



**Make The World
More Sustainable**

[Provisional Translation Only]

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Issuer

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Ichigo Hotel Operating Results – October 2023

Portfolio Revenue, RevPAR, Occupancy, and ADR

Total (28 Hotels)

	Oct 2023 (A)	(Previous) Oct 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Oct 2023 (Current Period-To-Date)			Oct 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	1,063.5	646.3	+417.2	+64.6%	3,033.6	+1,236.9	+68.8%	691.8
RevPAR (JPY)	7,258	5,541	+1,718	+31.0%	7,547	+2,202	+41.2%	6,287
Occupancy (%)	84.7	84.1	+0.6	+0.7%	84.3	+0.7	+0.9%	84.1
ADR (JPY)	8,571	6,587	+1,984	+30.1%	8,956	+2,558	+40.0%	7,473

Variable Rent Hotels (21 Hotels)

	Oct 2023 (A)	(Previous) Oct 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Oct 2023 (Current Period-To-Date)			Oct 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	838.9	440.3	+398.6	+90.5%	2,342.4	+1,050.0	+81.2%	450.5
RevPAR (JPY)	7,665	5,491	+2,173	+39.6%	8,005	+2,569	+47.3%	6,732
Occupancy (%)	87.7	87.8	-0.2	-0.2%	86.6	-1.6	-1.8%	90.1
ADR (JPY)	8,741	6,252	+2,489	+39.8%	9,242	+3,078	+49.9%	7,469

Fixed Rent Hotels (7 Hotels)

	Oct 2023 (A)	(Previous) Oct 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Oct 2023 (Current Period-To-Date)			Oct 2019 (Reference)
					Cumulative	YOY Difference	YOY Change	
Revenue (JPY million)	224.6	206.0	+18.7	+9.1%	691.2	+187.0	+37.1%	241.3
RevPAR (JPY)	6,138	5,645	+493	+8.7%	6,384	+1,250	+24.4%	6,325
Occupancy (%)	76.4	76.3	+0.1	+0.2%	78.3	+5.6	+7.6%	84.6
ADR (JPY)	8,035	7,401	+634	+8.6%	8,154	+1,096	+15.5%	7,480

Revenue, RevPAR, Occupancy, and ADR by Hotel

Variable Rent Hotels (21 Hotels)

	Oct 2023 (A)	(Previous) Oct 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Oct 2023 (Current Period-To-Date)			Oct 2019 (Reference)	
					Cumulative	YOY Difference	YOY Change		
Nest Hotel Sapporo Ekimae	Revenue (JPY million)	52.8	39.8	+13.0	+32.7%	244.8	+105.7	+76.0%	49.4
	RevPAR (JPY)	8,185	6,691	+1,494	+22.3%	14,415	+6,317	+78.0%	8,221
	Occupancy (%)	94.6	91.6	+3.0	+3.3%	96.7	+3.8	+4.1%	96.6
	ADR (JPY)	8,652	7,303	+1,349	+18.5%	14,908	+6,194	+71.1%	8,514
Nest Hotel Sapporo Odori	Revenue (JPY million)	31.8	29.7	+2.1	+7.2%	151.7	+42.5	+39.0%	34.0
	RevPAR (JPY)	7,402	6,738	+664	+9.9%	12,646	+4,057	+47.2%	8,022
	Occupancy (%)	91.2	91.7	-0.5	-0.5%	86.7	-6.9	-7.3%	90.7
	ADR (JPY)	8,116	7,351	+765	+10.4%	14,592	+5,409	+58.9%	8,840
Smile Hotel Tokyo Asagaya	Revenue (JPY million)	41.4	24.9	+16.5	+66.3%	116.5	+42.0	+56.4%	31.7
	RevPAR (JPY)	11,852	7,090	+4,762	+67.2%	11,209	+4,064	+56.9%	8,878
	Occupancy (%)	99.5	87.3	+12.1	+13.9%	99.7	+4.2	+4.4%	97.2
	ADR (JPY)	11,917	8,119	+3,798	+46.8%	11,240	+3,762	+50.3%	9,136
The OneFive Tokyo Shibuya	Revenue (JPY million)	49.8	21.0	+28.8	+136.9%	120.3	+66.3	+122.8%	
	RevPAR (JPY)	21,991	9,412	+12,578	+133.6%	17,853	+9,705	+119.1%	
	Occupancy (%)	99.2	99.2	–	–	98.6	-0.5	-0.5%	
	ADR (JPY)	22,169	9,484	+12,685	+133.7%	18,104	+9,884	+120.2%	
Hotel Wing International Nagoya	Revenue (JPY million)	32.4	35.4	-3.0	-8.6%	107.4	-2.6	-2.4%	39.9
	RevPAR (JPY)	4,388	5,103	-715	-14.0%	4,894	-443	-8.3%	5,234
	Occupancy (%)	69.2	93.5	-24.4	-26.1%	67.8	-30.0	-30.7%	84.1
	ADR (JPY)	6,344	5,455	+889	+16.3%	7,220	+1,765	+32.4%	6,224

