Ryokan Thought Piece - Part 2:

Sector Analysis - What are the emerging trends, dynamics and unique selling points of Ryokans?

31st March 2021

Executive Summary

Odyssey Asset Management is a private market asset manager focused on real estate, alternative credit & private equity.

We invest in thematic opportunities within real estate, in markets we believe represent good value, in niche strategies that aims to achieve superior returns from repositioning and value adding the capital values and cash flows generated. We partner with local execution partners with long and successful track record in the niche sectors and strategies we are most interested in.

We have high conviction that the Japanese Ryokan sector presents a unique and exciting opportunity to acquire and redevelop heritage and luxury properties to be best placed for the expected long term and structural growing Japanese tourism market.

With inbound tourism expected to return in the near term, we believe Ryokans are prime placed for benefiting from an increase focus on inbound experiential travel with a focus on wellness, culture, and privacy.

Additionally, the large domestic tourism market has continued to be a significant and resilient source of demand and the local traveler has been a key consumer of Ryokan Hospitality for many generations.

To illustrate the opportunities and develop a clear understanding of the market, we have compiled a thought piece, broken down into 3 parts:

Part 1: What are Ryokan's, how do they operate and what are the key features?

Part 2: Sector Analysis – What are the emerging trends, dynamics & Unique Selling Points

Part 3: Investment thesis and Case study of Ryokans

In this second segment, we will highlight Ryokan market trends and opportunities with Tourism & Japanese Hospitality Sector trends, Ryokan's financial statements and industry dynamics to build a well-rounded fundamental investment case. To round out the segment, we provide 3 Unique Selling Points of Ryokans to base our convictions on why Ryokan is an attractive asset in our opinion.

Trends in Ryokan and Tourism Industry

The Japan Tourism sector has strong investment fundamentals and long-term structural demand drivers. Obviously, the current market environment significantly impacted and depressed activity, and therefore across the sector all areas are currently underperforming due to the restriction of Air-travel and banning of inbound tourism due to Covid 19 Pandemic. However, this section will explain the future long-term trend that we believe continues to present an optimistic outlook on Tourism and, specifically the Ryokan industry in Japan.

Japan as an Attractive Tourism Destination

In the world, Japan is the prime location for many tourists that are looking to travel to Asia due to its unique heritage and culture and offers of experiential travel.

Statistics by the United Nations World Tourism Organisation has shown Japan to be one of the prime tourist destination spots across the World and Asia. In terms of International Tourists arrivals, Japan ranked 11th and in International Tourist Arrivals by Air or Sea, Japan ranked 7th in the world and 1st in Asia. This speaks volume to the attractiveness of Japan amongst tourists.

It is interesting to note, that the development of infrastructure and facilities generally, make Japan a very developed country to travel. However, historically, the tourism industry has not been as active in promoting or indeed developing the growth of international tourism until recent times (since Prime Minister Abe came into power again in 2012).

It can be said that in some ways, Japan undersells its many and diverse advantages. The country offers both, natural beauty and diverse landscapes from beaches to mountains to plains. As well as large metropolises, shopping and nightlife. It offers wealth of art and culture, history and architecture. It has food culture as good as if not better than most countries. It is truly a unique destination.

Additionally, Japan has a number of "soft power" advantages, given its perception of being a safe, clean and friendly country for travel.

With strong statistics illustrating the strong fundamentals of this sector, it suggests Japan's Ryokan industry is well placed for a sharp rebound once air travel resume.

