

FOR IMMEDIATE RELEASE

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Polaris Continues to Expand Rooms under Management and Will Operate Two New Hotels in Tokyo and Yokohama Area

Polaris Holdings Co., Ltd. (hereinafter the “Polaris” or the “Company”) announced today that Fino Hotels Co., Ltd. (hereinafter the “Fino Hotels”), a subsidiary of the Company, executed reservation agreements for fixed-term building sublease (hereafter the “Reservation Agreements”) of the two hotel properties located in Edogawa-ku, Tokyo, and Yokohama-shi, Kanagawa (hereinafter collectively the “Two Hotel Properties”) with Star Asia Investment Corporation (Stock Code 3468; hereinafter “SAR”), which entrusts the management of assets to Star Asia Investment Management Co., Ltd. (hereafter “SAIM”) which belongs to the Star Asia Group, the sponsor of Polaris.

1. Background and Purpose of the Execution of the Reservation Agreements

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 Company’s growth strategy and through the integration of management with Minacia Co., Ltd., the number of rooms under management has increased from 3,109 to 14,964 from March 31, 2020 to December 31, 2024 (including the number of rooms scheduled to be managed). The Company has been entrusted with the operation of 12 hotels and 2,202 rooms with SAR, and as announced in the “Polaris Executes Comprehensive Support Agreement with Star Asia Group for Hotel Operation and Further Growth” dated May 14, 2024, has executed the comprehensive support agreement with SAIM and SAR, and has been closely sharing information related to hotels.

Following the expiration of the lease agreements with the current operators of the Two Hotel Properties, SAR was exploring new hotel operators and after evaluating the Polaris Group's strong operational performance to date, SAR has decided to execute the Reservation Agreements with Fino Hotels. Under the Reservation Agreements, Fino Hotels will execute a Fixed-term Building Sublease Agreements (hereinafter the “Lease Agreements”), with a combination of fixed and variable rents, which are considered middle-risk middle-return and plans to lease from July 2025 and start operation the Two Hotels Properties under the “KOKO HOTEL Tokyo Nishikasai” and “KOKO HOTEL Yokohama Tsurumi”

“KOKO HOTEL Tokyo Nishikasai” is located a 2-minute walk from Nishikasai Station on the Tokyo Metro Tozai Line, a 15-

minute drive to Maihama Station on the JR Keiyo Line, and direct access to Kasai Rinkai Park via a single bus route, offering excellent access to tourist destinations. “KOKO HOTEL Yokohama Tsurumi” is located a 3-minute walk from Tsurumi Station on the JR Keihin-Tohoku Line and Keiyou Tsurumi Station on the Keiyou Main Line, and direct access to Haneda Airport in approximately 20 minutes via the Keiyou Airport Express, offers a convenient location to both business and sightseeing. In addition, both hotels have a room size of over 180 rooms, an ideal size for efficient and profitable hotel operations.

As announced in the “Revised Medium-Term Management Plan: Fiscal Years Ending March 2026 and 2027”, dated January 14, 2025, Polaris Group has achieved remarkable growth that far exceeds the number of hotels and rooms in operation that were targeted in the previous medium-term management plan, and has set new targets of 100 hotels and 15,000 rooms in operation. The management of the Two Hotel Properties with combining fixed and variable rents that generate profitability and stability will achieve the growth strategy set forth in the medium-term management plan and contribute to the enhancement of Polaris Group's corporate value over the medium to long term.

2. Outline of the Reservation Agreements

I. KOKO HOTEL Tokyo Nishikasai

(i) Agreement parties	Fino Hotels Co., Ltd.
(ii) Hotel Name	KOKO HOTEL Tokyo Nishikasai
(iii) Location	6-17-9 Nishikasai, Edogawa-ku, Tokyo 134-0088, Japan
(iv) Number of rooms	184 rooms
(v) Contract period	July 24, 2025 – July 23, 2040
(vi) Other contract details	• Rent: [Fixed Rent] Monthly: JPY 6,630,000- [Variable Rent] Actual GOP* ¹ of rent calculation period (one month) x 85% — Fixed Rent
(vii) Total lease payments	* ²

II. KOKO HOTEL Yokohama Tsurumi

(i) Agreement parties	Fino Hotels Co., Ltd.
(ii) Hotel Name	KOKO HOTEL Yokohama Tsurumi
(iii) Location	4-29-1, Tsurumichuo, Tsurumi-ku, Yokohama-shi, Kanagawa 230-0051, Japan
(iv) Number of rooms	185 rooms
(v) Contract period	July 24, 2025 – July 23, 2040
(vi) Other contract details	• Rent: [Fixed Rent] Monthly: JPY 5,390,000- [Variable Rent] Actual GOP* ¹ of rent calculation period (one month) x 85% — Fixed Rent
(vii) Total lease payments	* ²

*¹ The actual GOP (Gross Operating Profit) refers to the profit derived from the hotel operations, which is calculated by deducting operating expenses from revenue.

