

October 12, 2022
PROFITZ K.K.

Strategic Investment in SECTION L (an operator of long-stay hotels): A serviced apartment will open in Hamamatsucho in February 2023 to capture demand inbound tourism recovery.

PROFITZ K.K. (Head office: Chiyoda-ku, Tokyo; Representative Director: Shinichiro Tanaka) has made an investment in Section L Corporation (Head office: Chiyoda-ku, Tokyo; Representative Director: Howard Ho; hereinafter "SECTION L"), a start-up operator of long-stay hotel accommodations.

At SECTION L, members with extensive experience in expanding business in Japan and Asia, utilizing their specialties in hospitality and real estate, operate serviced apartments that offer guests flexible lengths of stay, seamless digital experiences and community through high-quality service and proprietary technology.

There is a lack of well-designed, high-priced serviced apartments in Japan that are equipped with kitchens and laundry facilities in each unit for extended stays. SECTION L has grown its business performance in this area despite being established in 2020, the year of the Corona virus pandemic, and is expected to grow further due to the demand for inbound tourism in the aftermath of Corona.

Enhancing real estate value by creating social value to tenants

PROFITZ aims to enhance the usage value and create new value in real estate investment from a long-term perspective. It also believes it can create attractive investment value by designing real estate as a "business" that transcends the "building" by planning and producing content that positively impacts local social issues. The company actively seeks to move into the realm of Alternative Living, which targets unique and specific tenant demographics, and transcends the conventional concept of housing.

For this purpose, the company sees great promise in SECTION L's flexible ideas and ability to execute them. PROFITZ invested in SECTION L with the hope of working together to create new products and sustainable investments.

*Alternative living: Residential assets tailored to the needs of new lifestyles after the Corona virus pandemic.



SECTION L

Future development plans

As the first initiative after the investment, Profitz: Asset Management Company (AM) and SECTION L: Hotel operator, plan to open an apartment-style hotel in Hamamatsucho in February 2023.

Looking forward, the company will continue to leverage the SECTION L brand strengths in design and technology that will delight tenants and provide added value, with an eye on overseas expansion as well. In addition, PROFITZ also aims to address the demand for real estate in anticipation of inbound and outbound tourism demand recovery, and to increase our technology capacity by leveraging the expertise of SECTION L's proprietary technology.

Asset Management by PROFITZ

In real estate investment, we believe that there is a limit to measuring real estate value only in terms of "boxes," and PROFITZ aims to enhance use value and create new value from a long-term perspective. In addition, by planning and producing content of high social significance, we design real estate as a "business" that transcends "boxes", which we believe results in attractive and sustainable investment value.

- FLUFFY: New Lifestyle Residence with family pets. <https://wfluffy.com/>
- EFFICE: A one of a kind set-up office that brings people together and boosts productivity. <https://effice.jp/>
- BLOCKS: Flexible workspace for dedicated work focus while feeling at home. <https://www.blocks-office.jp/>

■SECTION L K.K.

Representative Director: Howard Ho

Address: WeWork Kanda Square, 2-2-1 Kandanishiki-cho, Chiyoda-ku, Tokyo,

Website: <https://www.section-l.co>

■ Related Press Releases

A hospitality tech startup SECTION L completed 250 million pre-series A round funding

<https://prtimes.jp/main/html/rd/p/000000005.000085022.html>

■ About PROFITZ K.K.

Asset Management Beyond Investment

Changing the concept of investment.

The "feelings" of ten different people that led them to invest will make inorganic "investments" become alive, and even change their impact on society. Even the impact on society is transformed. We believe that not only objective returns, but also the continued formation of a social branding impact on investments is the key to the future of asset management. Our vision of the future of asset management

With a team composed of highly specialized members, the company provides various types of real estate services, from sourcing to management, with a large amount of industry information and networks in the central Tokyo area. The company also provides advisory services to companies and individuals whose main business are not real estate, and aims to not only provide efficient returns, but also give shape to ideas and enhance social branding of our clients through the management of real estate investments. The company has also made ESG-focused investments in the real estate sector, including launching Japan's first nursery school investment fund, which has garnered much positive attention.

Representative Director: Shinichiro Tanaka

Address: Kokusai Bldg. 2F, 3-1-1 Marunouchi, Chiyoda-ku, Tokyo, 100-0005

Website: <https://profitz.jp>

■ Contact

PROFITZ K.K. (Charge: Eiki Tamama)

Email: eiki.tamama@profitz.jp