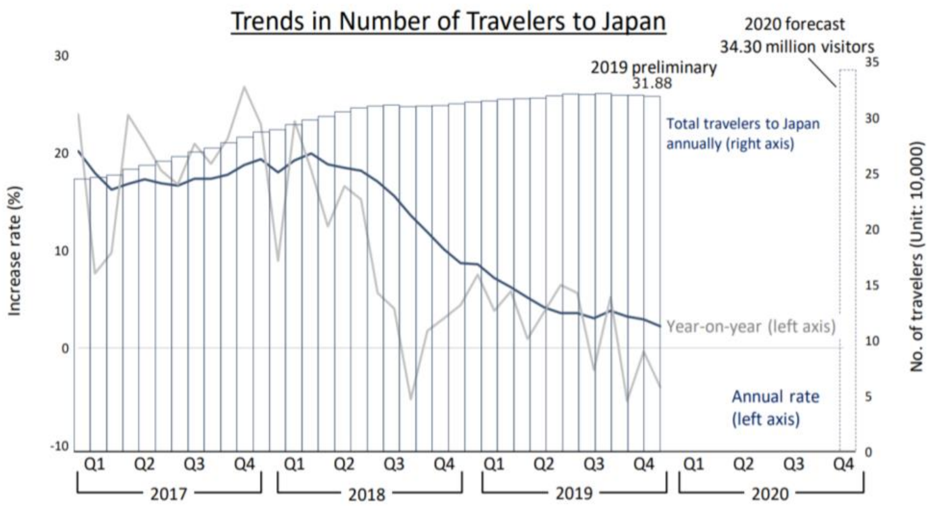
Number of Travellers in Japan

Historically, the number of travellers has exhibited a rising trend albeit slightly slowing down in Figure 1. As a hospitality asset, ryokans will benefit from this strong fundamental.

From a report by the Japan Tourism Board in 2019, the data has shown positive growth at the end of 2019 where it experienced a **2.2%** growth YoY. Further breakdown of the top 5 countries number of travels to Japan, most countries are still experiencing growth with only South Korea dipping. Western Market presents the largest opportunity of growth and capturing the high volume of travellers to Japan through the unique culture of Ryokans is lucrative.

Though due to the recent coronavirus pandemic and the restriction of air-travel, Ryokans are currently suffering from low occupancy rate like all hospitality assets. However, we are confident in the ability for this trend to continue and outperform, making Ryokans an extremely attractive investment proposition before air-travel resumes.

Figure 1: Trends in Number of Travelers to Japan



Source: Japanese Tourism Board, Inbound Market Trend 2020

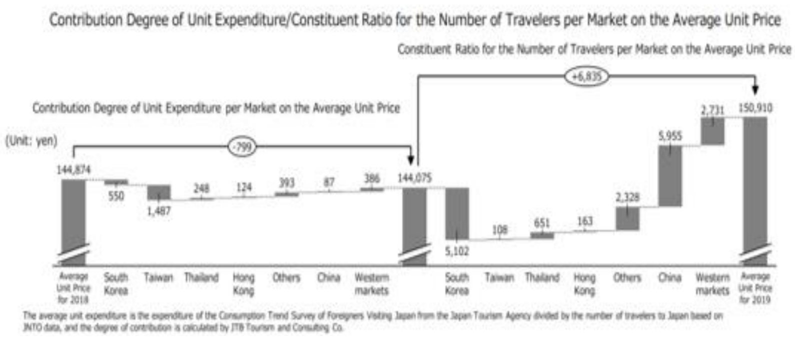
As per the Euromonitor estimates in Figure 2, the forecasted rates of overall tourism numbers continue to present an optimistic outlook, suggesting a strong bounce-back due to demand of increased travel demand since a major part of the world's population is experiencing an urge to travel and pent-up demand.

Figure 2: Forecasted Inbound Tourism

'000 trips	2020	2021	2022	2023	2024	2025
Air	15,246.9	27,745.2	31,215.8	32,970.2	34,423.4	36,391.1
Land	-	-	-	-	-	-
Rail	-	-	-	-	-	-
Water	349.3	632.6	708.3	744.7	774.0	814.5
Business Arrivals	1,743.3	3,186.0	3,596.3	3,799.6	3,960.9	4,180.7
Leisure Arrivals	13,853.0	25,191.8	28,327.8	29,915.3	31,236.4	33,024.8
Inbound Arrivals	15,596.2	28,377.8	31,924.2	33,714.9	35,197.3	37,205.5

Source: Euromonitor Estimates

Figure 3: Geographical Breakdown of Unit Expenditure



Source: Japan Tourism Board, Inbound Market Trend 2020

From the data, this makes us extremely confident that for mid-luxury grade Ryokans that offers authentic, high-quality service will be able to generate high yield from the increased expenditure.

