

June 25, 2026

FOR IMMEDIATE RELEASE

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Stock Listing: Tokyo Stock Exchange Standard Market
Stock Code: 3010
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Monthly Business Report – May 2026

Polaris Holdings Co., Ltd. has published its Monthly Business Report for May 2026, which includes an update on the progress of new hotel openings and the operating performance of the domestic hotels operated by the Polaris Group. Please refer to the attached report for further details.

Beginning this month, Polaris has also started providing monthly updates on progress toward the new hotel opening targets outlined in its Medium-Term Management Plan 2030, in addition to reporting hotel operating performance.

For historical operating performance data, please refer to the IR Information section of the Company's website:

<https://www.polaris-holdings.com/en/>

Reference:

For hotels owned by Star Asia Real Estate Investment Corporation, a member of the Star Asia Group, and operated by Polaris Group, monthly operating data is disclosed on the Star Asia Real Estate Investment Corporation website. Please refer to the website for further details:

<https://starasia-reit.com/en/ir/index.html>

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.

Monthly Business Report

May 2026

----- Contents-----

- Progress of New Hotel Openings
- KPIs for Comparable Domestic Hotels
- Regional KPI Performance
- Overview of Domestic Hotel Operations

Progress of New Hotel Openings *As of May 31, 2026.

New Hotel Contracts Executed in May 2026

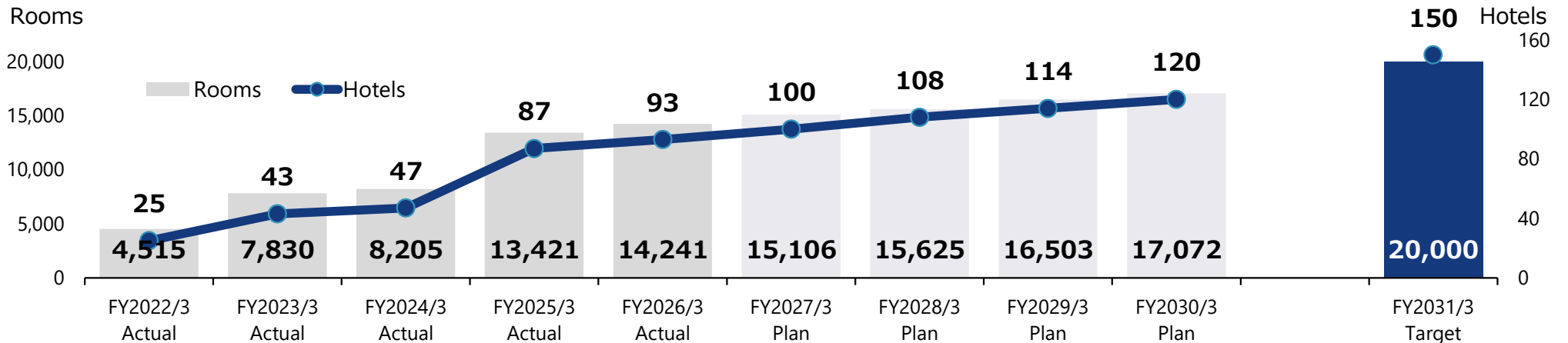
- Scheduled to Open in FY2027: KOKO HOTEL Sapporo Susukino 2nd
- Scheduled to Open in FY2029: KOKO HOTEL Sasebo (tentative name)

Monthly New Hotel Contract Activity

FY2027/3	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Hotels	2	2											4
Rooms	102	416											518

Operating Platform Overview

FY2027/3	Japan		Overseas	Total	MTP 2030 Target
	Operating	Scheduled to Open	Operating		
Hotels	79	26	15	120	150
Rooms	11,830	2,714	2,528	17,072	20,000