*² The total amount of lease payments is expected to exceed the amount equivalent to 30% of the Company's consolidated net assets for the previous fiscal year. However, since the lease payments under this agreement are structured as a combination of fixed rent and variable rent determined by the performance of the hotel operation, the Company is unable to reasonably predict the specific amount and as such, refrains from disclosing the amount of the rent.

3. Outline of Fino Hotels

(i) Name	Fino Hotels Co., Ltd.
(ii) Location	1-12-3, Iwamotocho, Chiyoda-ku, Tokyo 101-0032, Japan
(iii) Job title and of representative	President and Representative Director, Shigeru Takakura
(iv) Description of business	Hotel operation
(v) Share capital	JPY 10 million

4. Schedule (Planned)

(i)	Execution of Reservation Agreements	January 22, 2025
(ii)	Start of Lease Agreements	July 24, 2025
(iii)	Start of Hotel Operation	Around August 2025

5. Outlook

Since the Two Hotel Properties are scheduled to start operations from around August 2025, the execution of the Reservation Agreements will have no impact on the current fiscal year's financial results.

Reference

■ Status of the Company's Operating Platform

Classification		Number of hotels	Number of rooms
In operation	Domestic	73 hotels	10,968 rooms
	Overseas	14 hotels	2,453 rooms
New openings scheduled	Domestic	13 hotels	1,951 rooms
Total		100 hotels	15,372 rooms

■ List of the new hotels to be operated by Polaris Group

Hotel Name	Location	Number of rooms	Start of Hotel Operation
KOKO HOTEL Numazu Inter	275, Ashitaka-cho, Numazu-shi, Shizuoka	151 rooms	April 2025
KOKO HOTEL Numazu Ekimae	7, Takashima-cho, Numazu-shi, Shizuoka	92 rooms	April 2025
KOKO HOTEL OsakaNanba Sennichimae	1, Sennichimae, Chuo-ku, Osaka-shi, Osaka	320 rooms	Spring 2025
<u>KOKO HOTEL Tokyo Nishikasai</u>	<u>6, Nishikasai, Edogawa-ku, Tokyo</u>	<u>184 rooms</u>	<u>August 2025</u>
<u>KOKO HOTEL Yokohama Tsurumi</u>	<u>4, Tsurumichuo, Tsurumi-ku, Yokohama-shi, Kanagawa</u>	<u>185 rooms</u>	<u>August 2025</u>
KOKO HOTEL Kaihin Makuhari (tentative)	2, Hibino, Mihama-ku, Chiba-shi, Chiba	301 rooms	Spring 2026
Hotel Wing International Sendai Ekimae (tentative)	4, Chuo, Aoba-ku, Sendai-shi, Miyagi	117 rooms	Spring 2026
KOKO HOTEL Naha Maejima (tentative)	3, Maejima, Naha-shi, Okinawa	132 rooms	Spring 2027
KOKO HOTEL Residence Kita-Ueno (tentative)	Kita-Ueno, Taito-ku, Tokyo	39 rooms	Spring 2027
KOKO HOTEL Residence Ueno Shin-Okachimachi I (tentative)	1, Higashi Ueno, Taito-ku, Tokyo	52 rooms	Summer 2027
KOKO HOTEL Residence Ueno Shin-Okachimachi II (tentative)	3, Taito, Taito-ku, Tokyo	52 rooms	Fall 2027
Hotel Wing International Omori Ekimae (tentative)	2, Sanno, Ota-ku, Tokyo	153 rooms	Spring 2028
KOKO HOTEL Premier Naha (tentative)	Naha-shi, Okinawa	173 rooms	Summer 2028

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

■ List of operating hotels (Domestic)

KOKO HOTEL

Hotel Name	Location	Number of rooms
KOKO HOTEL Sapporo Ekimae	3-3-10, Kita 1-jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido 060-0001, Japan	224 rooms
KOKO HOTEL Sapporo Odori	6-8-1, Minami 1-jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido 060-0061, Japan	145 rooms
KOKO HOTEL Sendai Kotodai Park	2-15-10, Honmachi, Aoba-ku, Sendai-shi, Miyagi 980-0014, Japan	230 rooms
KOKO HOTEL Sendai Station West	3-8-27, Chuo, Aoba-ku, Sendai-shi, Miyagi 980-0021, Japan	170 rooms
KOKO HOTEL Sendai Station South	4-7-1 Chuo, Aoba-ku, Sendai-shi, Miyagi 980-0021, Japan	190 rooms
KOKO HOTEL Ginza 1-chome	1-9-5, Ginza, Chuo-ku, Tokyo 104-0061, Japan	305 rooms