As per the Euromonitor estimates in Figure 4, the forecasted rates of overall total tourist expenditures seem to be positive and generally optimistic, suggesting an optimistic outlook on the hospitality and Ryokan industry.

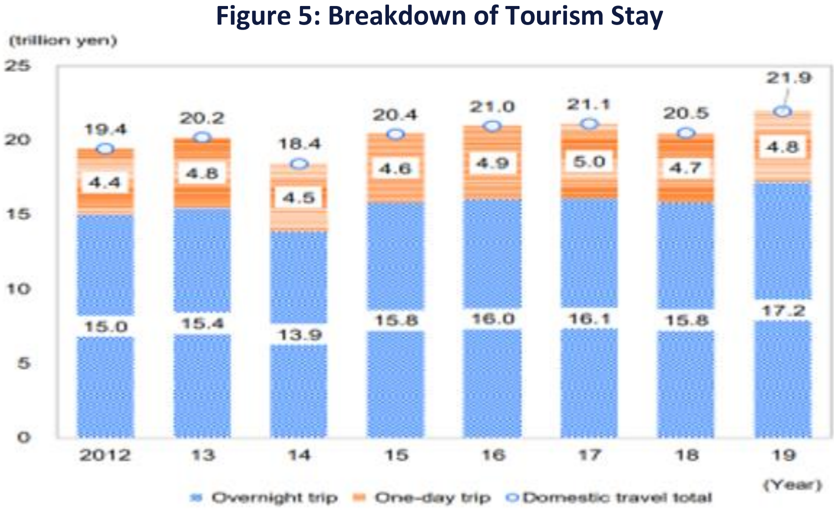
More interestingly in Figure 3, the expenditure per traveller has increased steadily by **4.75% p.a.** from 2018 to 2019. With the trend of travellers being more willing to spend, the slightly declining growth rate above may not be as worrying as it seems because each traveller is willing to spend more.

Figure 4: Forecasted Outbound Expenditure

JPY bn	2020	2021	2022	2023	2024	2025
Business	398.1	664.6	793.9	837.1	850.1	858.7
Leisure	1,847.0	3,113.2	3,939.4	4,139.7	4,219.4	4,280.1
Lodging	573.6	967.1	1,214.1	1,279.0	1,305.4	1,325.8
Activities	192.9	332.1	423.2	449.9	463.4	474.8
Food	380.3	641.8	806.6	850.5	868.9	883.4
Shopping	155.1	257.3	317.6	329.0	330.0	329.4
Travel in Destination	355.9	602.6	759.7	801.3	818.7	832.5
Other Outbound Expenditure	587.3	976.9	1,212.2	1,267.1	1,283.1	1,292.9
Outbound Expenditure	2,245.1	3,777.8	4,733.3	4,976.7	5,069.5	5,138.8

Source: Euromonitor Estimates

Figure 5: Breakdown of Tourism Stay



Strong Domestic Tourism

With a population of 120m, willingness to travel & explore their own country is driving stable domestic tourism growth which offsets some of the impact from the COVID-19 pandemic. Domestic Tourism Consumption has risen by **7.1%** from 2018 in Figure 5. In the event of a COVID-19 resurgence or slower recovery, the strong domestic tourism demand hedges the exogenous shocks.

Forecasting Ryokan Demand

As with all investments, it is important to gather data and industry sentiments on the future performance of Ryokans to make a calculated, informed investment choice into the sector.

From an EuroMonitor report on Ryokans, the Ryokan industry has been historically plagued by the poor awareness of tourist due to the low levels of marketing available despite the large supply available in terms of lodging. A survey held in 2015 by the Japanese Tourism Board suggests that tourists are looking for more "local experiences" which is a moat that Ryokan uniquely offers.

