



KOKO HOTEL Osaka Namba Sennichimae,  
Opened in May 2025

**KOKO HOTEL**

P  L A R I S  
HOLDINGS

# Financial Results Supplementary Material

April to June 2025

1st Quarter

Fiscal Year ending March 31, 2026

August 13, 2025

**POLARIS HOLDINGS CO., LTD.**

JAPANESE SECURITIES CODE 3010

# Executive Summary

## Financial Results

- The hotel operation business performed strongly, progressing steadily toward the achievement of full-year targets.
- Both quarterly revenue and operating profit reached record highs.
- RevPAR of the domestic hotels increased by 22% year-on-year.

## Medium-Term Plan Progress

- Steady progress in new project acquisitions, with total volume projected to exceed Medium-Term Plan targets ahead of schedule.
- Executed a JPY 500 million strategic co-investment with the sponsor in a newly developed hotel in Osaka.
- Contracted to operate a small luxury hotel, further realizing our hotel type diversification strategy.

## Integration with Minacia

- Decided to consolidate hotel brands under “KOKO HOTEL” to expand brand presence.
- Launched joint loyalty program with Minacia, realizing early synergies.
- Organizational restructuring and integration of head office functions accelerated the PMI process.

## Shareholder Value Enhancement

- Introduced restricted stock compensation to strengthen management’s commitment to share price.
- Free float ratio improved significantly from 15.0% to 23.2%, moving closer to listing compliance threshold.
- Launched new shareholder benefit program offering hotel discounts.

# Financial Results: Key Highlights

Net income progress reached 28%, steadily tracking toward full-year forecast.

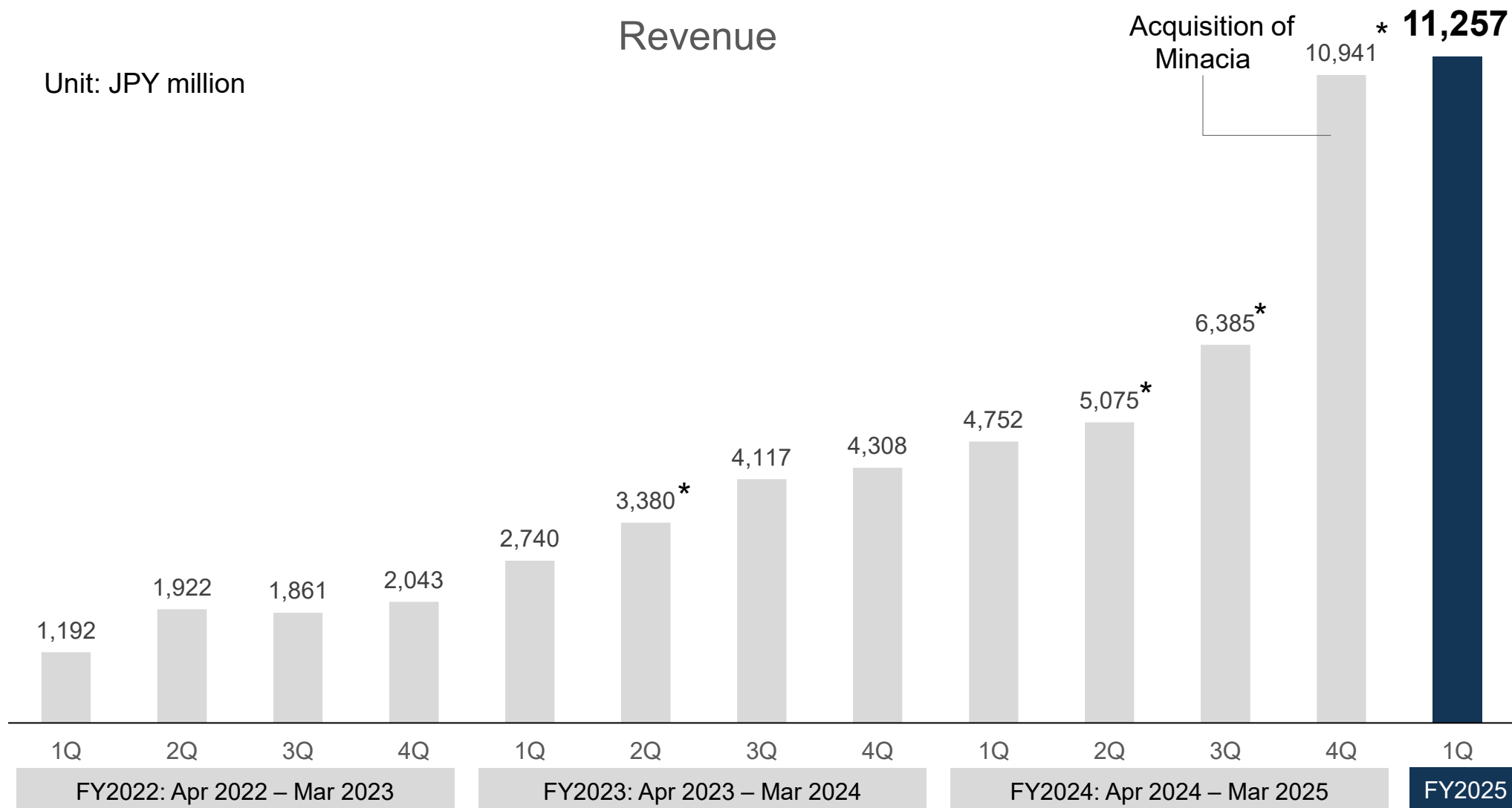
Unit: JPY million	1st Quarter Results			Full-Year Forecast		1Q Previous FY	
	Domestic	Overseas	Total		Progress		Y on Y
Revenue	10,519 (93.4%)	738 (6.6%)	<b>11,257</b>	45,700	<b>25%</b>	4,752	+137%
Operating Profit	832 (89.6%)	97 (10.4%)	<b>929</b>	3,190	<b>29%</b>	442	+110%
Ordinary Profit	625 (97.4%)	17 (2.6%)	<b>642</b>	2,100	<b>31%</b>	287	+124%
Net Income attributable to Owners of the Parent	541 (98.4%)	9 (1.6%)	<b>550</b>	2,000	<b>28%</b>	257	+114%
Amortization of Goodwill	326	0	<b>326</b>	1,304	-	0	-
EPS (JPY)	-	-	<b>2.35</b>	8.56	<b>28%</b>	2.07	+14%
EPS before Amortization of Goodwill (JPY)	-	-	<b>3.75</b>	14.13	<b>27%</b>	2.07	+81%

## Notes

1. Full-year forecast was announced on May 13, 2025.
2. Figures in parentheses for domestic and overseas results indicate composition ratios.
3. The results of Minacia and overseas hotels (excluding one hotel) reflect performance for the period from January to March 2025.
4. The number of issued shares was 233,754,680 as of the end of the first quarter of the fiscal year ending March 2026, and 124,133,889 as of the end of the same quarter in the previous fiscal year.
5. Amortization of goodwill arose from the acquisition of Minacia. EPS before goodwill amortization is calculated by adding back amortization of goodwill to net income.

# Financial Results: Revenue

Quarterly revenue reached a record high\*, supported by the expanded revenue base from the business integration with Minacia and strong performance in hotel operations.



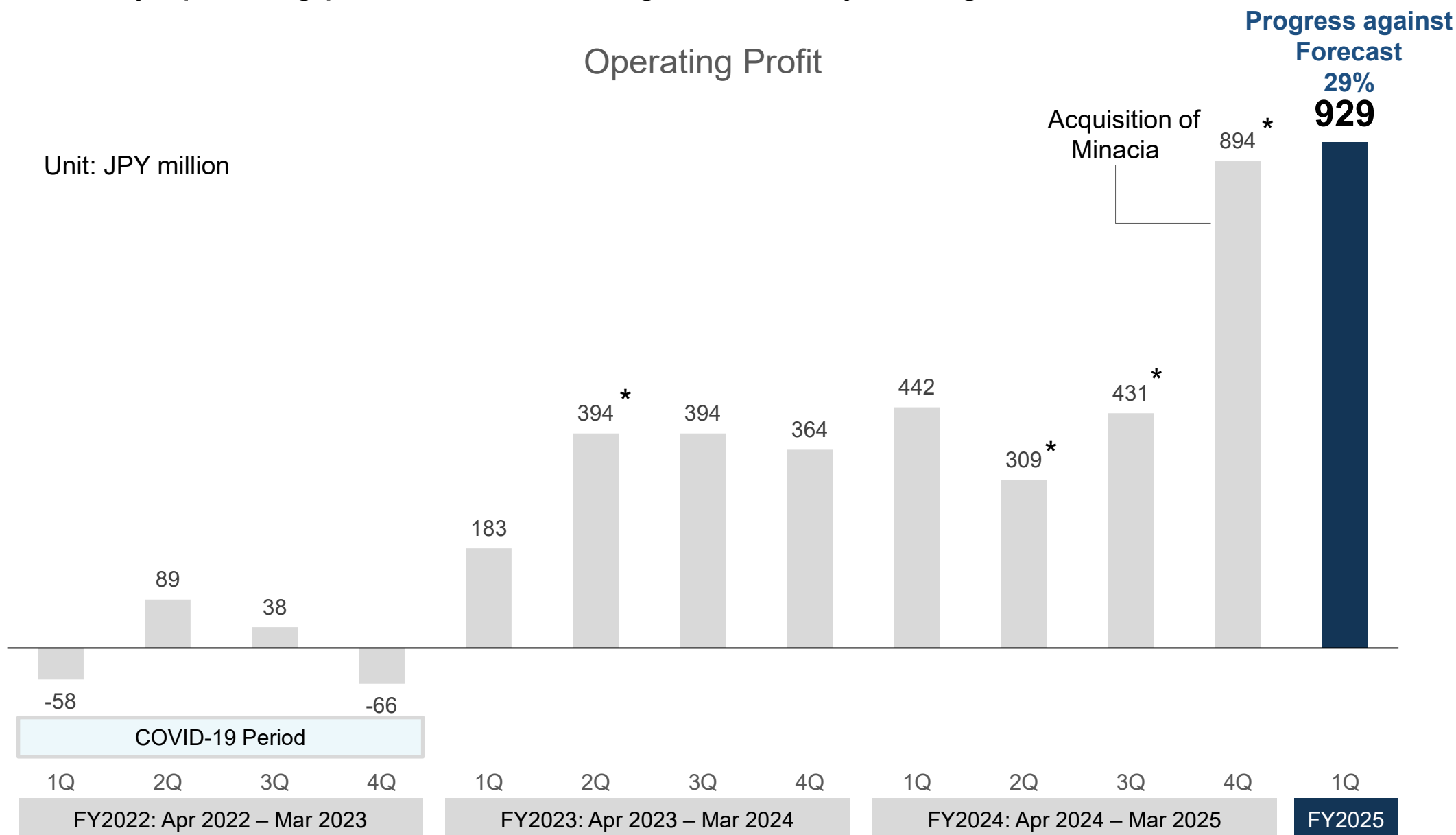
(\*) Excludes the effects of one-time factors such as property sales and profit distribution from investments.

# Financial Results: Operating Profit

Quarterly operating profit hit a record high\*, driven by the higher revenue.

## Operating Profit

Unit: JPY million

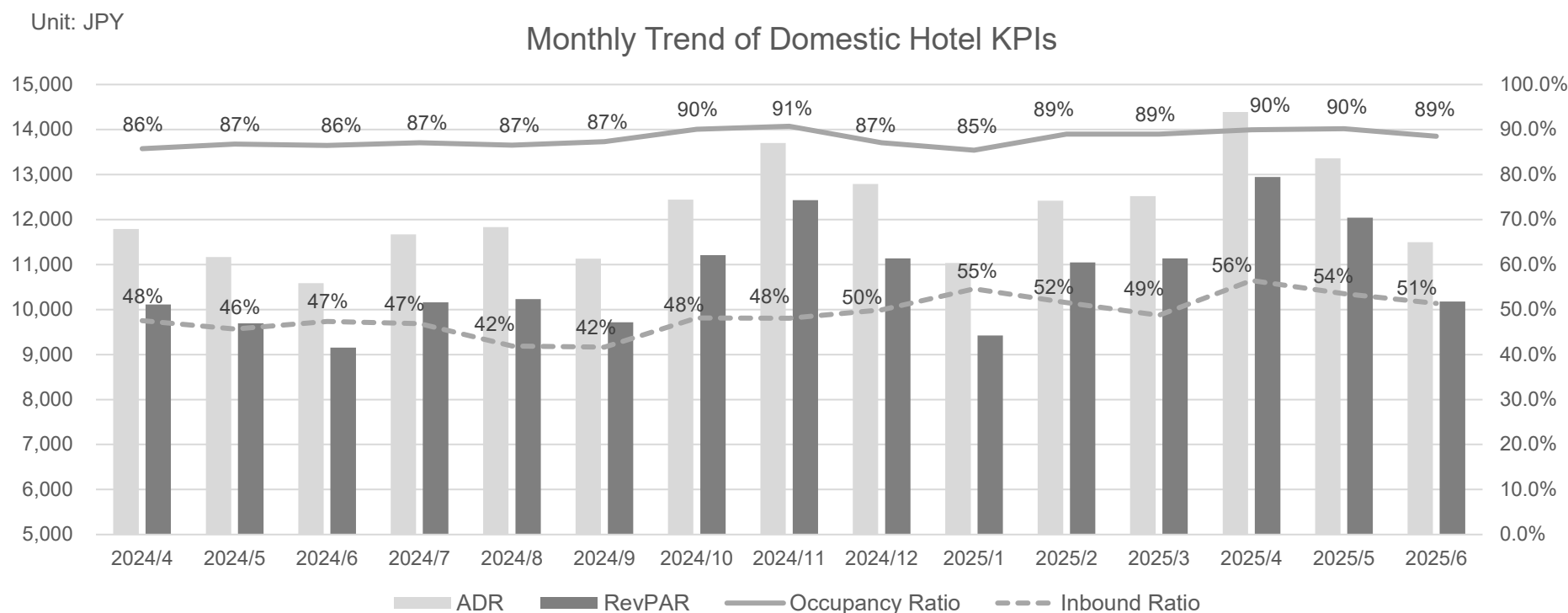


(\*) Excludes the effects of one-time factors such as property sales and profit distribution from investments.

# Operational Results: Domestic Hotel KPIs

Strong inbound numbers help push RevPAR up 22% year-on-year.

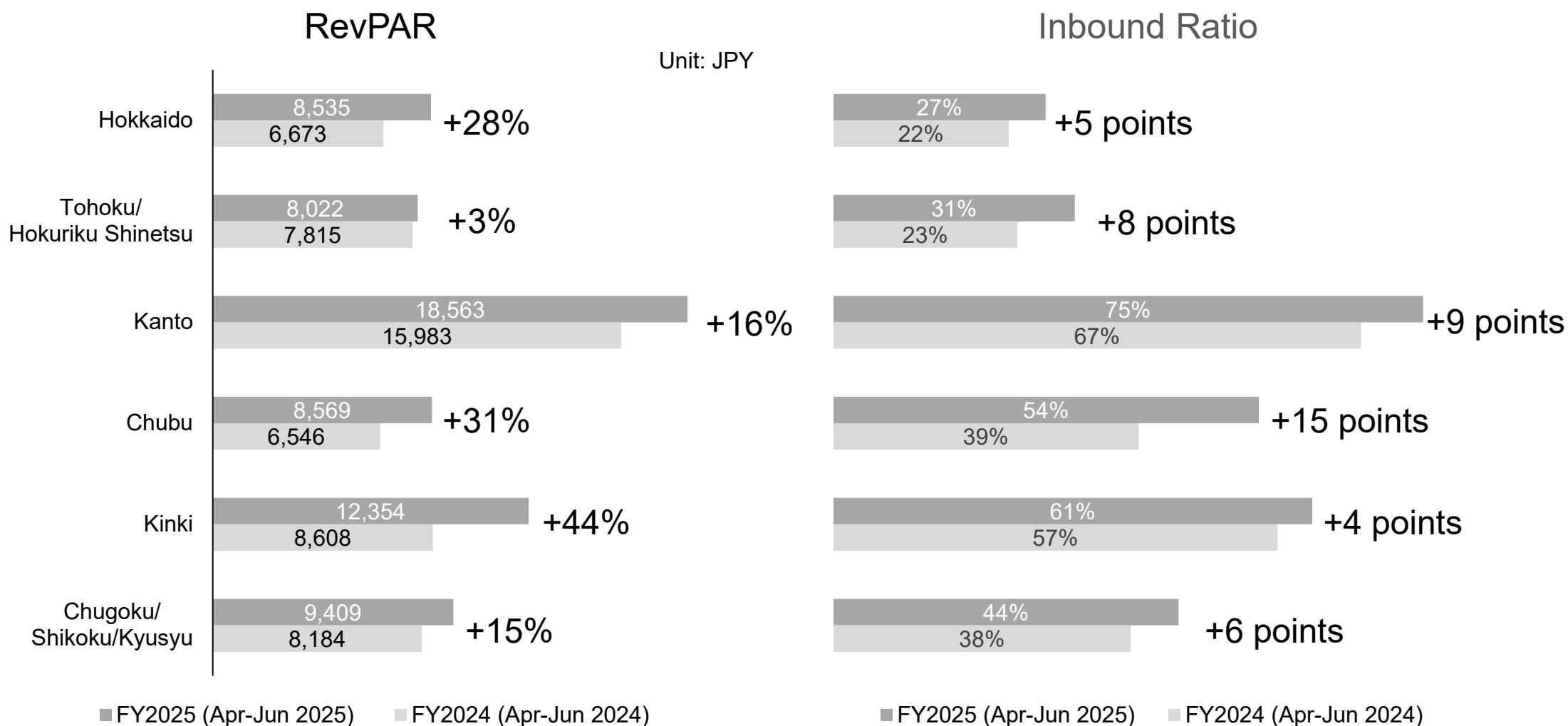
66 Comparable Hotels	1Q FY2025 Apr – Jun 2025	1Q FY2024 Apr – Jun 2024	Change	% Change
Occupancy	89.6%	86.3%	+3.2%	-
ADR (JPY)	13,093	11,179	+1,915	+17%
RevPAR (JPY)	11,725	9,652	+2,073	<b>+22%</b>
Inbound Ratio	53.8%	46.8%	<b>+7.0%</b>	-



Note: For Occupancy Ratio, ADR, RevPAR and Inbound Ratio, refer to the “Notes (Domestic Hotel KPIs)” section at the end of this material.

# Operational Results: Domestic Hotel KPIs by Area

Most regions are seeing strong, double digit YoY RevPAR growth. Inbound ratio also climbing in all regions.