		Oct 2023 (A)	(Previous) Oct 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Oct 2023 (Current Period-To-Date)			Oct 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Smile Hotel Kyoto Shijo	Revenue (JPY million)	29.2	13.9	+15.3	+109.9%	66.0	+26.8	+68.3%	37.0
	RevPAR (JPY)	6,115	2,901	+3,214	+110.8%	4,683	+1,987	+73.7%	7,670
	Occupancy (%)	71.7	57.8	+14.0	+24.2%	62.5	+1.6	+2.6%	99.8
	ADR (JPY)	8,524	5,021	+3,503	+69.8%	7,491	+3,067	+69.3%	7,689
The OneFive Osaka Sakaisuji	Revenue (JPY million)	24.7	14.7	+10.0	+67.8%	73.1	+33.4	+84.3%	17.0
	RevPAR (JPY)	6,112	3,635	+2,477	+68.1%	6,084	+2,790	+84.7%	4,224
	Occupancy (%)	98.0	97.3	+0.7	+0.7%	97.6	+0.6	+0.6%	70.5
	ADR (JPY)	6,234	3,735	+2,499	+66.9%	6,231	+2,837	+83.6%	5,990
Nest Hotel Osaka Shinsaibashi	Revenue (JPY million)	65.7	34.5	+31.1	+90.1%	194.1	+98.1	+102.2%	56.6
	RevPAR (JPY)	6,987	3,479	+3,508	+100.8%	6,953	+3,713	+114.6%	5,558
	Occupancy (%)	91.4	73.6	+17.8	+24.1%	88.9	+12.4	+16.3%	77.0
	ADR (JPY)	7,648	4,727	+2,921	+61.8%	7,822	+3,584	+84.6%	7,222
Hotel Wing International Kobe Shin Nagata Ekimae	Revenue (JPY million)	26.4	28.8	-2.4	-8.3%	81.3	+6.1	+8.1%	27.0
	RevPAR (JPY)	5,826	6,452	-626	-9.7%	6,017	+416	+7.4%	5,911
	Occupancy (%)	74.3	78.8	-4.5	-5.8%	75.3	+5.7	+8.2%	75.5
	ADR (JPY)	7,844	8,187	-343	-4.2%	7,996	-60	-0.7%	7,831
Nest Hotel Matsuyama	Revenue (JPY million)	42.3	32.9	+9.4	+28.7%	127.0	+36.7	+40.7%	42.8
	RevPAR (JPY)	5,776	4,435	+1,341	+30.2%	5,824	+1,580	+37.2%	5,685
	Occupancy (%)	90.0	75.4	+14.6	+19.4%	91.0	+21.6	+31.0%	90.4
	ADR (JPY)	6,415	5,881	+533	+9.1%	6,401	+289	+4.7%	6,286
The OneFive Okayama	Revenue (JPY million)	40.0	33.6	+6.4	+19.0%	118.6	+25.8	+27.8%	39.1
	RevPAR (JPY)	6,030	5,056	+975	+19.3%	6,013	+1,321	+28.2%	5,833
	Occupancy (%)	99.0	99.3	-0.3	-0.3%	99.3	–	–	89.0
	ADR (JPY)	6,093	5,090	+1,002	+19.7%	6,058	+1,333	+28.2%	6,552
The OneFive Garden Kurashiki	Revenue (JPY million)	31.3	27.0	+4.4	+16.1%	92.2	+21.3	+30.0%	36.5
	RevPAR (JPY)	8,846	7,621	+1,225	+16.1%	8,758	+2,095	+31.4%	9,360
	Occupancy (%)	97.3	83.3	+14.0	+16.8%	97.9	+17.2	+21.4%	94.5
	ADR (JPY)	9,096	9,150	-54	-0.6%	8,949	+687	+8.3%	9,906
Valie Hotel Hiroshima	Revenue (JPY million)	31.7	39.8	-8.1	-20.4%	95.3	-23.0	-19.4%	20.6
	RevPAR (JPY)	5,890	7,500	-1,610	-21.5%	6,005	-1,495	-19.9%	3,834
	Occupancy (%)	77.2	100	-22.8	-22.8%	75.9	-24.1	-24.1%	61.4
	ADR (JPY)	7,630	7,500	+130	+1.7%	7,911	+411	+5.5%	6,242

