

[Provisional Translation Only]

This English translation of the original Japanese document is provided solely for information purposes.

Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

September 16, 2025

July 2025 Fiscal Period Earnings

Ichigo Hotel REIT Investment Corporation (“Ichigo Hotel,” Tokyo Stock Exchange, 3463)

Representative: Eriko Ishii, Executive Director

www.ichigo-hotel.co.jp/en

Ichigo Investment Advisors Co., Ltd. (Ichigo Hotel Asset Management Company)

Representative: Hiroshi Iwai, President

Inquiries: Masahiro Izumi, Head of Finance & Planning

Telephone: +81-3-4485-5232

Submission of Financial Report (*Yuka Shoken Hokokusho*): October 28, 2025 (expected)

Dividend Payment: October 22, 2025 (expected)

Supplemental Material to Financial and Business Results: Yes (Corporate Presentation)

Financial and Business Results Briefing: Yes (for institutional investors and analysts)

1. Financial Results for the July 2025 Fiscal Period (February 1, 2025 to July 31, 2025)

(1) Earnings

(JPY million; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
July 2025	3,051	-41.7%	1,734	-52.4%	1,378	-58.4%	1,377	-58.4%
January 2025	5,230	+114.3%	3,645	+177.4%	3,316	+232.8%	3,315	+233.0%

	Net Income per Share (JPY)	Return on Equity (6 months)	Recurring Profit to Total Assets (6 months)	Recurring Profit to Operating Revenue
July 2025	4,207	3.3%	1.8%	45.2%
January 2025	10,124	7.9%	4.3%	63.4%

Note: Net Income per Share is based on the average number of outstanding shares during the period.

(2) Dividends

	Dividend per Share (JPY)	Total Dividends (JPY million)	Dividend per Share in Excess of Earnings (JPY)	Total Dividends in Excess of Earnings (JPY million)	Payout Ratio	Dividend on Equity (DOE)
July 2025	4,207	1,377	—	—	100.0%	3.4%
January 2025	10,125	3,315	—	—	100.0%	7.9%

(3) Assets and Equity

	Total Assets (JPY million)	Net Assets (JPY million)	Shareholder Equity Ratio	Net Assets per Share (JPY)
July 2025	79,165	41,075	51.9%	125,425
January 2025	78,369	43,013	54.9%	131,343

(4) Cash Flows

(JPY million)

	Cash Flows from Operations	Cash Flows from Investments	Cash Flows from Financing	Cash and Cash Equivalents at End of the Period
July 2025	8,093	-9,194	237	8,000
January 2025	8,401	-2,949	-995	8,863

2. Earnings Forecasts for the January 2026 Fiscal Period (August 1, 2025 to January 31, 2026) and July 2026 Fiscal Period (February 1, 2026 to July 31, 2026)

(JPY million; period-on-period change)

	Operating Revenue	Change	Operating Profit	Change	Recurring Profit	Change	Net Income	Change
January 2026	2,977	-2.4%	1,637	-5.6%	1,244	-9.7%	1,243	-9.7%
July 2026	2,644	-11.2%	1,396	-14.7%	1,005	-19.2%	1,004	-19.2%

(JPY)

	Dividend per Share	Dividend per Share in Excess of Earnings
January 2026	3,797	—
July 2026	3,068	—

Note: Forecast Net Income per Share is JPY 3,797 (-62.5% year-on-year) and JPY 3,068 (-27.1% year-on-year), respectively, for the January 2026 and July 2026 fiscal periods.

3. Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatements

(i)	Changes Accompanying Amendments to Accounting Standards	None
(ii)	Changes Not Listed in (i)	None
(iii)	Changes in Accounting Estimates	None
(iv)	Retrospective Restatements	None

(2) Number of Shares Issued and Outstanding

The number of issued and outstanding shares (including treasury shares) was 327,489 as of both January 31, 2025 and July 31, 2025.

Completion Status of Auditing Procedures

This document is not subject to the auditing requirements set forth in the Financial Instruments and Exchange Law of Japan. The auditing procedures in accordance with those requirements have thus not been completed as of the date of the publication of this document.

Appropriate Use of Forecasts and Other Matters of Special Note

The forecasts presented in this document are current figures based on certain preconditions. Accordingly, actual results may vary due to changes in circumstances, and these forecasts should not be construed as a guarantee of such results.

For details on the forecast preconditions, please refer to the “Preconditions for the January 2026 Earnings Forecast” on page 11 and “Preconditions for the July 2026 Earnings Forecast” on page 14.

This English version is a translation of the original Japanese document and is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

Table of Contents

1. Operating Results	5
(1) Operating Results	5
(2) Material Matters after Closing of the Fiscal Period	9
(3) Earnings Forecasts	10
2. Financial Statements	18
(1) Balance Sheet	18
(2) Income Statement	19
(3) Statement of Shareholders' Equity	20
(4) Dividend Statement	22
(5) Cash Flow Statement	23
(6) Going Concern Disclosure	24
(7) Notes on Significant Accounting Policies	24
(8) Notes on Significant Accounting Estimates	27
(9) Notes to Financial Statements	28
(10) New Share Issuance Disclosure	43
3. Reference Information	44
(1) Portfolio Information	44
(2) Major Capital Expenditures	47

1. Operating Results

(1) Operating Results

A. Summary of the Current Period

(a) Ichigo Hotel Overview

Ichigo Hotel REIT Investment Corporation (“Ichigo Hotel”) was established on July 22, 2015, with Ichigo Investment Advisors Co., Ltd. (“Asset Management Company”) as its incorporator and Ichigo Inc. as its sponsor, pursuant to the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; the “Investment Trust Act”). At the time of establishment, the paid-in capital was JPY 300 million and the total number of shares issued was 3,000. Ichigo Hotel was listed on the Tokyo Stock Exchange Real Estate Investment Trust Securities Market (securities code: 3463) on November 30, 2015.

(b) Investment Environment and Operating Results

During the current fiscal period, the Japanese economy showed a moderate recovery. In the April to June 2025 quarter, real GDP grew by 0.3% from the previous quarter (1.0% annualized), marking five consecutive quarters of positive growth. Private sector capital investment was firm, supported by limited impact from U.S. tariff policies. While investment appetite remained strong, growth in personal consumption lagged behind income growth, leading to increased household savings due to uncertainty over the economic outlook.

According to the Japan National Tourism Organization (JNTO), the number of inbound tourists from January to June 2025 reached 21.51 million, up 21.0% year-on-year and surpassing 20 million for a six-month period for the first time. In addition, the total number of overnight guests was 90.99 million for the first six months of 2025, with inbound tourism increasing 17.8% year-on-year. In contrast, domestic travel demand for the same period was 219.45 million (Japan Tourism Agency), down 3.5% year-on-year, showing that travel demand is being driven primarily by inbound tourists.

At Ichigo Hotel, hotel demand has remained strong, supported not only by stable business demand but also by steady domestic demand from events such as sports events and concerts, together with further growth in inbound tourism.

Ichigo Hotel monitors the operating performance of its hotel operators, while also considering and implementing measures such as new capex investments, revisions to lease terms, and the selection of hotel operators, in order to ensure that its hotels are positioned to generate higher revenues in anticipation of further growth in hotel demand.

In the real estate investment market, transaction prices have remained elevated, supported by strong investment appetite from both domestic and overseas investors. Taking advantage of this environment, during the July 2025 fiscal period Ichigo Hotel sold a hotel located in Osaka, realizing a gain on sale of JPY 295 million. On the acquisition side, in addition to leveraging its sponsor pipeline, Ichigo Hotel capitalized on its own sourcing capabilities to acquire two hotels with strong growth potential. At the Nest Hotel Hakata Ekimae acquired on February 4, 2025, the average RevPAR during the fiscal period was JPY 14,822, a year-on-year increase of +14.4%. Furthermore, on July 28, 2025, Ichigo Hotel acquired the Smile Hotel Miyakojima, located in Miyako City, Okinawa Prefecture, an area with abundant tourism resources and significant potential for domestic and inbound leisure demand.

As a result of these initiatives, as of the end of the July 2025 fiscal period, Ichigo Hotel owned 30 assets with a total acquisition price of JPY 70,003 million, with total shares outstanding of 327,489 shares.

Looking ahead, Ichigo Hotel will continue to work to grow to shareholder value, capturing opportunities arising from the favorable growth phase of the travel accommodation and tourism markets.

(c) Financing Activity

In February 2025, Ichigo Hotel borrowed JPY 3,550 million to fund the acquisition of the Nest Hotel Hakata Ekimae.

During the current fiscal period, in order to build a stable financial base, Ichigo Hotel took out loans to diversify debt maturity while monitoring interest rates.

(d) Earnings Performance and Dividends

For the July 2025 fiscal period, operating revenue was JPY 3,051 million, operating profit was JPY 1,734 million, recurring profit was JPY 1,378 million, and net income was JPY 1,377 million.

Dividends are determined in accordance with Article 37 of the Investment Corporation's Articles of Incorporation and are set at an amount exceeding 90% of distributable profit as defined in Article 67-15, Clause 1 of the Act on Special Measures Concerning Taxation.

Furthermore, amounts deemed necessary for maintaining or enhancing asset value – such as long-term repair reserves, reserve for dividends, reserve for temporary difference adjustments, reserve for special depreciation, reserve for dividends in excess of earnings, and other similar reserves and allowances – may be appropriated from distributable profit through accumulation, retention, or other methods.

For the current fiscal period, against unappropriated retained earnings of JPY 1,377 million, Ichigo Hotel decided to distribute the full amount, excluding fractions of less than one yen per share, as dividends. As a result, dividend per share was JPY 4,207.

B Outlook for the Next Fiscal Period

(a) New Asset Acquisitions

Ichigo Hotel primarily invests in hotel assets, with the aim of securing stable cash flows while building a portfolio with earnings growth potential supported by rising accommodation demand.¹

Ichigo Hotel classifies its target hotel real estate assets into four categories – “Lodging-Focused Hotels,” “Full-Service Hotels,” “Resort Hotels,” and “Other” – and conducts due diligence to assess the characteristics and competitiveness of each asset.² Based on this process, Ichigo Hotel has selectively invested in hotel real estate assets that will enhance the quality and profitability of its portfolio.