KOKO HOTEL Tsukiji Ginza	6-8-8, Tsukiji, Chuo-ku, Tokyo 104-0045, Japan	188 rooms
KOKO HOTEL Residence Asakusa Kappabashi	3-24-2, Nishiasakusa, Taito-ku, Tokyo 111-0035, Japan	42 rooms
KOKO HOTEL Residence Asakusa Tawaramachi	2-8-12, Kotobuki, Taito-ku, Tokyo 111-0042, Japan	47 rooms
KOKO HOTEL Premier Nihonbashi Hamacho	2-30-4, Nihonbashi Hamacho, Chuo-ku, Tokyo 103-0007, Japan	223 rooms
KOKO HOTEL Premier Kanazawa Korinbo	1-2-16, Korinbo, Kanazawa-shi, Ishikawa 920-0961, Japan	207 rooms
KOKO HOTEL Nagoya Sakae	3-15-21 Nishiki, Naka-ku, Nagoya-shi, Aichi 460-0003, Japan	204 rooms
KOKO HOTEL Residence Kyoto Nijo Castle	724 Shimomatsuyacho, Kamanza-dori Oike-agaru, Nakagyo-ku, Kyoto-shi, Kyoto 604-0034, Japan	36 rooms
KOKO HOTEL Osaka Shinsaibashi	3-3-17 Minamisenba, Chuo-ku, Osaka-shi, Osaka 542-0081, Japan	211 rooms
KOKO HOTEL Osaka Namba	5-8-25, Nippombashi, Naniwa-ku, Osaka-shi, Osaka 556-0005, Japan	100 rooms
KOKO HOTEL Kobe Sannomiya	63, Naniwamachi, Chuo-ku, Kobe-shi, Hyogo 650-0035, Japan	141 rooms
KOKO HOTEL Hiroshima Ekimae	10-3, Kyobashicho, Minami-ku, Hiroshima-shi, Hiroshima 732-0828, Japan	250 rooms
KOKO HOTEL Fukuoka Tenjin	1-22-14, Imaizumi, Chuo-ku, Fukuoka-shi, Fukuoka 810-0021, Japan	159 rooms
KOKO HOTEL Premier Kumamoto	3-20, Sakuramachi, Chuo-ku, Kumamoto-shi, Kumamoto 860-0805, Japan	205 rooms
KOKO HOTEL Kagoshima Tenmonkan	4-24, HigashiSengokucho, Kagoshima-shi, Kagoshima 892-0842, Japan	295 rooms

Best Western

Hotel Name	Location	Number of rooms
Best Western PLUS Hotel Fino Chitose	3-13, Chiyodacho, Chitose-shi, Hokkaido 066-0062, Japan	154 rooms
Best Western Hotel Fino Tokyo Akasaka	3-7-12, Akasaka, Minato-ku, Tokyo 107-0052, Japan	87 rooms
Best Western Hotel Fino Shin-Yokohama	2-2-11, Shin-yokohama, Kohoku-ku, Yokohama-shi, Kanagawa 222-0033, Japan	108 rooms
Best Western Plus Nagoya Sakae	4-6-1, Sakae, Naka-Ku, Nagoya-shi, Aichi 460-0008, Japan	143 rooms
KAYA Kyoto Nijo Castle, BW Signature Collection by Best Western	50, Daimonjicho, Marutamachi-Sagaru Aburanokouji-dori, Nakagyo-ku, Kyoto-shi, Kyoto 604-0071, Japan	57 rooms
SureStay PLUS Hotel by Best Western Shin-Osaka	2-11-21, Nishi-nakajima, Yodogawa-ku, Osaka-shi, Osaka 532-0011, Japan	108 rooms
Best Western Osaka Tsukamoto	2-21-9, Tsukamoto, Yodogawa-ku, Osaka-shi, Osaka 532-0026, Japan	105 rooms
Best Western PLUS Hotel Fino Osaka Kitahama	1-7-17, Imabashi, Chuo-ku, Osaka-shi, Osaka 541-0042, Japan	129 rooms
Best Western Hotel Fino Osaka Shinsaibashi	1-2-19, Higashi-shinsaibashi, Chuo-ku, Osaka-shi, Osaka 542-0083, Japan	179 rooms
Best Western PLUS Fukuoka Tenjin-minami	3-13-19, Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka 810-0003, Japan	236 rooms