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						Cumulative	YOY Difference	YOY Change	
The OneFive Fukuoka Tenjin	Revenue (JPY million)	27.1	16.0	+11.1	+69.3%	79.0	+36.9	+87.7%	21.9
	RevPAR (JPY)	10,817	6,309	+4,508	+71.4%	10,600	+5,068	+91.6%	8,475
	Occupancy (%)	97.8	97.8	–	–	97.8	+0.1	+0.1%	95.9
	ADR (JPY)	11,063	6,450	+4,613	+71.5%	10,836	+5,177	+91.5%	8,834
Nest Hotel Kumamoto	Revenue (JPY million)	46.8	31.2	+15.7	+50.3%	126.1	+33.6	+36.3%	36.0
	RevPAR (JPY)	7,106	5,000	+2,106	+42.1%	6,461	+1,461	+29.2%	5,056
	Occupancy (%)	89.4	100	-10.6	-10.6%	85.5	-14.5	-14.5%	77.8
	ADR (JPY)	7,947	5,000	+2,947	+58.9%	7,553	+2,553	+51.1%	6,501
Smile Hotel Nagano	Revenue (JPY million)	20.6	17.1	+3.5	+20.4%	59.1	+10.3	+21.1%	
	RevPAR (JPY)	8,399	7,211	+1,187	+16.5%	8,118	+1,191	+17.2%	
	Occupancy (%)	99.2	96.4	+2.7	+2.8%	98.3	+3.0	+3.1%	
	ADR (JPY)	8,470	7,478	+992	+13.3%	8,256	+992	+13.7%	
Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building)	Revenue (JPY million)	58.8	–	–	–	111.2	–	–	
	RevPAR (JPY)	8,813	–	–	–	8,473	–	–	
	Occupancy (%)	84.4	–	–	–	84.2	–	–	
	ADR (JPY)	10,446	–	–	–	10,065	–	–	
HOTEL THE KNOT YOKOHAMA	Revenue (JPY million)	54.0	–	–	–	108.7	–	–	
	RevPAR (JPY)	11,062	–	–	–	11,297	–	–	
	Occupancy (%)	93.9	–	–	–	94.4	–	–	
	ADR (JPY)	11,780	–	–	–	11,966	–	–	
Quintessa Hotel Ise Shima	Revenue (JPY million)	41.6	–	–	–	75.1	–	–	
	RevPAR (JPY)	5,463	–	–	–	5,254	–	–	
	Occupancy (%)	66.6	–	–	–	61.3	–	–	
	ADR (JPY)	8,202	–	–	–	8,567	–	–	
Quintessa Hotel Ogaki	Revenue (JPY million)	34.4	–	–	–	62.9	–	–	
	RevPAR (JPY)	5,081	–	–	–	5,226	–	–	
	Occupancy (%)	81.7	–	–	–	81.8	–	–	
	ADR (JPY)	6,221	–	–	–	6,391	–	–	
THE KNOT SAPPORO	Revenue (JPY million)	56.0	–	–	–	132.1	–	–	
	RevPAR (JPY)	11,878	–	–	–	14,496	–	–	
	Occupancy (%)	99.3	–	–	–	99.2	–	–	
	ADR (JPY)	11,957	–	–	–	14,608	–	–	

Fixed Rent Hotels (6 Hotels – excludes Hotel Livemax Nihombashi-Hakozaki)