Japanese household consumption is expected to remain resilient, supported by income growth and moderating inflation, leading to gradual Japanese economic growth. However, attention must be paid to the potential impact of U.S. tariff policies and escalating trade frictions on the global economy.

Domestic hotel demand is expected to benefit from further increases in inbound travelers. Ichigo Hotel will continue to focus its investments on hotel real estate assets that capture trends in the hotel market, with priority given to lodging-focused and specialized hotels, while also focusing on selecting regions and hotel types that provide greater stability and earnings growth and support high portfolio quality.

Since listing, Ichigo Hotel has maximized the sourcing capabilities and support system of the Ichigo Group.^{3,4} Along with expanding its portfolio through external growth, it has sought to diversify hotel real estate investments in terms of investment region, hotel type, and rent contract format, thereby building a portfolio that pursues both stability and growth in earnings. Going forward, Ichigo Hotel is considering acquiring resort hotels and full-service hotels, which allow for greater growth upside.

¹ “Hotel assets” refer to:

(i) real estate primarily used as lodging facilities and related facilities/equipment for operating

accommodation businesses as defined under the Inns and Hotels Act;

(ii) real estate used for residences or lodging facilities that are leased or provided with furnishings and other necessary infrastructure and that may provide front desk and other services to tenants or guests, as well as related facilities/equipment; or

(iii) in cases where multiple real estate assets may be integrally utilized from a socioeconomic perspective, such multiple real estate assets if any of them fall under (i) or (ii), provided that Ichigo Hotel acquires them on the condition that it acquires or holds the related (i) or (ii) assets.

² Ichigo Hotel's Hotel Categories:

a. Lodging-Focused Hotels: Located in demand-generating areas such as near train stations, airports, tourist spots, business districts, and commercial districts, or near transportation hubs such as terminal stations or highway interchanges. Such hotels limit or minimize ancillary facilities, focusing primarily on lodging. Includes capsule hotels.

b. Full-Service Hotels: Located in demand-generating areas such as near train stations, airports, tourist spots, business districts, commercial districts, metropolitan areas, government ordinance-designated cities, prefectural capitals, and suburban urban areas. These hotels offer full-line services with lodging facilities, food & beverage establishments such as restaurants, banquet halls, conference facilities, and other ancillary facilities.

c. Resort Hotels: Located in tourist destinations, scenic spots, or near leisure facilities, offering relatively spacious accommodations along with restaurants, banquet halls, conference rooms, sports facilities, and other diverse ancillary facilities.

d. Other: Lodging facilities (other than hotels) operated under the Inns and Hotels Act, as well as serviced apartments and similar facilities, located in areas with high transportation accessibility such as urban centers, suburbs, near train stations, airports, tourist spots, business districts, commercial districts, and transportation hubs such as terminal stations.

³ "Ichigo Group" refers to Ichigo Inc. and its consolidated subsidiaries (including Ichigo Hotel's asset management company).

⁴ "Sourcing capabilities" refers to the comprehensive capabilities to acquire investment assets, including the ability to gather asset information and to negotiate acquisitions.

(b) Value-Add and Organic Growth

Ichigo Hotel has held ongoing discussions with the hotel operators of its variable-rent assets through monthly operation meetings and other meetings, planning and executing value-add capex. In addition, Ichigo Hotel deploys Ichigo Group's value-add capabilities and operational expertise to increase underlying asset values.

To ensure that its hotels can promptly capture hotel demand and revenues for further growth, Ichigo Hotel not only conducts monthly operation meetings with hotel operators but also promptly shares information on daily changes in circumstances, and takes measures such as implementing necessary capex investments, considering cost reduction measures, and providing support to hotel tenants.

Note: In principle, Ichigo Hotel undertakes capex within the scope of total depreciation expenses recorded in each period, although it may exceed this level depending on circumstances. Based on operational policies tailored to the characteristics of each asset, Ichigo Hotel seeks to execute value-creation capex that is cost-effective, thereby carrying out capex investments that are both effective and strategic.

(c) Financing Strategy

Ichigo Hotel prioritizes securing stable earnings over the long term, steady growth in the value of its assets under management, and operational stability. To this end, it seeks to extend and diversify borrowing maturities. Amid a gradual upward trend in interest rates reflecting changes in the Bank of Japan's policy stance, Ichigo Hotel will consider financing strategies aimed at reducing funding costs, while paying close attention to financing conditions and the ratio of fixed-rate borrowings.

For the refinancing of existing borrowings, Ichigo Hotel will work to ensure reliable refinancing by leveraging sponsor support and maintaining strong relationships with its lenders, while also striving to control financing costs.

In addition, to improving capital efficiency and enhance shareholder returns, Ichigo Hotel will also consider acquiring and retiring its treasury shares as part of its financial and capital policies. In making such decisions, Ichigo Hotel will carefully assess its financial condition and trends in the financial markets, with the goal of growing shareholder value over the long term.

(2) Material Matters after Closing of the Fiscal Period

1. Asset Acquisition

Hotel Enoe Toyama

Acquisition Price ¹	JPY 3,400 million
Location	6-1 Aramachi, Toyama City, Toyama
Form of Ownership	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	July 28, 2025
Closing Date	August 29, 2025
Seller ²	Third-party Japanese company

¹ Acquisition Price excludes incidental expenses such as fees and property, city planning, and consumption taxes.

² The seller did not provide consent to disclose its name.

2. Asset Sale

Comfort Hotel Suzuka

Sale Price ¹	JPY 430 million
Book Value ²	JPY 272 million
Location	14-26 Shiroko Ekimae, Suzuka City, Mie
Form of Ownership	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	August 8, 2025
Closing Date	September 1, 2025
Buyer ³	Third-party Japanese company

¹ Sale Price excludes incidental expenses such as fees and property, city planning, and consumption taxes. Ichigo Hotel is expected to record JPY 133 million in gains on sale in the January 2026 fiscal period (August 1, 2025 to January 31, 2026).

² Book Value as of July 31, 2025

³ The buyer did not provide consent to disclose its name.

3. New Loan

Ichigo Hotel borrowed funds via a new loan to acquire the Hotel Enoe Toyama on August 29, 2025.

Lender	SMBC
Loan Amount	JPY 2,000 million
Interest Rate	1M JPY TIBOR +0.650% (p.a.)
Repayment Date	February 28, 2031
Interest Payment Date	The final day of every month (the first payment date is September 30, 2025 and the last payment date will be the same as the principal repayment date)
Repayment Term	Lump-sum repayment
Collateralized	No

(3) Earnings Forecasts

Earnings Forecast for the January 2026 Fiscal Period (August 1, 2025 to January 31, 2026)

For details on the preconditions for this forecast, please refer to page 11.

Operating Revenue	JPY 2,977 million
Operating Profit	JPY 1,637 million
Recurring Profit	JPY 1,244 million
Net Income	JPY 1,243 million
Dividend per Share	JPY 3,797
Dividend in Excess of Earnings	—

Earnings Forecast for the July 2026 Fiscal Period (February 1, 2026 to July 31, 2026)

For details on the preconditions for this forecast, please refer to page 14.

Operating Revenue	JPY 2,644 million
Operating Profit	JPY 1,396 million
Recurring Profit	JPY 1,005 million
Net Income	JPY 1,004 million
Dividend per Share	JPY 3,068
Dividend in Excess of Earnings	—

Preconditions for the January 2026 Earnings Forecast

	Preconditions																															
Period	● August 1, 2025 to January 31, 2026 (184 days)																															
Number of Hotels	● 30 hotels (reflects the acquisition of Hotel Enoe Toyama on August 29, 2025 and the sale of Comfort Hotel Suzuka on September 1, 2025)																															
Operating Revenue	Within operating revenue, rental income is forecast based on current lease contracts, taking into consideration such factors as hotel and market conditions. ¹																															
	<u>Forecast Operating Performance²</u>																															
	<table><tr><td></td><td>January 2026 Fiscal Period</td></tr><tr><td>Occupancy³</td><td>85.2%</td></tr><tr><td>ADR⁴</td><td>JPY 11,038</td></tr></table>		January 2026 Fiscal Period	Occupancy ³	85.2%	ADR ⁴	JPY 11,038																									
		January 2026 Fiscal Period																														
	Occupancy ³	85.2%																														
	ADR ⁴	JPY 11,038																														
	¹ The forecast rental income assumes operators and tenants will fully pay their contractual rents without delay or default.																															
	² The 24 variable rent hotels are: Smile Hotel Kyoto Shijo, Hotel Wing International Nagoya, The OneFive Osaka Sakaisuji, Hotel Wing International Kobe Shin Nagata Ekimae, Nest Hotel Sapporo Odori, The OneFive Fukuoka Tenjin, Comfort Hotel Central International Airport (the lease contract change from fixed rent to fixed + variable rent effective May 2025), Smile Hotel Tokyo Asagaya, Nest Hotel Matsuyama, The OneFive Okayama, Capsule Plus Yokohama, The OneFive Garden Kurashiki, Nest Hotel Kumamoto, The OneFive Tokyo Shibuya, Smile Hotel Nagano, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOKAMA, Quintessa Hotel Ise Shima, Quintessa Hotel Ogaki, THE KNOT SAPPORO, The OneFive Marine Fukuoka, Nest Hotel Hakata Ekimae, Smile Hotel Miyakojima, and Hotel Enoe Toyama. Data for Capsule Plus Yokohama is excluded from the above forecast because the operator did not give consent to disclose forecasts.																															
	³ Occupancy is calculated with the following formula: Occupancy = Total number of guest rooms occupied during the period / (total number of guest rooms * number of days hotel was in operation during the period)																															
	⁴ ADR or Average Daily Rate is calculated with the following formula: ADR = Total sales from accommodation (excluding restaurant charges and other service fees) / number of guest rooms occupied during the period																															
<u>Details of the January 2026 Rental Income Forecast by Hotel</u>																																
(JPY million)																																
<table><tr><th>Hotel Name</th><th>Fixed Rent/ Minimum Guaranteed Rent</th><th>Variable Rent</th><th>Total</th></tr><tr><td>Smile Hotel Kyoto Shijo</td><td>33</td><td>52</td><td>85</td></tr><tr><td>The OneFive Osaka Sakaisuji</td><td>17</td><td>63</td><td>80</td></tr><tr><td>Comfort Hotel Hamamatsu</td><td>55</td><td>—</td><td>55</td></tr><tr><td>Nest Hotel Sapporo Odori</td><td>26</td><td>57</td><td>84</td></tr><tr><td>The OneFive Fukuoka Tenjin</td><td>40</td><td>64</td><td>104</td></tr><tr><td>Comfort Hotel Central International Airport</td><td>169</td><td>10</td><td>180</td></tr><tr><td>Smile Hotel Tokyo Asagaya</td><td>41</td><td>27</td><td>69</td></tr></table>	Hotel Name	Fixed Rent/ Minimum Guaranteed Rent	Variable Rent	Total	Smile Hotel Kyoto Shijo	33	52	85	The OneFive Osaka Sakaisuji	17	63	80	Comfort Hotel Hamamatsu	55	—	55	Nest Hotel Sapporo Odori	26	57	84	The OneFive Fukuoka Tenjin	40	64	104	Comfort Hotel Central International Airport	169	10	180	Smile Hotel Tokyo Asagaya	41	27	69
Hotel Name	Fixed Rent/ Minimum Guaranteed Rent	Variable Rent	Total																													
Smile Hotel Kyoto Shijo	33	52	85																													
The OneFive Osaka Sakaisuji	17	63	80																													
Comfort Hotel Hamamatsu	55	—	55																													
Nest Hotel Sapporo Odori	26	57	84																													
The OneFive Fukuoka Tenjin	40	64	104																													
Comfort Hotel Central International Airport	169	10	180																													
Smile Hotel Tokyo Asagaya	41	27	69																													