VALUE THE HOTEL

Hotel Name	Location	Number of rooms
VALUE THE HOTEL Sendai Natori	555-1, Sengarita, Kamiyoden, Natori-shi, Miyagi 981-1222 Japan	314 rooms
VALUE THE HOTEL Ishinomaki	3-15-37, Minaminakasato, Ishinomaki-shi, Miyagi 986-0814 Japan	82 rooms
VALUE THE HOTEL Higashimatsushima Yamoto	215, Yachi, Komatsu, Higashimatsushima-shi, Miyagi 981-0504 Japan	407 rooms
VALUE THE HOTEL Naraha Kidoekimae	7-1, Issyotaira, Yamadaoka, Naraha-machi, Futaba-gun, Fukushima 979-0513 Japan	107 rooms

Hotel Wing International

Hotel Name	Location	Number of rooms
Hotel Wing International Asahikawa Station	7-3112, Miyashita-dori, Asahikawa City, Hokkaido 070-0030 Japan	260 rooms
Hotel Wing International Sapporo Susukino	2-2, Minami 6-jo Nishi 6-chome, Chuo-ku, Sapporo, Hokkaido 064-0806 Japan	165 rooms
Hotel Wing International Tomakomai	5-7-1, Omotemachi, Tomakomai City, Hokkaido 053-0022 Japan	182 rooms
Hotel Wing International Chitose	2-2-10, Chiyoda-cho, Chitose City, Hokkaido 066-0062 Japan	152 rooms
Hotel Wing International Sukagawa	36-1, Nakamachi, Sukagawa City, Fukushima 962-0845 Japan	106 rooms
Hotel Wing International Hitachi	1-5-12, Saiwai-cho, Hitachi City, Ibaraki 317-0073 Japan	67 rooms
Hotel Wing International Kashima	1-24-1, Onohara, Kamisu City, Ibaraki 314-0144 Japan	134 rooms
Hotel Wing International Premium Tokyo Yotsuya	3-14-1, Yotsuya, Shinjuku-ku, Tokyo 160-0004 Japan	185 rooms
Hotel Wing International Shimbashi Oneimon Gate	6-20-8, Shimbashi, Minato-ku, Tokyo 105-0004 Japan	93 rooms
Hotel Wing International Ikebukuro	3-10-7, Higashiikebukuro, Toshima-ku, Tokyo 170-0013 Japan	90 rooms
Hotel Wing International Select Ikebukuro	3-7-1, Higashiikebukuro, Toshima-ku, Tokyo 170-0013 Japan	152 rooms
Hotel Wing International Korakuen	1-25-11, Hongo, Bunkyo-ku, Tokyo 113-0033 Japan	114 rooms
Hotel Wing International Select Ueno Okachimachi	2-18-4, Higashiueno, Taito-ku, Tokyo 110-0015 Japan	141 rooms
Hotel Wing International Select Asakusa Komagata	2-7-5, Komagata, Taito-ku, Tokyo 111-0043 Japan	69 rooms
Hotel Wing International Tokyo Akabane	1-39-17, Akabanenishi, Kita-ku, Tokyo 115-0055 Japan	109 rooms
Hotel Wing International Shonan Fujisawa	109-5, Fujisawa, Fujisawa City, Kanagawa 251-0052 Japan	80 rooms
Hotel Wing International Sagami-hara	5-1-30, Kamimizo, Chuo-ku, Sagami-hara-shi, Kanagawa 252-0243 Japan	130 rooms
Hotel Wing International Shizuoka	11-1, Nanamacho, Aoi Ward, Shizuoka City, Shizuoka 420-0035 Japan	186 rooms
Hotel Wing International Premium Kanazawa Station	8-13, Horikawa Shinmachi, Kanazawa City, Ishikawa 920-0849 Japan	121 rooms
Hotel Wing International Hida Takayama	2-51, Hatadacho, Takayama City, Gifu 506-0008 Japan	139 rooms