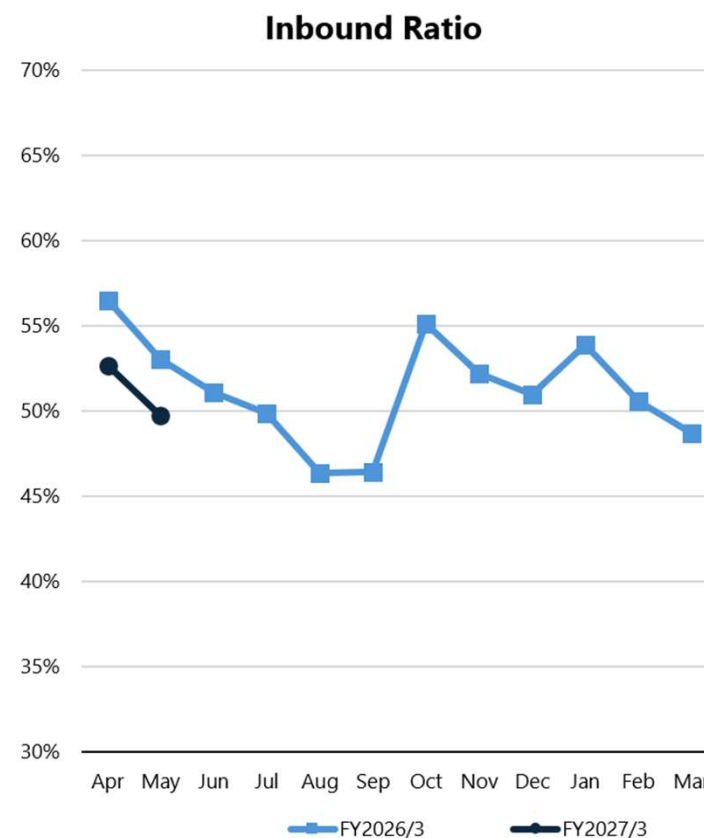
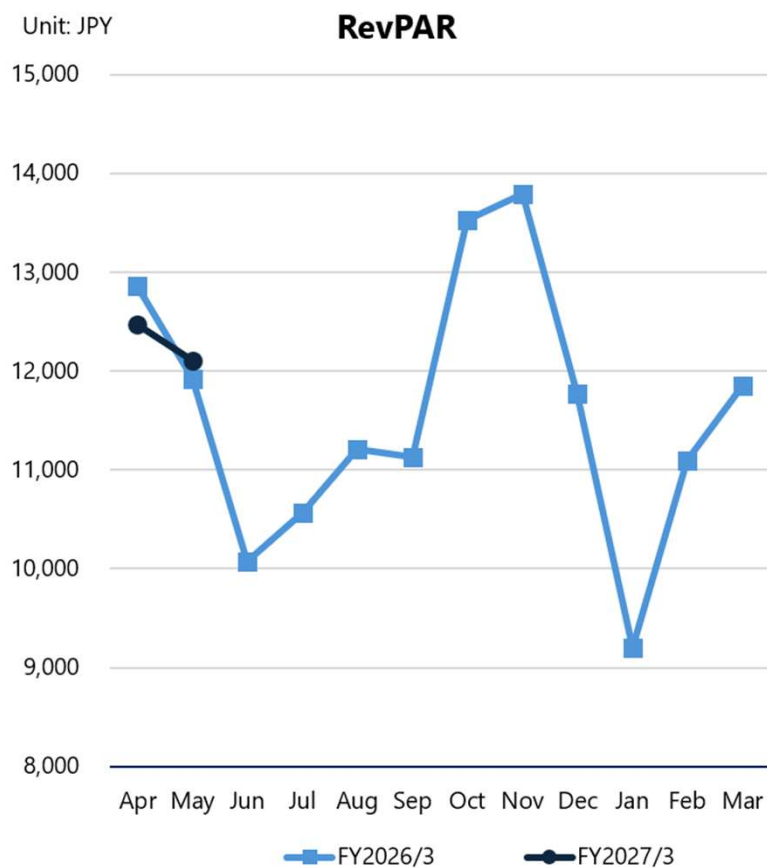
* The number of hotels scheduled to open and the number of new hotel contracts include projects for which agreements have been executed but details have not yet been publicly disclosed.