To strategically place Ryokan for the pending recovery, industry experts weighed in on suggestions for Ryokan operators namely; improving on their marketing to raise awareness as well as making the experience more seamless by employing third-party transaction services such as PayPal. In 2016, the Japan Ryokan & Hotel Association has launched this initiative by partnering with Paypal. In 2018, a survey was held and found out that 41% of the larger Ryokans supports Paypal payments. Further improvements can be made through investments into the facilities to capture a larger proportion of the international tourist inflows.

Ryokans can also benefit from partnering with travel associations. Tour packages acts a marketing tool as well as an improvement in occupancy rates. Decentralisation of lodging away from densely populated main cities like Kyoto or Tokyo especially due to the possible emergence of COVID cluster, could be a theme moving forward.

Moreover, given Japan's strong traffic infrastructure, there is very little friction in staying further from the main-stay itineraries or possibly tour agencies could shift towards attractions in more rural areas and away from main cities like Tokyo and Kyoto.

With the lodging intermediary industry strong forecast in Figure 6, this presents a strong market opportunity for Ryokans to tap into this segment. This could very well be the theme moving forward into the recovery of the tourism industry and a catalyst for the Ryokan Industry.

Figure 6: Forecasted Lodging Online Sales

JPY bn	2020	2021	2022	2023	2024	2025
Lodging Online Direct	735.4	942.9	1,076.2	1,102.2	1,115.0	1,122.5
Lodging Intermediaries (Destination)	1,135.7	1,456.2	1,639.8	1,697.7	1,736.5	1,769.2
Lodging Online	1,871.1	2,399.0	2,716.0	2,799.8	2,851.5	2,891.6

Source: Euromonitor Estimates

In conclusion, we are confident in the current optimistic forecast due to the trends and factors above and we are confident of making an even larger improvement through our expert due diligence and industrial knowledge of the sector that allows Odyssey to source out attractive assets to generate attractive returns.

Financial Analysis

Operating Margins and ADR

Ryokans have a history of being a family-owned business for the most part. The high operating margins are not surprising because it is not as professionally run, meaning business process are not as **streamlined** and **efficient** as hotels, resulting in the higher cost. Moreover, being extremely high touch service-oriented and smaller hospitality asset, operating costs tends to be much larger, compounding to a larger operating expense compared to Hotels. In 2018, a report by the Japan Ryokan & Hotel Association showed that in 2018 on average, the operating margins of Ryokans are higher than Hotels at **73.9%** vs **70.8%**. At first glance, this may look like the NOI yield would be lean, but there is more to the story in our view.

Looking at the ADR, we can see that the average ADR (inclusive of food) for Ryokans is **38,924 Yen** while Hotels (Non-inclusive of food) stands at a lower **11,321 yen**. With the high ADR, it is easier for a hospitality asset to break even in the current market conditions where air travels are restricted. This allows us to be uniquely positioned to ride the tailwinds of the COVID vaccines and resumption of air travels.

Further breakdown of the geographical locations presents us with different ADR amongst Ryokans. Notably, the highest is in Kansai, being an extremely popular tourist spot has an extremely high ADR at **54,917 Yen** compared to average of **38,924 Yen**. An insight that could be drawn from this would be that popular tourists' spots in Japan i.e. high flow of international tourist visiting Japan for vacation is a possible opportunity to find undervalued assets with the ability to turn things around.

Occupancy Rates

Looking at occupancy rates, the survey by Japan Ryokan & Hotel Association concluded in 2018, the occupancy rate of Ryokans was at 68% while hotels sit at 72.8%, this is in part due the poor marketing of the Ryokans. Additionally, looking at the breakdown of occupancy rates by size, bigger ryokans have a higher room occupancy rate at 73.8% than the smaller ones at 55%. Taking this as a conservative gauge of the upside potential of acquisition, we should further look into acquiring **strategically located** assets that are somehow underperforming and evaluate the reasons why they are underperforming.