Hotel Wing International Nagoya	1-4-11, Nishiki, Naka Ward, Nagoya City, Aichi 460-0003 Japan	224 rooms
Hotel Wing International Select Nagoya Sakae	3-12-23-2 Sakae, Naka-ku, Nagoya City, Aichi 460-0008 Japan	120 rooms
Hotel Wing International Premium Kyoto Sanjo	407-6, Wakuni-cho, Sakyo Ward, Kyoto City, Kyoto, 606-8363 Japan	88 rooms
Hotel Wing International Kyoto Shijo Karasuma	319, Takatsuji-dori Karasuma Nishiiru Honeya-cho, Kyoto City, Shimogyo Ward, Kyoto 600-8425 Japan	78 rooms
Hotel Wing International Premium Osaka Shinsekai	3-6-16, Ebisu Higashi, Naniwa-ku, Osaka-shi, Osaka 556-0002 Japan	128 rooms
Hotel Wing International Select Osaka Umeda	8-4 Kamiyamacho, Kita-ku, Osaka City, Osaka 530-0026 Japan	138 rooms
Hotel Wing International Select Higashiosaka	2-1-2, Nagatahigashi, Higashi-Osaka City, Osaka 577-0012 Japan	132 rooms
Hotel Wing International Kobe Shin-Nagata Station	5-1-1 Wakamatsucho, Nagata Ward, Kobe City, Hyogo 653-0038 Japan	133 rooms
Hotel Wing International Himeji	670 Watamachi, Himeji City, Hyogo 0921-132 Japan	111 rooms
Hotel Wing International Takamatsu	2-2-3, Kawaramachi, Takamatsu City, Kagawa 760-0052 Japan	132 rooms
Hotel Wing International Shimonoseki	3-11-2, Takezakicho, Shimonoseki City, Yamaguchi 750-0025 Japan	101 rooms
Hotel Wing International Select Hakata Station	3-22-19, Hakataekimae, Hakata-ku, Fukuoka City, Fukuoka 812-0011 Japan	213 rooms
Hotel Wing International Hakata Shinkansenguchi	1-17-17, Hakataeki Higashi, Hakata-ku, Fukuoka City, Fukuoka 812-0013 Japan	109 rooms
Hotel Wing International Select Kumamoto	2-13, Suidocho, Chuo-ku, Kumamoto City, Kumamoto 860-0844 Japan	152 rooms
Hotel Wing International Yatsushiro, Kumamoto	23-1, Asahi Chuo-dori, Yatsushiro City, Kumamoto 866-0844 Japan	130 rooms
Hotel Wing International Miyakonojo	35-10, Kitaharacho, Miyakonojo City, Miyazaki 885-0024 Japan	93 rooms
Hotel Wing International Flood	48-5, Showa-cho, Izumi City, Kagoshima 899-0202 Japan	108 rooms

Tenza Hotel

Hotel Name	Location	Number of rooms
Tenza Hotel & Sky Spa Sapporo Central	6-1, South 2-jo Nishi 8-chome Chuo Ward, Sapporo City, Hokkaido 060-0062 Japan	195 rooms
Tenza Hotel Hakata Station	2-5-33, Hakata Station East, Hakata Ward, Fukuoka City, Fukuoka 812-0013 Japan	120 rooms

List of operating hotels (Overseas)

Hotel Name	Location	Number of rooms
Red Planet Davao	J.P. Laurel Avenue Davao City 8000 Philippines	155 rooms
Red Planet Manila Ortigas	Lot 5, Block 4, Shaw Boulevard Pasig 1600 Philippines	182 rooms
Red Planet Aurora Boulevard	Comer of Aurora Boulevard and Stanford Street, Cubao, Quezon City	167 rooms
Red Planet Manila Aseana City	Lot 38 Block 2, Bradco Avenue, Paranaque City 1700, Philippines	200 rooms
Red Planet Manila Amorsolo	99 Urban Avenue, Brgy. Pio Del Pilar, Makati City 1230, Philippines	189 rooms
Red Planet Angeles City	Don Juico Avenue, Malabonias, Angeles City, Pampanga 2009, Philippines	165 rooms
Red Planet Cebu	36 Archbishop Reyes Avenue, Cebu City 6000, Philippines	150 rooms
Red Planet Manila Mabini	1740 A. Mabini St., Malate Manila 1004 Philippines	167 rooms
Red Planet Manila Bay	Comer of Arquiza and Alhambra St., Ermita, Manila 0930, Philippines	150 rooms
Red Planet Manila Binondo	251-61 Juan Luna St., Binondo, Manila 1006, Philippines	171 rooms
Red Planet Manila Makati	E. Mercado Comer F. Calderon St., Kalayaan Avenue, Barangay Poblacion, Makati City 1210, Philippines	213 rooms
Red Planet Cagayan de Oro	C.M. Recto Avenue, Cagayan de Oro City 9000, Philippines	159 rooms
Red Planet Quezon Timog	100 Timog Avenue Barangay Sacred Heart Quezon City 1100, Philippines	140 rooms
Red Planet BGC The Fort	10th Avenue comer 40th Street, Bonifacio Global City, Taguig 1630	245 rooms

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.