

[Provisional Translation Only]

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November 11, 2022

Ichigo Inc. (Tokyo Stock Exchange Prime, 2337)

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Launch of Digital Real Estate Business – Ichigo Residence Token

Ichigo is launching a digital real estate business, leveraging highly secure security tokens on a blockchain platform, to provide individuals and business owners with the opportunity to easily invest in high-quality real estate backed by Ichigo's long-standing asset management expertise and real estate know-how.

Ichigo will begin sales of its first token, Ichigo Residence Token: Azabu, Shirokane, & Nihonbashi, with underlying assets comprising three Central Tokyo residential assets.

Note: A security token is a digital asset that represents ownership of an underlying asset, which can be transferred using an electronic information processing system such as a blockchain.

1. Ichigo Residence Token Rationale

Ichigo's current line-up of investment products available to individuals and business owners includes direct investments in real estate assets, two J-REITs and a listed solar producer, and the Ichigo Owners Co-Ownership business (offering small-lot investments in diverse Ichigo Owners assets). In line with its mission to drive client satisfaction via its real estate and related services, Ichigo Owners is launching Ichigo Residence Token in order to expand its product offering and make investments in high-quality real estate assets broadly and readily available to many investors.

Similar to traditional securities like stocks, the Ichigo Residence Token is regulated by Japan's Financial Instruments and Exchange Act and is a highly secure investment product given that security ownership is managed on a blockchain, thus minimizing the chances of data fraud. Security tokens also enable small-lot investments in trust beneficiary interests (*juekiken*), therefore providing individual investors the opportunity to invest in alternative investments other than traditional stocks and bonds. With the aggregate AUM of J-REITs having grown to over JPY 20 trillion during the past two decades and the AUM of private equity funds in Japan at a similar level, Ichigo believes that digital real estate, which is based on security tokens and enables investors to easily invest via smartphones from anywhere in the world, is a key growth area and will work to increase its presence within this field.

Ichigo Investment Advisors, Ichigo's wholly-owned subsidiary with long-standing expertise in managing two J-REITs, a listed solar producer, and private equity funds, will manage the underlying residential assets and leverage its extensive experience, real estate know-how, and hands-on approach to provide professional real estate asset management services to individual investors.

Ichigo’s involvement throughout the value chain, starting with product creation through to investment of the underlying assets, will establish touchpoints with new investors and is expected to contribute towards growing Ichigo’s long-term stock earnings and driving shareholder value.

2. Ichigo Residence Token: Azabu, Shirokane, & Nihonbashi Overview

Mitsubishi UFJ Trust and Banking Corporation will both serve as custodian for the underlying residential assets and serve as provider of security tokens using the Progmatt blockchain platform.

SBI Securities Co., Ltd. will be the lead underwriter of the security tokens, which will be provided primarily to individual investors.

To ensure information transparency, disclosures regarding the security tokens will be provided via a dedicated website, which will be made available starting on the same day as the launch of Ichigo Residence Token: Azabu, Shirokane, & Nihonbashi.

Total Issue Price	JPY 1,564 million (Expected, as of today)
Total Assets Under Management	JPY 5,189 million
Investment Term	5 years and 1 month (Expected)

About Progmatt (Japanese only)

www.tr.mufg.jp/progmatt/

For inquiries, please contact Ichigo Investment Advisors at +81-3-3502-4803.

3. Underlying Asset Details

Asset Name (Legal Form of Asset)	Construction Completion Date
GRAN PASEO Azabu Juban (Trust beneficiary interest “ <i>juekiken</i> ” in real estate)	January 2021
GRAN PASEO Shirokane Takanawa (Trust beneficiary interest “ <i>juekiken</i> ” in real estate)	November 2021
GRAN PASEO Nihonbashi Hakozakicho (Trust beneficiary interest “ <i>juekiken</i> ” in real estate)	December 2021

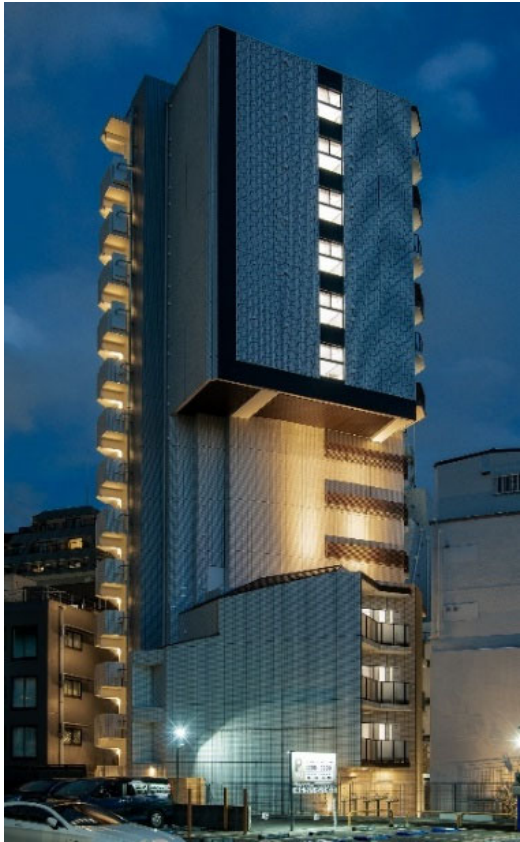
4. Earnings Impact

Ichigo expects to record FY23/2 revenue of JPY 5,100 million in relation to Ichigo Residence Token: Azabu, Shirokane, & Nihonbashi, which has already been reflected in Ichigo’s FY23/2 consolidated earnings forecast announced on April 19, 2022.

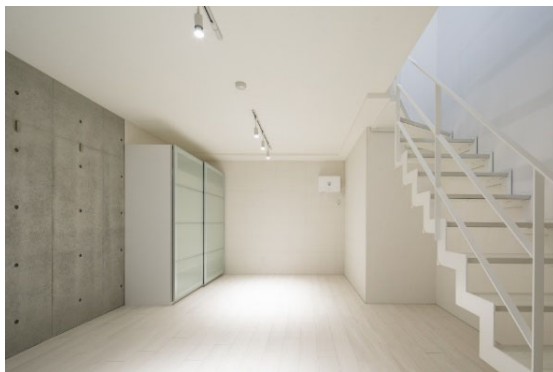
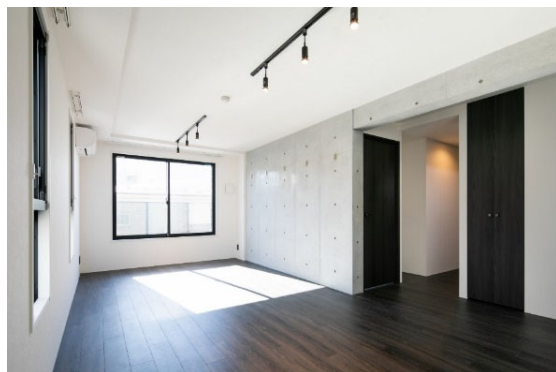
Reference:

Underlying Assets of Ichigo Residence Token: Azabu, Shirokane, & Nihonbashi

GRAN PASEO Azabu Juban



GRAN PASEO Shirokane Takanawa



GRAN PASEO Nihonbashi Hakozaicho

