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January 24, 2025

REIT Issuer:

Japan Hotel REIT Investment Corporation (TSE code: 8985)
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Notice Concerning Sale of Assets
(Trademark Rights of “Oriental Hotel” Brand, etc.)

This is to inform you that Japan Hotel REIT Advisors, Co., Ltd. (hereinafter called “JHRA”), the asset management company of Japan Hotel REIT Investment Corporation (hereinafter called “JHR”), has resolved today to sale the assets below (hereinafter called the “Assets to be Sold”).

The buyer, Hotel Management Japan Co., Ltd. (hereinafter called “HMJ”) falls under an “Interested Party, etc.” as stipulated in the Act on Investment Trust and Investment Corporation (Act No. 198 of 1951, as amended; hereinafter called the “Investment Trust Act”). Therefore, the sale of the Assets to be Sold has been approved by JHR based on resolution at JHR’s Board of Directors meeting pursuant to the Investment Trust Act and the Code for Transactions with Sponsor-related Parties stipulated by JHRA (Please see “5. Transaction with Interested Party” below).

1. Summary of Sale

Name of Assets to be Sold	Trademark Rights of “Oriental Hotel” Brand, etc.
Type of Assets to be Sold	Trademark Rights
Sale price (*1)	JPY700MM
Book value (*2)	JPY299MM
Gain on sale (forecast) (*3)	JPY390MM
Contract date	January 24, 2025
Transfer date	January 24, 2025
Buyer	HMJ
Brokerage	Not involved

(*1) The sale price does not include consumption tax, local consumption tax and the expenses related to the sale (forecast) , such as brokerage fee.

(*2) The expected book value as of December 31, 2024 is rounded off to the nearest million yen.

(*3) The expected gain on sale of the trademark rights is calculated based on the sale price, book value (forecast) as of December 31, 2024, and expenses related to the sale (forecast). The amount is rounded down to the nearest million yen.

2. Rationale for Sale

The Assets to be Sold are the trademark rights for “Oriental Hotel,” a flagship hotel brand operated by HMJ. JHR acquired the rights in 2020, however, HMJ recently requested to repurchase them. As the transfer price was deemed reasonable, we have decided to proceed with the transfer.

3. Summary of the Assets to be Sold

Name of Assets to be Sold	Trademark rights for “Oriental Hotel” Brand, etc.
Asset category	Trademark rights
Annual license fee	JPY50,608 thousand (as of the end of December 2024)

4. Summary of Buyer

Name	Hotel Management Japan Co., Ltd.
Headquarters	Ebisu Neonato, 4-1-18, Ebisu, Shibuya-ku, Tokyo
Representative	Junichi Araki, Representative Director
Capital	JPY50,000,000 (as of the end of December 2024)
Establishment	August 29, 2005
Net assets	JPY1,333.84 million (as of the end of December 2023)
Total assets	JPY8,397.16 million (as of the end of December 2023)
Major shareholder and shareholding ratio	SC J-Holdings Pte. Ltd. (100%) (as of the end of December 2024)
Major business	Management and operation of hotels
Capital relationship	The company concerned is a corporation in which SC J-Holdings Pte. Ltd. indirectly holds 100% of the issued shares. JHRA is a corporation in which SCJ One (S) Pte. Ltd. holds 87.6% of the issued shares, and SCJ One (S) Pte. Ltd. is a corporation in which SCCP Group Holdings Pte. Ltd. holds 100% of the issued shares. SC J-Holdings Pte. Ltd., SCCP Group Holdings Pte. Ltd. and SCJ One (S) Pte. Ltd. are all entities belonging to the SC Capital Partners Group.
Human relationship	Not applicable
Business relationship	The company concerned and its group companies are the lessees of the hotels owned by JHR (20 properties in total). Moreover, the company concerned is a specified related party of JHR.
Related parties	The company falls under the category of interest-related parties by the Investment Trust Act.

5. Transaction with Interested Party

HMJ falls under the category of an interested party, etc. as stipulated in Article 201 of the Investment Trust Act and Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations. Therefore, in accordance with “the Code for Transaction with the Sponsor-related Parties” stipulated by JHRA, appropriate procedures stipulated in the Code for Transactions with Sponsor-related Parties such as approval of the compliance committee attended by outside experts and of the Board of Directors meeting of JHR have been obtained, prior to the conclusion of the trademark transfer agreement with HMJ.

6. Settlement Method

A lump-sum payment at the time of transfer.

7. Schedule of Sale

Resolution for sale	January 24, 2025
Conclusion of transfer agreement	January 24, 2025
Settlement and transfer	January 24, 2025

8. Future Prospects

With respect to the operating forecast after the sale of the Assets to be Sold, please refer to “Notice Concerning Operating Forecast and Forecast of Dividend for the Fiscal Year Ending December 2025 (26th Period)” dated today.

* Website of Japan Hotel REIT Investment Corporation: <https://www.jhrth.co.jp/en/>