Invesque Inc. Announces Approval of Amendments to its 8.75% Convertible Unsecured Subordinated Debentures Due September 30, 2026 and Notice of Partial Redemption of the Debentures

TORONTO, Sept. 26, 2023 /CNW/ - Invesque Inc. (the "**Corporation**" or "**Invesque**") (TSX: IVQ) (TSX: IVQ.U) is pleased to announce that holders (the "**Debentureholders**") of its 8.75% Convertible Unsecured Subordinated Debentures due September 30, 2026 (TSX:IVQ.DB.V) (the "**Debentures**") passed an extraordinary resolution approving certain amendments to the Debentures (the "**Amendments**") at a meeting of Debentureholders held today (the "**Meeting**"). The Amendments to the Debentures will result in:

1. CHANGING the date of the partial redemption of the Debentures (the "**Partial Redemption**") to October 5, 2023 (the "**Redemption Date**") and REDUCING the amount to be redeemed by the Corporation pursuant to the partial redemption from a principal amount of US$22,000,000 to a principal amount of US$4,828,000, plus accrued and unpaid interest thereon to, but excluding, the date of the redemption, to be payable in cash on October 5, 2023;
2. DECREASING the conversion price of the Debentures from US$2.75 to US$1.10 per share;
3. ADDING a covenant that the Corporation shall not make any cash repayment or redemption of principal on the Corporation's outstanding 7.00% convertible unsecured subordinated debentures due January 31, 2025 (the "**7% Debentures**") whether before, on or after the maturity date of the 7% Debentures unless, prior to or contemporaneously with the repayment or redemption of 7% Debentures, it redeems or repays for cash an equal principal amount of the Amended Debentures; and
4. ADDING a covenant that the Corporation shall not issue (i) a new class or series of unsecured convertible debentures unless the maturity date for such debentures is at least 18 months after September 30, 2026 or (ii) senior notes in exchange for, or to fund the cash repayment of, all or a portion of the 7% Debentures.

The Amendments were overwhelmingly approved by approximately 90.6% of the principal amount of the Debentures voted (either in person at the Meeting or by proxy).

It is anticipated that the effective date of the Amendments will be September 26, 2023, being the date that Invesque enters into a second supplemental trust indenture with the debenture trustee giving effect to such Amendments. The second supplemental trust indenture will be available on Invesque's SEDAR+ profile at www.sedarplus.ca.

The Corporation has delivered a notice of Partial Redemption to the Debentureholders. Such notice of Partial Redemption provides that the Corporation will, on the Redemption Date redeem US$4,828,000 of the principal amount of the Debentures (the "**Redeemed Debentures**") outstanding plus accrued and unpaid interest (at 8.75%) thereon from and including the last interest payment date of September 30, 2023 to, but excluding, the date of the redemption.

The record date for the Partial Redemption will be October 3, 2023 (the "**Record Date**"). Debentureholders on the Record Date will have a portion of their Debentures, in denominations of US$1,000, redeemed effective October 5, 2023 on a *pro rata* basis in accordance with the terms of the trust indenture between the Corporation and Computershare Trust Company of Canada dated August 24 2018, as supplemented by the supplemental indenture dated May 23, 2023 and the second supplemental indenture dated September 26, 2023.

On the Redemption Date, the holder of each Redeemed Debenture (which for greater certainty are selected on a *pro rata* basis), will receive a total payment of US$1,001.22 per Redeemed Debenture, comprised of a principal repayment of US$1,000 and an interest payment of US$1.22, for an aggregate redemption payment by the Corporation of US$4,833,890.16. All interest on the Redeemed Debentures shall cease from and after the Redemption Date.

About Invesque

Invesque is a North American health care real estate company with an investment thesis focused on the premise that an aging demographic in North America will continue to utilize health care services in growing proportion to the overall economy. Invesque currently capitalizes on this opportunity by investing in a portfolio of income-generating predominantly private pay seniors housing communities. Invesque's portfolio includes investments primarily in independent living, assisted living, and memory care, which are operated under long-term leases and joint venture arrangements with industry-leading operating partners. Invesque's portfolio also includes investments in owner-occupied seniors housing properties in which Invesque owns the real estate, the licensed operations, and provides management services through Commonwealth Senior Living, LLC, a Delaware limited liability company. For more information, please visit www.invesque.com.

Forward-Looking Information

Certain statements contained in this news release are forward-looking statements and are provided for the purpose of presenting information about management's current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. These forward-looking statements include statements regarding the anticipated performance of the Corporation in 2023 and beyond. In some cases forward-looking information can be identified by such terms as "will", "would", "anticipate", "anticipated", "expect" and "expected". The forward-looking statements in this news release are based on certain assumptions, including assumptions regarding the Corporation's ability to complete the Partial Redemption and that existing trends being observed by the Corporation's seniors housing operating partners will continue. Such statements are subject to significant known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such statements and, accordingly, should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Such risks include the risk that the Partial Redemption will not occur as planned and that existing trends being observed by the Corporation's seniors housing operating partners will not continue, as well as those risks described in the Corporation's current annual information form and management's discussion and analysis, available on SEDAR at www.sedar.com, which risks may be dependent on market factors and not entirely within the Corporation's control. Although management believes that it has a reasonable basis for the expectations reflected in these forward-looking statements, actual results may differ from those suggested by the forward-looking statements for various reasons. These forward-looking statements reflect current expectations of the Corporation as at the date of this news release and speak only as at the date of this news release. The Corporation does not undertake any obligation to publicly update or revise any forward-looking statements except as may be required by applicable law.

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