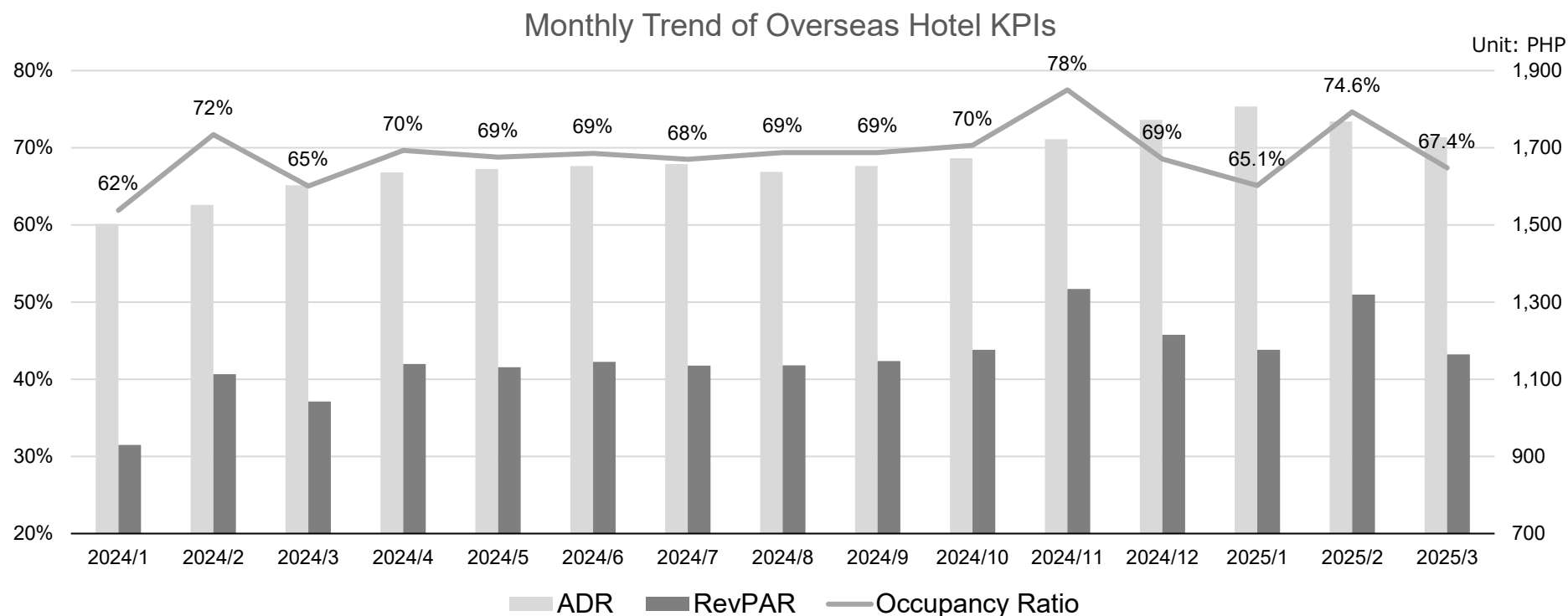
Note: For Occupancy Ratio, ADR, RevPAR and Inbound Ratio, refer to the “Notes (Domestic Hotel KPIs)” section at the end of this material.



# Operational Results: Overseas Hotel KPIs

Red Planet Hotels showing turnaround; RevPAR up 19% year-on-year.

14 Comparable Hotels	1Q FY2025 Jan – Mar 2025	1Q FY2024 Jan – Mar 2024	Change	% Change
Occupancy	68.8%	66.1%	+2.8%	—
ADR (PHP)	1,766	1,553	+213	+14%
RevPAR (PHP)	1,216	1,027	+190	<b>+19%</b>



Note: As the performance of overseas hotels is reflected in the consolidated financial results with a three-month time lag, the figures shown represent the results for the January - March period.



# Profit Sensitivity Analysis (Estimates)

A 100 increase in portfolio-wide revenue drives a 46 increase in operating profit, highlighting Polaris's strong leverage to upside potential and resilience against downside risk.

## Profit Structure by Contract Type and Operating Profit Sensitivity of the Quarter

	Domestic			Overseas	Total
	Owned & Lease: Fixed Rent	Lease: Fixed + Variable Rent	Management Contract	Owned	
Number of Facilities at End of the Quarter	17	48	9	14	88
Number of Rooms at End of the Quarter	2,841	7,158	1,174	2,453	13,626
Occupancy Ratio	75%	89%	87%	67%	82%
ADR	¥12,380	¥12,568	¥15,602	¥4,681	¥11,593
RevPAR	¥9,260	¥11,160	¥13,590	¥3,144	¥9,481
Revenue (JPY mil)	2,589	7,903	1,278	1,000	12,771
Operating Profit (JPY mil)	770	1,023	78	153	2,024
Composition	38%	51%	4%	8%	100%
Operating Profit / Revenue	30%	13%	6%	15%	16%
Operating Profit Sensitivity to Changes in Revenue					
Increase in Revenue from a 5% Rise in ADR (JPY mil) A	120	363	60	47	590
Increase in Operating Profit from a 5% Rise in ADR (JPY mil) B	96	130	5	42	272
<b>Flow-through Ratio B / A</b>	<b>80%</b>	<b>36%</b>	<b>8%</b>	<b>89%</b>	<b>46%</b>

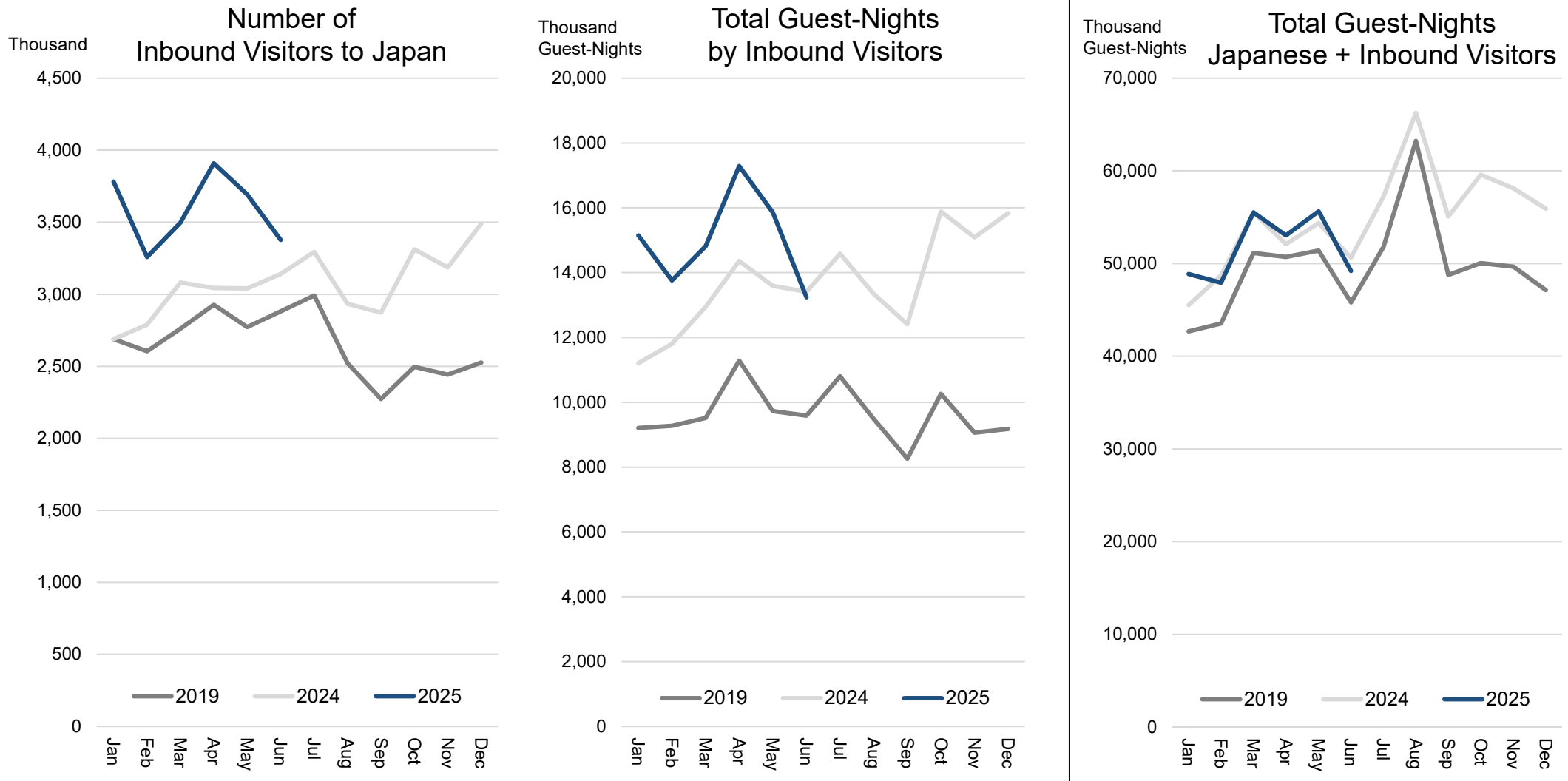
The Flow-through Ratio indicates how much profit increases in relation to an increase in revenue.

### Notes

- Based on actual results for the current quarter, revenue and operating profit were estimated under the assumption that occupancy remained constant and ADR increased by 5%. The flow-through ratio was then calculated accordingly.
- Franchise hotels operated under our brand were excluded from this analysis.
- GOP (Gross Operating Profit) refers to the gross profit from hotel operations, calculated by deducting operating expenses - excluding costs related to property ownership or leasing - from hotel operating revenue.
- Figures for Minacia-operated hotels reflect results for the April - June 2025 period. Figures for overseas hotels (Red Planet) reflect results for the January - March 2025 period and are converted using the average exchange rate during that period: PHP 1 = JPY 2.65.
- Revenue and operating profit figures represent the sum of internal managerial accounting figures for each operated hotel and do not reflect adjustments required under financial accounting standards (e.g., goodwill amortization, lease accounting, and revenue adjustments for hotels under management contract). Head office expenses are also not included. Revenue includes food and beverage sales and other operating income.
- Revenue and GOP figures represent the total managerial accounting figures at the hotel level, regardless of ownership type (owned, leased or management contract). For hotels under management contract, a portion of the revenue and expenses belongs to the property owner. Operating profit figures represent the profit attributable to Polaris Holdings.
- Refer to the "Notes (Domestic Hotel KPIs)" section at the end of this document for further details on Occupancy Ratio, ADR and RevPAR.

# Market Trends: Total Guest-Nights

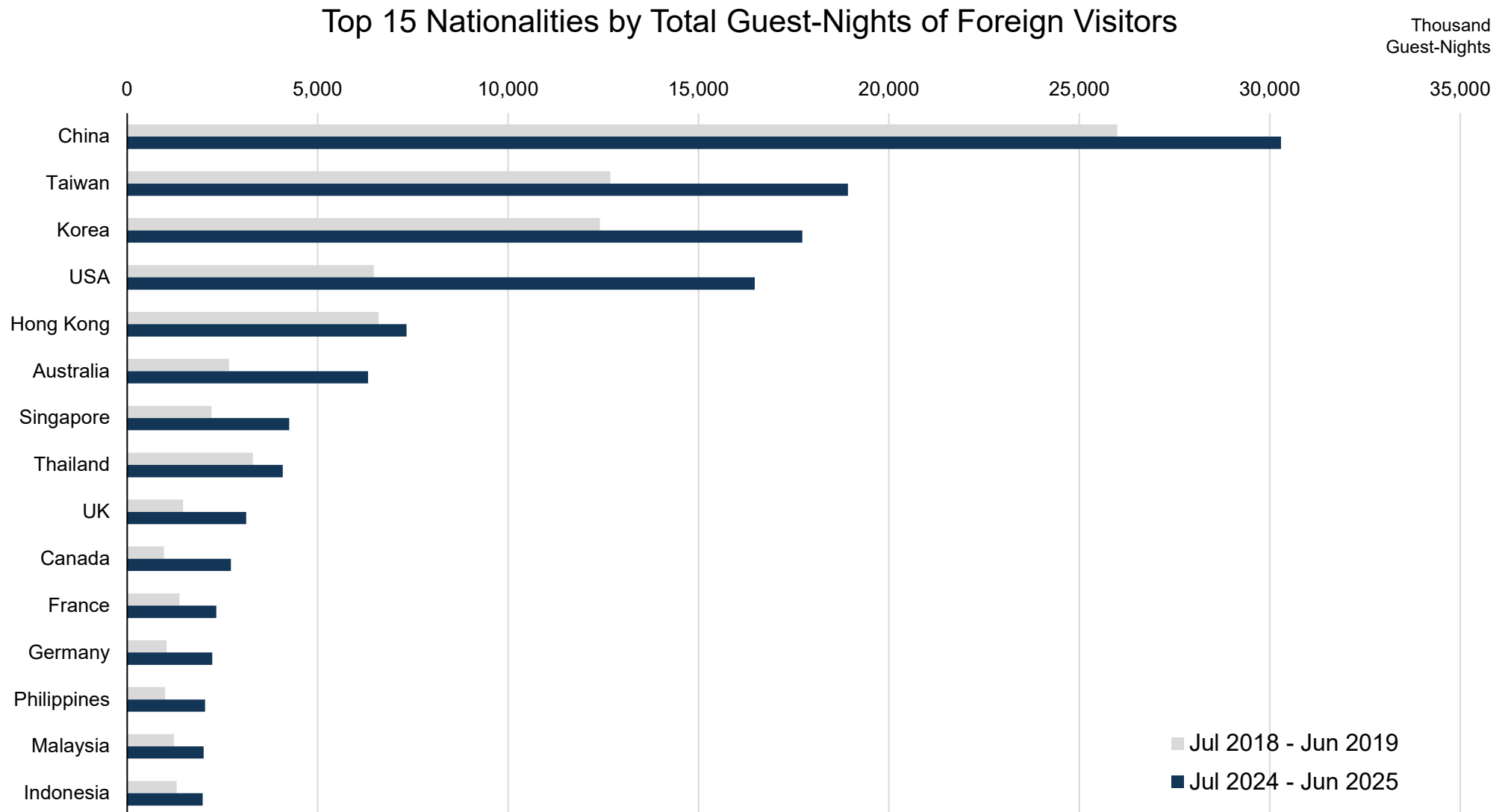
Inbound visitors have exceeded pre-COVID levels and the domestic hotel market continues to perform steadily.



Source: Japan National Tourism Organization (JNTO) "Visitor Arrivals to Japan" and Japan Tourism Agency "Accommodation Travel Statistics"

# Market Trends: Inbound Guest-Nights by Nationality

Inbound visitors have surpassed pre-COVID levels, with particularly strong growth from Asia, USA, Europe and Australia.

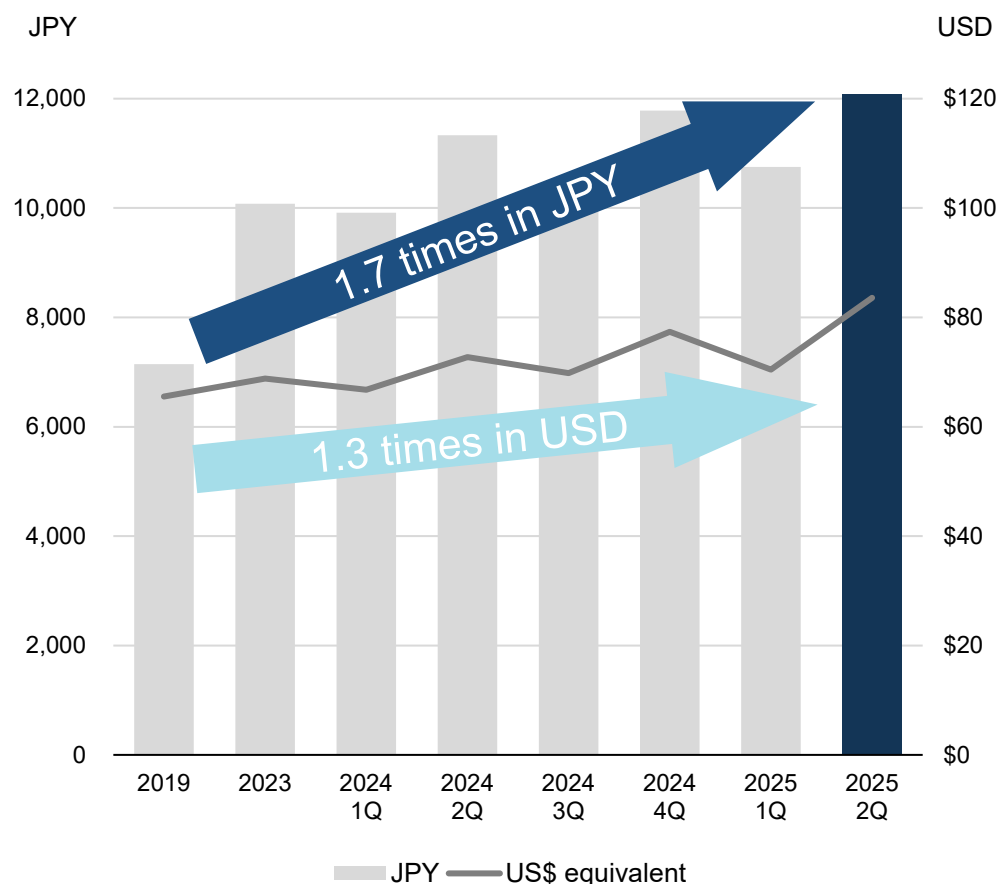


Source: Japan Tourism Agency "Accommodation Travel Statistics" and "Survey on Consumption Trends of Inbound Tourists"

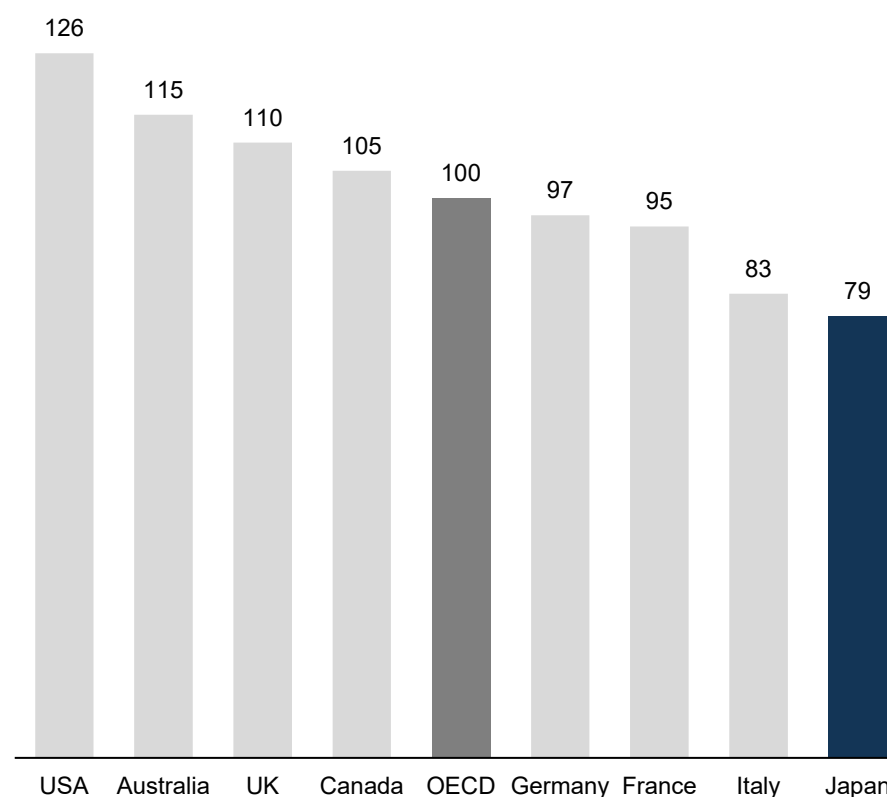
# Market Trends: Inbound Tourist Spending

Inbound hotel spending continues upswing helped by macro-economic tailwinds and competitive pricing.