		Oct 2023 (A)	(Previous) Oct 2022 (B)	Difference (A) - (B)	YOY Change	Aug 2023 – Oct 2023 (Current Period-To-Date)			Oct 2019 (Reference)
						Cumulative	YOY Difference	YOY Change	
Comfort Hotel Kushiro	Revenue (JPY million)	28.4	28.2	+0.2	+0.8%	99.8	+10.1	+11.3%	19.9
	RevPAR (JPY)	7,024	6,711	+313	+4.7%	8,344	+1,037	+14.2%	4,846
	Occupancy (%)	87.4	90.0	-2.5	-2.8%	91.6	-1.4	-1.6%	80.8
	ADR (JPY)	8,034	7,459	+575	+7.7%	9,110	+1,257	+16.0%	5,995
Comfort Hotel Hamamatsu	Revenue (JPY million)	35.3	29.8	+5.4	+18.2%	112.0	+26.6	+31.1%	30.1
	RevPAR (JPY)	5,808	4,912	+896	+18.2%	6,209	+1,473	+31.1%	4,947
	Occupancy (%)	82.6	80.5	+2.1	+2.6%	85.4	+6.1	+7.7%	77.4
	ADR (JPY)	7,030	6,099	+931	+15.3%	7,266	+1,298	+21.8%	6,395
Comfort Hotel Central International Airport	Revenue (JPY million)	69.0	59.0	+10.0	+17.0%	216.0	+52.2	+31.8%	86.9
	RevPAR (JPY)	6,305	5,369	+935	+17.4%	6,663	+1,635	+32.5%	7,793
	Occupancy (%)	69.1	64.3	+4.8	+7.4%	72.7	+11.7	+19.2%	84.6
	ADR (JPY)	9,127	8,352	+776	+9.3%	9,162	+924	+11.2%	9,215
Comfort Hotel Suzuka	Revenue (JPY million)	15.6	22.2	-6.6	-29.7%	57.2	+2.9	+5.4%	18.7
	RevPAR (JPY)	4,758	6,626	-1,867	-28.2%	5,882	+358	+6.5%	5,684
	Occupancy (%)	72.7	78.8	-6.1	-7.7%	79.5	-2.7	-3.3%	77.7
	ADR (JPY)	6,541	8,408	-1,867	-22.2%	7,401	+677	+10.1%	7,315
Urbain Hiroshima Executive	Revenue (JPY million)	33.7	19.6	+14.1	+72.2%	92.6	+37.3	+67.6%	37.9
	RevPAR (JPY)	6,351	3,689	+2,662	+72.2%	5,886	+2,374	+67.6%	7,149
	Occupancy (%)	77.7	62.9	+14.8	+23.5%	74.4	+13.4	+22.0%	93.4
	ADR (JPY)	8,173	5,863	+2,310	+39.4%	7,908	+2,151	+37.4%	7,655
Hotel Sunshine Utsunomiya	Revenue (JPY million)	29.5	–	–	–	80.9	–	–	
	RevPAR (JPY)	5,358	–	–	–	5,014	–	–	
	Occupancy (%)	72.6	–	–	–	71.0	–	–	
	ADR (JPY)	7,380	–	–	–	7,066	–	–	

Notes:

1. The above data are as provided by the hotel operators or as calculated by Ichigo Investment Advisors based on information provided by the hotel operators. The data have not been audited and thus their accuracy cannot be guaranteed and may not match data disclosed in future releases.
2. Revenue is revenue from accommodations and related services only. Rent from retail tenants at The OneFive Osaka Sakaisuji, Hotel Wing International Kobe Shin Nagata Ekimae, Smile Hotel Tokyo Asagaya, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, and THE KNOT SAPPORO are not included.
3. RevPAR (Revenue Per Available Room) is calculated with the following formula:

$$\text{RevPAR} = \text{Total Revenue from accommodations (excluding restaurant charges and other service fees)} / \text{number of available guest rooms}$$