Nest Hotel Matsuyama	35	62	98
The OneFive Okayama	72	28	101
Comfort Hotel Kushiro	18	–	18
Comfort Hotel Suzuka	2	–	2
The OneFive Garden Kurashiki	52	7	59
Nest Hotel Kumamoto	27	43	70
The OneFive Tokyo Shibuya	44	96	141
Smile Hotel Nagano	13	50	64
Hotel Sunshine Utsunomiya	64	–	64
HOTEL THE KNOT YOKOHAMA	79	113	193
Quintessa Hotel Ise Shima	37	19	57
Quintessa Hotel Ogaki	19	25	45
THE KNOT SAPPORO	66	143	210
The OneFive Marine Fukuoka	33	62	95
Nest Hotel Hakata Ekimae	59	174	234
Smile Hotel Miyakojima	10	31	41
Hotel Enoe Toyama	16	66	83
Other ¹	284	143	428
Total	1,324	1,347	2,671

¹ Figures for Hotel Wing International Nagoya, Hotel Wing International Kobe Shin Nagata Ekimae, Hotel Livemax Nihombashi-Hakozaki, Capsule Plus Yokohama, Urbain Hiroshima Executive, Washington Hotel Plaza Shimonoseki Eki Nishi, and Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building) are included in “Other” because the hotel operators did not provide consent to disclose hotel-specific data.

- Retail: JPY 107 million of rental income from retail tenants at The OneFive Osaka Sakaisuji, Hotel Wing International Kobe Shin Nagata Ekimae, Smile Hotel Tokyo Asagaya, Nest Hotel Kumamoto, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, and THE KNOT SAPPORO.
- Temporary closure due to full renovation: Smile Hotel Tokyo Asagaya will be closed for 4 months
- Gains on sale from the sale of Comfort Hotel Suzuka: JPY 133 million (an estimate, calculated as the Sale Price less Book Value, IIA performance fee, and estimated sale expenses)

Operating Expenses	<ul style="list-style-type: none"> • Depreciation: JPY 482 million. Depreciation has been calculated using the straight-line method. • Property and city planning taxes: JPY 151 million • Building maintenance and repair expenses are based on what Ichigo Investment Advisors, the asset management company of Ichigo Hotel, estimates will be necessary for each hotel during the period. However, actual expenses for the period could differ significantly from these forecast amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected building damage, etc. • Rental expenses, Ichigo Hotel's principal operating expense (other than depreciation, see above), are calculated based on historical data adjusted for anticipated expense variations. • Actual operating expenses may differ significantly from these assumptions due to unforeseeable factors. • SG&A expenses: JPY 442 million for asset management fee, JPY 15 million for real estate appraisal report costs, and JPY 4 million for non-deductible consumption taxes.
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses and other borrowing-related expenses: JPY 389 million • Amortization of share issuance expenses: JPY 3 million
Borrowings	<ul style="list-style-type: none"> • Total borrowings: JPY 38.02 billion as of January 31, 2026.
Number of Shares	<ul style="list-style-type: none"> • Total 327,489 shares • The forecast assumes there will be no additional new shares issued through January 31, 2026.
Dividend	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend distribution policy stipulated in Ichigo Hotel's Articles of Incorporation. • The dividend is subject to change due to factors such as sales of portfolio assets, changes in rental income associated with operator turnover, the occurrence of unexpected maintenance and repair costs, and fluctuations in interest rates.
Dividend in Excess of Earnings	<ul style="list-style-type: none"> • Ichigo Hotel does not plan on paying any Dividend in Excess of Earnings.
Other	<ul style="list-style-type: none"> • This forecast assumes that there are no material revisions to laws and regulations, the tax system, accounting standards, listing rules of the Tokyo Stock Exchange, and rules of the Investment Trusts Association, Japan, and no material changes in the state of the economy and real estate market conditions.

Preconditions for the July 2026 Earnings Forecast

	Preconditions																																			
Period	● February 1, 2026 to July 31, 2026 (181 days)																																			
Number of Hotels	● 30 hotels (reflects the acquisition of Hotel Enoe Toyama on August 29, 2025 and the sale of Comfort Hotel Suzuka on September 1, 2025)																																			
Operating Revenue	Within operating revenue, rental income is forecast based on current lease contracts, taking into consideration such factors as hotel and market conditions. ¹																																			
	<u>Forecast Operating Performance²</u>																																			
	<table><tr><td></td><td>July 2026 Fiscal Period</td></tr><tr><td>Occupancy³</td><td>76.4%</td></tr><tr><td>ADR⁴</td><td>JPY 11,021</td></tr></table>		July 2026 Fiscal Period	Occupancy ³	76.4%	ADR ⁴	JPY 11,021																													
		July 2026 Fiscal Period																																		
	Occupancy ³	76.4%																																		
	ADR ⁴	JPY 11,021																																		
	¹ The forecast rental income assumes operators and tenants will fully pay their contractual rents without delay or default.																																			
	² The 24 variable rent hotels are: Smile Hotel Kyoto Shijo, Hotel Wing International Nagoya, The OneFive Osaka Sakaisuji, Hotel Wing International Kobe Shin Nagata Ekimae, Nest Hotel Sapporo Odori, The OneFive Fukuoka Tenjin, Comfort Hotel Central International Airport, Smile Hotel Tokyo Asagaya, Nest Hotel Matsuyama, The OneFive Okayama, Capsule Plus Yokohama, The OneFive Garden Kurashiki, Nest Hotel Kumamoto, The OneFive Tokyo Shibuya, Smile Hotel Nagano, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOKAMA, Quintessa Hotel Ise Shima, Quintessa Hotel Ogaki, THE KNOT SAPPORO, The OneFive Marine Fukuoka, Nest Hotel Hakata Ekimae, Smile Hotel Miyakojima, and Hotel Enoe Toyama. Data for Capsule Plus Yokohama is excluded from the above forecast because the operator did not give consent to disclose forecasts.																																			
	³ Occupancy is calculated with the following formula: Occupancy = Total number of guest rooms occupied during the period / (total number of guest rooms * number of days hotel was in operation during the period)																																			
	⁴ ADR or Average Daily Rate is calculated with the following formula: ADR = Total sales from accommodation (excluding restaurant charges and other service fees) / number of guest rooms occupied during the period																																			
<u>Details of the July 2026 Rental Income Forecast by Hotel</u>																																				
(JPY million)																																				
<table><tr><th>Hotel Name</th><th>Fixed Rent/ Minimum Guaranteed Rent</th><th>Variable Rent</th><th>Total</th></tr><tr><td>Smile Hotel Kyoto Shijo</td><td>40</td><td>48</td><td>89</td></tr><tr><td>The OneFive Osaka Sakaisuji</td><td>11</td><td>95</td><td>107</td></tr><tr><td>Comfort Hotel Hamamatsu</td><td>55</td><td>—</td><td>55</td></tr><tr><td>Nest Hotel Sapporo Odori</td><td>4</td><td>24</td><td>29</td></tr><tr><td>The OneFive Fukuoka Tenjin</td><td>34</td><td>58</td><td>92</td></tr><tr><td>Comfort Hotel Central International Airport</td><td>169</td><td>16</td><td>185</td></tr><tr><td>Smile Hotel Tokyo Asagaya</td><td>88</td><td>59</td><td>148</td></tr><tr><td>Nest Hotel Matsuyama</td><td>12</td><td>18</td><td>31</td></tr></table>	Hotel Name	Fixed Rent/ Minimum Guaranteed Rent	Variable Rent	Total	Smile Hotel Kyoto Shijo	40	48	89	The OneFive Osaka Sakaisuji	11	95	107	Comfort Hotel Hamamatsu	55	—	55	Nest Hotel Sapporo Odori	4	24	29	The OneFive Fukuoka Tenjin	34	58	92	Comfort Hotel Central International Airport	169	16	185	Smile Hotel Tokyo Asagaya	88	59	148	Nest Hotel Matsuyama	12	18	31
Hotel Name	Fixed Rent/ Minimum Guaranteed Rent	Variable Rent	Total																																	
Smile Hotel Kyoto Shijo	40	48	89																																	
The OneFive Osaka Sakaisuji	11	95	107																																	
Comfort Hotel Hamamatsu	55	—	55																																	
Nest Hotel Sapporo Odori	4	24	29																																	
The OneFive Fukuoka Tenjin	34	58	92																																	
Comfort Hotel Central International Airport	169	16	185																																	
Smile Hotel Tokyo Asagaya	88	59	148																																	
Nest Hotel Matsuyama	12	18	31																																	