Accommodation Spending Estimate per Person per Day by Inbound Visitors (Tourism Purposes)



Price Level Index (2024)



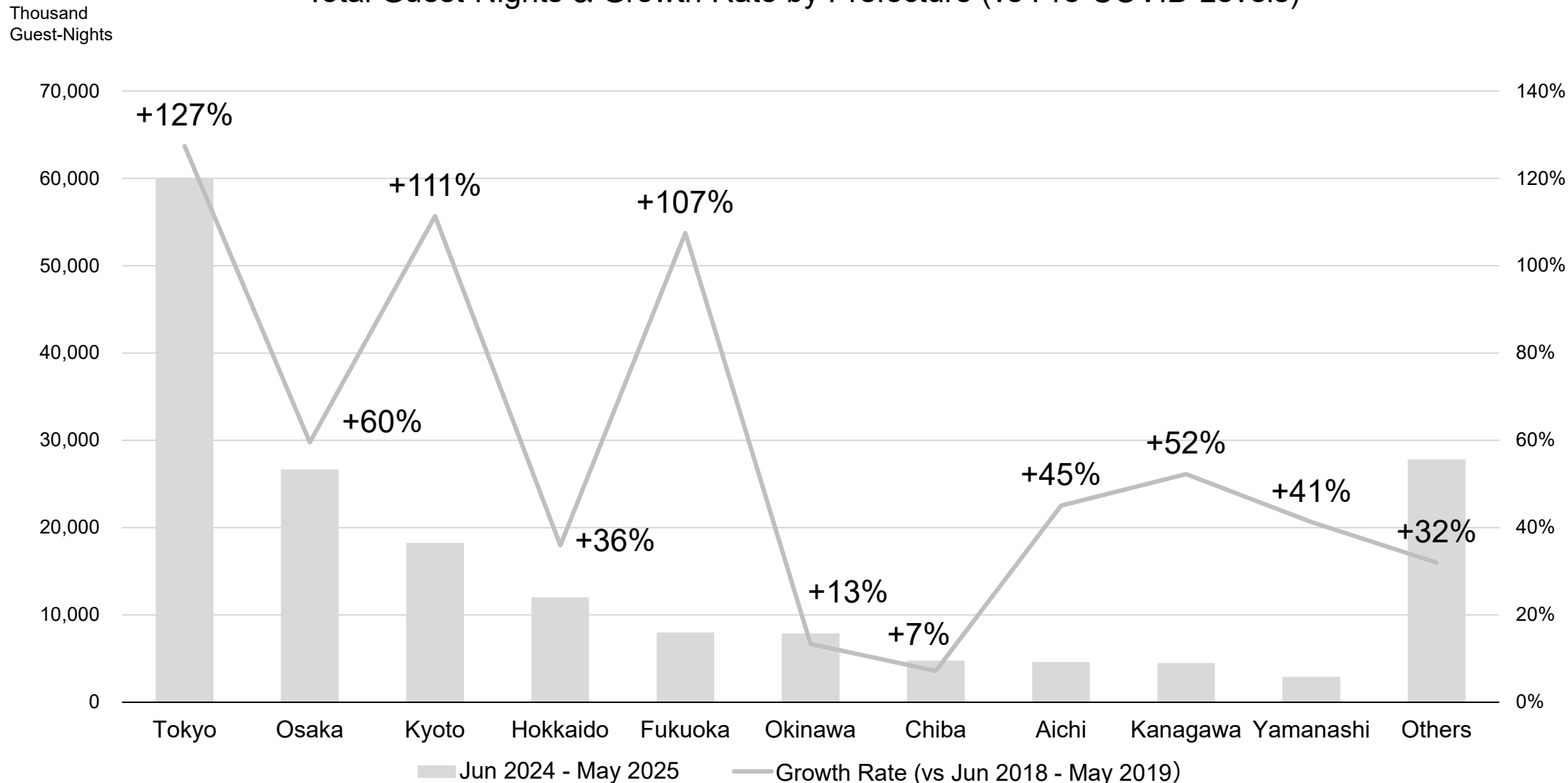
Note: Estimated by dividing per-trip accommodation spending for tourism-purpose inbound travelers based on Japan Tourism Agency "Survey on Consumption Trends of Inbound Tourists" by the average number of nights stayed. Exchange rates are based on the Bank of Japan "Key Time-Series Data".

Source: OECD "Price Level Indices"

# Market Trends: Inbound Guest-Nights by Prefecture

Tokyo still dominates, but regional markets now seeing strong growth.

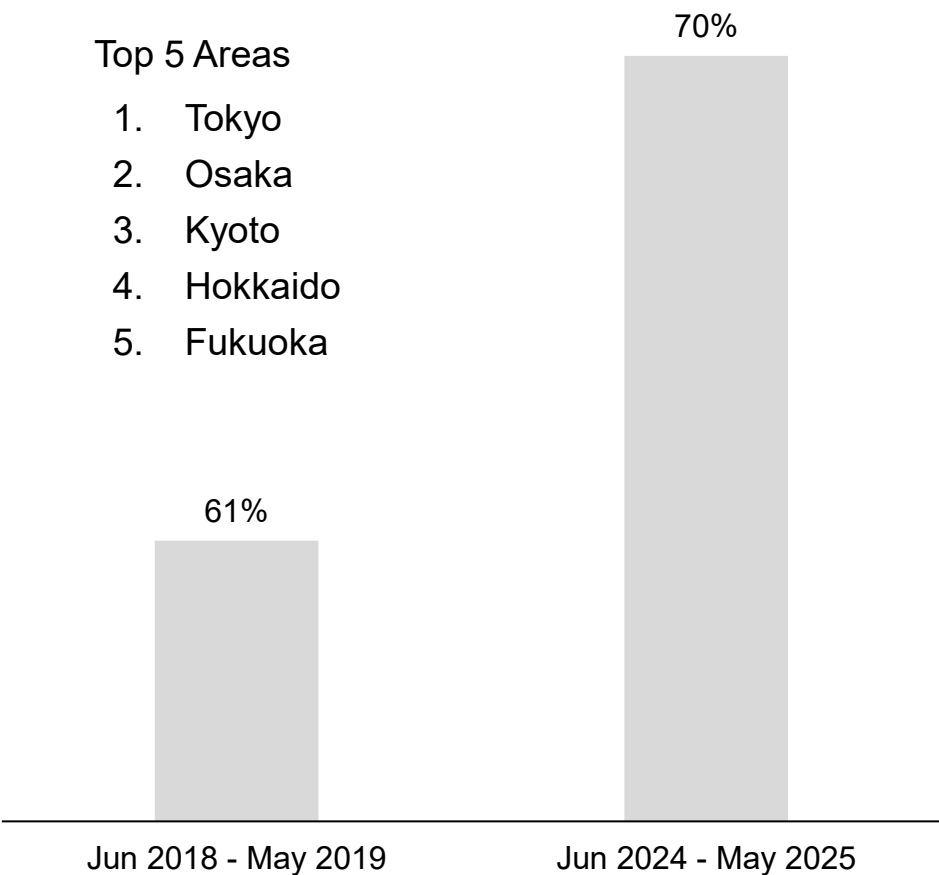
Total Guest-Nights & Growth Rate by Prefecture (vs Pre-COVID Levels)



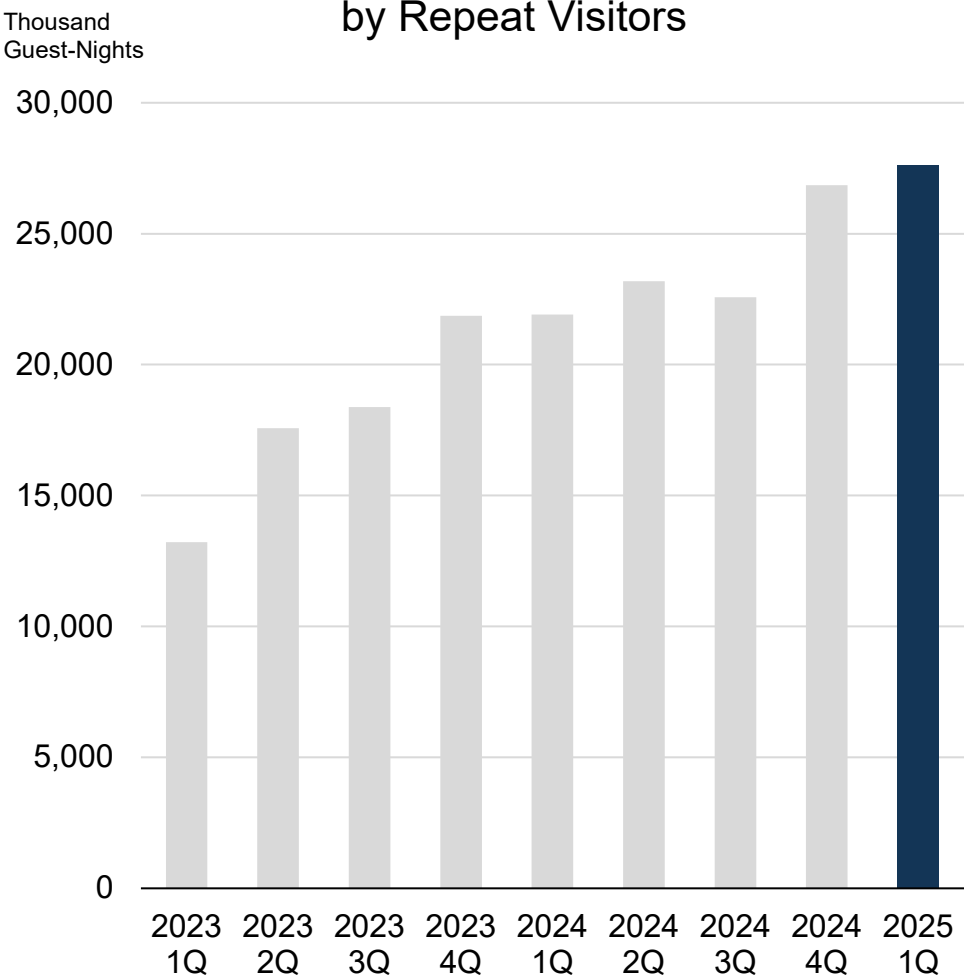
# Market Trends: Outlook for Inbound Tourism

The hotel market showing strong demand to major cities, but we expect to see repeat visitors begin to explore regional areas more.

Share of Top 5 Areas by Foreign Guest-Nights



Estimate of Foreign Guest-Nights by Repeat Visitors



Source: Japan Tourism Agency “Accommodation Travel Statistics” and “Survey on Consumption Trends of Inbound Tourists”  
The numbers of guest-nights by repeat visitors are estimated by multiplying the total guest-nights from “Accommodation Travel Statistics” by the visit frequency ratio from “Survey on Consumption Trends of Inbound Tourists”.



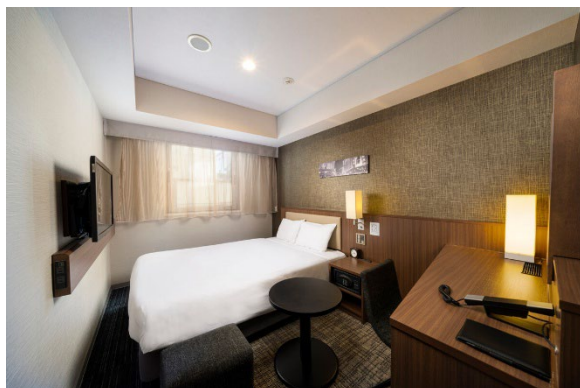
# Internal Growth: Initiatives to Enhance Revenue

Implemented various initiatives to increase ADR through enhanced value-added offerings.

## KOKO HOTEL Ginza 1-Chome Initiatives

RevPAR ¥5,000 up (+23%) by converting double rooms to twin rooms to capture leisure demand

Before



After



Introduced concept room with leading beauty device brand “YA-MAN” aiming for +15% RevPAR

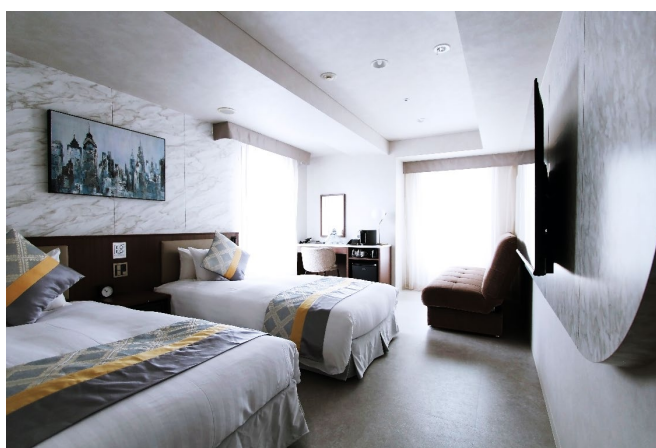


Premium top-floor renovation aiming for +20% RevPAR (Completed in July 2025)

Elevator Hall



Guest Room



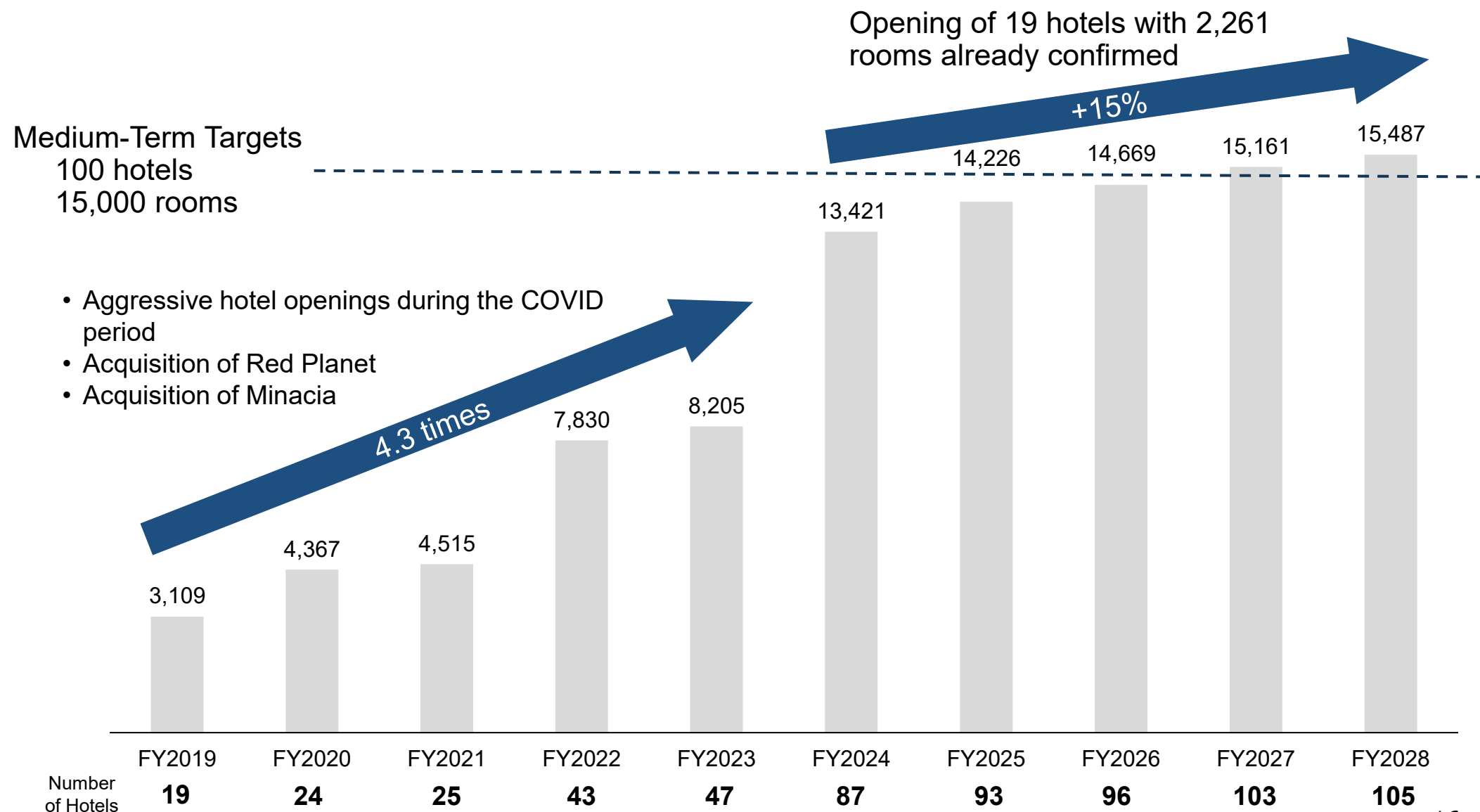
Lounge





# External Growth: Scaling the Operating Platform

New hotel management projects are being secured smoothly and the Medium-Term Plan targets are expected to be achieved ahead of schedule.