KPIs for Comparable Domestic Hotels

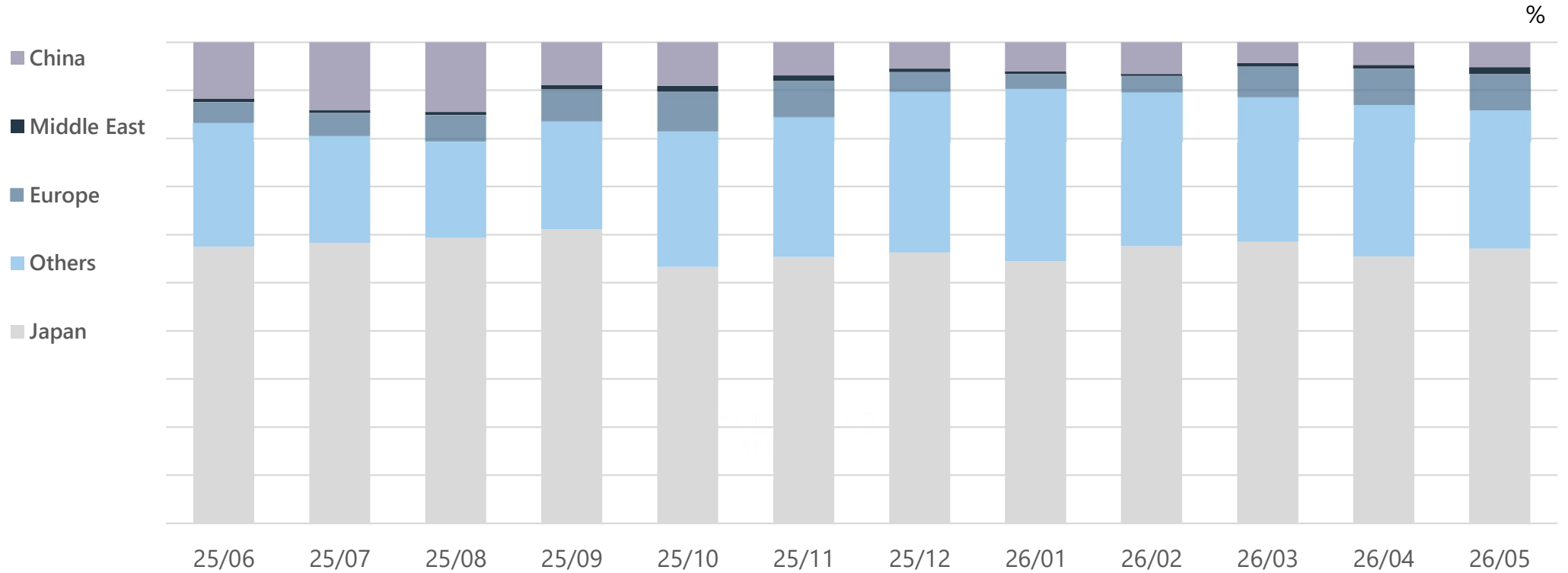
68 comparable domestic hotels

	Current Month May 2026	Same Month Last Year May 2025	Difference	Growth Rate
Total 68 Hotels				
OCC	89.9%	90.0%	+0.0%	
ADR (JPY)	13,458	13,253	+205	+1.5%
RevPAR (JPY)	12,103	11,925	+178	+1.5%
Inbound Ratio	49.7%	53.1%	(3.3)%	

	Current FY From Apr 2026 To May 2026	Previous FY From Apr 2025 To May 2025	Difference	Growth Rate
OCC	89.5%	89.7%	(0.2)%	
ADR (JPY)	13,726	13,808	(82)	(0.6)%
RevPAR (JPY)	12,284	12,389	(105)	(0.8)%
Inbound Ratio	51.1%	54.7%	(3.6)%	



Guest Mix by Nationality (Room Nights) for Comparable Domestic Hotels



	25/06	25/07	25/08	25/09	25/10	25/11	25/12	26/01	26/02	26/03	26/04	26/05
China	11.7%	14.1%	14.5%	8.9%	9.1%	6.9%	5.5%	6.1%	6.6%	4.3%	4.7%	5.2%
Middle East	0.7%	0.6%	0.6%	0.9%	1.2%	1.1%	0.7%	0.5%	0.4%	0.7%	0.8%	1.4%
Europe (excluding Russia)	4.3%	4.7%	5.5%	6.6%	8.2%	7.5%	4.1%	3.1%	3.4%	6.4%	7.5%	7.5%
Others	25.8%	22.3%	20.1%	22.5%	28.2%	29.1%	33.4%	35.8%	32.0%	30.1%	31.5%	28.8%
Japan	57.5%	58.3%	59.3%	61.1%	53.3%	55.4%	56.3%	54.5%	57.6%	58.5%	55.5%	57.1%

Regional KPI Performance

68 comparable domestic hotels

	Current Month May 2026	Same Month Last Year May 2025	Difference	Growth Rate	Current FY From Apr 2025 To May 2026	Previous FY From Apr 2024 To May 2025	Difference	Growth Rate
Hokkaido (7 Hotels)								
OCC	91.2%	87.7%	+3.5%		88.4%	85.4%	+3.1%	
ADR (JPY)	9,786	9,751	+35	+0.4%	8,490	8,414	+75	+0.9%
RevPAR (JPY)	8,921	8,550	+371	+4.3%	7,506	7,182	+324	+4.5%
Inbound Ratio	20.1%	25.6%	(5.5)%		20.2%	26.3%	(6.1)%	
Tohoku / Hokuriku / Shinetsu (6 Hotels)								
OCC	89.6%	90.0%	(0.4)%		89.9%	89.9%	+0.1%	
ADR (JPY)	10,234	9,415	+818	+8.7%	10,143	9,546	+597	+6.3%
RevPAR (JPY)	9,164	8,470	+695	+8.2%	9,123	8,581	+543	+6.3%
Inbound Ratio	28.5%	30.2%	(1.7)%		32.9%	33.6%	(0.7)%	
Kanto (18 Hotels)								
OCC	97.0%	95.1%	+1.8%		97.1%	96.0%	+1.1%	
ADR (JPY)	19,802	19,113	+688	+3.6%	21,374	21,467	(94)	(0.4)%
RevPAR (JPY)	19,204	18,184	+1,021	+5.6%	20,753	20,606	+147	+0.7%
Inbound Ratio	74.0%	76.1%	(2.0)%		74.0%	76.0%	(2.0)%	