	The OneFive Okayama	62	51	113
	Comfort Hotel Kushiro	18	–	18
	The OneFive Garden Kurashiki	46	20	67
	Nest Hotel Kumamoto	8	16	25
	The OneFive Tokyo Shibuya	47	91	139
	Smile Hotel Nagano	10	42	53
	Hotel Sunshine Utsunomiya	64	–	64
	HOTEL THE KNOT YOKOHAMA	26	35	62
	Quintessa Hotel Ise Shima	39	3	43
	Quintessa Hotel Ogaki	20	6	27
	THE KNOT SAPPORO	76	127	203
	The OneFive Marine Fukuoka	26	62	89
	Nest Hotel Hakata Ekimae	45	170	216
	Smile Hotel Miyakojima	11	44	56
	Hotel Enoe Toyama	20	81	101
	Other ¹	284	179	463
	Total	1,228	1,256	2,485
¹ Figures for Hotel Wing International Nagoya, Hotel Wing International Kobe Shin Nagata Ekimae, Hotel Livemax Nihombashi-Hakozaki, Capsule Plus Yokohama, Urbain Hiroshima Executive, Washington Hotel Plaza Shimonoseki Eki Nishi, and Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), are included in “Other” because the hotel operators did not provide consent to disclose hotel-specific data.				
<ul style="list-style-type: none"> • Retail: JPY 91 million of rental income from retail tenants at The OneFive Osaka Sakaisuji, Hotel Wing International Kobe Shin Nagata Ekimae, Smile Hotel Tokyo Asagaya, Nest Hotel Kumamoto, Comfort Hotel Osaka Shinsaibashi (Ichigo Shinsaibashi Building), HOTEL THE KNOT YOKOHAMA, and THE KNOT SAPPORO. • Temporary closure due to full renovation: Nest Hotel Sapporo Odori will be closed for 5 months, and HOTEL THE KNOT YOKOHAMA, Nest Hotel Matsuyama, and Nest Hotel Kumamoto will be closed for 4 months. 				
Operating Expenses	<ul style="list-style-type: none"> • Depreciation: JPY 492 million. Depreciation has been calculated using the straight-line method. • Property and city planning taxes: JPY 173 million • Building maintenance and repair expenses are based on what Ichigo Investment Advisors, the asset management company of Ichigo Hotel, estimates will be necessary for each hotel during the period. However, actual expenses for the period could differ significantly from these forecast amounts for reasons including the variability of maintenance and repair expenses, one-time costs due to unexpected building damage, etc. • Rental expenses, Ichigo Hotel’s principal operating expense (other than depreciation, see above), are calculated based on historical data adjusted for anticipated expense variations. • Actual operating expenses may differ significantly from these assumptions due to unforeseeable factors. • SG&A expenses: JPY 341 million for asset management fee and JPY 18 million for real estate appraisal report costs. 			
Non-Operating Expenses	<ul style="list-style-type: none"> • Interest expenses and other borrowing-related expenses: JPY 386 million • Amortization of share issuance expenses: JPY 3 million 			

Borrowings	<ul style="list-style-type: none"> • Total borrowings: JPY 38.02 billion as of July 31, 2026.
Number of Shares	<ul style="list-style-type: none"> • Total 327,489 shares • The forecast assumes there will be no additional new shares issued through July 31, 2026.
Dividend	<ul style="list-style-type: none"> • The dividend forecast assumes that dividends will comply with the dividend distribution policy stipulated in Ichigo Hotel's Articles of Incorporation. • The dividend is subject to change due to factors such as sales of portfolio assets, changes in rental income associated with operator turnover, the occurrence of unexpected maintenance and repair costs, and fluctuations in interest rates.
Dividend in Excess of Earnings	<ul style="list-style-type: none"> • Ichigo Hotel does not plan on paying any Dividend in Excess of Earnings.
Other	<ul style="list-style-type: none"> • This forecast assumes that there are no material revisions to laws and regulations, the tax system, accounting standards, listing rules of the Tokyo Stock Exchange, and rules of the Investment Trusts Association, Japan, and no material changes in the state of the economy and real estate market conditions.

2. Financial Statements
(1) Balance Sheet

(JPY thousand)

	January 2025 (as of January 31, 2025)	July 2025 (as of July 31, 2025)
Assets		
Current Assets		
Cash and cash equivalents	6,050,789	5,130,756
Cash and cash equivalents in trust	2,813,159	2,869,722
Accounts receivable	439,043	419,080
Prepaid expenses	258,531	265,833
Consumption taxes receivable	—	341,298
Other	352	—
Total Current Assets	9,561,877	9,026,692
Fixed Assets		
Property, Plant, and Equipment		
Buildings	23,400,108	24,449,779
Depreciation	-4,959,257	-4,793,543
Buildings (net)	18,440,851	19,656,236
Structures	37,444	42,231
Depreciation	-8,915	-9,960
Structures (net)	28,529	32,270
Machinery and equipment	123,126	135,378
Depreciation	-64,461	-68,531
Machinery and equipment (net)	58,665	66,847
Fixtures	527,120	540,801
Depreciation	-276,934	-294,018
Fixtures (net)	250,186	246,782
Land	49,429,726	49,632,659
Buildings under construction	10,389	12,697
Total Property, Plant, and Equipment	68,218,348	69,647,494
Investments and Other Assets		
Leasehold and security deposits	10,297	10,297
Long-term prepaid expenses	567,472	473,178
Total Investments and Other Assets	577,769	483,475
Total Fixed Assets	68,796,118	70,130,970
Capitalized Expenses		
Share issuance expenses	11,896	7,930
Total Capitalized Expenses	11,896	7,930
Total Assets	78,369,891	79,165,593

(JPY thousand)

	January 2025 (as of January 31, 2025)	July 2025 (as of July 31, 2025)
Liabilities		
Current Liabilities		
Accounts payable	732,078	343,185
Long-term loans (due within one year)	—	2,000,000
Accounts payable – other	770,961	530,522
Accrued expenses	51,219	50,534
Income taxes payable	634	421
Consumption taxes payable	266,856	59,746
Advances received	108,285	117,270
Other	21,734	12,597
Total Current Liabilities	1,951,771	3,114,277
Long-Term Liabilities		
Long-term loans	32,470,000	34,020,000
Tenant leasehold and security deposits in trust	934,615	955,780
Total Long-Term Liabilities	33,404,615	34,975,780
Total Liabilities	35,356,387	38,090,057
Net Assets		
Shareholders' Equity		
Paid-in capital	39,997,471	39,997,471
Treasury shares	-299,921	-299,921
Paid-in capital (net)	39,697,549	39,697,549
Surplus		
Unappropriated retained earnings	3,315,955	1,377,986
Total Surplus	3,315,955	1,377,986
Total Shareholders' Equity	43,013,504	41,075,535
Total Net Assets	43,013,504	41,075,535
Total Liabilities and Net Assets	78,369,891	79,165,593

(2) Income Statement

(JPY thousand)

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Operating Revenue		
Rental income	2,740,888	2,696,402
Other rental income	56,045	59,163
Gains on sale of asset	2,433,865	295,876
Total Operating Revenue	5,230,800	3,051,442
Operating Expenses		
Rental expenses	774,207	735,706
Asset management fee	679,484	457,532
Custodian fee	5,620	5,877
Other administrative expenses	25,471	26,956
Directors' compensation	4,200	4,200
Other	96,692	86,707
Total Operating Expenses	1,585,676	1,316,980
Operating Profit	3,645,123	1,734,462
Non-Operating Income		
Interest income	489	3,191
Reversal of accrued dividend	494	484
Other	—	146
Total Non-Operating Income	983	3,822
Non-Operating Expenses		
Interest expenses	199,858	219,961
Borrowing-related expenses	125,782	135,590
Amortization of share issuance expenses	3,965	3,965
Total Non-Operating Expenses	329,606	359,518
Recurring Profit	3,316,500	1,378,766
Pre-Tax Income	3,316,500	1,378,766
Income Taxes – Current	709	909
Total Income Taxes	709	909
Net Income	3,315,791	1,377,856
Retained Earnings Brought Forward	164	129
Unappropriated Retained Earnings	3,315,955	1,377,986

(3) Statement of Shareholders' Equity

Previous Period (August 1, 2024 to January 31, 2025)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Treasury Shares	Paid-In Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of August 1, 2024	39,997,471	-299,921	39,697,549	995,730	995,730
Changes during the Period					
Dividends				-995,566	-995,566
Net Income				3,315,791	3,315,791
Total Changes	—	—	—	2,320,224	2,320,224
Balance as of January 31, 2025	39,997,471	-299,921	39,697,549	3,315,955	3,315,955

	Shareholders' Equity	Total Net Assets
	Total Shareholders' Equity	
Balance as of August 1, 2024	40,693,279	40,693,279
Changes during the Period		
Dividends	-995,566	-995,566
Net Income	3,315,791	3,315,791
Total Changes	2,320,224	2,320,224
Balance as of January 31, 2025	43,013,504	43,013,504

Current Period (February 1, 2025 to July 31, 2025)

(JPY thousand)

	Shareholders' Equity				
	Paid-In Capital			Surplus	
	Paid-In Capital	Treasury Shares	Paid-In Capital (net)	Unappropriated Retained Earnings	Total Surplus
Balance as of February 1, 2025	39,997,471	-299,921	39,697,549	3,315,955	3,315,955
Changes during the Period					
Dividends				-3,315,826	-3,315,826
Net Income				1,377,856	1,377,856
Total Changes	—	—	—	-1,937,969	-1,937,969
Balance as of July 31, 2025	39,997,471	-299,921	39,697,549	1,377,986	1,377,986

	Shareholders' Equity	Total Net Assets
	Total Shareholders' Equity	
Balance as of February 1, 2025	43,013,504	43,013,504
Changes during the Period		
Dividends	-3,315,826	-3,315,826
Net Income	1,377,856	1,377,856
Total Changes	-1,937,969	-1,937,969
Balance as of July 31, 2025	41,075,535	41,075,535

(4) Dividend Statement

(JPY)