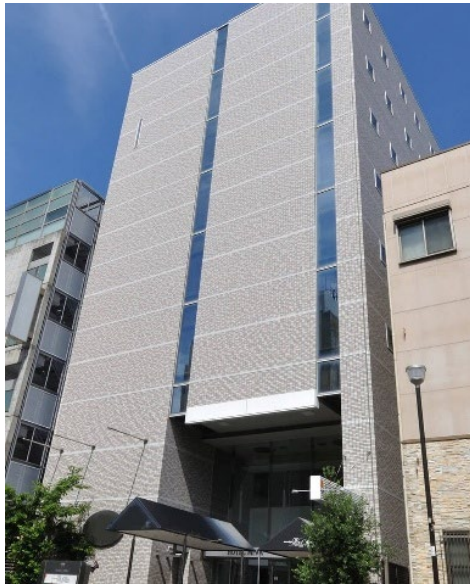
# External Growth: List of Hotels Scheduled to Open

No.	FY	Hotel	Area	Keys	Develop. Type	Contract Type	Hotel Type	Property Owner
1	FY2025	KOKO HOTEL Numazu Station: Opened Apr 2025	Shizuoka	92	Rebranding	Management Contract	Limited Service	Third Party
2		KOKO HOTEL Numazu Inter: Opened Apr 2025	Shizuoka	151	Rebranding	Management Contract	Limited Service	Third Party
3		KOKO HOTEL Osaka Namba Sen-nichmae: Opened May 2025	Osaka	320	Newly Built	Management Contract	Limited Service	Sponsor
4		Hotel Futari Komorebi: Opened Jul 2025	Shizuoka	10	Rebranding	Management Contract	Small Luxury	Third Party
5		KOKO HOTEL Tokyo Nishikasai: Opened Aug 2025	Tokyo	184	Rebranding	Lease: Fixed+Variable Rent	Limited Service	Sponsor
6		KOKO HOTEL Yokohama Tsurumi: Opened Aug 2025	Kanagawa	185	Rebranding	Lease: Fixed+Variable Rent	Limited Service	Sponsor
7		yugen kyoto shijo	Kyoto	58	Rebranding	Management Contract	Upscale	Third Party
8	FY2026	KOKO HOTEL Premier Tokyo Bay Makuhari	Chiba	301	Newly Built	Management Contract	Limited Service	Third Party
9		KOKO HOTEL Sendai Station Central	Miyagi	117	Newly Built	Lease: Fixed+Variable Rent	Limited Service	Third Party
10		KOKO HOTEL Residence Oshiage	Tokyo	25	Newly Built	Lease: Fixed+Variable Rent	Apartment Hotel	Third Party
11	FY2027	KOKO HOTEL Naha Maejima	Okinawa	132	Newly Built	Lease: Fixed+Variable Rent	Limited Service	Third Party
12		KOKO HOTEL Residence Kita Ueno	Tokyo	39	Newly Built	Management Contract	Apartment Hotel	Third Party
13		KOKO HOTEL Mito Station	Ibaraki	136	Newly Built	Lease: Fixed+Variable Rent	Limited Service	Third Party
14		KOKO HOTEL Residence Ueno Shin Okachimachi 1	Tokyo	52	Newly Built	Lease: Fixed+Variable Rent	Apartment Hotel	Third Party
15		KOKO HOTEL Residence Ueno Shin Okachimachi 2	Tokyo	52	Newly Built	Management Contract	Apartment Hotel	Third Party
16		KOKO HOTEL Residence Honjo Azumabashi	Tokyo	45	Newly Built	Lease: Fixed+Variable Rent	Apartment Hotel	Third Party
17		KOKO HOTEL Residence Tokyo Kyobashi	Tokyo	36	Newly Built	Lease: Fixed+Variable Rent	Apartment Hotel	Third Party
18	FY2028	KOKO HOTEL Omori Station	Tokyo	153	Newly Built	Lease: Fixed+Variable Rent	Limited Service	Third Party
19		KOKO HOTEL Premier Naha	Okinawa	173	Newly Built	Lease: Fixed+Variable Rent	Limited Service	Third Party

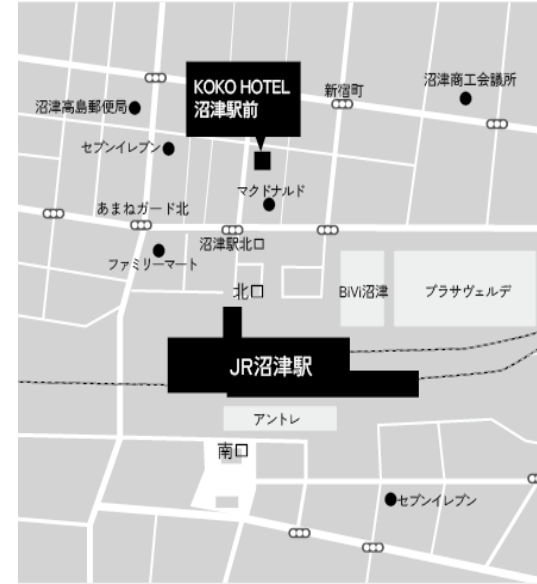
Note: The above plans are as of August 2025 and are subject to change.

# External Growth: Newly Opened Hotels in Numazu

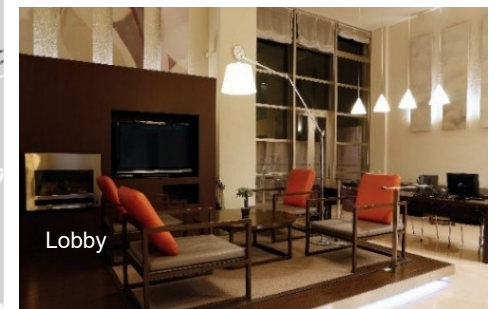
Double hotel opening in Numazu - both at station and on highway interchange.



Hotel Overview	
Name	KOKO HOTEL Numazu Station
Address	7-2 Takashima-cho, Numazu City, Shizuoka
Access	2-minute walk from the JR Numazu Sta. and 15-minute drive from Nagasawa Numazu IC and Tomei Numazu IC
Floors	8 stories above ground
Keys	92
Facility	3 restaurant/tenant spaces (bar, massage and personal gym)



Guest Room



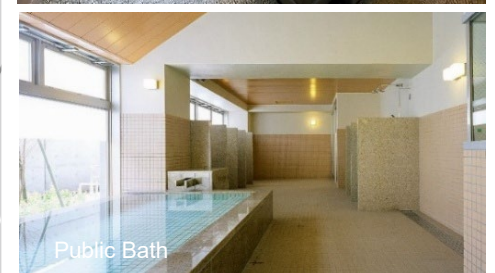
Lobby



Hotel Overview	
Name	KOKO HOTEL Numazu Inter
Address	275-1 Ashidaka, Numazu City, Shizuoka
Access	1 minute from the Numazu Interchange
Floors	10 stories above ground
Keys	151
Facility	Restaurant, large public bath and sauna
Car Parking	145 spaces (including large bus parking)



Guest Room



Public Bath

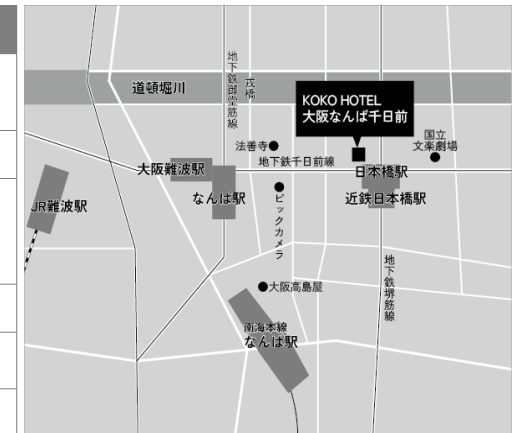


# External Growth: Newly Opened Hotel in Osaka

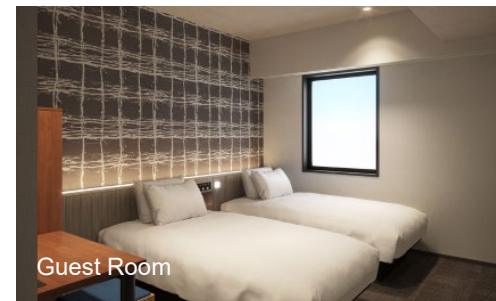
KOKO Hotel Osaka Namba Sennichimae, with more than 300 rooms, situated in a prime location in Osaka, an area experiencing strong growth in inbound demand.



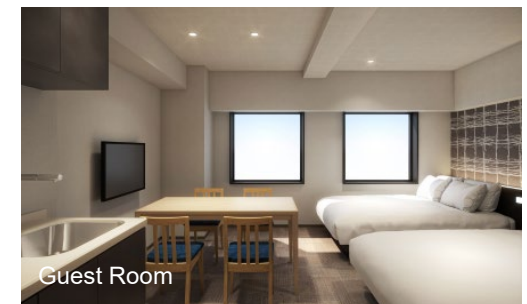
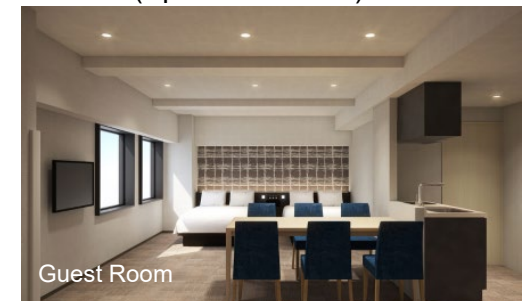
Hotel Overview	
Name	KOKO HOTEL Osaka Namba Sennichimae
Address	1-3-7 Sennichimae, Chuo-ku, Osaka
Access	1-minute walk from Nipponbashi Station on Kintetsu Line and Osaka Metro
Floors	14 stories above ground
Keys	Main Tower 255 & Annex 65
Facility	Restaurant at Main Tower



Main Tower

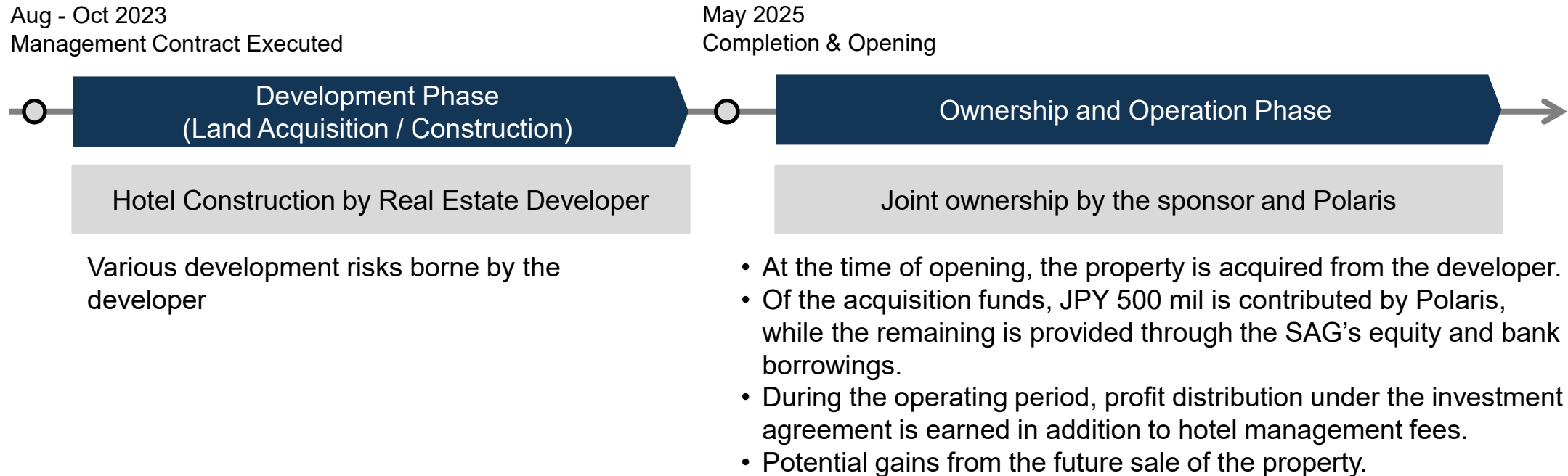


Annex (Apartment Hotel)

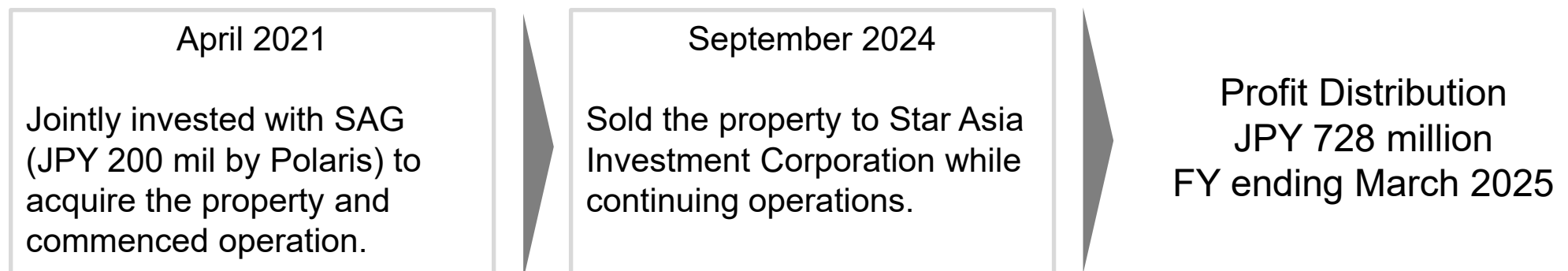


# External Growth: Strategic Investment in Sennichimae

Under the ecosystem with the Sponsor, Star Asia Group (SAG), jointly acquired a newly built hotel and made a strategic investment of JPY 500 million.



## Past Case: KOKO HOTEL Tsukiji Ginza



# External Growth: Proactive Initiatives for New Types

Actively engaging in diverse hotel formats to broaden expansion opportunities and enhance operational capabilities.

## Upscale and Small Luxury Hotels



Small Luxury Hotel (Opened July 2025)

***Hotel Futari Komorebi***

Upscale Hotel (To open September 2025)

***yugen kyoto shijo***

## Apartment Hotels

### In Operation

KOKO HOTEL Residence Asakusa Tawaramachi

KOKO HOTEL Residence Asakusa Kappabashi

KOKO HOTEL Residence Kyoto Nijojo

KOKO HOTEL Osaka Namba Sen-nichimae Annex

### Scheduled to Open

KOKO HOTEL Residence Oshiage

KOKO HOTEL Residence Kita Ueno

KOKO HOTEL Residence Ueno Shin Okachimachi 1

KOKO HOTEL Residence Ueno Shin Okachimachi 2

KOKO HOTEL Residence Honjo Azumabashi

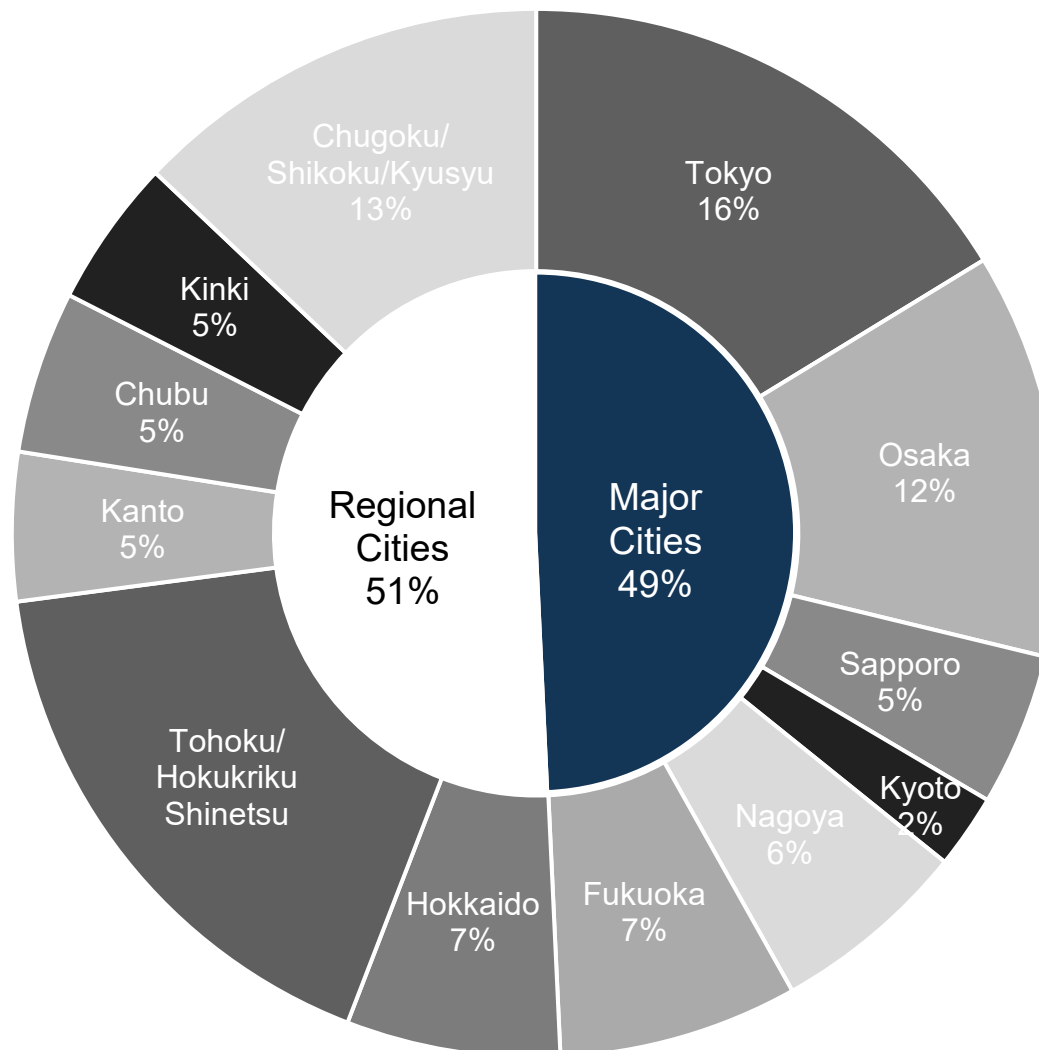
KOKO HOTEL Residence Tokyo Kyobashi

As of July 2025

# External Growth: Portfolio Mix of Managed Hotels

Aiming for a nice balance of hotels in large core cities and smaller regional centers.

Domestic Hotel Portfolio Share by Area



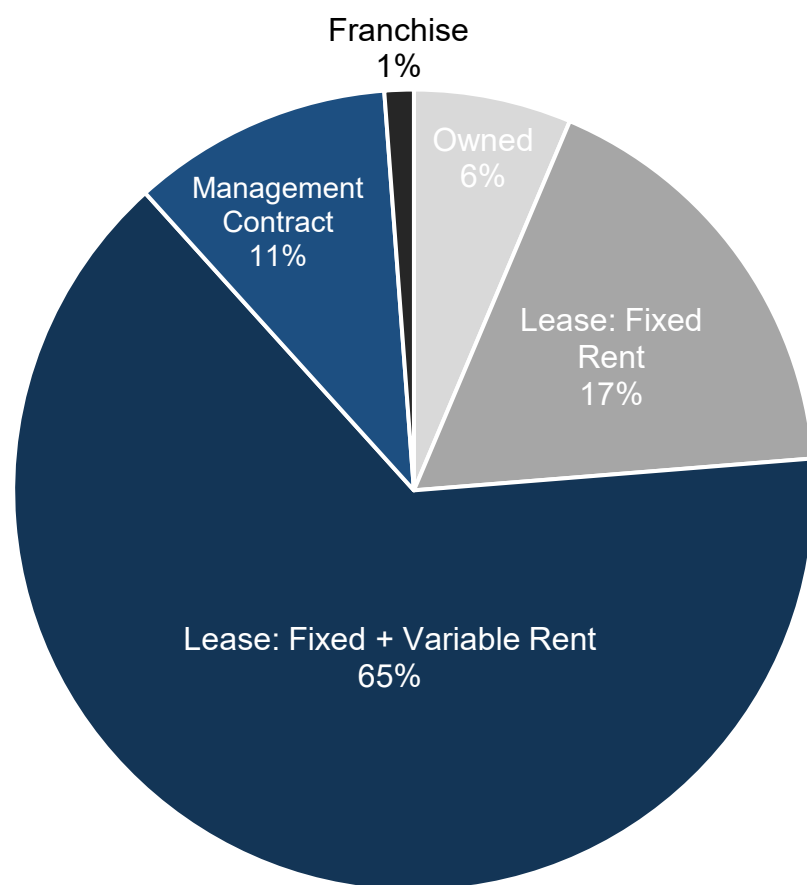
Note: Based on the number of rooms operated, as of the end of June 2025.