Figure 7: Occupancy Rates

Occupancy Rate (%)				
	Average	Big Ryokan	Medium Ryokan	Small Ryokan
Ryokan	68.0	73.8	63.0	55.0
Big Ryokan	73.8	73.8	-	-
Medium Ryokan	63.0	-	63.0	-
Small Ryokan	55.0	-	-	55.0
Region				
Hokkaido	75.3	77.3	65.2	-
Tokyo	59.2	59.9	60.1	40.6
Kanto	69.5	79.6	65.9	48.9
Hokuriku	63.2	-	59.8	46.7
Chubu	71.5	82.0	65.0	53.9
Kansai	68.2	67.3	68.4	70.0
Chugoku	60.6	72.5	-	22.0
Shikoku	65.7	66.8	-	54.2
Kyushu	69.8	-	62.9	49.9
Hotel	72.8	82.1	65.9	62.2

Source: Japan Ryokan & Hotel Association 2018, translated

The **value proposition** here in our opinion is to find popular international spots to be firmly positioned as a recovery investment when air travel resumes.

Reasons for the small, niche sector

The sector is fragmented and niche because of the 2 reasons.

1) Many Ryokans are family owned and many of them are not able to tap into funds and vice-versa.

2) Hurdles to be adopted as a chain business.

Both of these reasons aim to explain the reason for the underperformance and the deep understanding of a Ryokan's business model; maintaining their moat.

Inability to Tap Into Investment Funds

The inaccessibility of investors to provide funding to Ryokans left them with very little cash flow to finance renovation, marketing and other aspects that are fundamentally important to the success of hospitality assets. Furthermore, small business is unable to get big loans to finance renovations. As such, much of their business is very underdeveloped. For example, marketing to international tourists remains extremely primordial compared to Hotels, Ryokans right now mainly adopt word-of-mouth from their strong loyal customer base which is not a feasible option for Tourists who normally find lodging options through online portals such as Hotel.com, Trivago.com etc.

Furthermore, some ryokans are left without renovation for many years due to lack of capital, contributing to the point that some tourists may find them less appealing than main-stream hotels which are more aesthetically modern and clean.

Due to both of these factors, Ryokans remains a very under utilised, undervalued and overlooked industry that also has the potential to capture much of the Wellness Tourism Trend due to their geographical moat.

Hurdles to be Adopted as a Chain Business

Ryokans are strictly tied to a family's tradition and identity. Due to this, there is a strong attachment for the autonomy of their own business, it is uncommon that an owner will be willing to let someone acquire and run their business, even after they retire and or sell the asset and business. Many generations of owners are raised in the inn and as such the sense of identity ties them to the industry. It is also worth noting that the level of service provided is in part since they have a very high level of respect to their line of business.

Therefore, to maintain the intangibles and the moat of the business, it is paramount that the autonomy of the owners will not be diminished. The owners must still be attached to the ryokan business because of the symbolic meaning that extends to the exceptional quality that they provide. Therefore, scaling the business would also mean that the existing value-added service will be eroded due to the higher occupancy turnover rate.

Hence, acquisition of a Ryokan is tricky process which require an extensive knowledge of the industry as well as a good working relationship with the owners. Both of which are expertise that Odyssey can provide.

Ryokan Industry Dynamics

Supply

There is currently an **undersupply** of Ryokans that can provide customers with the authenticity of Japan as well as the modern touch of a Hotel. As mentioned previously, the market is very fragmented where there are roughly 63,000 ryokans in the nation, many of which are very **small-scale, family-owned businesses**. Together with the current pandemic, many of these businesses are **forced to exit** due to stagnating cash-flows.

While, 63,000 Ryokans sound like a large number (or perhaps not for 120m local population), not all Ryokans are homogenous. The number of actively managed and operating ryokans continues to decline. Some research suggests that Ryokans are closing down at a rate of **1-3% p.a.,** with the rate of decline accelerating in recent years. (NB with Covid creating a significant disruption to these traditional family run Inns, there has been anecdotal evidence that up to **50%** of currently operated Ryokans are at risk of closure / bankruptcy). So far, the combination, of relatively resilient domestic demand, as well as the support of local banks and government subsidies, has limited the extent of the potential fall out so far.

Furthermore, most REITs portfolio do not have Ryokans in their portfolio and the largest domestic investor is Hoshinoya who predominantly focuses on luxury grade ryokans. This means that historically the properties are sold to developers or repositioned into other uses when the owners look to retire.