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
I Unappropriated Retained Earnings	3,315,955,257	1,377,986,092
II Total Dividends (Dividend per Share)	3,315,826,125 (10,125)	1,377,746,223 (4,207)
III Retained Earnings Carried Forward	129,132	239,869
Dividend calculation	<p>Pursuant to the dividend distribution policy stipulated under Article 37 of Ichigo Hotel's Articles of Incorporation, total dividends exceed the amount equivalent to 90% of the profit distributable as dividend defined under Article 67, Clause 15, Item 1 of the Act on Special Measures Concerning Taxation, and Ichigo Hotel has decided to distribute JPY 3,315,826,125 of JPY 3,315,955,257 in Unappropriated Retained Earnings as Dividends, excluding amounts where Dividend per Share would be less than JPY 1. As a result, Dividend per Share is JPY 10,125.</p>	<p>Pursuant to the dividend distribution policy stipulated under Article 37 of Ichigo Hotel's Articles of Incorporation, total dividends exceed the amount equivalent to 90% of the profit distributable as dividend defined under Article 67, Clause 15, Item 1 of the Act on Special Measures Concerning Taxation, and Ichigo Hotel has decided to distribute JPY 1,377,746,223 of JPY 1,377,986,092 in Unappropriated Retained Earnings as Dividends, excluding amounts where Dividend per Share would be less than JPY 1. As a result, Dividend per Share is JPY 4,207.</p>

(5) Cash Flow Statement

(JPY thousand)

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Cash Flows from Operations:		
Pre-tax income	3,316,500	1,378,766
Depreciation	467,652	447,084
Amortization of share issuance expenses	3,965	3,965
Interest income	-489	-3,189
Interest expense	199,858	219,961
Decrease (increase) in accounts receivable	-107,900	19,962
Decrease (increase) in consumption taxes receivable	—	-341,298
Decrease (increase) in prepaid expenses	-27,354	-7,301
Decrease (increase) in long-term prepaid expenses	47,216	94,293
Increase (decrease) in accrued consumption taxes	129,715	-207,110
Increase (decrease) in accounts payable	544,759	-454,876
Increase (decrease) in accounts payable – other	405,798	-240,439
Increase (decrease) in advances received	-13,400	8,985
Increase (decrease) in rent to be reimbursed to hotel operators	17,923	-12,196
Proceeds from sale of property, plant, and equipment	3,617,038	7,399,336
Other	-1,410	5,866
Sub-total	8,599,874	8,311,810
Interest income received	489	3,189
Interest expense paid	-198,247	-220,646
Income taxes paid	-1,076	-1,123
Net Cash from (Used for) Operations	8,401,039	8,093,230
Cash Flows from Investments:		
Acquisition of property, plant, and equipment	-2,933,670	-9,215,581
Increase in tenant leasehold and security deposits in trust	—	204,828
Decrease in tenant leasehold and security deposits in trust	-15,900	-183,663
Net Cash from (Used for) Investments	-2,949,570	-9,194,417
Cash Flows from Financing:		
Proceeds from long-term loans	3,000,000	3,550,000
Repayment of long-term loans	-3,000,000	—
Dividends paid	-995,375	-3,312,283
Net Cash from (Used for) Financing	-995,375	237,716
Net Decrease (Increase) in Cash and Cash Equivalents	4,456,093	-863,470
Cash and Cash Equivalents at Beginning of Period	4,407,856	8,863,949
Cash and Cash Equivalents at End of Period	8,863,949	8,000,479

(6) Going Concern
N/A

(7) Notes on Significant Accounting Policies

<p>1. Depreciation Methods for Fixed Assets</p>	<p>(1) Property, Plant, and Equipment (including trust properties) Depreciated using the straight-line method. The useful lives of major property, plants, and equipment are as follows:</p> <table data-bbox="692 501 1227 640"> <tr> <td>Buildings:</td><td>2–72 years</td></tr> <tr> <td>Structures:</td><td>10–50 years</td></tr> <tr> <td>Machinery and Equipment:</td><td>3–10 years</td></tr> <tr> <td>Tools, Furniture and Fixtures:</td><td>3–15 years</td></tr> </table> <p>(2) Long-term Prepaid Expenses Depreciated using the straight-line method.</p>	Buildings:	2–72 years	Structures:	10–50 years	Machinery and Equipment:	3–10 years	Tools, Furniture and Fixtures:	3–15 years
Buildings:	2–72 years								
Structures:	10–50 years								
Machinery and Equipment:	3–10 years								
Tools, Furniture and Fixtures:	3–15 years								
<p>2. Method of Amortization of Deferred Assets</p>	<p>Share Issuance Expenses Amortized using the straight-line method over three years.</p>								
<p>3. Basis of Recording Revenues and Expenses</p>	<p>(1) Basis of Recording Revenues The principal performance obligations arising from contracts with customers and the typical timing of satisfaction of such obligations (i.e., the timing of revenue recognition) are as follows:</p> <p>A. Sales of Real Estate With respect to sales of real estate, revenue is recognized when the buyer, as the customer, obtains control of the relevant property, which occurs upon fulfillment of the delivery obligation stipulated in the sales contract.</p> <p>B. Utility Income Utility income is recognized based on lease agreements for real estate and related arrangements, in accordance with the supply of electricity, water, and other utilities to tenants as customers. For the utility income where Ichigo Hotel is deemed to act as an agent, revenue is recognized on a net basis, i.e., the amount received from tenants as charges for electricity, gas, etc. supplied by other parties, less the amount paid to such other parties.</p>								

	<p>(2) Treatment of Fixed Asset Taxes</p> <p>Fixed asset taxes, city planning taxes, and depreciable asset taxes related to owned real estate are expensed as rental business expenses as an amount corresponding to the relevant fiscal period, based on the assessed tax amount.</p> <p>However, with respect to the portion of fixed asset taxes to be borne by Ichigo Hotel in the first year upon the acquisition of real estate or trust beneficiary interests in real estate, such amounts are not recorded as expenses but are instead included in the acquisition cost of the relevant real estate.</p> <p>The amount of fixed asset taxes included in the acquisition cost of real estate during the current fiscal period was JPY 17,176 thousand.</p>				
4. Hedge Accounting Method	<p>(1) Hedge Accounting Method</p> <p>Interest rate swaps that meet the criteria for special treatment are accounted for under the special treatment method.</p> <p>(2) Hedging Instruments and Hedging Targets</p> <table border="0"> <tr> <td>Hedging instruments</td><td>Interest rate swaps</td></tr> <tr> <td>Hedging targets</td><td>Loans and other borrowings</td></tr> </table> <p>(3) Hedging Policy</p> <p>In accordance with its risk management rules, Ichigo Hotel enters into derivative transactions for the purpose of hedging risks stipulated in the Articles of Incorporation of the Investment Corporation.</p> <p>(4) Evaluation Method of the Effectiveness of Hedges</p> <p>Because the interest rate swaps meet the requirements for special treatment, the assessments of hedge effectiveness are omitted.</p>	Hedging instruments	Interest rate swaps	Hedging targets	Loans and other borrowings
Hedging instruments	Interest rate swaps				
Hedging targets	Loans and other borrowings				
5. Scope of Funds in the Cash Flow Statement	<p>Funds (cash and cash equivalents) in the Statement of Cash Flows consist of cash on hand, trust cash, deposits and trust deposits withdrawable at any time, and short-term investments that are readily convertible into cash, have insignificant risk of changes in value, and mature within three months from the date of acquisition.</p>				

<p>6. Other Material Matters Related to the Preparation of the Financial Statements</p>	<p>(1) Accounting Treatment of Trust Beneficiary Interests Backed by Real Estate, etc.</p> <p>For trust beneficiary interests backed by owned real estate, etc., all assets and liabilities within the trust property, as well as all revenues and expenses arising therein, are recorded under the relevant accounts in the balance sheet and the income statement.</p> <p>Among the trust property items recorded under the relevant accounts, the following material items are separately presented in the balance sheet:</p> <p>A. Trust cash and trust deposits</p> <p>B. Trust buildings, trust structures, trust machinery and equipment, trust tools, furniture and fixtures, trust land, and trust construction in progress</p> <p>C. Tenant leasehold and security deposits in trust</p> <p>(2) Treatment of Non-deductible Consumption Taxes</p> <p>Non-deductible consumption taxes related to the acquisition of assets are included in the acquisition cost of the respective assets.</p>
---	---

(8) Notes on Significant Accounting Estimates

Valuation of Fixed Assets

1. Amounts Recorded in the Financial Statements

(JPY thousand)		
	Previous Period (as of January 31, 2025)	Current Period (as of July 31, 2025)
Property, Plant, & Equipment	68,207,958	69,634,796
Impairment Loss	—	—

Note: Construction in progress held in trust is not included under Property, Plant, & Equipment.

2. Information on Significant Accounting Estimates for Identified Items

Ichigo Hotel applies the accounting treatment in accordance with accounting standards for impairment of fixed assets, under which the book value of fixed assets is reduced to the recoverable amount when a decline in profitability makes recovery of the investment amount unlikely.

In applying this accounting treatment, each asset held by Ichigo Hotel is treated as an individual asset group, and the necessity of recognizing an impairment loss is determined when indications of impairment are deemed to exist, such as continuous operating losses, a significant decline in market value, or a significant deterioration in the business environment.

The assessment of whether to recognize an impairment loss is based on estimated future cash flows. When recognition of an impairment loss is deemed necessary, the book value is reduced to the recoverable amount, and the reduced amount is recorded as an impairment loss.

In estimating future cash flows, assumptions regarding rents, occupancy rates, rental business expenses are determined comprehensively by taking into account budgets prepared by operators, past performance, market trends, and comparable real estate transaction cases.

The performance and market value of each asset may be affected by trends in the real estate leasing market and the real estate transaction market. Accordingly, if there are changes in the underlying assumptions, such changes may affect Ichigo Hotel's assets and profit/loss position in the following fiscal period.