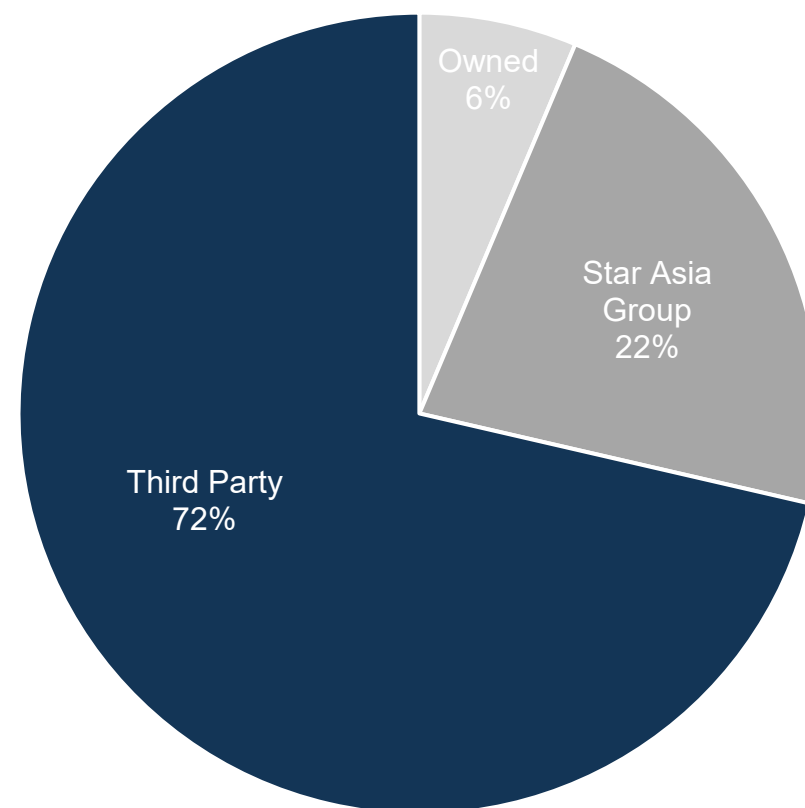
# External Growth: Portfolio Mix of Managed Hotels

Polaris looks to build a strong portfolio mix of hotels that will limit risk to downside in period of market disruptions but still capture upside during strong markets. We believe we are achieving a nice mix now.

Share by Contract Type



Share by Owner Type



# Business Integration: PMI Progress

Acquired Minacia in December 2024 with the PMI (Post Merger Integration) process progressing smoothly.



## *Brand Integration*

- Minacia's brands will be gradually integrated into the KOKO HOTEL brand from September 2025 onward.
- A unified customer point program was launched in July, creating chain-wide benefits.
- From October onward, common services and a new loyalty program will be introduced.

## *Streamlining Operations*

- Reviewed procurement of amenities and other supplies, standardizing specifications to reduce costs.
- Reviewed operational contracts to improve quality and achieve cost savings.
- Established a system for sharing operational know-how chain-wide through the unification and improvement of operating rules.

## *Organizational Optimization*

- Reorganized the management structure and the organization to accelerate PMI.
- Scheduled to consolidate both companies' headquarters offices in October.
- Formulated a new personnel and evaluation system based on the HR systems of both companies.

# Business Integration: Brand Integration Strategy

Consolidation of marketing resources and brands to develop stronger market presence.

Polaris / 25 Hotels



KOKO HOTELS



KOKO HOTEL  
*Premier*



KOKO HOTEL  
RESIDENCE

×

KOKO HOTELS  
Reborn

63 Hotels

Minacia / 38 Hotels



*Tenza Hotel*



# Business Integration: New KOKO HOTELS

Create new brands based on consumer needs while streamlining overall strategy.

## New Brand Concept & Tagline



KOKO HOTELS is more than just a place to stay.

We aspire to be  
the starting point of a journey filled with new discoveries.  
Through the local flavors, culture and encounters with people,  
we offer heart-stirring experiences you never knew awaited you.

## Brand Structure



# Business Integration: Maximizing Repeat Guests

With a goal of increasing repeat customers, a new joint web membership program for both companies has been introduced.



KOKO HOTELS

私たち **KOKO** と **HOTEL WING** は、ひとつになります。

**[ 25店舗 ] + [ 38店舗 ] = 63店舗に!**

※ 2025年9月時点・KOKO HOTEL、ホテルウィングとして運営中のホテル数

新生KOKO HOTELS、あなたにもっと寄り添う場所へ



KOKO HOTELS HOTEL WING Tenza Hotel VALUE THE HOTEL

## WEB会員プログラム

Web Membership Program

新規入会はこちら 

**入会費・年会費無料**

 定期的にプレゼントキャンペーンを実施

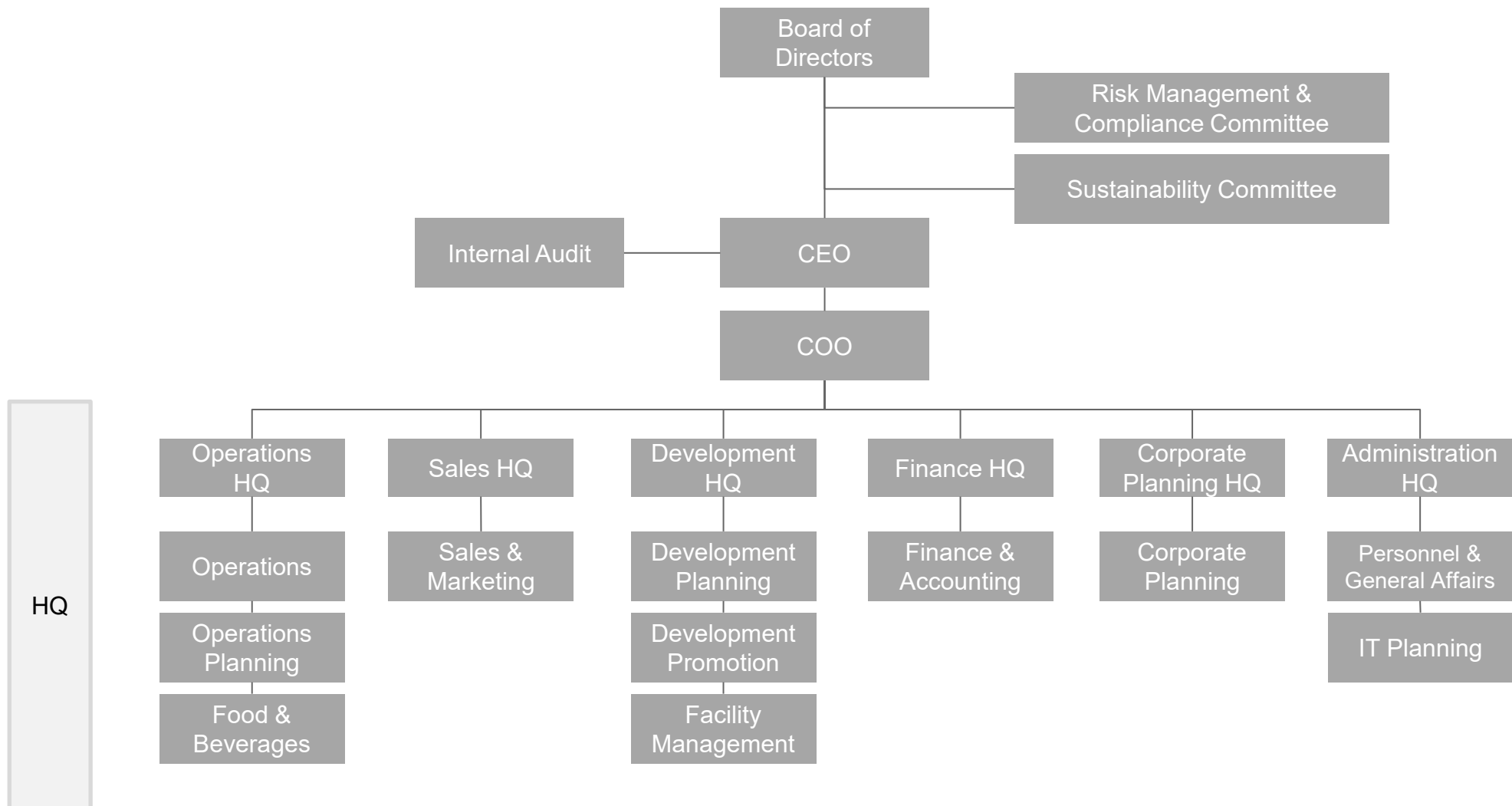
 お得な情報をメルマガにて配信!

※メルマガは配信停止することも可能です。



# Organizational Optimization to Accelerate PMI

Reorganization already underway and both companies will share a new head office from October to further consolidation.



# Shareholder Value: Meeting Listing Standards

Star Asia Group has transferred a large portion of its shares to new shareholder which has significantly improved the Free-Float Ratio and brought Polaris close to listing requirement.

	Number of Shareholders	Shares in the Public Float	Public Float Market Cap.	Free-Float Ratio	
Listing Standards	400	2,000 units	JPY 1 billion	<b>25.0%</b>	
March 31, 2025	10,353	352,652 units	JPY 7.1 billion	15.0%	
30 June, 2025	—	—	—	<b>23.2%</b>	+8.2%
Status	Complied	Complied	Complied	In Progress to Comply	

Note: Calculated based on the number of shares held by Star Asia Group.



# Shareholder Value: Enhancing Shareholder Returns

Implementation of firm dividend policy as well as of new shareholder benefit program providing hotel discount coupons.

## Dividend

FY2024 Actual JPY 3 per share

FY2025 Forecast JPY 3 per share

### **Dividend Policy**

As a fair and effective shareholder return measure, the basic policy is to return profits through dividends of surplus in line with business performance.

### **Consolidated Payout Ratio**

As a quantitative goal set in the Medium-Term Business Plan, the consolidated payout ratio is aimed to reach 30%.

## Shareholder Benefits



### **Purpose**

To provide shareholders with opportunities to stay at group hotels and to increase the number of shareholders who will support the group over the medium to long term.

### **Hotel Rate Discount Vouchers**

A new shareholder benefit program distributing hotel rate discount vouchers, applicable to group-operated hotels, in proportion to the number of shares held.

### **Eligible Hotels**

Shareholder benefit program offering discounted stays at hotels nationwide, including those operated by Minacia following the business integration.

Shareholder Benefits Website  
[https://www.polaris-holdings.com/ir-kabunushi\\_yutai/](https://www.polaris-holdings.com/ir-kabunushi_yutai/)

# Appendix

# Corporate & Stock Information as of March 31, 2025

## Corporate Overview

Name	Polaris Holdings Co., Ltd.
Establishment	September 20, 1912
Head Office	1-12-3 Iwamotocho, Chiyoda-ku, Tokyo
Paid-in Capital	JPY 10 million
Net Assets (Cons.)	28,329 million
No. of Employees (Cons.)	1,795
Business Description	Hotel operations and investment
Listed Stock Exchange	Tokyo Stock Exchange Standard Market
	Securities Code 3010
Independent Auditor	Seiei LLC Audit Corporation

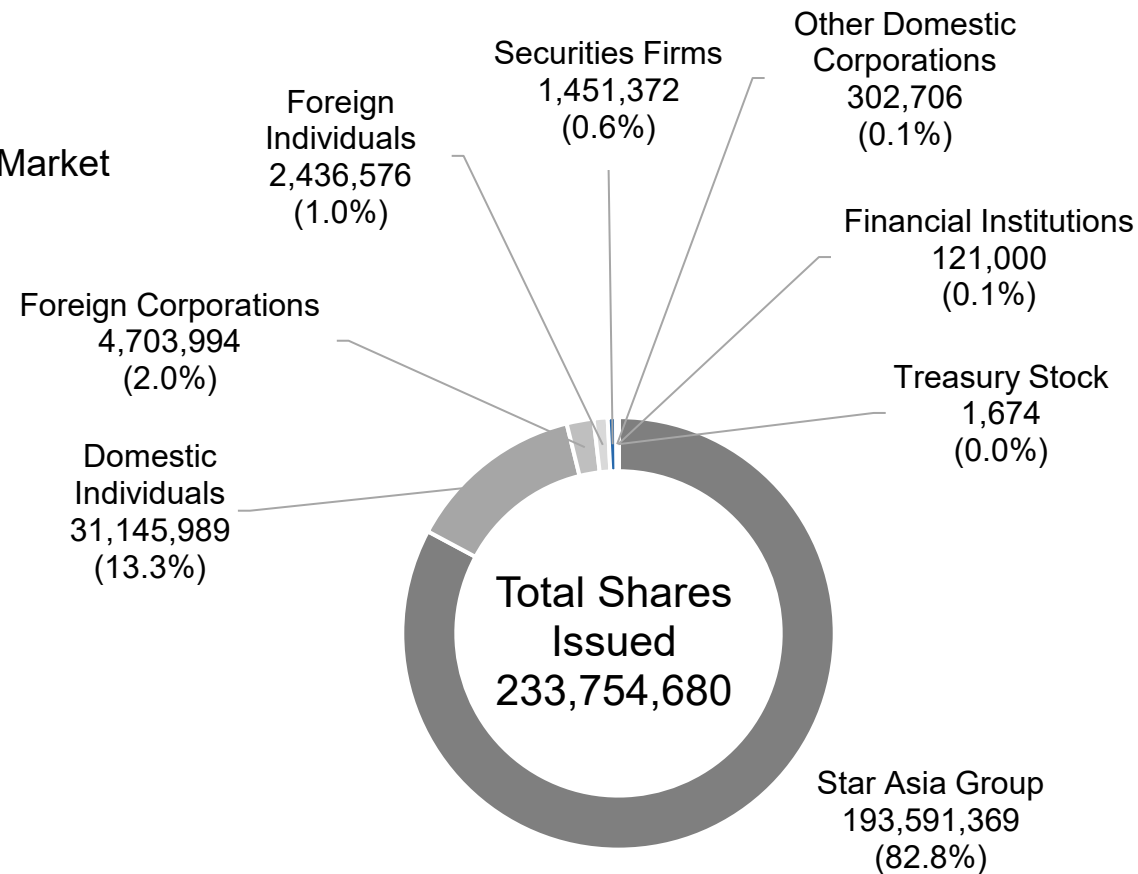
## Share Capital and Shareholder Status

Type of Shares Issued	Common Shares
Total Authorized Shares	496,000,000 shares
Total Shares Issued	233,754,680 shares
Total Number of Shareholders	10,353

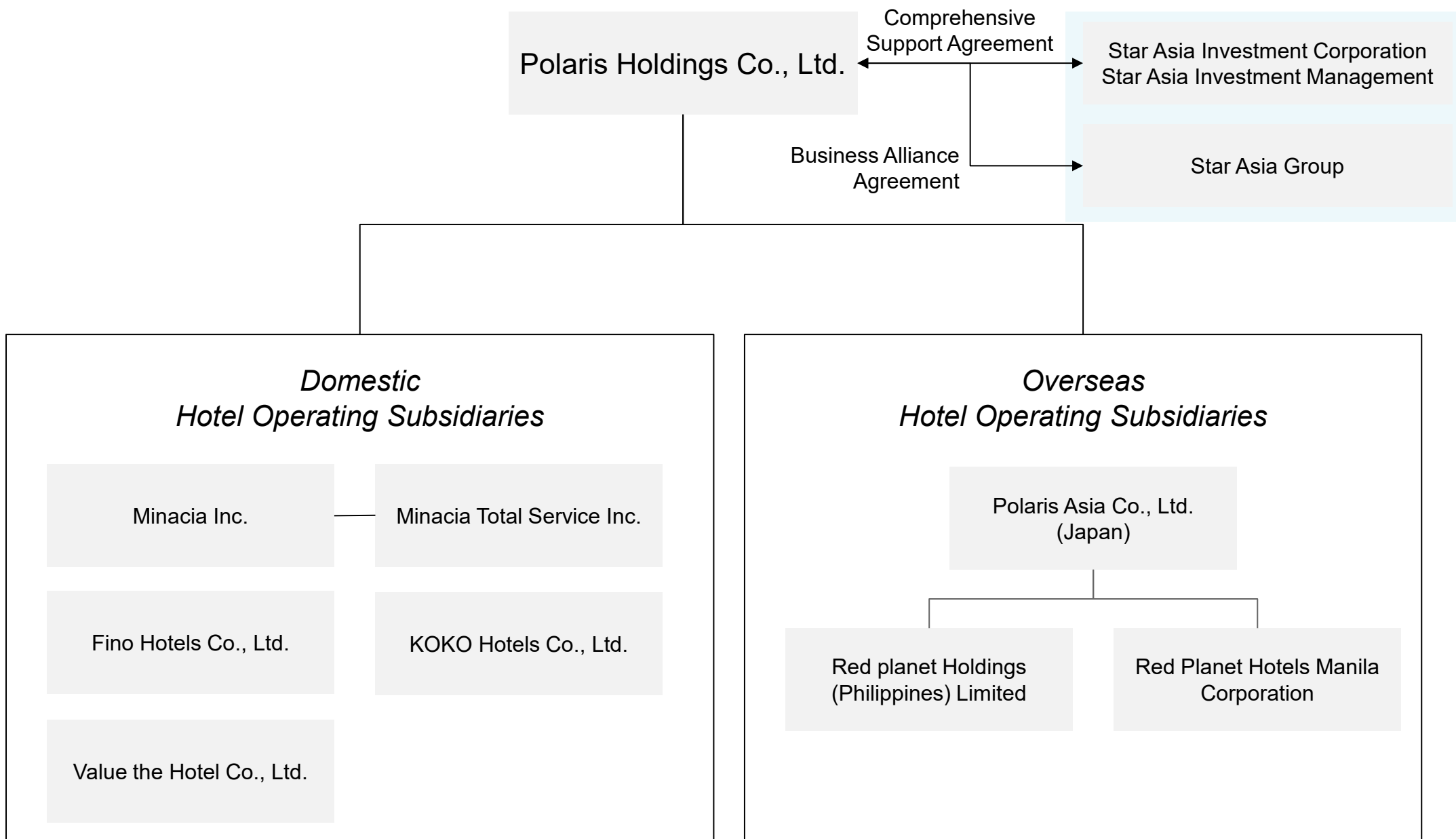
## Major Shareholders

Shareholder Name	No. of Shares Held	Shareholding Ratio
SAJP VI 3.0 LP	105,820,691	45.27%
Star Asia Opportunity III LP	87,770,678	37.54%

## Shareholding by Owner Type



# Group Companies



# Management Team (1/2)

## Diverse experiences and capabilities united to accelerate growth.



### ***Shigeru Takakura – Chairman of the Board***

Held key leadership roles at global hotel brands including Hilton International, Sheraton and Marriott, serving as General Manager and Head of Sales & Marketing for Japan, Korea and Guam, as well as Vice President. Later served as President and CEO of Kachikaihatsu, the predecessor of Polaris. Graduate of Keio University (B.Com.).