Regional KPI Performance

68 comparable domestic hotels

	Current Month May 2026	Same Month Last Year May 2025	Difference	Growth Rate	Current FY From Apr 2025 To May 2026	Previous FY From Apr 2024 To May 2025	Difference	Growth Rate
Chubu (8 Hotels)								
OCC	87.6%	85.5%	+2.1%		87.5%	85.4%	+2.1%	
ADR (JPY)	10,564	9,772	+792	+8.1%	10,375	10,123	+252	+2.5%
RevPAR (JPY)	9,257	8,354	+903	+10.8%	9,079	8,645	+434	+5.0%
Inbound Ratio	43.1%	47.0%	(3.8)%		43.3%	50.1%	(6.8)%	
Kinki (15 Hotels)								
OCC	88.0%	91.6%	(3.6)%		87.6%	91.9%	(4.3)%	
ADR (JPY)	12,037	14,529	(2,491)	(17.1)%	12,737	15,199	(2,462)	(16.2)%
RevPAR (JPY)	10,595	13,306	(2,711)	(20.4)%	11,156	13,966	(2,810)	(20.1)%
Inbound Ratio	56.0%	61.7%	(5.7)%		58.5%	64.6%	(6.2)%	
Chugoku / Shikoku / Kyushu (14 Hotels)								
OCC	85.3%	87.5%	(2.2)%		85.1%	86.7%	(1.7)%	
ADR (JPY)	12,886	11,623	+1,264	+10.9%	12,631	11,368	+1,263	+11.1%
RevPAR (JPY)	10,992	10,173	+820	+8.1%	10,744	9,860	+884	+9.0%
Inbound Ratio	42.2%	44.1%	(1.9)%		44.0%	45.0%	(1.0)%	

Overview of Domestic Hotel Operations

According to data released by the Japan National Tourism Organization (JNTO), the number of international visitors to Japan in May 2026 declined 3.6% year on year to 3.559 million. While the total number of visitors fell below previous year's numbers, this was primarily due to a significant, 60.4% decline in arrivals from China. Many other markets, including South Korea, Taiwan, the United States, Germany, and Malaysia, recorded their highest-ever May visitor numbers.

Against this macro backdrop, Polaris Group's KPIs for 68 comparable domestic hotels in May 2026 remained solid, with occupancy stable compared with the previous year at 89.9%, while both ADR and RevPAR exceeded the levels recorded in the previous year.

RevPAR increased year on year in many regions including Tohoku / Hokuriku / Shinetsu, Kanto, Chubu, and Chugoku / Shikoku / Kyushu. In contrast, RevPAR in the Kinki region declined year on year, reflecting both the decline in demand following Expo 2025 Osaka, Kansai, Japan and the continued decline in demand from China.

While trends in visitor arrivals from China continue to warrant close monitoring, demand from countries and regions outside China has remained strong, and visitor demand has become increasingly diversified. In addition, the Polaris Group's hotel portfolio is geographically diversified, and the Group believes that the stability of its revenue base has been maintained.

Notes

- 1 The aggregation includes hotels that were already in operation at the beginning of the previous financial year and continued to operate as of the end of the reported month. Hotels under the “Value The Hotel” brand, established to support community recovery efforts following the Great East Japan Earthquake, are excluded from the scope of this aggregation.
- 2 OCC (Occupancy Rate): The ratio of total rooms sold to total available rooms during the relevant period.
- 3 ADR (Average Daily Rate): Calculated by dividing total lodging division revenue (including service charges) by total rooms sold during the relevant period.
- 4 RevPAR (Revenue Per Available Room): Calculated by dividing total lodging division revenue by total available rooms during the relevant period.
- 5 Inbound Ratio: The ratio of total foreign guests to total guests during the relevant period.
- 6 OCC, ADR, RevPAR and Inbound Ratio are weighted averages of the aggregated hotels.
- 7 OCC and Inbound Ratio are rounded to two decimal places, ADR and RevPAR to one decimal place.
- 8 The number of aggregated hotels included in each area is indicated in parentheses next to the area name.
- 9 Please note that the figures and information have not been subject to auditing procedures, and therefore we do not guarantee the accuracy or completeness of individual figures or information. These figures may be subject to revision in the future.