(9) Notes to Financial Statements

Notes to the Balance Sheet

1. Minimum Net Assets as stipulated in Article 67, Clause 4 of the Act on Investment Trusts and Investment Corporations

(JPY thousand)	
Previous Period (as of January 31, 2025)	Current Period (as of July 31, 2025)
50,000	50,000

Notes to the Income Statement

Rental Income Details

(JPY thousand)

	Previous Period January 2025 (August 1, 2024 to January 31, 2025)		Current Period July 2025 (February 1, 2025 to July 31, 2025)	
A. Real Estate Rental Income				
Real Estate Rental Income	2,740,888	2,740,888	2,696,402	2,696,402
Other Rental Income				
Utilities Income	41,611		44,702	
Other	14,433	56,045	14,460	59,163
Total Income		2,796,934		2,755,566
B. Real Estate Rental Expenses				
Rental Expenses				
Outsourcing Fees	35,191		35,963	
Utilities	43,530		42,280	
Trust Fees	11,152		10,996	
Depreciation Expense	467,652		447,084	
Repair Expenses	32,078		29,587	
Property and City Planning Taxes	169,768		152,216	
Insurance	7,438		7,284	
Other Expenses	7,395		10,294	
Total Expenses		774,207		735,706
C. Net Rental Income (A) – (B)		2,022,727		2,019,859

Gains on Sale of Real Estate

Previous January 2025 Period (August 1, 2024 to January 31, 2025)

(JPY thousand)

Valie Hotel Hiroshima

Sale Proceeds	1,785,000
Book Value	1,495,444
Other Sale Expenses	44,376
Gains on Sale	245,179

Nest Hotel Sapporo Ekimae

Sale Proceeds	4,700,000
Book Value	2,116,547
Other Sale Expenses	394,765
Gains on Sale	2,188,686

Current July 2025 Period (February 1, 2025 to July 31, 2025)

(JPY thousand)

Nest Hotel Osaka Shinsaibashi

Sale Proceeds	7,750,000
Book Value	7,399,336
Other Sale Expenses	54,787
Gains on Sale	295,876

Notes to Statement of Shareholders' Equity

(shares)

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Number of Authorized Shares	10,000,000	10,000,000
Number of Issued & Outstanding Shares	327,489	327,489

Notes to Cash Flow Statement

Relationship between Cash and Cash Equivalents and Items Shown on Balance Sheet

(JPY thousand)

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Cash and deposits	6,050,789	5,130,756
Cash and deposits in trust	2,813,159	2,869,722
Cash and cash equivalents	8,863,949	8,000,479

Notes on Financial Instruments

1. Matters Concerning the Status of Financial Instruments

(1) Policy for Dealing with Financial Instruments

Ichigo Hotel aims to secure stable earnings over the medium to long term by investing primarily in specified assets such as real estate. With respect to financing, its policy is to raise funds mainly through the issuance of investment shares, borrowings, or bonds.

Derivative transactions are conducted solely for the purpose of hedging risks such as future fluctuations in interest rates, and not for speculative purposes. Surplus funds are managed cautiously, taking into account safety and liquidity, as well as financial conditions and cash flow requirements, so as not to incur excessive risk.

(2) Details of Financial Instruments, Related Risks, and Risk Management System

Borrowings are used mainly to fund the acquisition of real estate and real estate trust beneficiary interests, as well as the repayment of borrowings, and are therefore exposed to liquidity risk at maturity. Ichigo Hotel manages this risk by controlling the loan-to-value (LTV) ratio within an appropriate range, diversifying financing methods, repayment maturities, and lenders, and by having the asset management company formulate cash flow plans.

Borrowings with variable interest rates are exposed to interest rate fluctuation risk; however, by appropriately managing the LTV and other factors, the impact of rising market interest rates on Ichigo Hotel's operations is limited.

(3) Supplementary Information on Fair Value of Financial Instruments

The fair value of financial instruments is calculated based on certain assumptions. Therefore, fair values may differ if different assumptions are applied.

2. Matters Concerning Fair Value of Financial Instruments

The carrying amounts, market values, and their differences as of January 31, 2025, are as follows:

“Cash and Deposits” and “Cash and Deposits in Trust” are settled within a short period, and their fair values are deemed to approximate their book values; accordingly, they are not presented.

In addition, “Tenant Leasehold and Security Deposits in Trust” are omitted as they are considered immaterial.

(JPY thousand)			
	Amount Recorded on Balance Sheet	Fair Value	Difference
(1) Long-term loans	32,470,000	32,241,383	-228,616
Total liabilities	32,470,000	32,241,383	-228,616
(2) Derivative transactions	—	—	—

Note 1: Method of Calculating Fair Value of Financial Instruments and Matters Concerning Derivative Transactions

(1) Long-term Loans

The fair value of long-term loans with fixed interest rates is calculated by discounting the total amount of principal and interest using an assumed interest rate that would be applied if similar new loans were undertaken.

For long-term loans with variable interest rates, since the interest rates are reset at certain intervals, their fair values are deemed to approximate their book values, and therefore, such book values are used.

In addition, for long-term loans with variable interest rates that are subject to special treatment for interest rate swaps (see “Notes on Derivative Transactions” below), the fair value is calculated by discounting the total amount of principal and interest, treated together with the relevant interest rate swaps, using a reasonably estimated interest rate that would be applied if similar borrowings were undertaken.

(2) Derivative Transactions

Please refer to “Notes on Derivative Transactions” below.

The carrying amounts, fair values, and their differences as of July 31, 2025, are as follows:

“Cash and Deposits” and “Cash and Deposits in Trust” are settled within a short period, and their fair values are deemed to approximate their book values; accordingly, they are not presented.

In addition, “Tenant Leasehold and Security Deposits in Trust” are omitted as they are considered immaterial.

(JPY thousand)

	Amount Recorded on Balance Sheet	Fair Value	Difference
(1) Long-term loans due within one year	2,000,000	2,001,094	1,094
(2) Long-term loans	34,020,000	34,104,613	84,613
Total liabilities	36,020,000	36,105,708	85,708
(3) Derivative transactions	—	—	—

Note 1: Method of Calculating Fair Value of Financial Instruments and Matters Concerning Derivative Transactions

(1) Long-Term Loans Due Within One Year, (2) Long-Term Loans

The fair value of long-term loans with fixed interest rates is calculated by discounting the total amount of principal and interest using an assumed interest rate that would be applied if similar new borrowings were undertaken.

For long-term loans with variable interest rates, since the interest rates are reset at certain intervals, their fair values are deemed to approximate their book values, and therefore such book values are used.

In addition, for long-term loans with variable interest rates that are subject to special treatment for interest rate swaps (see “Notes on Derivative Transactions” below), the fair value is calculated by discounting the total amount of principal and interest, treated together with the relevant interest rate swaps, using a reasonably estimated interest rate that would be applied if similar borrowings were undertaken.

(3) Derivative Transactions

Please refer to “Notes on Derivative Transactions” below.

Note 2: Long-Term Loan Maturity Distribution

January 2025 Fiscal Period-End

(JPY thousand)

	Within 1 year	1 ~ 2 years	2 ~ 3 years	3 ~ 4 years	4 ~ 5 years	Over 5 years
Long-term loans	—	10,200,000	6,500,000	3,300,000	5,750,000	6,720,000
Total	—	10,200,000	6,500,000	3,300,000	5,750,000	6,720,000

July 2025 Fiscal Period-End

(JPY thousand)

	Within 1 year	1 ~ 2 years	2 ~ 3 years	3 ~ 4 years	4 ~ 5 years	Over 5 years
Long-term loans (due within 1 year)	2,000,000	—	—	—	—	—
Long-term loans	—	11,200,000	7,050,000	5,550,000	5,720,000	4,500,000
Total	2,000,000	11,200,000	7,050,000	5,550,000	5,720,000	4,500,000

Notes to Derivative Transactions

1. Non-Hedge Accounting

N/A

2. Hedge Accounting

Previous Fiscal Period (as of January 31, 2025)

(JPY thousand)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
				>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	29,470,000	29,470,000	Note	—

Note: Interest rate swaps accounted under the Special Treatment of Interest Rate Swap method are accounted together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Current Fiscal Period (as of July 31, 2025)

(JPY thousand)

Accounting Method	Transaction Type	Hedging Target	Contract Amount		Market Value	Method of Marking to Market
				>1 year		
Special Treatment of Interest Rate Swap method	Interest rate swap (pay fixed, receive floating)	Long-term loan	29,470,000	27,470,000	Note	—

Note: Interest rate swaps accounted under the Special Treatment of Interest Rate Swap method are accounted together with the hedging target (in this case, a long-term loan), and therefore their market values are included in the balance sheet as part of Long-Term Loans.

Notes on Deferred Tax Accounting

1. Breakdown of the primary causes of deferred tax assets and deferred tax liabilities

(JPY thousand)

	Previous Period (January 31, 2025)	Current Period (July 31, 2025)
Deferred Tax Assets		
Non-deductible Amount of Accrued Corporate Taxes	5	14
Subtotal	5	14
Valuation Allowance	-5	-14
Total deferred Tax Assets	—	—
Net Deferred Tax Assets	—	—

2. Breakdown of major items causing significant differences between the statutory effective tax rate and the effective tax rate after applying tax effect accounting

(JPY thousand)

	Previous Period (January 31, 2025)	Current Period (July 31, 2025)
Statutory Effective Tax Rate	31.46%	31.46%
(Adjustment)		
Deductible Amount of Dividend Payments	-31.45%	-31.44%
Other	0.02%	0.04%
Effective Tax Rate after Applying Tax Effect Accounting	0.02%	0.07%

3. The “Act Partially Amending the Income Tax Act” (Act No. 13 of 2025) was enacted by the National Diet on March 31, 2025, and corporate tax rates will be changed for fiscal periods beginning on or after April 1, 2026. Accordingly, the statutory effective tax rate used in calculating deferred tax assets and deferred tax liabilities will change from 31.46% to 32.34% for temporary differences which are expected to be reversed in fiscal periods beginning on or after August 1, 2026. This change in tax rate has no impact.

Notes to Rental Real Estate

Changes in book value and the period-end market value of Ichigo Hotel's hotel assets are as shown below:

(JPY thousand)

Asset Type		January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Hotel	Book value		
	Beginning of fiscal period	69,320,137	68,207,958
	Changes during fiscal period	-1,112,178	1,426,837
	End of fiscal period	68,207,958	69,634,796
	Market value at end of fiscal period	78,873,000	84,670,000

Note 1: Book value is acquisition price less accumulated depreciation.