Contributes to growth through extensive knowledge of the domestic and international hotel industry and a broad professional network.



### ***Yohei Taguchi – President and CEO***

Began career at Accenture in IT consulting for the financial sector, then joined Hoshino Resorts, engaging in hotel operations and marketing. Gained experience in hotel REIT asset management at Japan Hotel REIT Advisors and Ichigo Investment Advisors before joining Star Asia Group. Appointed as Director of Polaris in 2022, overseeing operations and development and later became President and CEO. Graduate of Keio University (B.Com.).

Drives growth by leveraging extensive experience in both hotel investment and operations.



### ***Kazuyoshi Shimojima – Director, COO / Head of Sales & Operations***

Spent formative years in Australia, the U.S. and Switzerland. After graduating from university, worked at Tokyu in overseas hotel business and group policy planning, then served as a consultant at FutureBrand, focusing on brand strategy. Held senior positions including Head of Marketing at Solare Hotels & Resorts, Country Director at Agoda International, DGM of International Div. at Rakuten Travel, Head of Travel Div. at Groupon Japan and President of TrustYou Japan. Appointed President and CEO of Minacia in 2021 and joined Polaris as Director and COO in 2025. Graduate of Keio University (LL.B.).

Supports growth through extensive domestic and international experience in both online and offline travel and hospitality operations.



### ***Satoshi Hosono – Director, CFO / Head of Finance***

Began career at Daiwa Securities and ORIX in lending and securities operations, then at Mizuho Securities engaged in structured finance including ABS and CMBS within real estate finance and financial solutions divisions. Later at Xymax Group, worked on sourcing, acquiring and selling real estate investments before joining Star Asia Group in 2015. Since appointment as Executive Officer of the Company in 2018, has served as COO and CFO. Graduate of Ritsumeikan University (B.Econ.). Chartered Member of the Securities Analysts Association of Japan and Certified Master by the Association for Real Estate Securitization.

Contributes to growth through expertise in capital markets and broad financial industry knowledge.

# Management Team (2/2)



## ***Takahiro Tsujikawa – Director, Head of Development***

Engaged in hotel investment and asset management at J-REIT and real estate fund management companies including Japan Hotel REIT Advisors, PAG Investment Management and Panorama Hospitality, handling negotiations and execution of management and franchise agreements with global hotel operators. Served as Japan Country Head of Hotels & Hospitality Group at Jones Lang LaSalle before joining Polaris as Director in 2023. Graduate of International Christian University (B.A.). Licensed Real Estate Transaction Agent and Certified Master of Real Estate Consulting.

Contributes to growth with extensive expertise and advanced skills in the real estate investment sector.



## ***Kentaro Tawara – Director, Head of Corporate Planning***

Worked at Nippon Credit Bank in Tokyo and London and Daiwa Securities SMBC, handling lending and debt restructuring in Japan and Europe. Served as an executive in operating companies, managing nursing care facilities, restructuring the finances of a Milan fashion brand and managing political research projects at a think tank. After working at a hotel reservation systems provider, became a founding member of an emerging hotel chain, overseeing corporate planning. Joined Polaris as Director in 2025. Graduate of the University of Tokyo (B.Eng.) and the University of Cambridge (M.Phil. in Land Economy). Licensed Chief of Money Lending Operations.

Contributes to growth through diverse cross-industry experience and expertise in managing emerging hotel enterprises.



## ***Mitsuhiro Matsuzaki – Director, Head of Administration***

Joined real estate developer Edoken and was seconded to a hotel management subsidiary that later became Minacia, gaining comprehensive experience in hotel operations. Appointed Representative Director at the founding of Forbes (now Minacia) in 2000, leading the expansion of its hotel business. Served as Executive Vice President of Minacia in 2021 and joined Polaris Holdings as Director in 2024. Graduate of University of Tokyo (B.Agr.). Licensed Real Estate Transaction Agent.

Contributes to growth with over 30 years of experience in hotel operations and real estate development.



## ***Joseph Altwasser – Director***

Deeply involved in the launch of the J-REIT market while at Salomon Smith Barney. Subsequently worked in sales and research at domestic and international investment banks, including KBC Securities and Merrill Lynch, serving as Director in Singapore before returning to Japan. Later served as Deputy Head of Sales at SMBC Nikko Securities and Real Estate Specialist at Mizuho Securities. Joined Star Asia Group in 2019 as Head of Marketing and Business Development, focusing on expanding the investor base ahead of IPO. Joined Polaris as Director in 2025. Graduate of the University of British Columbia (B.A. in International Relations and M.B.A.). Contributes to growth with deep knowledge of the securities industry and an extensive professional network.

# Medium-Term Business Plan

## Targets in the Medium-Term Management Plan (FY2024 - FY2026)

Financials		Capital Efficiency	
Revenue	JPY 49 bil.	ROE	15 %
		Shareholder Returns	
Operating Profit	JPY 3.7 bil.	Consolidated Payout Ratio	30 %
		Hotel Operations	
Net Income attributable to Owners of the Parent	JPY 2.7 bil.	Number of Guest Rooms	15,000
Average Growth Rate of Operating Profit	40 %	Number of Hotels	100

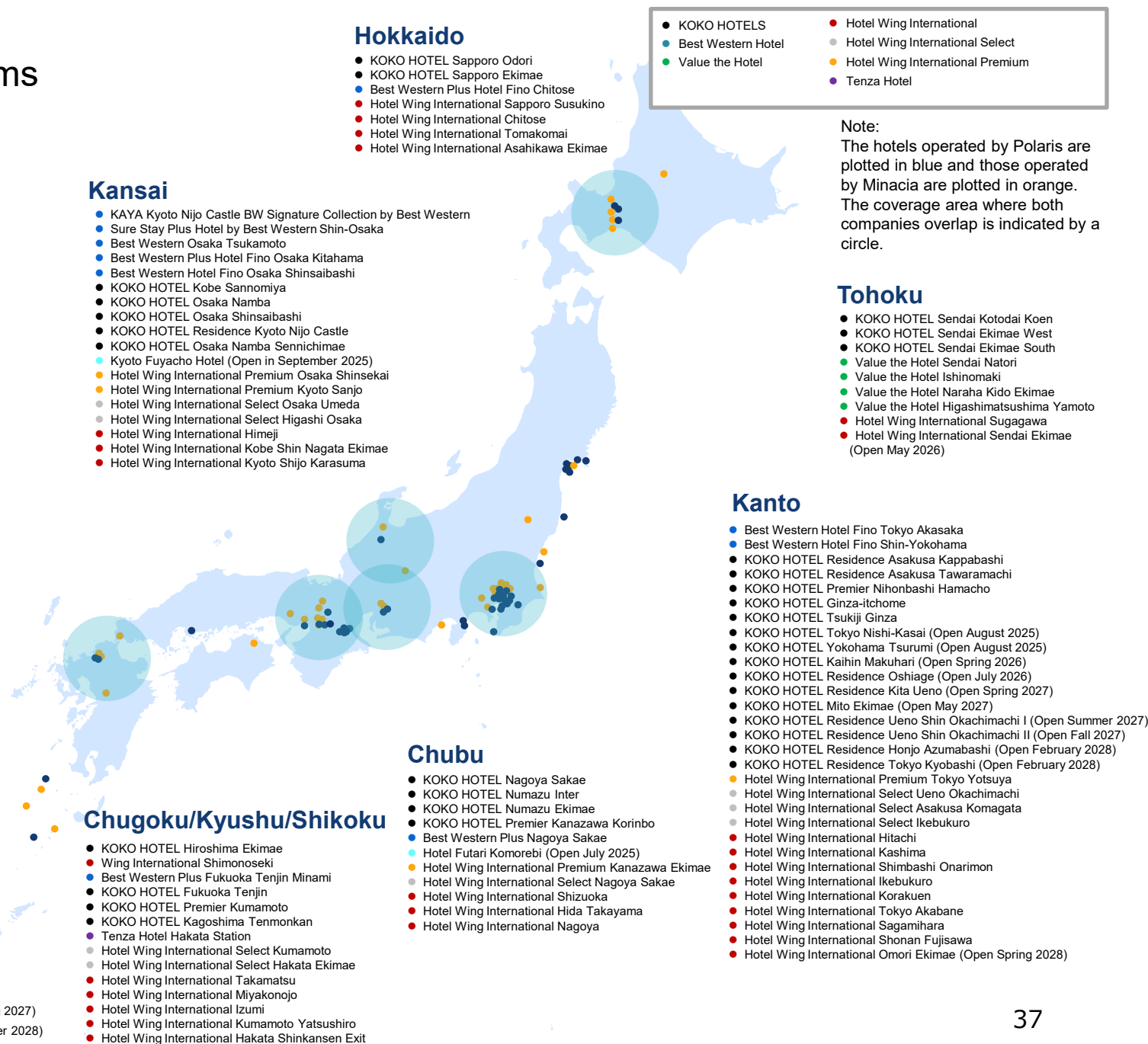


# Domestic Hotel Network

91 Hotels / 13,034 Rooms

As of the end of June 2025  
including hotels scheduled to open

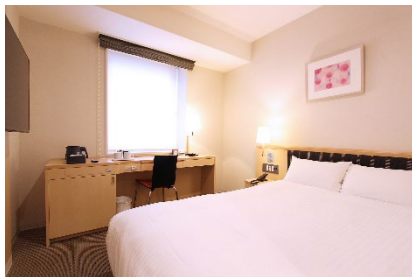
	Hotel	Room
Hokkaido	7	1,282
Tohoku / Hokuriku Shinetsu	11	2,051
Kanto	30	3,572
Chubu	9	1,269
Kinki	18	2,252
Chugoku / Shikoku / Kyusyu	14	2,303
Okinawa	2	305



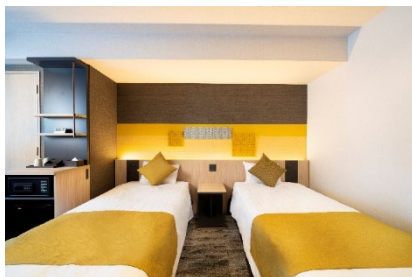
# Domestic Hotels in Operation (Representatives)

## KOKO HOTEL

A limited-service hotel brand operating in major cities across Japan. Combining convenience, functionality and comfort, it caters to a wide range of needs including business and leisure travel.



KOKO HOTEL Tsukiji Ginza



KOKO HOTEL Tsukiji Ginza

## KOKO HOTEL Premier

The upper-tier line within KOKO HOTEL brand, offering refined spaces and services. Equipped with a restaurant for breakfast buffets. Spacious guest rooms and a full range of amenities are provided for a comfortable stay.



KOKO HOTEL Premier Kanazawa



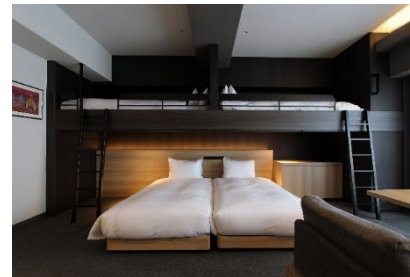
KOKO HOTEL Premier Kumamoto

## KOKO HOTEL Residence

A residence-type hotel under KOKO HOTEL brand. Ideal for long-term stays or group use, with spacious rooms equipped with kitchens and washing machines, allowing guests to enjoy the comfort of a home-like environment.



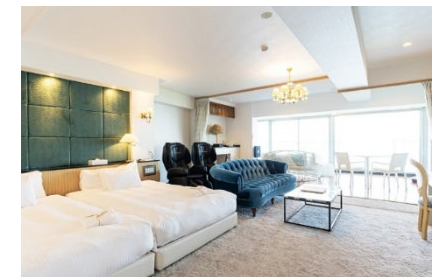
KOKO HOTEL Residence Asakusa Kappabashi



KOKO HOTEL Residence Kyoto Nijojo

## Luxury

The highest-grade luxury hotels operated by Polaris. Featuring sophisticated spaces and personalized services, these properties offer an exceptional and memorable stay experience.



HOTEL Futari Komorebi



HOTEL Futari Komorebi

# Domestic Limited-Service Hotels Ranking

Rank	Operator	Brand	Listing	No. of Hotels	No. of Rooms
1	Toyoko Inn	Toyoko Inn	Unlisted	355	78,144
2	APA	APA Hotel	Unlisted	326	73,113
3	Route Inn Japan	HOTEL ROUTE-INN	Unlisted	352	61,974
4	Mystays Hotel Management	MYSTAYS / FLEXSTAY INN / ART HOTEL	Unlisted	157	22,700
5	Kyoritsu Maintenance	Dormy Inn / Onyado Nono	Listed	136	21,157
6	Super Hotel	SUPER HOTEL	Unlisted	174	19,990
7	Greens	Comfort Hotel / Comfort Inn	Listed	118	16,692
8	Sotetsu Hotel Management	Sotetsu Fressa Inn / Hotel Sunroute	Unlisted	82	15,989
9	Daiwa House Realty Management	Daiwa Roynet Hotel	Unlisted	74	15,685
10	<b>Polaris Holdings</b>	<b>Best Western / KOKO HOTEL / Hotel Wing International Value The Hotel / Red Planet</b>	<b>Listed</b>	105	15,487
11	Tokyu Hotels	Tokyu Hotels	Unlisted	70	14,135
12	Fujita Kanko	Hotel Gracery / Washington Hotel	Listed	49	11,853
13	Hospitality Operations	Smile Hotel	Unlisted	87	11,279
14	Hankyu Hanshin Hotels	remm / Daiichi Hotel	Unlisted	39	10,970
15	Live Max	HOTEL LIVEMAX	Unlisted	158	10,808
16	JR East Hotels	Hotel Metropolitan / JR-East Hotel Mets	Unlisted	62	10,248
17	Mitsui Fudosan Hotel Management	Mitsui Garden Hotel / The Celestin Hotels / sequence	Unlisted	40	10,062
18	Hotel Alpha One Jigyo Honsya	Hotel α-1	Unlisted	48	9,542
19	Washington Hotel	Washington Hotel Plaza / R&B Hotel	Listed	43	9,530
20	Solare Hotels & Resorts	Chisun Inn / Loisir Hotel	Unlisted	44	7,516

## Notes:

1. Ranked by number of rooms operated. Only operators that primarily run limited-service hotels are listed.
2. Based on company websites and Monthly Hotel & Restaurant, May 2025 issue.
3. The Polaris numbers are as of the end of June 2025, including overseas hotels and those scheduled to open.

# Awards Received by Hotels

## Booking.com

### Traveller Review Awards 2024

An annual award program conducted by Booking.com. Receiving this award serves as a mark of trust, demonstrating high customer satisfaction and contributing to positive recognition from travelers worldwide.

#### Traveller Review Award 2025

- RED PLANET CUBAO AURORA BOULEVARD
- RED PLANET QUEZON TIMOG

#### Traveller Review Award 2024

- HWI Premium Tokyo Yotsuya and 22 other hotels

HWI:  
Hotel Wing International

#### Traveller Review Award 2023

- HWI Premium Tokyo Yotsuya and other 20 hotels

#### Traveller Review Award 2022

- RED PLANET CUBAO AURORA BOULEVARD and 5 other hotels

## Tripadvisor Travelers' Choice Awards



Thanks for your support!

The Travelers' Choice Award is an international recognition by TripAdvisor, granted to properties highly rated by travelers worldwide. Among millions of listed properties, it honours those that deliver exceptional service and hospitality.

2024 Travelers' Choice Award: 6 hotels  
2023 Travelers' Choice Award: 5 hotels  
2022 Travelers' Choice Award: 3 hotels



The Rakuten Travel Award is presented to hotels listed on Rakuten Travel, selected based on a comprehensive evaluation of service quality, popularity, guest satisfaction, and booking performance.

2024 Silver Award 1 hotel  
2023 Bronze Award 1 hotel  
2022 Gold Award 1 hotel  
2022 Bronze Award 1 hotel



The CUSTOMER REVIEW AWARD is presented by the hotel booking site "Agoda" to properties that receive user review scores of 8.0 or higher.

2024 30 hotels  
2023 9 hotels  
2022 4 hotels



The Agoda GOLD CIRCLE AWARD is awarded to properties that demonstrate flexible and prompt inventory management, attractive pricing, and refined services to enhance customer satisfaction.

Agoda GOLD CIRCLE AWARD 2024 7 hotels  
Agoda GOLD CIRCLE AWARD 2023 7 hotels

#### Other Awards

- Top Producing Chain 2025 (Trip.com Group) 1 hotel
- MOST ENGAGED CHAIN 2024 (Trip.com Group) 1 hotel
- JALPAK Sales Award (BEST PLANNING) 2023 1 hotel
- Jalan OF THE YEAR Best Communication Award 2023 1 hotel
- KAYAK Travel Awards 2025 1 hotel
- KAYAK Travel Awards 2024 5 hotels
- KAYAK Travel Awards 2023 2 hotels



# Overseas Hotel Network (Philippines)

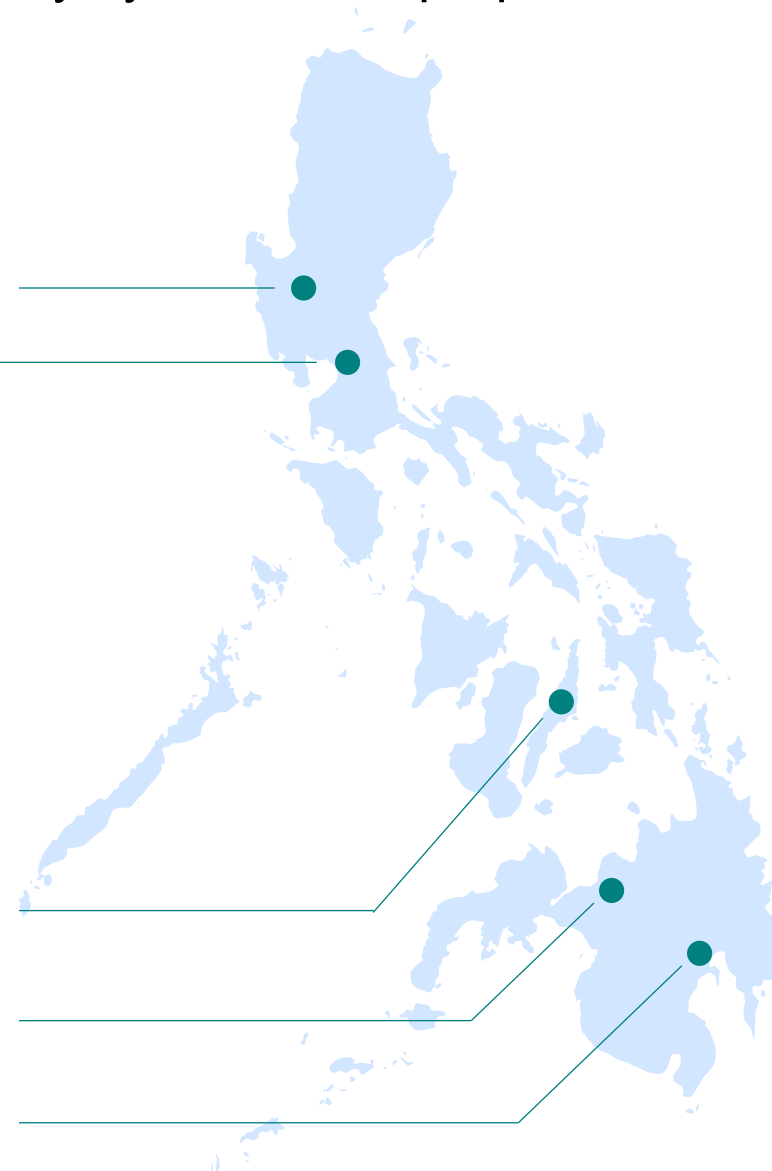
Red Planet Hotels operate and own 14 hotels in the Philippines, making them the second-largest limited-service hotel chain in the country by number of properties.