Figure 8: Ryokan Dining Hall

Source: Ryokan Tanabe

This further presents us with a market opportunity due to how **overlooked the industry is to investors traditionally.**

Demand Drivers

Japanese Service and Culture

A study held by the University of Central Florida concluded that Japanese Culture and Service is an attribute unique to Ryokans and seldom found in other hospitality assets in Japan. The **customs and traditions** of Ryokans are considered key aspects to consider over other hospitality assets for tourists' consideration of lodging options in Japan,

Figure 9: Ryokan Breakfast

Source: Japan Ryokan Association

Marketing

Demand for Ryokans have a large potential to be filled due to the current poor marketing strategies employed. Many Ryokans suffers from poor marketing where there is an **information gap** within the international tourists who may want to stay in Ryokans but are unable to find quality Ryokans, therefore resorting to staying in hotels that are marketed far better than Ryokans.

This is due to the limited number of partnerships between travel associations as mentioned before and poor online marketing. However, with the recent COVID-19 pandemic accelerating the adoption of technology and internet marketing, we are optimistic in the outlook of Ryokans being more adaptable to the everchanging economic climate.

Furthermore, the survey amongst international tourists is favorable towards Ryokan as they have stated they like the experience, the location and the place.

Hence, in our opinion, there is room in the current Ryokan sector to grow the current level of demand by actively targeting and marketing to the international tourists.

Rising Domestic Consumption

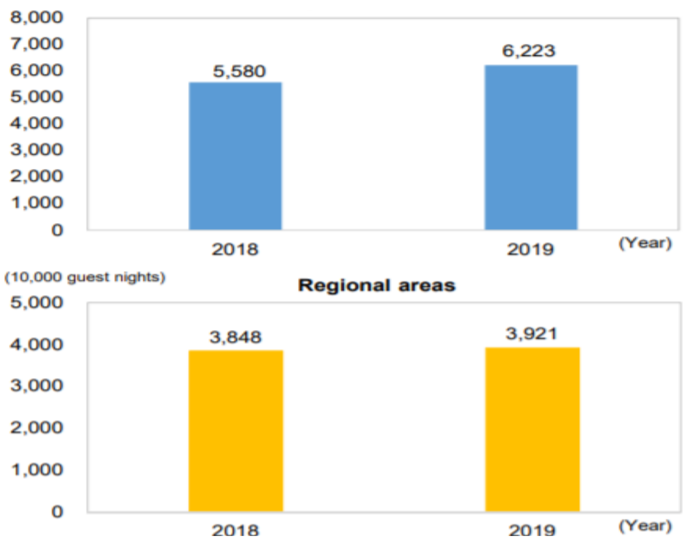
Ryokans will also benefit from the historically high levels of domestic tourism consumption where it has rose by **7.1%** from 2018. This resulted in the increase of 1 % in total number of nights in Ryokans in 2019.

The interesting part is, the breakdown of the customers illustrated that international tourists share has increased by **7.6%** while domestic tourists decreased by 0.4%, suggesting a sign for Hospitality assets like Ryokans to start targeting international tourists in the future as a steady source of cash flow for the business.

Figure 10: Hanabi Taikai (Firework Festival)

Source: IMTM

Figure 11: Ryokan International Tourist



Source: Japan Tourist Board

A survey conducted by the Ministry of Land, Infrastructure, Transport and Tourism in Figure 9 also came up with some findings on micro improvements that can further drive demand/occupancy rates up. As seen, many ryokans are finding improvements in Occupancy rates from training or hiring staff with foreign language skills, overseas agents and came up with some findings on micro improvements that can drive demand up. As seen, these all points to a potential of international tourists forming a large proportion of Ryokan's occupancy rate following the improvements