Note 2: With respect to changes during each fiscal period, the January 2025 fiscal period increase was primarily due to the acquisition of trust beneficiary interest in one asset (JPY 2,609,363 thousand), while the decrease was primarily due to the sale of trust beneficiary interest in two assets (JPY 3,617,038 thousand) and depreciation. The July 2025 fiscal period increase was primarily due to the acquisition of trust beneficiary interest in two assets (JPY 8,825,437 thousand), while the decrease was primarily due to the sale of trust beneficiary interest in one asset (JPY 7,399,336 thousand) and depreciation.

Note 3: Market value is the appraisal value calculated by third-party appraisers. The January 2025 fiscal period market value of Nest Hotel Osaka Shinsaibashi is the Sale Price (JPY 7,750,000 thousand) under the sales contract dated November 14, 2024. The July 2025 fiscal period market value of Comfort Hotel Suzuka is the Sale Price (JPY 430,000 thousand) under the sales contract dated August 8, 2025.

With respect to income and expenses related to rental real estate, please refer to "Notes to the Income Statement."

Notes on Revenue Recognition

1. Disaggregated Information on Revenue Arising from Contracts with Customers

Previous Period (August 1, 2024 to January 31, 2025)

(JPY thousand)

	Revenue From Contracts With Customers ¹	Revenue From External Customers
Sales of Real Estate ²	6,485,000	2,428,818
Utility Income	41,611	41,611
Other	—	2,755,322
Total	6,526,611	5,225,753

Note 1: Rental business income subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and sales of real estate subject to the Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies (ASBJ PITF No. 10) are outside the scope of the Accounting Standard for Revenue Recognition, and therefore are not included in “Revenue From Contracts With Customers.” The principal revenue from contracts with customers consists of income from sales of real estate and utility income.

Note 2: Income from sales of real estate is presented in the statement of income as “Gain (Loss) on Sale of Assets” (the amount obtained by deducting the cost of sales of real estate and other selling expenses from sales of real estate). At Ichigo Hotel, gains on sales of real estate are recorded as operating revenue, while losses on sales of real estate are recorded as operating expenses; accordingly, only the amount of gains on sales of real estate is presented in the above table.

Current Period (February 1, 2025 to July 31, 2025)

(JPY thousand)

	Revenue From Contracts With Customers ¹	Revenue From External Customers
Sales of Real Estate ²	7,750,000	295,876
Utility Income	44,702	44,702
Other	—	2,710,863
Total	7,794,702	3,051,442

Note 1: Rental business income subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and sales of real estate subject to the Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies (ASBJ PITF No. 10) are outside the scope of the Accounting Standard for Revenue Recognition, and therefore are not included in “Revenue From Contracts With Customers.” The principal revenue from contracts with customers consists of income from sales of real estate and utility income.

Note 2: Income from sales of real estate is presented in the statement of income as “Gain (Loss) on Sale of Assets” (the amount obtained by deducting the cost of sales of real estate and other selling expenses from sales of real estate). At Ichigo Hotel, gains on sales of real estate are recorded as operating revenue, while losses on sales of real estate are recorded as operating expenses; accordingly, only the amount of gains on sales of real estate is presented in the above table.

2. Basic Information for Understanding Revenue Arising From Contracts With Customers

Previous Period (August 1, 2024 to January 31, 2025)

Please refer to “Notes on Significant Accounting Policies.”

Current Fiscal Period (February 1, 2025 to July 31, 2025)

Please refer to “Notes on Significant Accounting Policies.”

3. Information on the Relationship Between Satisfaction of Performance Obligations Under Contracts with Customers and Related Cash Flows, and on the Amount and Timing of Revenue Expected to be Recognized in Future Fiscal Periods from Contracts with Customers Existing at the End of the Current Fiscal Period

(1) Balances of Contract Assets and Contract Liabilities

(JPY thousand)

	Previous Period (August 1, 2024 to January 31, 2025)	Current Period (February 1, 2025 to July 31, 2025)
Receivables Arising From Contracts With Customers (beginning of fiscal period)	7,011	7,182
Receivables Arising From Contracts With Customers (end of fiscal period)	7,182	8,252
Contract Assets (beginning of fiscal period)	—	—
Contract Assets (end of fiscal period)	—	—
Contract Liabilities (beginning of fiscal period)	—	—
Contract Liabilities (end of fiscal period)	—	—

(2) Transaction Price Allocated to Remaining Performance Obligations

Not applicable.

With respect to utility income, since Ichigo Hotel has the right to receive consideration from tenants (its customers) in an amount that directly corresponds to the value of the portion of performance completed by the end of the fiscal period, revenue is recognized at the amount that Ichigo Hotel has the right to invoice, in accordance with Clause 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition.

Accordingly, in line with the provision of Clause 80-22 (2) of the Accounting Standard for Revenue Recognition, such amounts are not included in the notes on transaction prices allocated to remaining performance obligations.

Notes on Segment Information

Segment Information

As Ichigo Hotel operates in a single segment, the real estate rental business, the disclosure is omitted.

Relevant Information

Previous Fiscal Period (August 1, 2024 to January 31, 2025)

1. Information on Products and Services

Omitted because operating revenue from a single product and service category accounts for more than 90% of operating revenue in the income statement.

2. Information by Region

(1) Operating Revenue

Omitted because operating revenue from external customers in Japan accounts for more than 90% of operating revenue in the income statement.

(2) Property, Plants, and Equipment

Omitted because the amount of property, plants, and equipment located in Japan accounts for more than 90% of property, plants, and equipment in the balance sheet.

3. Major Tenants (Hotel Operators)

(JPY thousand)

Name	Ichigo Hotel Operating Revenue
OneFive Hotels Inc.	696,293
Nest Hotel Japan Corporation	565,166
K.K. Hospitality Operations	463,090

Current Fiscal Period (February 1, 2025 to July 31, 2025)

1. Information on Products and Services

Omitted because operating revenue from a single product and service category accounts for more than 90% of operating revenue in the income statement.

2. Information by Region

(1) Operating Revenue

Omitted because operating revenue from external customers in Japan accounts for more than 90% of operating revenue in the income statement.

(2) Property, Plants, and Equipment

Omitted because the amount of property, plants, and equipment located in Japan accounts for more than 90% of tangible fixed assets in the balance sheet.

3. Major Tenants (Hotel Operators)

(JPY thousand)

Name	Ichigo Hotel Operating Revenue
OneFive Hotels Inc.	822,444
K.K. Hospitality Operations	455,324
Nest Hotel Japan Corporation	450,441

Per Share Information

(JPY)

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Net Assets per Share	131,343	125,425
Net Income per Share	10,124	4,207

Note: Net Income per Share is calculated by dividing Net Income by the weighted average number of shares in the period. Diluted Net Income per Share is not stated, because there are no dilutive shares.

	January 2025 (August 1, 2024 to January 31, 2025)	July 2025 (February 1, 2025 to July 31, 2025)
Net Income (JPY thousand)	3,315,791	1,377,856
Net Income not attributable to common shareholders (JPY thousand)	—	—
Net Income attributable to common shareholders (JPY thousand)	3,315,791	1,377,856
Average number of shares in the period	327,489	327,489

Material Matters after Closing of the Fiscal Period

1. Asset Acquisition

Hotel Enoe Toyama

Acquisition Price ¹	JPY 3,400 million
Location	6-1 Aramachi, Toyama City, Toyama
Form of Ownership	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	July 28, 2025
Closing Date	August 29, 2025
Seller ²	Third-party Japanese company

¹ Acquisition Price excludes incidental expenses such as fees and property, city planning, and consumption taxes.

² The seller did not provide consent to disclose its name.

2. Asset Sale

Comfort Hotel Suzuka

Sale Price ¹	JPY 430 million
Book Value ²	JPY 272 million
Location	14-26 Shiroko Ekimae, Suzuka City, Mie
Form of Ownership	Trust beneficiary interest in real estate (<i>juekiken</i>)
Property Right	Land: Freehold Building: Freehold
Contract Date	August 8, 2025
Closing Date	September 1, 2025
Buyer ³	Third-party Japanese company

¹ Sale Price excludes incidental expenses such as fees and property, city planning, and consumption taxes. Ichigo Hotel is expected to record gains on sale of JPY 133 million in the January 2026 fiscal period (August 1, 2025 to January 31, 2026).

² Book Value as of July 31, 2025

³ The buyer did not provide consent to disclose its name.

3. New Loan

Ichigo Hotel borrowed funds via a new loan to acquire the Hotel Enoe Toyama on August 29, 2025.

Lender	SMBC
Loan Amount	JPY 2,000 million
Interest Rate	1M JPY TIBOR +0.650% (p.a.)
Repayment Date	February 28, 2031
Interest Payment Date	The final day of every month (the first payment date is September 30, 2025 and the last payment date will be the same as the principal repayment date)
Repayment Term	Lump-sum repayment
Collateralized	No

(Omission of disclosure)

Since disclosure of notes regarding lease transactions, securities, retirement benefits, equity-method income and losses, transactions with related parties, and asset retirement obligations is not particularly necessary in this *tanshin* earnings report, such disclosures have been omitted.

(10) New Share Issuance

Date	Method	Total Number of Shares		Issue Amount ¹ (JPY million)	
		Issued	Outstanding	Increase	Outstanding
August 25, 2023	Third-party allotment	72,515	327,489	8,099	39,697

¹ Issue amount excludes deduction from shareholders' capital (treasury share).

Note: Ichigo Hotel issued new shares via the third-party allotment at a price of JPY 111,700 per share for the acquisition of hotel assets.