14 Hotels / 2,453 Rooms

As of the end of June 2025



● Red Planet Angeles City	165
● Red Planet Manila Ortigas	182
● Red Planet Cubao Aurora Boulevard	167
● Red Planet Manila Aseana City	200
● Red Planet Manila Amorsolo	189
● Red Planet Manila Mabini	167
● Red Planet Manila Bay	150
● Red Planet Manila Binondo	171
● Red Planet Manila Makati	213
● Red Planet Quezon Timog	140
● Red Planet BGC The Fort	245
● Red Planet Cebu	150
● Red Planet Cagayan de Oro	159
● Red Planet Davao	155



# HR Strategy - People as the Core of Brand Creation

- ✓ “A company that secures diverse talent, enables people to stay, grow and continue to thrive” is regarded as the true source of sustainable profit growth and differentiated customer experiences.
- ✓ People are positioned as the greatest asset, with human resources strategy placed at the core of management, strategically strengthening the virtuous cycle of “Retention”, “Development” and “Empowerment.”

## Securing Diverse Talent

- ✓ Support employment of foreign nationals and international students to secure global talent
- ✓ Utilize internal resources effectively through in-house recruitment and personnel transfers for new openings

## Creating a Workplace that Enhances Retention

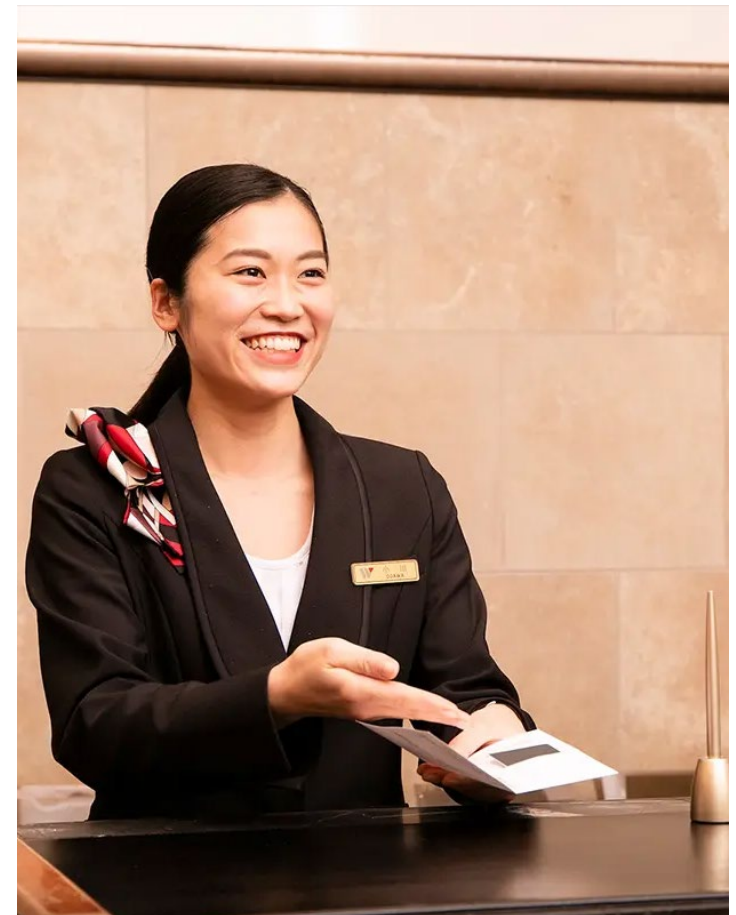
- ✓ Promote flexible workstyles and health management
- ✓ Conduct regular engagement surveys and implement improvement actions

## Training and Career Development

- ✓ Structured programs including tier-based training, on-the-job training (OJT) and mentoring system
- ✓ Career declaration framework and planned development of next-generation leaders

## Fostering a Culture of Continuous Empowerment

- ✓ Cultivate a culture that values individual uniqueness and mutual trust
- ✓ Enhance customer-oriented services through diverse talent



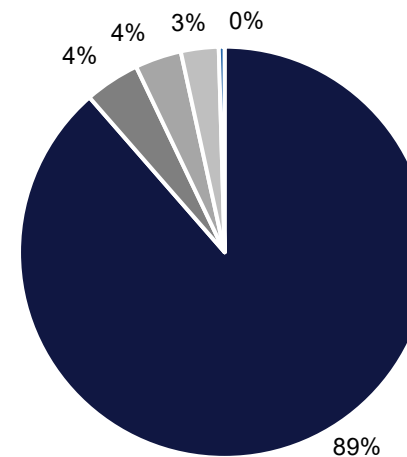


# Employee Information

## Employee Information as the end of June 2025

Number of Employees (Japan only)	1,752 employees Full-time: 981 Part-time and temporary: 771
Gender Ratio	Male: 44% / Female: 56%
Average Age	39.8

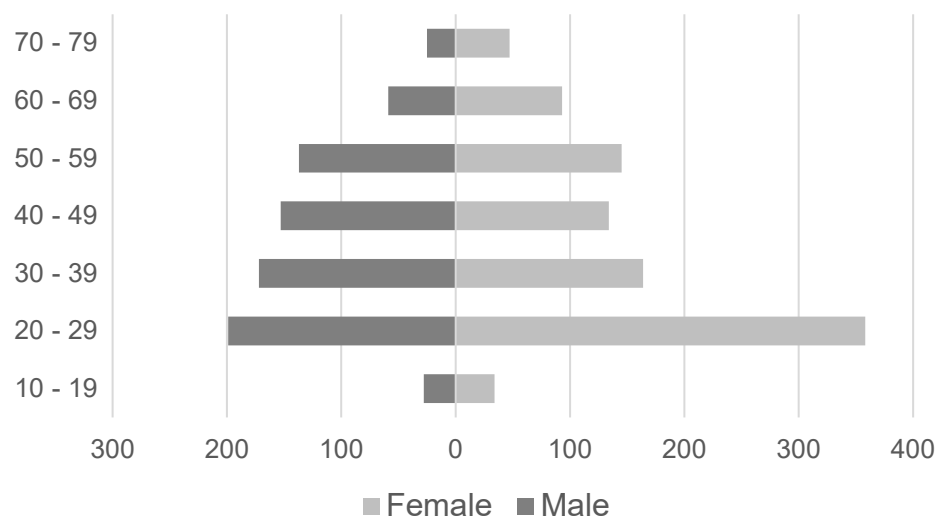
## Nationality



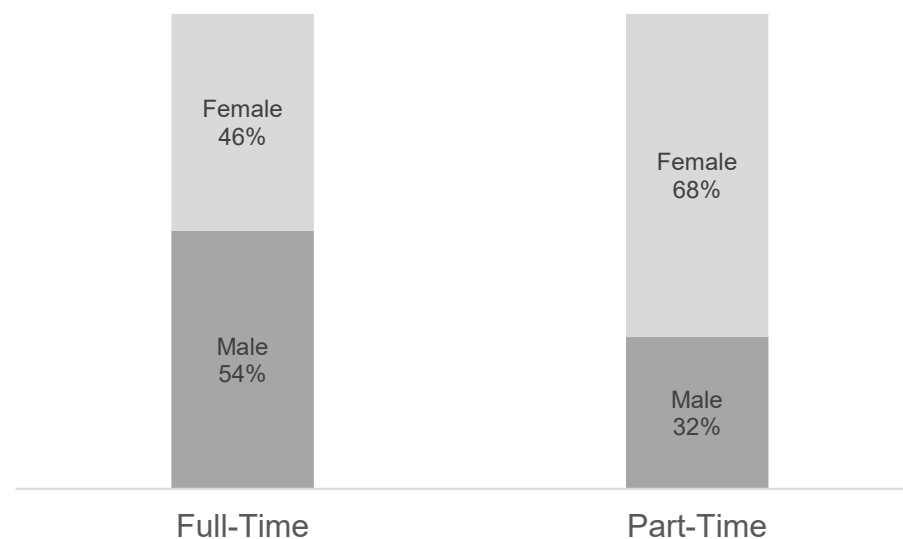
■ Japan ■ East Asia ■ South Asia ■ South East Asia ■ Others

## Gender Distribution by Age

Unit: Persons

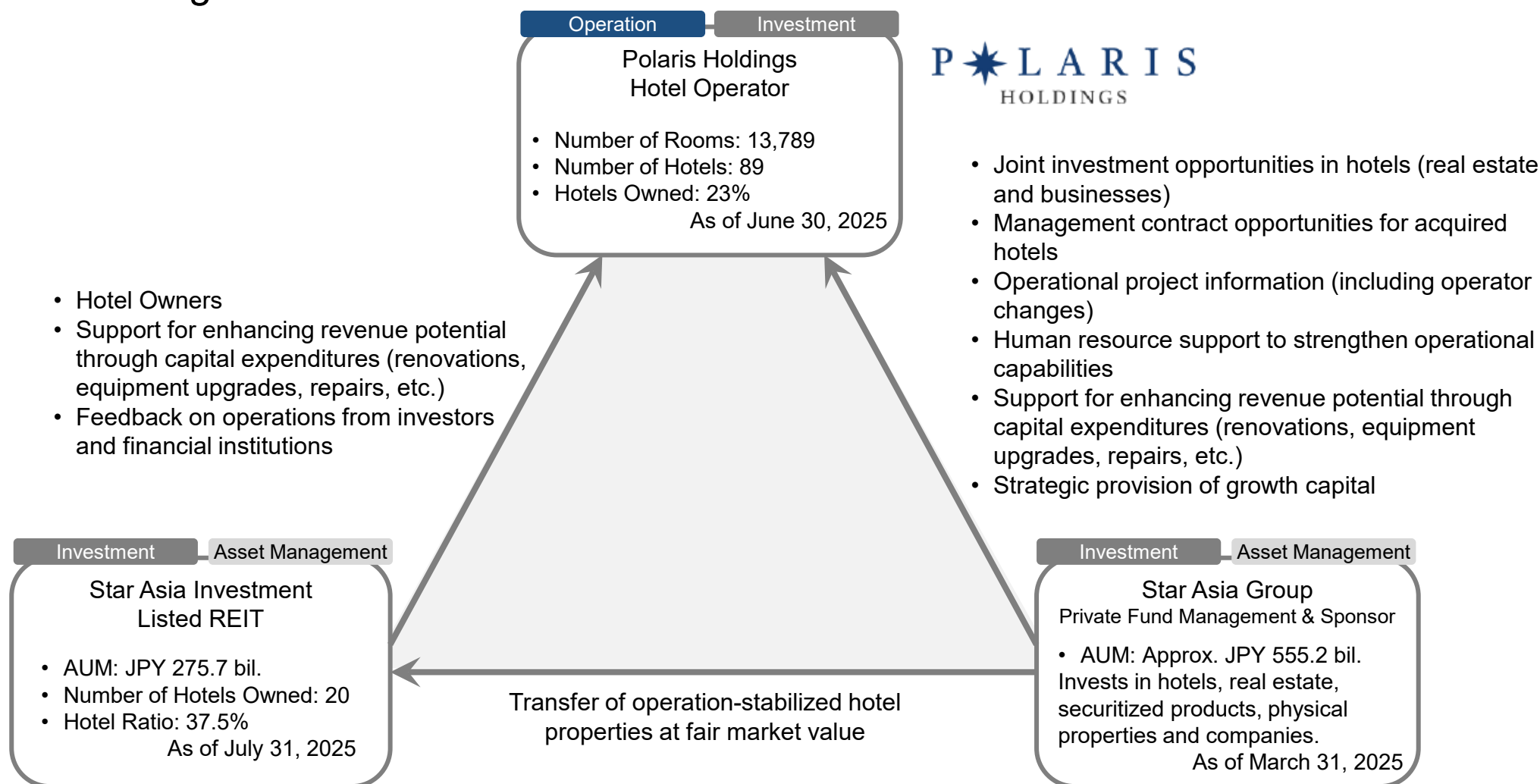


## Gender Ratio by Employment Category



# Collaboration with Star Asia Group

As one of the core members of the Star Asia Group, Polaris swiftly captures business opportunities in the ever-changing hotel management environment and pursues sustainable growth.



We believe that coexisting and prospering with the environment and local communities enhances long-term corporate value and we work to improve sustainability through initiatives in Environment, Social and Governance.

## Our Materiality (Key Issues)

### Environment

- Action on climate change
- Conservation of water resources, consideration for the natural environment and ecosystems

### Social

- Building strong stakeholder relationships
- Respect for human rights and development of human resources

### Governance

- Establishment of a sound corporate governance framework
- Compliance-oriented management

## Garlic harvesting in Sukagawa City, Fukushima Prefecture



## “Mirai no Ki” Project



### ✓ Collaboration Agreement with Sukagawa City, Fukushima Prefecture

Since 2022, we have maintained a collaboration agreement with Sukagawa City to address the local challenge of abandoned farmland by cultivating garlic. This year, a large harvest was achieved, and the garlic is now served in our restaurants.

### ✓ Tree Planting in Fuefuki City, Yamanashi Prefecture

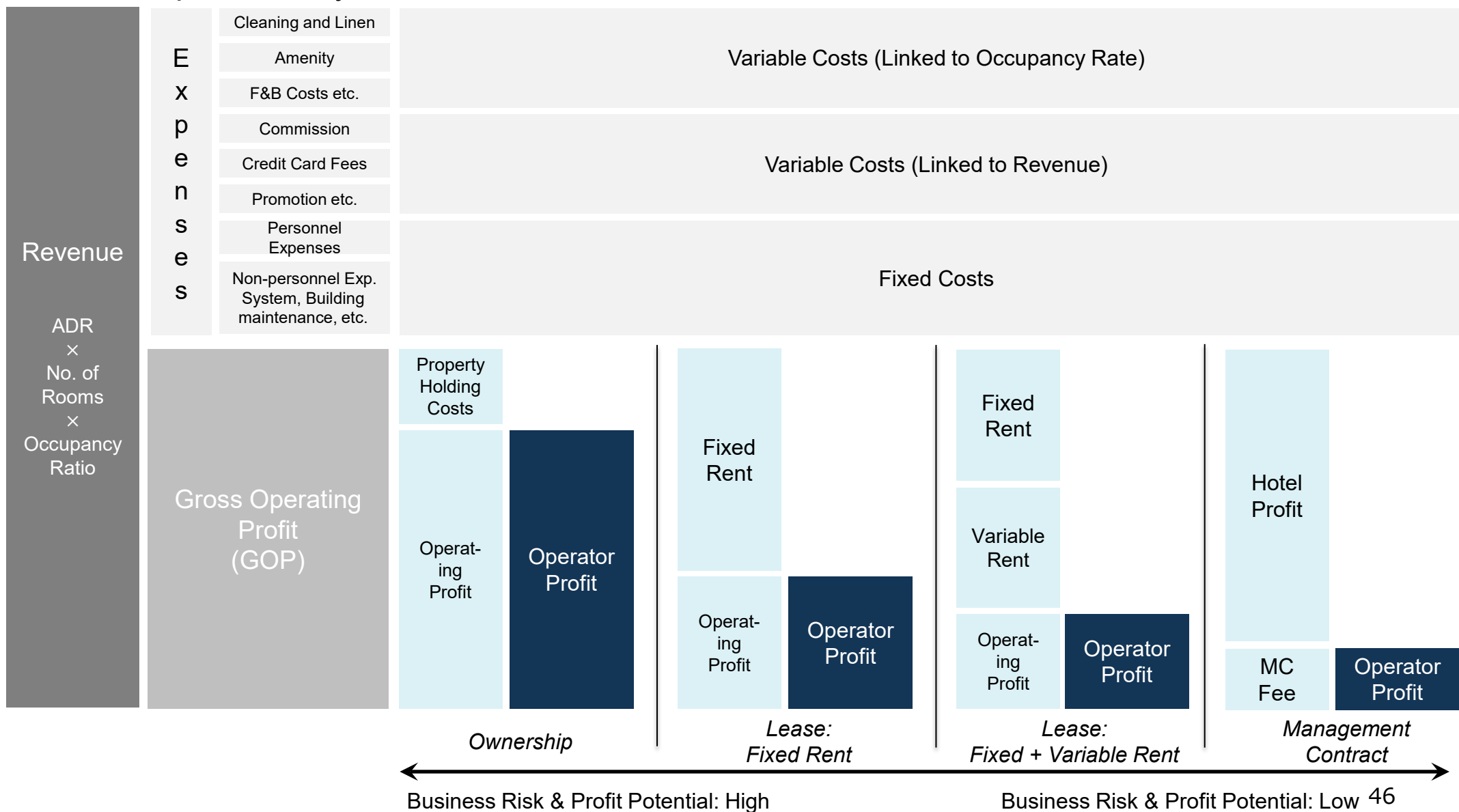
As part of the “Mirai no Ki” Project, new employees once again participated in tree planting activities this year.

## “Mirai no Ki” Project

This initiative promotes visible and impactful eco-actions by guests, such as refraining from using disposable amenities like toothbrushes, razors, and hairbrushes by bringing their own, and cooperating with “eco-cleaning” services that help reduce waste and protect the local environment.