4. Occupancy is calculated with the following formula:

$$\text{Occupancy} = \frac{\text{Total number of guest rooms occupied during the period}}{(\text{total number of guest rooms} * \text{number of days hotel was in operation during the period})}$$
 Occupancy may exceed 100% in the following cases: 1) a guest had pre-paid for a guest room but checked out early, allowing the guest room to be occupied by a different guest; or 2) a guest room is occupied for less than one day by different guests.
5. ADR (Average Daily Rate) is calculated with the following formula:

$$\text{ADR} = \frac{\text{Total revenue from accommodations (excluding restaurant charges and other service fees)}}{\text{number of guest rooms occupied during the period}}$$
6. The Capsule Plus Yokohama and the Washington Hotel Plaza Shimonoseki Eki Nishi are excluded from the above data because the hotel operators did not give consent to disclose hotel-specific data that would allow for year-on-year comparisons. Data for the Hotel Livemax Nihombashi-Hakozaki are included in the total and fixed rent hotels data above, but not separately disclosed because the hotel operator did not provide consent to disclose hotel-specific data.
7. Cumulative period-to-date data for the five hotels acquired on August 25, 2023, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, Quintessa Hotel Ise Shima, Quintessa Hotel Ogaki, and THE KNOT SAPPORO, is from September 2023. Hotel-specific data for the same month last year are not available for these five hotels, and are not included in the total and fixed rent hotels data above.
8. Pre-acquisition data for acquired hotels are based on data received from the previous owners.
9. October 2019 Revenue, RevPAR, Occupancy, and ADR data provided as a reference is for the 19 hotels owned since October 2019, and is not available for The OneFive Tokyo Shibuya, Smile Hotel Nagano, and Hotel Sunshine Utsunomiya, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, Quintessa Hotel Ise Shima, Quintessa Hotel Ogaki, and THE KNOT SAPPORO. The OneFive Okayama was operating under the name Comfort Hotel Okayama in October 2019, and hotel data is included as a fixed rent hotel.

Explanation of Changes

October 2023 ADR and RevPAR increased by 30.1% and 31.0% year-on-year respectively, marking significant growth compared to October 2022 due to weekday business travel demand, a sharp recovery in inbound tourism, and various events including live concerts and sports tournaments. RevPAR exceeded the pre-Covid levels of October 2019 by 15% due to a year-on-year ADR increase.

In addition to hotel demand growth driven by inbound tourism, conference and banquet demand is expected to pick up.

Value-Add Actions

SMOKE DOOR is an all-day dining restaurant specializing in wood fire cooking, an archaic cooking style requiring expert skills, located on the first floor of HOTEL THE KNOT YOKOHAMA, the boutique hotel Ichigo Hotel acquired on August 25, 2023.

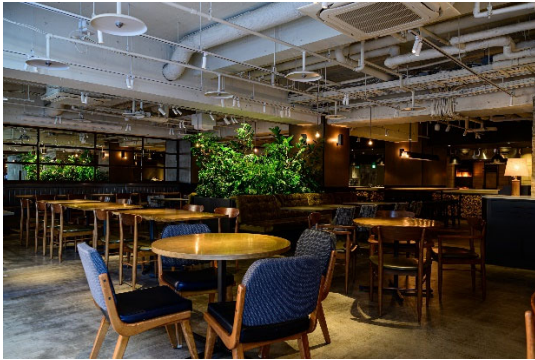
HOTEL THE KNOT YOKOHAMA invited Tyler Burges, an American that served as the executive sous chef at the Michelin three-star Saison restaurant in San Francisco, to be the head chef of SMOKE DOOR, which offers new ways to enjoy local ingredients.

Recently, the restaurant has collaborated with local government entities to host food events for single-parent households and is minimizing food waste by proactively

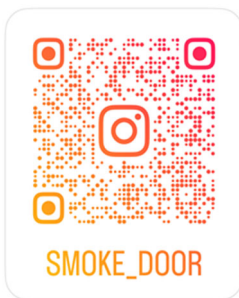
incorporating non-standard vegetables into the menu.

Ichigo Hotel will aim to operate hotels that are beloved by local communities in the Yokohama area, and continue to work closely with hotel operators to increase guest satisfaction and drive higher earnings.

SMOKE DOOR (First Floor of HOTEL THE KNOT YOKOHAMA)



SMOKE DOOR Official Instagram



SMOKE DOOR Reservation Site (TableCheck)

www.tablecheck.com/en/shops/theknotyokohama-smokedoor/reserve