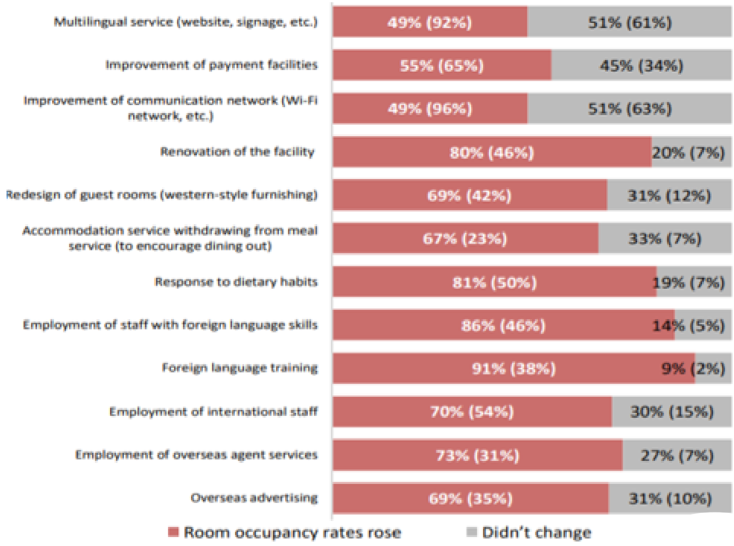
Figure 13: Ryokan Geographic Location

Source: Japan & Hotel Association

Focus on International Tourists

Similar to other hospitality assets, the occupancy rates of these assets usually go up when there is a higher rate of tourists. However, what is unique about Ryokans is that their main customer base comes from domestic rather than international tourists. Therefore, it makes sense to pivot towards targeting international tourists as it has rapidly grown from by **62%** from 2015 to 2019 and in both regional and metropolitan areas according to Figure 8. With the growing market base, Ryokans will see a large rise in demand if they adopt the strategy of targeting international tourists as well.

Figure 12: Survey Results on Occupancy



Source: Ministry of Land, Infrastructure, Transport & Tourism Kankocho 2019

Locations

Ryokans are generally more common in rural areas where there is more access to natural hot springs, one of the main features for Ryokans and an inherent economic moat that the hospitality asset uniquely possesses.

There are many spread across the different regions in Japan. These regions include: Hokkaido, Tohoku, Kanto, Hokuriku Shinetsu, Chubu, Kansai, Chugoku, Shikoku, Kyushu.

Odyssey's extensive partnership across Japan can source out a variety of undervalued opportunities in these regions.

Why Are Ryokans So Special?

There are several Unique Selling Points to the Ryokan sector: **Under utilised**, **Under optimised** and **Under the Radar**

Under Utilised and Under Optimised

Family-run Ryokans are usually very under utilised because the owners usually are generational and are happy just making a small margin, since it is a family business. Moreover, the current business process is still rudimentary and inefficient.

As such, there is a lot of room for improvement for Ryokan's operational efficiency. Furthermore, it is does not necessarily incur a lot of cost to do as it just takes some implementation of technology and to keep operating cost down and improve the efficiency of the business in the long run.

This problem is more prominent in smaller Ryokans as we can see from the 2018 data, total operating expense for Ryokans shares a negative correlation with the size of the Ryokan. From the data, it is clear there are some operational inefficiencies within the Ryokan industry, resulting in a largely under utilised and under optimised business.

Another point to draw from the operational inefficiencies. There may be some improvements to be made for the already high ADR, giving it even more upside.

Some underperforming ryokans are suffering from older equipment, older décor and could benefit from renovation and improving the design whilst keeping the traditional flavor of the inn. Thus, the already high ADR can be much higher when we implement these changes through channeling investment into the business.

Right now, the room occupancy rate is much lower than hotels as Ryokans are not marketed that well. Hotels have booking services, a large network of agents and advertisements. In comparison, Ryokans are not marketed that well with very little partnerships with agencies, online marketing and so on. This likely attributed to the poor occupancy rates in Ryokans.

Figure 14: Interior of a Ryokan

Source: Japan Guides

Furthermore, the inherent business model that Ryokans are in is not faulty. A survey showing the motivations behind staying in Ryokans are as follows, Accessibility, price, Japanese culture, authentic and unique experience. The business model is competitive with other hospitality assets as the top 3 motivations and reasons why international tourists chooses to stay in Ryokans rather than other hospitality assets. Hence, Ryokans still have a place in the hospitality sector despite the ageing facilities because it has an economic moat that is extremely hard to replicate.

