

FOR IMMEDIATE RELEASE

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Stock Listing: Tokyo Stock Exchange, Standard Section
Stock Code: 3010
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Polaris to Further Grow its Portfolio and Will Operate Additional Hotel in Central Naha Okinawa

Polaris Holdings Co., Ltd. (hereinafter “Polaris” or the “Company”) announced today that Fino Hotels Co., Ltd. (hereinafter “Fino Hotels”), a subsidiary of the Company, resolved to execute a Memorandum of Understanding (hereinafter “MOU”) with AQUA RESORT Co, Ltd. (hereinafter “AQUA RESORT”) on a lease agreement (hereinafter the “Lease Agreement”) for a new hotel property (hereinafter the “Property”) to be constructed in Naha city, Okinawa.

1. Execution of the MOU

(1) Background leading to the execution of the MOU

Polaris Group has been proactively undertaking new hotel management projects from both Star Asia Group and third-party hotel owners to expand the operational platform based on the growth strategy outlined in the medium-term management plan and has now increased the number of rooms under management from 3,109 to 9,046 from March 31, 2020 to September 30, 2024.

AQUA RESORT highly valued hotel performance and growth potential of Polaris Group and decided to execute MOU to proceed discussions to conclude the Lease Agreement of the Property which is planned to be constructed in Naha city, Okinawa.

The Lease Agreement will be a long-term lease agreement based on a combination of fixed and variable rents, which will secure long-term management opportunities for Polaris Group. Hotel operation with high profitability and middle-risk middle-return will contribute to the enhancement of Polaris Group’s corporate value over the medium to long term.

The Property is located a 5-minute walk from Kencho-mae Station on the Okinawa Urban Monorail “Yui Rail”, and just a 1-minute walk from the very popular “Kokusai-dori” street with its many shops and restaurants, and a 1-minute walk from the Okinawa Prefectural Government Office, making it a location that is highly convenient for both leisure and business. In addition, the rooms in the Property are planned to be spacious, with an average size of over 30 square meters, and the top floor will have an infinity pool, restaurant and bar, as well as a spa, sauna and other facilities, and the Company aims to make this our first upscale hotel in Okinawa. Polaris Group is already proceeding to open a new hotel

in the Maejima area of Naha City with the aim of opening it in 2027, and the Property is scheduled to be our second hotel in Okinawa, and the Company plans to open it as a hotel bearing the name “KOKO HOTEL Premier”, which is a high-class brand within our group's proprietary “KOKO HOTEL” brand. After the Property opens, the number of rooms under management is expected to reach 9,219 (including the number of rooms planned to be managed), which will further expand the management platform and ensure the continued growth of Polaris Group into the future.

(2) Outline of the Property

① Hotel Name	KOKO HOTEL Premier Naha (tentative)
② Location	Naha City, Okinawa
③ Number of rooms	173 rooms (planned)

(3) Outline of the Counterparty

① Name	AQUA RESORT Co, Ltd.	
② Location	3-20-6 Myojin-cho, Hachioji City, Tokyo	
③ Job title and name of representative	Representative Director: Hiroki Sato	
④ Description of business	Real estate business	
⑤ Share capital	JPY 90 million	
⑥ Date of establishment	June 15, 2009	
⑦ Relationship between the Company and subject company	Capital relationship	There are no relationships to be specifically noted.
	Personnel relationship	There are no relationships to be specifically noted.
	Business relationship	There are no relationships to be specifically noted.
	Status as a Related party	The Counterparty does not fall under the category of related party.

(4) Outline of the Counterparty

① Name	Fino Hotels Co., Ltd.
② Location	1-12-3, Iwamotocho, Chiyoda-ku, Tokyo 101-0032, Japan
③ Job title and name of representative	Representative Director: Shigeru Takakura
④ Description of business	Hotel business

2. Schedule (Planned)

① Execution of the MOU	November 11, 2024
② Execution of the Lease Agreement	Around December 2025
③ Start of Hotel Operation	Around the summer of 2028

3. Outlook

With the execution of the MOU, the parties will discuss to conclude the Lease Agreement for the Property. Since the Property is scheduled to start operations from the summer of 2028, the execution of the MOU will have no impact on the current fiscal year's financial results.

Reference

List of the new hotels to be operated by Polaris Group

Hotel Name	Location	Number of rooms	Start of Hotel Operation
KOKO HOTEL Residence Kyoto (tentative)	Kyoto city, Kyoto	Undisclosed	December, 2024
KOKO HOTEL Osaka Nipponbashi Nanba (tentative)	1-chome, Sennichimae, Chuo-ku, Osaka city, Osaka	320 rooms	Spring 2025
KOKO HOTEL Kaihin Makuhari (tentative)	2-chome, Hibino, Mihama-ku, Chiba city, Chiba	301 rooms	Spring 2026
KOKO HOTEL Naha Maejima	3-chome, Maejima, Naha city, Okinawa	132 rooms	Spring 2027
KOKO HOTEL Residence Ueno Shin-Okachimachi (tentative)	3-chome, Taito, Taito-ku, Tokyo	52 rooms	Fall 2027
<u>KOKO HOTEL Premier Naha (tentative)</u>	<u>Naha City, Okinawa</u>	<u>173 rooms</u> <u>(planned)</u>	<u>Summer 2028</u>

* The hotels to be opened listed above are based on current plans and subject to change in the future.

End

NOTE: This is an English translation summary of the Company's announcement in Japanese. No assurances or warranties are given for completeness or accuracy of this English translation summary.