3. Reference Information

(1) Portfolio Information

A. Portfolio Composition by Region (Book Value)

	Region	July 2025 Fiscal Period-End	
		Total (JPY million)	% of Total
Trust beneficiary interest in real estate (<i>juekiken</i>)	Hokkaido & Tohoku	6,483	8.2
	Kanto (ex-Tokyo)	9,359	11.8
	Tokyo	8,750	11.1
	Hokuriku & Tokai	11,127	14.1
	Kinki	11,307	14.3
	Chugoku & Shikoku	7,619	9.6
	Kyushu & Okinawa	14,985	18.9
Sub-Total		69,634	88.0
Deposits & Other Assets		9,530	12.0
Total Assets		79,165	100

Regions are defined as follows:

Hokkaido & Tohoku	Hokkaido, Aomori, Iwate, Miyagi, Akita, Yamagata, and Fukushima Prefectures
Kanto (ex-Tokyo)	Kanagawa, Saitama, Chiba, Ibaraki, Tochigi, Gunma, Yamanashi, Niigata, and Nagano Prefectures
Tokyo	Tokyo
Hokuriku & Tokai	Toyama, Ishikawa, Fukui, Gifu, Shizuoka, Aichi, and Mie Prefectures
Kinki	Osaka, Hyogo, Kyoto, Shiga, Nara, and Wakayama Prefectures
Chugoku & Shikoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi, Kagawa, Tokushima, Kochi, and Ehime Prefectures
Kyushu & Okinawa	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima, and Okinawa Prefectures

B. Portfolio

a. Hotel Acquisition Price, Book Value, Appraisal Value, and Portfolio Weighting

(as of July 31, 2025)

Hotel Type	Hotel No.	Hotel Name	Acquisition Price (JPY million)	Book Value (JPY million)	Appraisal Value (JPY million)	Cap Rate (%)	Appraiser	Portfolio Weighting (%)
Lodging-Focused	001	Smile Hotel Kyoto Shijo	4,480	4,454	3,820	4.3	Tanizawa	6.4
	003	Hotel Wing International Nagoya	2,670	2,722	2,860	4.6	Daiwa	3.8
	005	The OneFive Osaka Sakaisuji	1,630	1,770	1,650	4.6	Daiwa	2.3
	006	Comfort Hotel Hamamatsu	1,550	1,372	1,800	5.0	Tanizawa	2.2
	007	Hotel Wing International Kobe Shin Nagata Ekimae	1,490	1,403	2,100	4.4	Tanizawa	2.1
	008	Nest Hotel Sapporo Odori	1,450	1,372	2,220	4.9	Daiwa	2.1
	009	The OneFive Fukuoka Tenjin	1,380	1,427	2,540	4.1	JREI	2.0
	011	Comfort Hotel Central International Airport	5,308	5,079	7,160	4.3	Daiwa	7.6
	012	Smile Hotel Tokyo Asagaya	3,910	3,773	5,400	4.2	Daiwa	5.6
	015	Nest Hotel Matsuyama	1,610	1,610	2,250	5.5	Daiwa	2.3
	016	Hotel Livemax Nihombashi-Hakozaki	1,360	1,216	1,400	4.5	Daiwa	1.9
	017	The OneFive Okayama	1,200	1,146	2,140	5.6	Daiwa	1.7
	018	Comfort Hotel Kushiro	300	270	371	5.4	Daiwa	0.4
	019	Comfort Hotel Suzuka	300	272	361	5.0	Daiwa	0.4
	020	Capsule Plus Yokohama	1,490	1,541	1,640	4.6	Daiwa	2.1
	021	Urbain Hiroshima Executive	1,800	1,709	2,010	5.3	Daiwa	2.6
	022	The OneFive Garden Kurashiki	1,725	2,093	2,250	4.8	Tanizawa	2.5
	023	Nest Hotel Kumamoto	2,220	2,154	2,350	5.1	Tanizawa	3.2
	025	The OneFive Tokyo Shibuya	3,700	3,760	5,010	3.4	Tanizawa	5.3
	026	Washington Hotel Plaza Shimonoseki Eki Nishi	1,080	1,059	1,120	4.7	Tanizawa	1.5
	027	Smile Hotel Nagano	670	718	843	4.9	Tanizawa	1.0
	028	Hotel Sunshine Utsunomiya	2,200	2,291	2,440	4.8	Tanizawa	3.1
	029	Comfort Hotel Osaka Shinsaibashi	3,700	3,679	4,380	4.1	Tanizawa	5.3
	030	HOTEL THE KNOT YOKOHAMA	4,800	4,808	6,660	4.2	Tanizawa	6.9
	031	Quintessa Hotel Ise Shima	610	640	685	5.2	Tanizawa	0.9
	032	Quintessa Hotel Ogaki	1,070	1,039	1,070	5.1	Tanizawa	1.5
	033	THE KNOT SAPPORO	4,900	4,840	5,520	4.3	Tanizawa	7.0
	034	The OneFive Marine Fukuoka	2,600	2,606	2,660	4.2	Tanizawa	3.7
	035	Nest Hotel Hakata Ekimae	6,500	6,494	7,210	4.1	Daiwa	9.3

Hotel Type	Hotel No.	Hotel Name	Acquisition Price (JPY million)	Book Value (JPY million)	Appraisal Value (JPY million)	Cap Rate (%)	Appraiser	Portfolio Weighting (%)
	036	Smile Hotel Miyakojima	2,300	2,302	2,750	4.5	Daiwa	3.3
Total			70,003	69,634	84,670	—		100

Note 1: “Hotel Type” is classified into one of the following categories according to the hotel types targeted for investment by Ichigo Hotel: “Lodging-focused Hotels,” “Full-service Hotels,” “Resort Hotels,” and “Other.”

Note 2: “Book Value” does not include construction in progress held in trust.

Note 3: “Appraised Value” is based on the asset valuation methods and standards stipulated in the Articles of Incorporation of the Investment Corporation and the rules prescribed by the Investment Trusts Association, Japan, and represents the appraisal values determined by real estate appraisers of Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd., and Tanizawa Sogo Appraisal Co., Ltd.

Note 4: “Appraiser” is abbreviated in the above table as follows:

JREI: Japan Real Estate Institute
Daiwa: Daiwa Real Estate Appraisal Co., Ltd.
Tanizawa: Tanizawa Sogo Appraisal Co., Ltd.

Note 5: “Portfolio Weighting” represents the ratio of the acquisition price of each asset to the total acquisition price.

Note 6: As of July 31, 2025, no collateral has been provided for any of the assets held.

b. Operating Revenues and Expenses of Individual Assets

From the current fiscal period, this information is disclosed on Ichigo Hotel’s website’s IR Library page (www.ichigo-hotel.co.jp/en/ir/library.html).

c. Operating Results of Individual Assets

From the current fiscal period, this information is disclosed on Ichigo Hotel’s website’s IR Library page (www.ichigo-hotel.co.jp/en/ir/library.html).

(2) Major Capital Expenditures

a. Major Planned Capital Expenditures

Hotel Name	Location	Purpose	Timing	Forecast Expenditure (JPY million)	Incurred Amount (JPY million) Current Period
Nest Hotel Sapporo Odori	Sapporo	Full renovation	Mar – Aug 2026	1,546	—
HOTEL THE KNOT YOKOHAMA	Yokohama	Full renovation	Apr - Nov 2026	1,441	—
Smile Hotel Tokyo Asagaya	Suginami-ku, Tokyo	Renovation of guest bathrooms	Oct 2025	169	—
Nest Hotel Sapporo Odori	Sapporo	Elevator maintenance	Nov 2025	98	—
Washington Hotel Plaza Shimonoseki Eki Nishi	Shimonoseki, Yamaguchi	Repair of exterior walls	Aug 2025	42	—
Nest Hotel Matsuyama	Matsuyama, Ehime	Repair of exterior walls	Jan 2026	39	—
Washington Hotel Plaza Shimonoseki Eki Nishi	Shimonoseki, Yamaguchi	Repair of exterior walls	Jan 2026	32	—
Nest Hotel Matsuyama	Matsuyama, Ehime	Repair of exterior walls	Aug 2025	29	—
Hotel Wing International Kobe Shin Nagata Ekimae	Kobe, Hyogo	HVAC upgrade	Jan 2026	27	—
Hotel Wing International Kobe Shin Nagata Ekimae	Kobe, Hyogo	HVAC upgrade	Dec 2025	27	—
Hotel Sunshine Utsunomiya	Utsunomiya, Tochigi	Elevator upgrade	Dec 2025	27	—

Hotel Name	Location	Purpose	Timing	Forecast Expenditure (JPY million)	Incurred Amount (JPY million) Current Period
Quintessa Hotel Ise Shima	Shima, Mie	Elevator upgrade	Jan 2026	27	—
Nest Hotel Matsuyama	Matsuyama, Ehime	Elevator upgrade	Oct 2025	26	—
The OneFive Osaka Sakaisuji	Osaka	Renovation of guest bathrooms	Jan 2026	20	—
The OneFive Osaka Sakaisuji	Osaka	Renovation of guest bathrooms	Dec 2025	20	—
The OneFive Okayama	Okayama	HVAC upgrade	Jan 2026	18	—
The OneFive Okayama	Okayama	Boiler replacement	Nov 2025	18	—
Quintessa Hotel Ogaki	Ogaki, Gifu	Generator replacement	Aug 2025	18	—
Quintessa Hotel Ogaki	Ogaki, Gifu	HVAC upgrade	Jan 2026	15	—
Quintessa Hotel Ogaki	Ogaki, Gifu	HVAC upgrade	Aug 2025	14	—
Quintessa Hotel Ise Shima	Shima, Mie	Roof waterproofing	Jan 2026	7	—
Comfort Hotel Kushiro	Kushiro, Hokkaido	HVAC upgrade	Sep 2025	3	—

b. Major Capital Expenditures Completed during the July 2025 Fiscal Period

Construction work totaled JPY 477 million during the July 2025 Fiscal Period comprising capital expenditure of JPY 447 million and repair work of JPY 29 million expensed during the period.

Hotel Name	Location	Purpose	Timing	Expenditure (JPY million)
Hotel Wing International Kobe Shin Nagata Ekimae	Kobe, Hyogo	HVAC upgrade	Jun - Jul 2025	27
Comfort Hotel Hamamatsu	Hamamatsu, Shizuoka	Repair of exterior walls	Jun - Jul 2025	24
The OneFive Garden Kurashiki	Kurashiki, Okayama	HVAC upgrade	Feb 2025	22
Quintessa Hotel Ise Shima	Shima, Mie	Elevator upgrade	Jul 2025	18
The OneFive Fukuoka Tenjin	Fukuoka	Elevator maintenance	May 2025	14
Quintessa Hotel Ise Shima	Shima, Mie	HVAC upgrade	Feb 2025	8
Comfort Hotel Kushiro	Kushiro, Hokkaido	Repair of parking lot systems	May 2025	8
Comfort Hotel Kushiro	Kushiro, Hokkaido	Repair of parking lot systems	Jun 2025	4