Marketing can also be tailored according to the survey results where it showed that tourists preferred Ryokans because of price, experience and the culture. Furthermore, marketing can also be used to attract visitors that may be less willing to try out Ryokans as they may think that this is foreign. Utilizing such data for marketing maximise the currently under utilised Ryokans.

In our opinion, through the acquisition of Ryokans and making an adjustment to marketing and renovation, it is not a stretch to expect a high upside on investments as it is very under utilised and under optimised sector with **strong investment** fundamentals.

Under the Radar

As mentioned in previous sections, the niche and fragmented sector made Ryokans a very under the radar industry that has the potential to produce attractive investment returns. Due to the fragmented sector and language barriers, it made it extremely difficult for investors to understand the business model and the inherent moat that exists. Data is also scarcely available where the Japan Tourism Board only made the data accessible from 2010 onwards. Furthermore, the complexity of the business model and poor financial statements **on first glance is deceiving and often turn investors away.**

Odyssey is able to leverage on the expertise of industry experts on Ryokans to figure out the opportunities that are available and the reasons why it is not performing.

Figure 15: Exterior of an Inn

Source: Ryokan Yachiyo

For example, comparing Ryokan's financials with traditional hospitality assets, we see that room occupancy rate is far lower than expected and though it is, it suffers from less volatility in its occupancy rates as compared to Hotels due to the strong domestic customer base. Furthermore, from the loyal customer base, we can establish a floor as the maximal downside. Technically, we already have a grasp on the downside of the risk and can factor more weight to the upside depending on our research. Additionally, the poor room occupancy rate is attributed to marketing which can be solved since it is not a structural problem which is much harder to correct.

More interestingly, ADR for Ryokans are much higher than Hotels, and often include revenue for two meals therefore, break-even is lower for Ryokans. There is no need to pour like money in marketing traditional Hotels that are struggling to break even due to the lower ADR

Figure 15: Scenic View from a Ryokan

Source: Hokkaido Ryokan

Opportunities & Trends Post Covid

Value Proposition post-COVID

Due to the COVID-19 pandemic, the hospitality sector was badly affected, and news article of tourism and Japanese hospitality bankruptcy rates has hit a record high in recent years. Because of this, we view this as an opportunity to acquire distressed, underperforming assets to reposition them using our expertise in the market.

A benefit of Ryokan amidst this is the high average ADR rates, allowing them to break even relatively easier than traditional hospitality assets. This allows investors to be strategically placed and comfortable for a bounce-back once air travels resume.

Post-COVID is the period where hospitality assets will start to turn around as they will become more **fairly valued and start generating healthier cash flow** due to the surge in wellness tourism, there is a high probability that more tourist will choose to stay in Ryokans because of the luxurious experience and a taste of authentic Japanese culture, culminating in a deep connection with the local community and environment.

Besides, being in rural areas, Ryokans would be more preferred in the case where vaccination is widely accessible when they open borders. It could present a situation where people avoid densely populated areas which is usually where hotels are and choose rural areas that is usually where Ryokans are located.

Being a very niche asset, it is **hard to intervene** without the proper expertise. Running a niche hospitality business requires a deep understanding of the unique customers' expectations and industrial experience which is rare. This is where Odyssey comes into play with deep expertise and experience in improving underperforming assets and turn it into a profitable business.

Figure 17: Luxury Ryokan

Source: Kai Ryokan

GWI has also estimated that the wellness tourism industry will grow by **44%** by 2022, by strategically placing ourselves in the Ryokan business, we are able to tap into the strong tailwinds on the growing wellness tourism industry amidst the global recovery.

Conclusion

In conclusion, this segment covers the thematic of Ryokans and the tourism/hospitality sector linked to a deep understanding sector through our advisor's first-hand experience. We believe that the Ryokan sector represents an attractive investment case with its 3 Unique Selling Points.

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