# Hotel Profit Structure

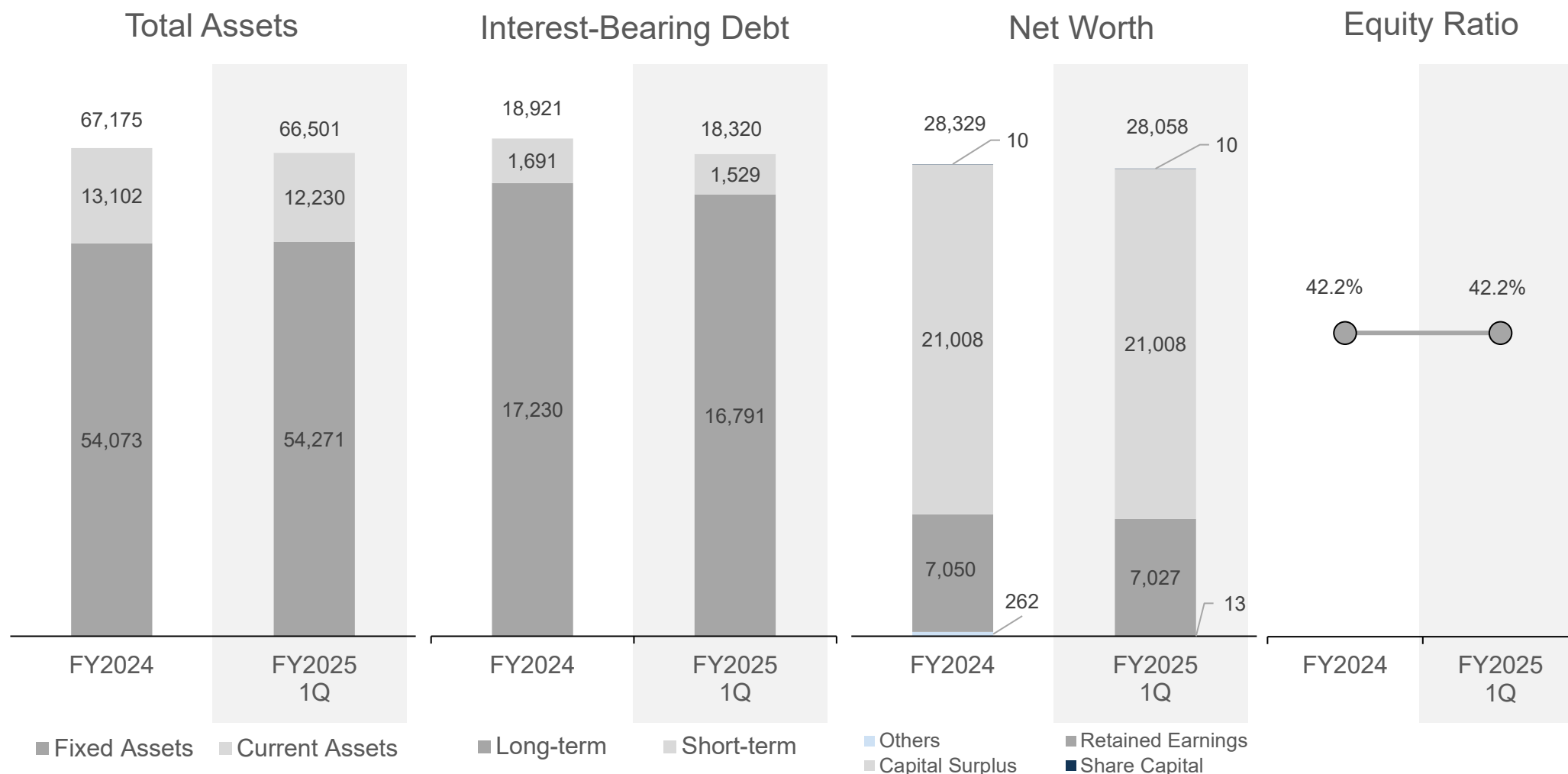
Hotel operating expenses are broadly categorized into variable and fixed costs, and depending on the management contract structure, the profit and risk sharing between the property owner and the operator vary.



# Fiscal Status of the 1st Quarter of FY2025

No major changes from the end of FY2024, maintaining a healthy financial position.

Unit: JPY million



## Notes

1. Excluding lease liabilities
2. Maturity of long-term debt exceeds one year

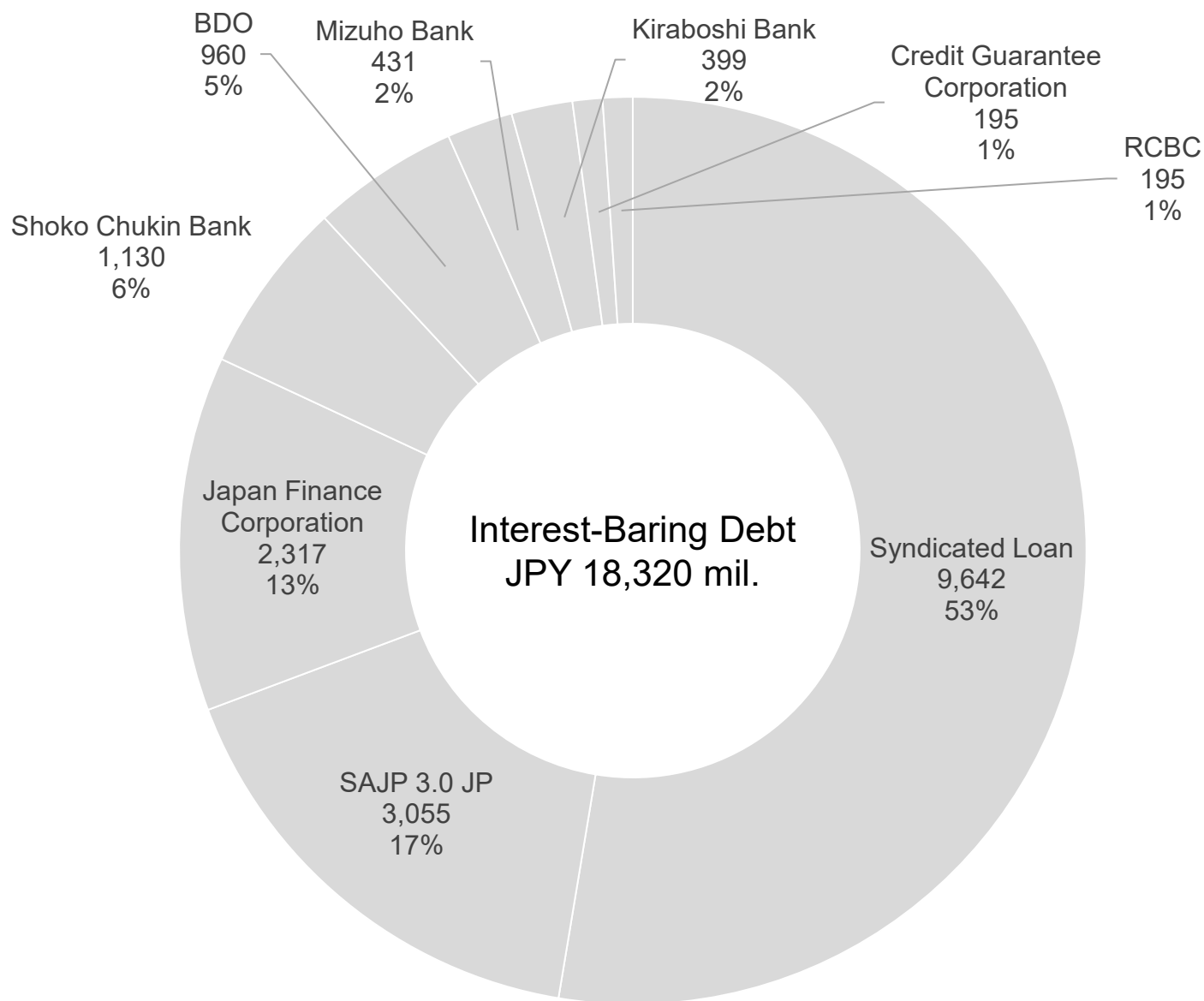
# FY2025 1Q Consolidated Balance Sheet

Unit: JPY Thousand	Previous FY March 31, 2025	Current Quarter June 30, 2025	Difference		Previous FY March 31, 2025	Current Quarter June 30, 2025	Difference
<b>Assets</b>				<b>Liabilities</b>			
Current Assets				Current Liabilities			
Cash and Cash Equivalents	7,514,013	6,294,161	-1,219,852	Accounts Payable	486,270	410,625	-75,645
Accounts Receivable	3,815,875	3,830,217	14,342	Long-term Borrowings Due Within 1 Year	1,690,887	1,528,825	-162,062
Raw Materials and Supplies	211,570	200,041	-11,529	Accounts Payable – Other	2,804,949	2,523,094	-281,855
Other Current Assets	1,573,771	1,918,995	345,224	Accrued Corporate Taxes, etc.	84,745	37,822	-46,923
Allowance for Doubtful Accounts	-13,402	-12,996	406	Provision for Bonuses	109,223	257,692	148,469
Total Current Assets	13,101,826	12,230,418	-871,408	Other Current Liabilities	3,053,179	3,064,918	11,739
Fixed Assets				Total Current Liabilities	8,229,253	7,822,977	-406,276
Tangible Assets				Non-current Liabilities			
Buildings and Structures	10,806,124	10,277,084	-529,040	Long-term Borrowings	15,429,788	14,991,051	-438,737
Land	510,860	498,485	-12,375	Subordinated Loans	1,800,000	1,800,000	0
Lease Assets	7,735,138	7,579,397	-155,741	Lease Liabilities	12,155,112	12,826,591	671,479
Right-of-Use Assets	2,026,457	2,759,221	732,764	Retirement Benefit Liabilities	53,022	52,458	-564
Construction in Progress	45,810	56,471	10,661	Asset Retirement Obligations	227,677	227,677	0
Others Tangible Assets	688,300	649,652	-38,648	Other Non-current Liabilities	950,542	722,753	-227,789
Total Tangible Assets	21,812,688	21,820,309	7,621	Total Non-current Liabilities	30,616,141	30,620,530	4,389
Intangible Assets				Total Liabilities	38,845,394	38,443,507	-401,887
Goodwill	25,750,263	25,424,310	-325,953	Net Worth			
Other Intangible Assets	86,190	81,655	-4,535	Shareholders' Equity			
Total Intangible Assets	25,836,453	25,505,965	-330,488	Share Capital	10,000	10,000	0
Investments and Other Assets				Capital Surplus	21,007,884	21,007,884	0
Investment Securities	2,415	502,415	500,000	Retained Earnings	7,049,615	7,027,163	-22,452
Security Deposits	2,543,431	2,605,752	62,321	Treasury Stock	-2,992	-2,992	0
Others	3,878,002	3,836,306	-41,696	Total Shareholders' Equity	28,064,507	28,042,055	-22,452
Total Investments and Other Assets	6,423,848	6,944,473	520,625	Accumulated Other Comprehensive Income	264,914	15,603	-249,311
Total Fixed Assets	54,072,989	54,270,748	197,759	Total Net Worth	28,329,421	28,057,659	-271,762
Total Assets	67,174,815	66,501,165	-673,650	Total Liabilities and Net Worth	67,174,815	66,501,165	-673,650



# Borrowing Status

Unit: JPY million



Note: The syndicated loan is provided through a cooperative financing arrangement by seven banks, with Mizuho Bank, Ltd. serving as the arranger. The participating banks are Sumitomo Mitsui Banking Corporation, Kiraboshi Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, SBI Shinsei Bank, Limited, The Chiba Bank, Ltd., and The Eighteen Shinya Bank, Ltd.

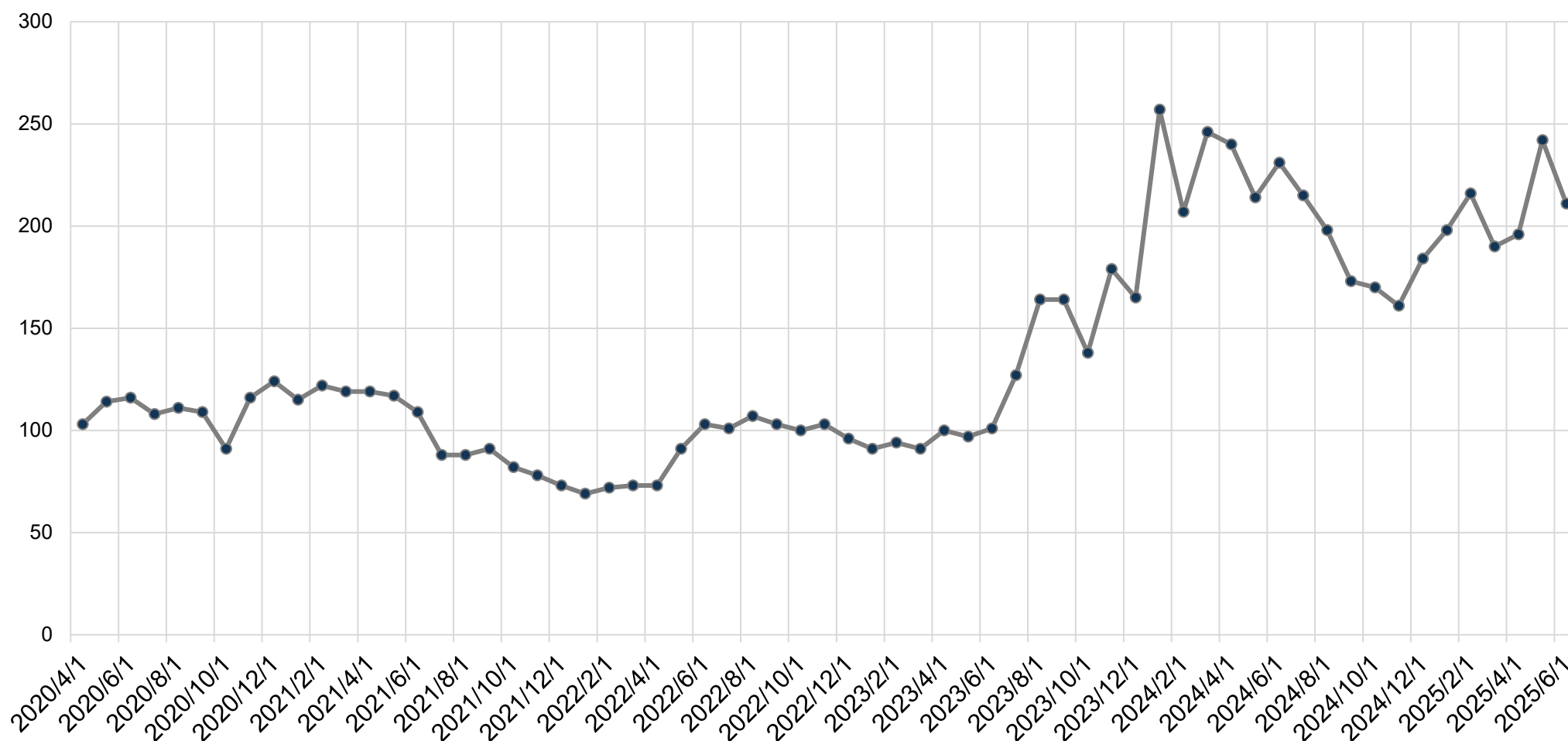
# Five-Year Financial Data

		FY2020	FY2021	FY2022	FY2023	FY2024
Revenue	JPY 000	2,971,588	3,712,127	7,017,664	22,545,288	27,881,446
Ordinary Profit	JPY 000	-1,684,631	-1,623,142	-215,243	2,608,746	1,893,262
Net Income attributable to Owners of the Parent	JPY 000	-2,101,153	-1,829,816	534,189	3,297,199	2,610,672
Comprehensive Income	JPY 000	-2,101,092	-1,829,815	534,190	3,361,789	2,810,851
Net Worth	JPY 000	-784,433	192,600	2,910,571	6,884,782	28,329,421
Total Assets	JPY 000	4,996,853	12,035,678	24,653,218	23,208,107	67,174,815
Net Worth per Share (BPS)	JPY	-13.35	1.99	24.83	55.46	121.19
Earnings per Share (EPS)	JPY	-37.83	-25.98	4.98	26.86	16.90
Diluted Earnings per Share (Diluted EPS)	JPY	—	—	4.91	26.44	16.83
Equity Ratio	%	-15.8	1.5	11.8	29.7	42.2
Return on Equity (ROE)	%	—	—	34.6	67.4	14.8
Cash Flows from Operating Activities	JPY 000	-1,509,540	-7,818,785	-109,963	7,739,499	4,285,318
Cash Flows from Investing Activities	JPY 000	-650,867	-415,301	-728,200	-1,659,113	-3,876,064
Cash Flows from Financing Activities	JPY 000	2,946,137	8,798,969	2,185,003	-6,943,207	4,043,345
Cash and Cash Equivalents at End of Period	JPY 000	1,659,505	2,224,386	3,571,227	2,723,271	7,195,869
Number of Employees [of which, Average Number of Temporary Employees]		191 [216]	171 [219]	358 [163]	486 [201]	1,109 [686]

# Five-Year Stock Price Trends

		March 2021	March 2022	March 2023	March 2024	March 2025
Stock Price	JPY	119	73	91	246	190
Market Capitalization	JPY 000	7,023,248	6,685,076	10,644,196	30,536,937	44,413,389
Price-to-Earnings Ratio (PER)		—	—	18.3	9.2	11.2

Stock Price (JPY) April 2020 – June 2025



# Notes (Domestic Hotel KPIs)

1. As of April 2024, the data covers hotels that had commenced operations and continued to operate as of June 30, 2025. Figures for the previous fiscal year include data from hotels operated by Minacia Co., Ltd., which became a consolidated subsidiary in the fiscal year ending March 2025. Four “Value The Hotel” properties, operated primarily as social contribution hotels supporting recovery from the Great East Japan Earthquake, are excluded.
2. Occupancy Rate: Number of rooms sold during the period divided by number of rooms available during the same period.
3. ADR (Average Daily Rate): Total room revenue during the period (including service charges) divided by number of rooms sold during the same period.
4. RevPAR (Revenue Per Available Room): Total room revenue during the period divided by number of rooms available during the same period.
5. Inbound Ratio: Proportion of total guest nights accounted for by foreign guests during the period.
6. Occupancy rate, inbound ratio, ADR and RevPAR are rounded to the nearest decimal place.
7. The number of aggregated hotels in each area is shown in parentheses after the area name.
8. The figures and information above have not been audited and accuracy and completeness are not guaranteed; they are subject to revision.

This document is provided for the purpose of sharing information on the financial results for the first quarter of the fiscal year (FY2025) ending March 31, 2026, and is not intended as a solicitation to invest.

The forward-looking statements, strategies and other projections contained herein are based on information reasonably available to Polaris and on assumptions deemed reasonable at the time of preparation.

Actual results may differ materially from those expressed or implied due to unforeseen circumstances or events beyond the scope of ordinary prediction.

While Polaris strives to disclose information it considers important to investors in a proactive manner, potential risks and uncertainties exist in the forward-looking statements and strategies described herein. We therefore caution against placing undue reliance solely on this information.

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