

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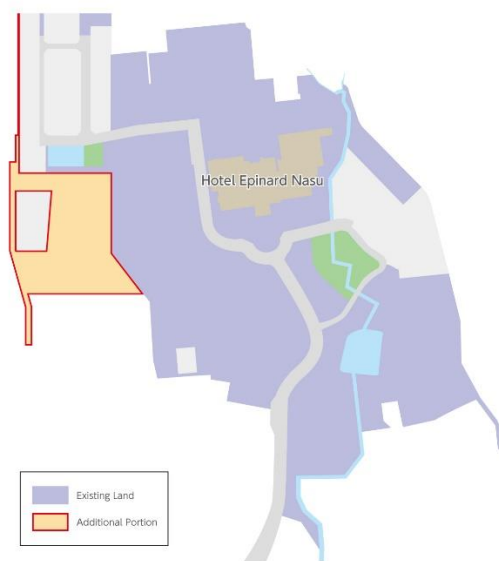
D44: Hotel Epinard Nasu (Adjacent Land)

Type and Location of Specified Asset, etc.				
Type of Specified Asset	Real Estate (Note1)			
Date of Acquisition	September 9, 2022			
Purchase Price	JPY 21,640 thousand			
Appraisal Value	JPY 27,900 thousand			
Appraisal Agency	JLL Morii Valuation & Advisory K.K.			
Location	(Lot Number)	1-38, Takaku-hei, Nasu-machi, Nasu-gun, Tochigi and 8 other lots		
	(Address)	NA		
Transport	10 min by car from Nasu IC on Tohoku Highway 30 min by car from Nasushiobara station on JR Tohoku Main Line and Tohoku Shinkansen			
Land	Form of Possession	Ownership (Co-ownership partially) (Note 2)	Zoning	Non-drawn city planning area
	Lot Area	17,625.00 m ²	Building Coverage Ratio / Floor Area Ratio	60% / 200%
Trustee	Sumitomo Mitsui Trust Bank, Limited (Note1)			
Trust Period	From: August 29, 2014; Until: August 28, 2024 (Note1)			
Creation of Security Interest	None			
Special Notes				
A part of the subject asset (land) is with co-ownership.				

(Note1) The Acquired Asset is actual real estate. While a trust has not been established at the time of the acquisition by INV, we established an additional trust on the property's trust property with Sumitomo Mitsui Trust Bank, Limited as the trustee on the acquisition date.

(Note2) A part of the land (1,628m²) is with co-ownership. Co-ownership ratio of INV (or the trustee after the establishment of trust) is 1/2.

< Map and Photo >



Note1: Above map was created by CIM to help understanding the current situation of the land, and the actual shape of the Acquired Asset may differ from the image.

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Note2: The circled portion in the picture above shows the approximate location of the main part of the Acquired Asset and does not match the actual shape of the Acquired Asset.

4. Overview of Seller

Overview of seller of the Acquired Asset is as follows;

(i)	Name	Nasu Estate Co., Ltd.
(ii)	Location	53, Suehiro-cho, Nasushiobara-shi, Tochigi
(iii)	Title and name of representative officer	Representative Director, Osamu Ide
(iv)	Business	Buying, selling, brokering, leasing, and managing real estate
(v)	Capital (as of today)	JPY 10 million
(vi)	Date of establishment	September 10, 2007
(vii)	Net assets	Not disclosed (Note)
(viii)	Total assets	Not disclosed (Note)
(ix)	Investor	Not disclosed (Note)
(x)	Relationship between INV/Asset Manager and the Seller	
	Capital relationships	There are no capital relationships, personal relationships and transactional relationships that should be noted between INV/CIM and the seller. Further there are no capital relationships, personal relationships and transactional relationships that should be noted between the related persons or affiliates of INV/CIM and the seller or its related persons or affiliates.
	Personal relationships	
	Transactional relationships	
	Whether the seller is a related party	The seller is not a related party of INV or CIM. Further, related persons and affiliates of the seller are not related parties of INV or CIM. Furthermore, the seller is not an interested party, etc. of CIM as provided in the Act on Investment Trusts and Investment Corporations (the "Investment Trust Act").

(Note) Not disclosed because consent from the seller has not been obtained.

5. Transactions with Interested Persons etc.

The tenant and operator of Hotel Epinard Nasu is Naqua Hotels & Resorts Management Co., Ltd., a subsidiary of MyStays Hotel Management Co., Ltd. Please refer to "7. Transactions with Interested Persons etc." of "Notice concerning Acquisition of Assets and Entering into Leasing Contract" dated March 10, 2016 for an overview of the relationship and transaction with the tenant and operator.

6. Summary of Current and Previous Owners

The seller does not fall into a party who has special relationships with INV or CIM.

7. Schedules

Acquisition decision date:	September 9, 2022
Agreement execution date:	
Acquisition date:	
Source of acquisition funds:	Cash on hand
Acquisition proceeds payment method:	Lump-sum payment

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8. Future Outlook

The impact of the Acquisition on financial results is minimal.

9. Other Matters that are Necessary for Investors to Properly Understand and Make Judgment on Relevant Information

For risks relating to investments in the Acquired Asset, please refer to the “Investment Risks” (*toshi risuku*) in the semi-annual securities report (*yuka shoken hokokusho*) of INV 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/>